

Intellectual Property Litigation

Downey Brand has one of the strongest Intellectual Property Litigation and Technology practices in the region. We represent a variety of clients (ranging from small businesses to multi-billion dollar publicly traded companies) in securing, protecting, and using Intellectual Property, and with handling complex issues involving technology, the Internet, and software.

Intellectual Property

Our Intellectual Property Litigation practice group routinely represents clients in handling complex IP disputes, including prosecuting and defending claims involving patents, trademarks, copyrights, trade secrets, and unfair competition. We also have one of the region's strongest trademark and copyright practices—in which we register, manage, and protect domestic and international trademarks and copyrights on a daily basis. In addition, we routinely counsel clients on strategies aimed at protecting and policing IP and limiting liability risk related to its use. We also provide Intellectual Property rights counseling in corporate mergers and acquisitions as well as counseling to entrepreneurs and emerging companies on the contribution, protection, and commercialization of IP.

Technology

Our Technology group regularly represents clients in analyzing, negotiating, and crafting agreements involving IP, the Internet, software, and other technologies—including licensing and distribution agreements, acquisition and assignment agreements, strategic alliances and joint ventures, outsourcing and manufacturing agreements, service agreements, and development and support agreements. In addition, we have extensive experience counseling clients in specialized issues involving technology, software, the Internet and privacy, such as Domain name acquisition and enforcement, DMCA, HIPAA, and other emerging technology issues.

Selected Experience

- We regularly represent clients who are leaders from a broad array of industries in California (including technology consulting, software development, food and agriculture, grocery chains, private universities, health care, banking, and gaming,) in complex technology and intellectual property transactions.
- Represented AtPac, Inc., a leading supplier of database software used by Clerk-Recorder offices throughout California, in a bet-the-company suit against its direct competitor for copyright infringement and trade secret misappropriation concerning AtPac's proprietary source code. When AtPac filed suit against its much larger competitor and a governmental entity, Defendants hired intellectual property specialists from Los Angeles to handle the defense opposite our team. Through tenacious discovery efforts, Downey Brand uncovered key evidence of defendants' malfeasance, and demonstrated that defendants had failed to comply with their discovery obligations and had destroyed evidence of their wrongdoing. Through strategic advocacy, obtained substantial monetary sanctions against the defendants and their counsel, and a critical order requiring that the jury would be instructed on the adverse inference arising from Defendants'

destruction of evidence. With the benefit of these hard fought rulings, secured a \$1.9 million settlement for AtPac, Inc. before trial.

- Successfully represented the seventh largest credit union in the United States in a patent infringement dispute concerning client's patented apparatus and method for automatic credit evaluation and loan processing used in connection with car dealer transactions. By forcefully pursuing our client's patent rights, we obtained a successful resolution, in the form of a multimillion dollar sale of the patent to one of its licensees.
- Currently represent this same financial institution in the periodic inflow of patent infringement claims by "non-practicing entities" purporting to have patents on various transactional processes allegedly used by our client.
- Representing a leading developer and vendor of metadata cleaning software in a patent suit brought by a direct competitor, which is alleged to be infringing our client's method and apparatus patent claims pertaining to the software. The action is still pending, and thus far, we have successfully emerged from the claim construction proceedings (which involved extensive briefing and oral argument) wherein ten out of ten of our proffered claim constructions were adopted by the Court, and none of the competing claim constructions proffered by our opponent (which is represented by a large international law firm) were adopted by the Court.
- Represented the owner and licensor of a patented method and apparatus (and associated trade secrets and know-how) used in California's tomato processing industry for the past ten years. One case involved the prosecution of contested claims of patent infringement. Through our strategic efforts, we have successfully secured millions of dollars in royalties over the past decade. We also helped steer our client through a challenge to its patent via a reexamination process initiated by a licensee, and emerged with a patent stronger than it had been.
- Represented therapeutic seat manufacturer Eagle Advanced System Engineering, in a patent infringement action filed in federal court in Sacramento by competitor SenTech Medical Systems. Won case by demonstrating non-infringement and obtaining complete dismissal of all claims following briefing on claim construction. Obtained covenant from SenTech never to sue client over products in dispute and reimbursement of a portion of client's legal fees and costs.
- Defended leading toner cartridge wholesaler Printer Essentials.com, Inc. and others against claims of patent infringement by Lexmark. In two separate jurisdictions, Lexmark subpoenaed our clients in an effort to develop evidence of patent infringement to support its efforts to join our clients to an action already pending in federal court against other suppliers. We successfully moved to quash both subpoenas as overbroad and seeking irrelevant information. After winning in both jurisdictions, Lexmark then dropped its efforts, and has made no further claims of infringement.
- Represented auto dealership purchaser in prosecuting an action for fraud and breach of contract against the seller of the dealership. Through our dogged efforts and deposition techniques, we were able develop evidence showing that defendant/seller had failed to disclose material restrictions on the use of the property, and obtained an \$3 million recovery/settlement for our clients, which accounted for the difference in value of the property in view of the use restrictions plus the bulk of the attorney fees and costs in prosecuting the action.
- Represented a joint author of a copyrighted series of training videos used by a major university for various special education teaching certifications offered to teachers throughout the state of California. Our client came to us for help when she received a demand from the heirs of her co-author for a share of her

licensing profits. We successfully defended that claim, allowing our client to retain all proceeds. We then analyzed the arrangement with the university, and determined that our client was, in fact, entitled a much larger share of the university's profits under U.S. copyright law. As a result, we obtained an approximately \$800,000 cash payment for our client, an unexpected life changing amount for a special needs school teacher.

- Downey Brand maintains an active domestic and international trademark practice – appearing regularly before the United States Patent and Trademark Office registering, managing and protecting many hundreds of trademarks for a variety of clients from multi-billion-dollar corporations to closely-held family businesses. We help protect our clients' interests in a broad range of industries including advertising, agriculture, food producers, wineries, grocers, gaming, software and trade organizations.
- Successfully brought a multi-million dollar trade secret claim on behalf of a national privately-owned company resulting in an injunction requiring the return of hundreds of thousands of misappropriated electronic documents.
- Litigated trade secret and breach of contract action on behalf of an internet wine merchant against two former employees, resulting in a successful settlement.
- Successfully brought a trade secrets claim on behalf of a dentist against his independent contractor who misappropriated his customer list, obtaining a preliminary injunction prohibiting further use of the list and requiring that the list be returned.

Trade Groups

- American Society of Mechanical Engineers (ASME)
- International Association of Gaming Advisors (IAGA)
- Sacramento County Bar Association Intellectual Property Law Section