

## MARCH BUSINESS MEETING 2010

### Inside this issue:

- **Message from the Chairman**  
Page 2
- **Law Firm News & Successes**  
Page 5
- **Spotlight: Member Firm**  
Page 9
- **Verdicts**  
Page 12

### Articles:

- **Employment Law Alert**  
Page 4
- **Proposed Patent Reform Legislation Announced**  
Page 11

**N**AMWOLF member firms, corporate partners, sponsors and members of the Inclusion Initiative gathered in Washington, D.C. March 4-5, 2010 for the annual business meeting. Participants, including NAMWOLF's founders and its newest members and corporate partners, sponsors and members of the Inclusion Initiative enjoyed two days of valuable planning, communication, and networking sessions.

The opening session featured a presentation by Stephen Hanas of the FDIC entitled "FDIC: Insights into Successful Inclusion Practices." The lunch panel discussion featured In-House Members of the Inclusion Initiative, and covered topics such as NAMWOLF's Inclusion Initiative. The afternoon session provided In-House and Law Firm Members with the opportunity to work together to address common issues that are faced when hiring minority and women-owned firms.



The Annual Meeting Planning Session took place on Friday, March 5th. Co-Chairs, Rick Richardson of GlaxoSmithKline and Robin Wofford of Wilson Turner & Kosmo, led the session and discussed the planning and brainstorming for this year's Annual Meeting to be held in Washington, D.C., October 4-6 at the Gaylord National. The luncheon panel discussion, "Preferred Vendor Lists: Doom or Gloom for NAMWOLF Law Firms

or Opportunities to Increase Business", was presented by Joel Stern of Accenture, Gilda Spencer of Nationwide Mutual Insurance Company, John Opperman of TD Bank and was moderated by Gary Lafayette of Lafayette & Kumagai and Janice Brown of Brown Law Group. Their presentation included tips on preferred vendor lists for NAMWOLF firms.

NAMWOLF would like to thank all of this year's attendees and sponsors for a successful business meeting. We look forward to seeing everyone October 4-6 at the Gaylord National for the Annual Meeting & Expo.



## Message from the Chairman



Emery K. Harlan  
Chairman

**N**AMWOLF has entered 2010 with an exciting start to the year. We had our most successful and best attended March Business Meeting that coincided with the launch of the Inclusion Initiative. I would like to commend the hard work of many people that made this Initiative happen specifically, Tom Sager, Rick Meade, Richard Amador and Karen Giffen. Your efforts have been tremendous.

The NAMWOLF Annual Meeting will take place October 4 – 6, 2010, at the Gaylord National, in Washington DC. The Annual Meeting will feature a Gala Awards Dinner, the Law Firm Expo, an in-house counsel session, nine CLE tracks, a vendor expo, and many networking opportunities.

I would like to encourage all of our Law Firm Members to bring a client with them to the Annual Meeting. This is an excellent opportunity to cross market each other as well as to introduce new corporations to NAMWOLF.



The National Association of Minority and Women Owned Law Firms' (NAMWOLF) 2010 Annual Meeting will take place **October 4 - 6, 2010**, at the Gaylord National Resort and Convention Center, in Washington, DC. The 2010 Annual Meeting will feature:

- Gala Awards Dinner
- NAMWOLF Law Firm Expo
- Nine CLE Tracks
- Luncheon Panel Discussion
- Vendor Expo
- Many Networking Opportunities

There is a group rate for the NAMWOLF Annual Meeting of \$199/night at the Gaylord National. The group rate will be offered September 30 - October 9, 2010. More details will follow!

Sponsorship opportunities are still available. Please contact Yolanda Coly for more information at 414.277.1139 or [ycoly@namwolf.org](mailto:ycoly@namwolf.org).

We look forward to seeing you in October!

**SAVE THE DATE!**  
**NAMWOLF ANNUAL MEETING & LAW FIRM EXPO**

**OCTOBER 4 - 6, 2010**

 **WASHINGTON, DC** 

## FDIC Presents at NAMWOLF Business Meeting

### Stephen Hanas of the FDIC Presents at NAMWOLF Business Meeting About FDIC Commitment to Excellence and Diversity

At the March Business Meeting, Stephen Hanas, Senior Counsel, Legal Division Corporate Operations of the Federal Deposit Insurance Corporation ("FDIC") presented FDIC: Insights Into Successful Inclusion Practices to NAMWOLF firms. Mr. Hanas' comments were inspiring as he talked about the FDIC's demonstrated commitment to utilizing women and/or minority owned firms for the FDIC's legal work. He explained that this commitment comes from the "top down" stemming from Chairman Sheila C. Bair's commitment to diversity within the FDIC and for its vendors. He explained that the FDIC employs 182 women and/or minority owned firms nation-wide and 22% of all FDIC legal matters in 2009 were referred to women and/or minority owned firms.

Mr. Hanas educated us on the various types of legal matters the FDIC needs assistance with including, but not limited to: corporate and complex litigation, appellate work, professional liability cases, real estate transactions, complex bankruptcy matters, bank holding litigation, receivership advisement, structured transactions such as mergers and acquisitions, class actions, and pensions and profit sharing plans advisement.

He explained that the FDIC's 2010 goals include enhancing outreach to women and/or minority-owned firms and increasing publicity for FDIC opportunities. One of the ways the FDIC reaches out to law firms is through its outreach seminars. He announced several upcoming outreach seminars throughout the United States.

Mr. Hanas invited NAMWOLF members to contact him about providing legal services and working for the FDIC. He asked all NAMWOLF members to provide him with written materials that targets what NAMWOLF firms can do for the FDIC. He said to include in our materials here is what the FDIC does and here is what we can do for the FDIC.

NAMWOLF is lucky to have the FDIC's support and looks forward to our continued relationship.

## WELCOME NEW NAMWOLF MEMBERS



**Yolanda Coly**  
Managing Director

### New Law Firm Members:

Sanchez-Medina, Gonzalez, Quesada & Lage LLP  
Coral Gables, Florida

### New Corporate Partner:

Metra

### Sponsors:

Thank you to Dupont and Harley-Davidson for their renewed bronze sponsorships!



**NAMWOLF Headquarters**  
207 East Michigan Street | Suite 510  
Milwaukee, Wisconsin 53202  
Tel: 414.277.1139 | Fax: 414.831.2285  
info@namwolf.org

**Yolanda Coly**  
Managing Director  
ycoly@namwolf.org  
414.277.1139 ext. 1158

**Jane Kalata**  
Operations and Events Manager  
jane\_kalata@namwolf.org  
414.277.1139 ext. 1181

## Employment Law Alert

*By: Miller Law Group*

### **Supreme Court Adopts “Nerve Center” Test for Corporate Citizenship, Helping to Clarify When Multi-State Companies May Remove Lawsuits to Federal Court**

In a brand new decision, the United States Supreme Court has clarified when corporations may remove lawsuits from state to federal court based on “diversity jurisdiction.” In order to establish diversity jurisdiction, parties to a lawsuit must be “citizens” of different states, and a corporation is considered a citizen of (1) its state of incorporation, and (2) the state where it has its “principal place of business.” By defining the term “principal place of business,” the Court in *Hertz Corp. v. Friend*, 2010 U.S. LEXIS 1897, has now provided companies doing business in more than one state the ability to better predict if lawsuits brought against them can be removed to federal courts.

The case involved a wage and hour class action originally filed in California state court by current and former Hertz employees who were California citizens. Hertz is incorporated in Delaware, with corporate headquarters in New Jersey. Hertz attempted to remove the lawsuit from Alameda County Superior Court to the United States District Court for the Northern District of California, claiming that it and the employees were citizens of different states and thus met the federal court requirements for diversity-of-citizenship jurisdiction.

The District Court disagreed, finding that Hertz was a California citizen (in addition to Delaware where it is incorporated) because, among other things, Hertz’s business activity in California was “significantly larger” or “substantially predominated” over its business activity in all other states. Thus, the District Court found that Hertz’s “principal place of business” was California and sent the case back to the state court on the basis that there existed no “diversity-of-citizenship.” The Ninth Circuit Court of Appeals affirmed.

Hertz appealed to the U.S. Supreme Court, which found in Hertz’s favor. The Court noted that Hertz operated facilities in 44 states and that Hertz’s leadership and core executive and administrative functions are primarily carried out in New Jersey, not California. The Court clarified that the phrase “principal place of business” refers to “the place where a corporation’s high level officers direct, control and coordinate the corporation’s activities, i.e., its ‘nerve center,’ which will typically be found at its corporate headquarters.” As a result, the Court focused the analysis on where companies run their business rather than on where companies do business.

The Supreme Court also noted that companies could not manipulate the “nerve center” test by simply having “a mail drop box, a bare office with a computer, or the location of an annual executive retreat” as its so-called principal place of business. Courts should focus on where the actual direction, control and coordination of the business occurs –typically the corporate headquarters.

By clarifying the definition of “principal place of business” for diversity jurisdiction purposes, the Supreme Court resolved a long-standing conflict between jurisdictions about what constitutes a company’s “principal place of business.” As a result, companies now have more certainty regarding when removal based on diversity jurisdiction is appropriate and will be upheld.



## Law Firm News—Successes and Awards



### Miller Law Group Is Expanding

Miller Law Group, an employment law firm in San Francisco, is pleased to announce that we have added a new shareholder and six new attorneys, and that we have expanded our practice to include an appellate group.

Our newest shareholder, Kerry McInerney Freeman, represents management in wide-ranging employment litigation matters in state and federal court, including claims of wrongful termination, harassment, discrimination, and retaliation, and advises clients regarding a variety of workplace issues. Kerry, a 1996 graduate of Boalt Hall School of Law at the University of California, Berkeley, joined Miller Law Group in 2001, after practicing with Crosby Heafey Roach & May (now Reed Smith). Please join us in congratulating Kerry.

Our new appellate group will be headed by Joseph P. Mascovich, who has specialized in appellate practice for more than 20 years, handling hundreds of appeals and writs in all districts of the California Court of Appeal, the California Supreme Court, and the Ninth Circuit. Joe, a certified specialist in appellate law, has been named a Super Lawyer in the field of appellate practice by Super Lawyers - Northern California magazine. Previously, Joe practiced at Reed Smith, and was General Appellate Counsel and Senior Appellate Counsel with Union Pacific Railroad Company's Law Department.

Our firm has also welcomed five new associates. Bethany A. Vasquez, a 2000 Harvard Law graduate who previously practiced with Littler Mendelson, specializes in all aspects of employment litigation. Timothy T. Travelstead, a 2001 Georgetown University Law Center graduate, comes to Miller Law Group from Jackson Lewis. Tim's practice focuses on wage and hour class actions, discrimination and harassment claims, and appellate matters. Jennifer R. Cotner joins

Miller Law Group from Drinker Biddle & Reath and is a 2002 Duke Law School graduate. Lindsay E. Goines, a 2005 University of Southern California graduate, previously practiced with Hunton & Williams and Akin Gump, and Noah A. Levin, also previously with Drinker Biddle & Reath, is a 2006 graduate of the University of Virginia School of Law.



Miami law firm Concepción, Sexton & Martinez has been recognized by the Miami Chamber of Commerce as one of the top 100 Florida Minority Businesses. Each year the Miami Chamber of Commerce honors 100 companies that have led the region with community involvement, outstanding company leadership and rich diversity. Companies were celebrated at the Top 100 Minority Business Awards luncheon on March 12, 2010 at Jungle Island attraction in Miami Beach, Florida.

Founding partner, Carlos F. Concepción, was nominated for "Outstanding CEO of the Year" due to his vision and leadership of the firm. He is committed to the development and mentoring of our culturally diverse workforce who, he believes, are the bedrock of Concepcion, Sexton & Martinez. Mr. Concepcion's insight in the financial services sector has led the firm to a new level of growth by the formation of Concepcion Consulting Group, LLP, a professional financial forensics and business valuation firm dedicated to delivering value to small and middle market clients in a variety of industries and stages of organizational development. Concepcion Consulting draws upon members who are both JD's and CPA's. Its Managing Member is a Certified Public Accountant, Accredited in Business Valuation, Certified in Financial Forensics and a Certified Internal Auditor.

## Law Firm News—Successes and Awards



Closer collaboration.  
Deeper understanding.



Jim Bleeke

Jim Bleeke of SweetinBleeke Attorneys in Indianapolis, Indiana has been named by *Indiana Super Lawyers®* magazine as one of the top attorneys in Indiana for 2010. Only five percent of the lawyers in the state are selected by *Super Lawyers*.



Carol Dillon

Also from SweetinBleeke Attorneys, Carol Dillon and Jeb Crandall have been selected for inclusion on this year's *Rising Stars* list published in *Indiana Super Lawyers* magazine. *Rising Stars* names outstanding young lawyers in the state who are 40 years old or younger, or those who have been in practice for 10 years or less. No more than 2.5 percent of the eligible lawyers in the state achieve this honor each year. Jeb was selected for inclusion on this list in 2009 as well.



Jeb Crandall



Bryce Besser

LAW GROUP  
**brown**



Tara Jacobson

NAMWOLF Member Firm, Brown Law Group, is pleased to announce that Bryce Besser and Tara Jacobson have joined the firm as associates. Mr. Besser's legal background includes work in general civil litigation in both state and federal court. Ms. Jacobson's practice focuses on labor and employment law with special emphasis on defending employers against claims brought against them for wrongful discharge, discrimination, sexual harassment, retaliation and wage and hour disputes.



**ROJAS LAW FIRM, LLP**  
attorneys at law



Teresa J. Urda

Rojas Law Firm LLP is pleased to announce that Teresa J. Urda joined the firm as Senior Counsel. Teresa focuses her practice on business and commercial litigation. She has represented large and mid-sized businesses at every level of litigation and has substantial in-the-trenches experience trying cases in State and Federal Court, as well as before Arbitration Panels. Teresa also has a broad range of experience in other areas, including breach of fiduciary duty and business torts, commercial real estate litigation, construction litigation, lender liability, bankruptcy and adversary proceedings, professional liability, probate and estate litigation, condominium litigation and appellate law. Teresa graduated from the University of California at Los Angeles School of Law in 1994, and has been a member of the Florida Bar since 1995. She has a strong commitment to community services and volunteers with Lawyers for Children.

9130 S. Dadeland Boulevard, Suite 1209  
Miami, Florida 33156  
(305) 446-4000  
[www.rojaslawfirm.com](http://www.rojaslawfirm.com)



Interested in submitting an article for future editions of the NAMWOLF newsletter?

Contact:  
Stacy Fode, Editor  
[fode@brownlawgroup.com](mailto:fode@brownlawgroup.com)

LAW GROUP  
**brown**

## Law Firm News—Successes and Awards



Cheryl A. Bush

### **Cheryl A. Bush Elected to International Society of Barristers**

In Michigan, only 15 lawyers hold membership in the International Society of Barristers, and Bush is the second woman to be elected into the Society in the state of Michigan. Created in 1965, the Society brings together a limited membership of lawyers who are considered outstanding in the field of advocacy.



Kelly McCarthy

Sideman & Bancroft LLP, a woman-owned law firm in San Francisco, is proud that the International Trademark Association (INTA) has honored partner Kelly McCarthy with its 2009 Volunteer Service Award for the Advancement of the Association for her six years of dedicated service as chair of INTA's Student Membership Project Team and on INTA's Membership Service Committee's Academics Subcommittee. McCarthy's practice focuses on brand protection issues and trademark and copyright portfolio management for domestic and international companies, including product and corporate name selection, worldwide branding strategies, and prosecution of U.S. trademark applications.

Gilda Turitz, the firm's Litigation Practice Group Leader who also serves as an arbitrator and mediator for commercial litigation cases, is an Honorary Host for the American Bar Association Dispute Resolution Section's 12<sup>th</sup> Annual Spring Conference in San Francisco from April 7-10, 2010. Turitz also has been appointed the Membership Subcommittee Chair of the ABA Litigation Section's Woman Advocate Committee.



Gilda Turitz



### **Kelly L. Gawne, J.D., joins Lebow, Malecki & Tasch LLC of Chicago**



Kelly L. Gawne

Lebow, Malecki & Tasch LLC of Chicago is pleased to announce that Kelly L. Gawne has joined the firm as an associate. She will continue her focus on corporate transactions and healthcare law. Ms. Gawne brings to the position previous experience assisting public and private companies with commercial transactions, entity formation and governance matters, compliance with federal and state law, and negotiation and drafting of vendor, supply and consulting agreements. Her healthcare experience includes counseling clients on medical staff issues, Medicare and Medicaid reimbursement, fraud and abuse, Stark law and regulatory compliance.

Previously Ms. Gawne was an associate with the Chicago office of Drinker Biddle & Reath LLP. In this position, she served clients in mergers and acquisitions, commercial contracts, information technology, privacy laws and regulatory compliance.

Ms. Gawne graduated with high honors from the Chicago-Kent College of Law in 2007, where she also served as Managing Editor of the Chicago-Kent Law Review. During law school, Ms. Gawne was an extern for The Honorable Richard D. Cudahy of the United States Court of Appeals for the Seventh Circuit Court and for The Honorable Mark Filip of the United States District Court for the Northern District of Illinois. Ms. Gawne received a Bachelor of Arts Degree in English Literature from Loyola University in Chicago in 2000. Ms. Gawne is a member of the American Bar Association, the American Health Lawyers Association and the Illinois Association for Healthcare Attorneys, where she served on the Bylaws & Governance Committee.

## Law Firm News



### **NAMWOLF Member Grace Moran Presents at the Committee on Attorney Professionalism's Annual Meeting**



**Grace Moran**

Grace Moran, a partner at Moran & Karamouzis LLP, a NAMWOLF member firm, spoke recently on the topic of "Media and the Legal Profession" at the Committee on Attorney Professionalism's Annual Meeting. Grace emphasized in her discussion that lawyers need to explain to their clients any and all risks associated with speaking to the media about a case. "There are always risks of going public," she said. "It is extremely important that when you are going to go public, anything you can think of, any risk you can even imagine, put it down, explain it to the client, and have them sign it."

The event was formatted based on a fictitious malpractice case and moderated by Douglas G. O'Brien. Other panelists included the Honorable Theodore Jones, New York State Court of Appeals; Arthur Aidala of the Law Offices of Aidala & Bertuna; Pery D. Krinsky, Law Offices of Michael S. Ross; and Lynn Oberlander of the New Yorker publication.

A contrarian view point was offered by Steven Alschuler of Linden Alschuler & Kaplan, who encourage attorneys to stay engaged with the media, even if the goal is to avoid coverage, to help media fether out the details and "get it right." He noted that the approach "doesn't always work, but you can improve your odds a lot by just being engaged and helpful."

## NAMWOLF Announcements

### **NAMWOLF Website Redesign**

We are pleased to announce the newly redesigned NAMWOLF website! Miller Law Group has worked in connection with NAMWOLF on the design and implementation of the new site, to provide a more organized, user-friendly experience. The site features a more robust law firm search feature, information on current NAMWOLF initiatives, and a member section which allows law firm members to log in and update their profiles on a regular basis. We invite you to visit the new site, to be launched soon, and would welcome your feedback! <http://www.namwolf.org>.

### **2010 Annual Meeting Vendors**

The opportunity for vendors to book their tables at NAMWOLF's 2010 Annual Meeting is here! The cost for this year is only \$3675.00. This includes: your company vendor table, Monday and Tuesday October 4 and 5, 2010, 2 registrations (Each additional attendee will be \$300.00), lunch and cocktail receptions.

Interested in reserving your table?

Know someone who is interested?

Contact Martha Cannon at [martha\\_cannon@namwolf.org](mailto:martha_cannon@namwolf.org) or call (414)-277-1139, to ensure that your spot is saved.

### **2011-2012 NAMWOLF Newsletter Editor**

The Executive Committee is accepting applications for the 2011-2012 NAMWOLF Newsletter Editor.

All interested firms need to submit a report to the Executive Committee with the following:

- Explain why your firm is interested in being the Editor of the Newsletter.
- Explain how your firm will serve as editor.
- List any ideas they would like to implement with the newsletter.

For additional information  
or to submit reports, contact Jane Kalata  
at [jane\\_kalata@namwolf.org](mailto:jane_kalata@namwolf.org)



## Spotlight—Member Firm :

**N**emeth Burwell, P.C. is a preeminent labor and employment law firm that works exclusively with employers to prevent, resolve, and litigate employment disputes. Founded in 1992, the Firm is the largest woman-owned law firm in Michigan.

### **Why is diversity important to Nemeth Burwell, P.C.?**

Nemeth Burwell, P.C. believes in hiring the best people to do the best job possible. The Firm demonstrates its commitment to diversity by treating everyone with dignity and respect. All of our employees contribute to the Firm's success and contribute to a culture of inclusion. We recognize that as each employee enters our workforce, he or she brings a unique perspective and experience that better enables us to anticipate and meet the needs of our diverse clientele. By treating all people with dignity and respect, we not only create a supportive environment in which all employees may realize their maximum potential, we allow ourselves to learn through our differences how to provide the highest quality service and counsel to our clients. Diversity makes Nemeth Burwell, P.C. more creative, flexible, productive, and beneficial to our clients.

### **What are Nemeth Burwell, P.C. significant areas of practice?**

Nemeth Burwell, P.C. is dedicated solely to management-side labor and employment law.

### **How did Nemeth Burwell, P.C. come to know NAMWOLF?**

Several years ago, the Firm successfully defended a national contractor that was subject to a City of Detroit-mandated order to hire city residents, women and minorities for local construction projects. During the litigation, Ms. Burwell wondered if companies in other industries were seeking a diverse pool of attorneys for legal representation, similar to the Detroit mandate. Shortly thereafter, while attending a



**NEMETH  
BURWELL** P.C.  
*Attorneys & Counselors*

DRI conference, Ms. Burwell became aware of NAMWOLF. Impressed with NAMWOLF's goals and mission, Ms. Burwell decided to become a member and has been involved in NAMWOLF since its first Annual Meeting. After years of downplaying that Nemeth Burwell, P.C. was a woman-owned firm, the Firm now revels in its distinction from majority law firms.

### **Please name some corporate clients of Nemeth Burwell, P.C.**

Nemeth Burwell, P.C. represents companies and employers of all sizes. Representative clients include: Asplundh, Chubb Group of Companies, Comerica Bank, Compuware, County of Wayne, Fifth Third Bank, Henry Ford Health Systems, Maxitrol Company, MediLodge Group, Motor City Casino, Nationwide Mutual Insurance Company, The Prudential Insurance Co. of America, Rockwell Automation, Travelers, Wayne County Airport Authority, and Wayne State University.

### **What are Nemeth Burwell, P.C.'s thoughts on the annual meeting? What tangible benefits has your firm received from the conference?**

The annual meeting and expo provide an excellent opportunity for law firms and corporate counsel to connect in an effort to realize the mission and goals of NAMWOLF. Specifically, the meetings allow law firms and corporations to establish face-to-face relationships and foster the opportunity for referrals across the country. The commitment that the in-house counsel shows toward engaging diverse legal counsel to address their legal needs is commendable

## Spotlight—Member Firm :

and encouraging.

### Any recent victories, special recognitions, or awards?



Patricia Nemeth



Linda G. Burwell



Monica M. Moore

Monica Moore successfully set aside a case evaluation, a Michigan state court process intended to facilitate settlement. In this rare motion, Ms. Moore argued that the unreasonably high award to the Plaintiff was influenced by opposing counsel's failure to provide defense counsel with Plaintiff's economic expert report that was presented to the case evaluation panel. The judge agreed that opposing counsel abused the case evaluation process and scheduled a new case evaluation.

Kathleen Gatti won summary judgment in federal court in a case involving a former employee who was terminated during a reduction in force due to economic reasons. The employee was selected for permanent layoff following an evaluation procedure wherein

employees who ranked in the bottom third based on their evaluations were let go. The Plaintiff was ranked in the bottom third. The employee claimed his selection for layoff was because of his national origin (Yemeni) and religion (Muslim). The court concluded that the employee's dismissal was non-discriminatory.

The Firm hosted a breakfast with the EEOC for its clients in an effort to share with Michigan employers the latest trends and developments within the commission. The session was valuable to attendees, especially because it offered them a close, personal setting in which they, as business owners and human resource decision makers, could candidly discuss concerns and questions directly with EEOC representatives.

Patricia Nemeth and Linda Burwell were recently presented with the Small Business Achievement Award for "Women and Leadership in the Workplace" by the Michigan Business Professional Association (MBPA).

Linda Burwell was recently honored as one of Michigan's Leaders in the Law.

### What are Nemeth Burwell, P.C.'s long term goals?

The Firm will continue to represent our clients through the litigation process as well as through employment counseling designed to service our clients' needs. As we continue to grow, we will remain focused on providing the training and mentoring to our attorneys, who will pass on their knowledge and professionalism to our clients.

### What has been Nemeth Burwell, P.C.'s involvement with NAMWOLF?

Nemeth Burwell, P.C. has been a member of NAMWOLF since its first Annual Meeting. Ms. Burwell serves on the Annual Meeting and Programs Committees and is actively involved in the Insurance Initiative. Ms. Moore serves on the Annual Meeting and Expo Committee.



## Proposed Patent Reform Legislation Announced

By: John del Rossi, Esq. | Rojas Law Firm LLP

**The latest edition of the proposed patent reform legislation was recently announced by the leaders of the Senate Judiciary Committee.**

The leaders of the Senate Judiciary Committee recently announced the latest edition of the proposed patent reform legislation, dubbed the Patent Reform Act of 2010 ("PRA 2010").

The PRA 2010 attempts to establish a more predictable patent system that can eliminate patents that should not have been issued and to accelerate the processing of patents that should be issued, bringing the U.S. patent laws more in-line with international laws. Will the PRA 2010 become law or meet the same fate as the Patent Reform Acts of 2009, 2008, 2007, 2006, and earlier predecessors? That question is yet to be answered, but following are highlights of the many proposed changes.

### First-Inventor-to-File

A major proposed modification in the PRA 2010 is the transition of U.S. law from a first-to-invent system to a first-inventor-to-file system. Most other jurisdictions are on a first-to-file system; i.e., the first person to file the patent application wins. Under current U.S. law, the patent is awarded to the inventor who shows that he was the first to design the invention and had not "abandoned, suppressed, or concealed" the invention. This is an unpredictable test that especially hurts independent inventors who may not have the necessary funds for litigation. As such, the PRA 2010 will make it easier and less costly for an inventor to protect his or her patent in the United States.

### False Marking

Among the provisions of PRA 2010 is a modification to the false marking statute. Presently, 35 U.S.C. § 292(b) provides that any private citizen can bring a *qui tam* action on the government's behalf against any entity that falsely marks unpatented products. However, the proposed legislation amends § 292(b) to limit the class of claimants to those who have "suffered a competitive injury."

This amendment is a drastic legislative response to the wave of false patent marking lawsuits

that have been filed since the recent landmark holding by the Federal Circuit in *Forest Group, Inc. v. Bon Tool Co.*, 590 F.3d 1295 (C.A. Fed. Cir. 2009). The result was a reversal of years of legal precedent by finding that the false marking statute expressly requires that **each product** falsely marked be subject to a civil penalty. Since the *Bon Tool* opinion, many of these lawsuits have been filed by individuals or entities specifically formed to pursue such false marking lawsuits and presumably have no "competitive injury."

The PRA 2010, if enacted, would have a retroactive effect, even for pending but earlier-filed actions, as it would "apply to all cases, without exception, pending on or after the date of the enactment of this Act." Should this amendment become law, *qui tam* plaintiffs who have already filed or intend to file false marking suits will have to show that they have "suffered a competitive injury." The courts' interpretation of "competitive injury" will decide the ultimate impact of this amendment. For example, can a plaintiff claim that he has suffered a competitive injury because he was deterred from conducting scientific research due to the possibility of infringing on a patent or because he decided to not enter the same market because of possible false marking? On the other hand, the PRA 2010 would eliminate the requirement of sharing 50% of any recovery with the federal government.

### Other PRA 2010 Alterations

The PRA 2010 also modifies the patent laws in the following areas: 1) Best Mode; 2) Inequitable Conduct; 3) Willful Infringement; 4) Damages; and 5) Venue. I will discuss the proposed changes to these significant areas of patent law in next month's newsletter.

### Conclusion

In conclusion, the PRA 2010 would introduce elements to the patent laws that are expected to bring efficiency and certainty in contrast to some of the gray areas that currently permeate these laws. The question now is, will Congress enact this legislation or will it be left to languish?

## Verdicts

### KELLY & BERENS, P.A. ATTORNEYS AT LAW

In November 2009, Barbara Berens and Justi Miller, partners in NAMWOLF member Kelly & Berens, P.A., represented Connecticut-based VantageScore Solutions, L.L.C. in a three-week jury trial in Minneapolis federal district court. Plaintiff Fair Isaac Corporation asserted federal and state law claims against VantageScore, and two other defendants, arising from the alleged infringement of Fair Isaac's trademarks. VantageScore and the other defendants asserted counterclaims alleging Fair Isaac had committed fraud on the U.S. Patent and Trademark Office when obtaining the pertinent trademarks. On November 20, 2009, the twelve-person jury found in VantageScore's favor on all of Plaintiff's claims, and also in favor of VantageScore on its fraud on the PTO counterclaim.

In July of 2009, U.S. District Judge Ann D. Montgomery had granted summary judgment in VantageScore's favor on Fair Isaac's antitrust, false advertising and breach of contract claims. See *Fair Isaac Corp. v. Experian Information Solutions Inc.*, 645 F. Supp. 2d 734 (D. Minn. 2009).



TABER ESTES  
THORNE  
& CARR

On December 4, 2009, a jury in Freestone County, Texas, returned a verdict completely exonerating Taber Estes Thorne & Carr client Luminant Generation on all of the plaintiffs' claims against it relative to a 2001 real estate transaction. The plaintiffs alleged that Luminant Generation had breached a contract and defrauded them of their mineral rights. After a week-long jury trial and only one hour of deliberations, the jury found that Luminant Generation did not breach the contract or commit fraud against the plaintiffs. The jury further found that the plaintiffs' claims were barred by the statutes of limitation. The trial court entered a take-nothing judgment against the plaintiffs, awarding costs to Luminant Generation, and the plaintiffs did not appeal that judgment.

### LIVINGSTON LAW FIRM

A PROFESSIONAL CORPORATION



Renée Welze  
Livingston

NAMWOLF Director Renée Welze Livingston, managing shareholder of Livingston Law Firm in Walnut Creek, California, obtained a defense verdict in a wrongful death case in Stanislaus County Superior Court on behalf of client Pacific Gas and Electric Company following a 10-day jury trial. The plaintiff father alleged motor vehicle negligence against PG&E arising out of a truck/motorcycle accident between a PG&E employee and plaintiff's 42-year old son during an attempted left pass on a two-lane road outside of Modesto. The jury deliberated two hours before returning with a defense verdict for PG&E.

The plaintiff alleged PG&E's driver failed to exercise reasonable care while attempting a left turn across an oncoming lane of travel onto private property during a service call. Among other things, the plaintiff argued the PG&E driver failed to activate his left turn signal or look in his side and rear view mirrors before commencing the turn and therefore failed to see the passing motorcycle. PG&E's driver testified he slowed, braked, activated his turn indicator, and looked in his rear and side view mirrors before commencing the turn but did not see or hear the motorcycle. The motorcycle struck his driver's door just as the truck crossed over the center line.

Plaintiff was precluded in limine from presenting expert opinion testimony from economist Phillip Allman, Ph.D., on improper economic damage theories. Plaintiff's accident reconstruction expert, Robert Lindskog, P.E., was also precluded from testifying concerning a "visibility study" that the court found to be inadmissible and prejudicial, although Lindskog did testify to other opinions concerning his reconstruction of the accident. The defense called Alameda County Sheriff's Department Traffic Sgt. Tom Rodrigues to rebut the reconstruction opinions of Lindskog.