

WHO PROTECTS INNOVATION IN AMERICA 2007

Which law firms prosecute U.S. patents for Korea's LG Electronics? Who handles IP litigation here for Google? Our list of lawyers for the world's most inventive companies tells all.

Introduction by John Bringardner

Research by Jesse Rothman, Alena Powell and John Bringardner

Despite the current intense legislative debate about patent reform, most business people and IP lawyers can agree that the American intellectual property system is one of the most robust in the world. Its legal protections create a fertile environment for innovation and new business growth—and litigation. But it isn't just for Americans.

That's why this year we've departed from our traditional survey of "Who Protects IP America" to show which U.S. law firms are prosecuting patents and pursuing IP litigation in the United States for the most innovative companies in the world. In years past, we have surveyed the *Fortune* 250 list of domestic companies, asking in-house counsel to name their top IP firms. This year we are using a list of "The World's 50 Most Innovative Companies" compiled by *BusinessWeek* and the Boston Consulting Group, and using public data to identify the law firms.

We see at least two benefits in the switch. First, by looking at companies ranked by innovation rather than size, we can expect that the law firms on our

new list are doing creative and interesting work, like copyright litigation for Google Inc.'s YouTube or patenting an acoustic wave toothbrush for Royal Philips Electronics N.V. Second, by looking at clients beyond U.S. borders, we can now account for some of the top U.S. patent holders. Of the top 25 U.S. patent holders in 2006, according to the Patent and Trademark Office, only eight were American companies. The largest foreign holder of U.S. patents is Samsung Electronics which came in seventeenth on the *BusinessWeek* list. Including foreign companies also bolsters the rankings in our law firm lists [see page 40] of firms like Oblon, Spivak, McClelland, Maier & Neustadt. Oblon, Spivak does significant work for domestic clients, but it also does a lot of filing work for foreign clients like Toyota and Sony, which is less time-intensive than prosecuting a domestic case from scratch.

To find out which firms are getting the most work from these top innovators, we listed companies in order of their *BusinessWeek* ranking. We then looked at their IP litigation and patent prosecution activity from the beginning of 2007 through the end

of September. The data comes from Thomson West's Litigation Monitor and IP Monitor, tools that compile information about law firms and representation from Westlaw documents and PTO data.

For litigation, we looked for firms that filed a new case for a client on our list, or had one decided. We chose the five firms with the most litigation events for each of the 50 companies, listing more firms in the case of a tie.

For patent prosecution, we combed through patent data using IP Monitor and found the top five firms whose names appear most often on patents granted to each company in the same time frame. This method does not reveal the most active patent filing practices for 2007 because pendency at the PTO can range anywhere from six months to six years. Rather, like a telescope used to study stars millions of light years away, our look at newly granted patents provides a historical view of which firms successfully applied for patents at different times over the past decade.

There are limitations to the prosecution data, due to the way patent applicants fill out their paperwork. Procter & Gamble, number six on *BusinessWeek's* list, has been granted more than 300 patents so far this year. But only two prosecution firms get the credit: Fitzpatrick, Cella, Harper & Scinto and Womble Carlyle Sandridge & Rice. In-house attorneys filed the majority of the consumer products giant's patent applications. But prosecutors note that clients sometimes prefer to put their own names on the applications they file, even when the drafting was done externally.

All caveats aside, some patterns do emerge from the data. No surprise that Fish & Richardson, Howrey, Quinn Emanuel, and Kirkland & Ellis are the most active IP litigators. But Tyler, Texas-based Potter Minton shows up at the top of the list too. The Eastern District of Texas continues to be a hot spot for patent plaintiffs, so visiting firms used Potter to represent clients such as Costco and Nintendo this year, even though it doesn't have any dedicated IP attorneys of its own.

Utility patents are only one ingredient in *BusinessWeek's* measure of the most innovative companies; in the consumer market, creative design and product delivery are just as important. "Design is the one product differentiator left," says Perry Saidman of Saidman DesignLaw Group. Accordingly, design patents make up a loud minority in our list. In 2007 Banner & Witcoff earned them on Nokia phones, Microsoft graphical user interfaces, and Nike shoes, in addition to utility patents for AT&T and Amgen. Carmakers are also big users of design patents, using them to protect everything from bumper design to windshield wipers. Congress has left design patents out of the greater patent reform debate, though two recent court decisions could greatly diminish their value. But that's for the litigators on our list to figure out. ■

LAW FIRMS ON THE CUTTING EDGE

Our tally shows who does the most U.S. IP work for the world's most inventive companies.

PATENT PROSECUTION

5 mentions

Banner & Witcoff

3

Baker Botts
Blakely Sokoloff
Cantor Colburn
Harness, Dickey
Jones Day
Kenyon & Kenyon
Merchant & Gould
Nixon & Vanderhye
Oblon, Spivak
Park, Vaughan

2

Alston & Bird
Beyer Weaver
Birch, Stewart
Brinks Hofer
Fenwick & West
Finnegan, Henderson
Fish & Richardson
Fitzpatrick, Cella
Foley & Lardner
Knobbe, Martens
McDonnell Boehnen
Morrison & Foerster
Schwegman, Lundberg
Scully, Scott
Woodcock Washburn

FIRMS WITH THE MOST MENTIONS

9 mentions

Fish & Richardson

7

Baker Botts
Howrey
Potter Minton

6

Banner & Witcoff

Finnegan, Henderson
Foley & Lardner
Quinn Emanuel

5

Jones Day
Kirkland & Ellis
McDermott Will
Sidley Austin

4

Alston & Bird
Faegre & Benson
Fenwick & West
Fitzpatrick, Cella
Gibson, Dunn
Gillam & Smith
Haynes and Boone
Kenyon & Kenyon
Morgan, Lewis
Nixon & Vanderhye
Oblon, Spivak
Perkins Coie
Weil, Gotshal

3

Akerman Senterfitt
Beck, Redden
Blakely Sokoloff
Cantor Colburn
DLA Piper
Fulbright & Jaworski
Gardere
Harness, Dickey
Holme Roberts
Howard, Phillips
J. Andrew Coombs
Kilpatrick Stockton
K&L Gates
Knobbe, Martens
Loeb & Loeb
McKool Smith
Merchant & Gould
Morris, Nichols
Morrison & Foerster
Park, Vaughan
Ramey & Flock
The Roth Firm
Townsend and Townsend
Winston & Strawn
Woodcock Washburn

WHO PROTECTS INNOVATION IN AMERICA 2007

COMPANY	PATENT PROSECUTION	IP LITIGATION	COMPANY	PATENT PROSECUTION	IP LITIGATION
5 Microsoft	Banner & Witcoff Lee & Haynes Merchant & Gould Woodcock Washburn Workman Nydegger	Fish & Richardson Holland & Knight K&L Gates Perkins Coie Weil, Gotshal Yarmuth Wilsdon	35 AT&T	Banner & Witcoff Brinks Hofer Cantor Colburn Merchant & Gould Withers & Keys	Adams & Boswell Baker Botts Finnegan, Henderson Fulbright & Jaworski Germer Gertz Heartfield & McGinnis Hunton & Williams Ireland, Carroll Potter Minton The Roth Firm Sidley Austin
13 Nokia	Alston & Bird Banner & Witcoff Harrington Smith Squire, Sanders Ware, Fressola	Alston & Bird Foley & Lardner Gibson, Dunn Gillam & Smith King & Spalding Morris, Nichols Neil, Dymott Potter Minton Quinn Emanuel The Roth Firm	45 Amgen	Banner & Witcoff Davis Wright Jones Day McDonnell Boehnen Marshall, Gerstein	Day Casebeer Duane Morris Finnegan, Henderson McDermott Will Marshall, Gerstein Wilson Sonsini Young Conaway
32 Nike	Banner & Witcoff Harness, Dickey Shook, Hardy TraskBritt Wolf, Greenfield	Banner & Witcoff Cotton Schmidt DLA Piper J. Andrew Coombs McDermott Will			

Methodology

The *IP Law & Business* list of Who Protects Innovation in America 2007 is based on companies ranked in the *BusinessWeek*-Boston Consulting Group 2007 list of the World's Most Innovative Companies. That roster comes from a senior management survey about innovation sent to the 1,500 largest global corporations, determined by market capitalization. The survey was also sent to members of the *BusinessWeek* Market Advisory Board, an online panel consisting of *BusinessWeek* readers, and via the Knowledge@Wharton e-mail newsletter.

Looking at the time period January through September 2007, we used Thomson West's Litigation Monitor to find which law firms made new intellectual property case filings, or were issued judicial decisions, for each company on the *BusinessWeek* list. Litigation Monitor compiles information about lawyers, law firms, roles, representation and parties from Westlaw documents as originally sourced from federal and state dockets and decided case opinions. We listed the five firms with the most litigation activity—cases filed or decisions rendered—in copyright, patent, trademark, and “intellectual property:generally” categories; where there is a tie in the top five, we listed all the firms.

Patent prosecution data came from Thomson West's IP Monitor, which compiles patent application data through Westlaw from the USPTO and Derwent. We looked at the top 10 firms with the most patent activity for each company over the past decade and list the five responsible for the most patents granted from January to September 2007, again including more in the case of ties. We then counted up the mentions to compile our list of Law Firms on the Cutting Edge.—J.B.

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BANNER & WITCOFF, LTD.
INTELLECTUAL PROPERTY LAW

CHICAGO
10 SOUTH WACKER DRIVE
30TH FLOOR
CHICAGO, IL 60606
312.463.5000
312.463.5001 (FAX)

WASHINGTON
1100 13TH STREET, NW
SUITE 1200
WASHINGTON, DC 20005
202.824.3000
202.824.3001 (FAX)

BOSTON
28 STATE STREET
28TH FLOOR
BOSTON, MA 02109
617.720.9600
617.720.9601 (FAX)

PORTLAND
601 SW SECOND AVENUE
SUITE 1900
PORTLAND, OR 97204
503.425.6800
503.425.6801 (FAX)

WWW.BANNERWITCOFF.COM