

PATENTESQUE LAW GROUP, LLP

WHAT HAPPENS WHEN YOUR LICENSE AGREEMENT GOES TO LITIGATION? (THE PERILS OF IMPRECISE DRAFTING, AND/OR DRAFTING FOR EXPERTS)

Licensing Executives Society (Silicon Valley Chapter)
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Joseph Yang, Esq.
PatentEsque Law Group, LLP
Menlo Park, California

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RECENT LITIGATION INVOLVING LICENSING AGREEMENTS

- I. **Licensable Subject Matter:** IPR Ownership
- II. **Licensing:** License Grant (Perpetual and/or Irrevocable)
- III. **Licensing:** License Grant (Licensed Field)
- IV. **Licensing:** License Scope (Outsourcing Support)
- V. **Licensing:** Exclusive License
- VI. **Licensing:** Other Grants (Release)
- VII. **Licensing:** Other Terms (Reasonable Efforts)
- VIII. **Licensing:** Royalties / Termination / Assignment
- IX. **Licensing / Litigation:** Licenses as Damages Precedents
- X. **Licensing / Litigation:** Ownership / Standing to Sue
- XI. **Licensing / Litigation:** R&W; Choice of Law
- XII. **Licensing / Litigation:** Venue
- XIII. **Summary**

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I. LICENSABLE SUBJECT MATTER: IPR OWNERSHIP

A. Background:

1. People often mistakenly **focus on owning / controlling technology, not IPR** (legal rights)
 - a. Business / technical people + non-IP (e.g., corporate) attorneys
 - b. Some IP attorneys make this **mistake** (trade secrets & copyrights vs. patents)

B. Facts:

1. SW Development Agreement (developer <--> hiring party)
2. **SW shall be owned automatically by hiring party upon creation**
3. Copyrights in SW shall be assigned from developer to hiring party
4. Hiring party filed a patent based on the SW, but not naming the developer (who was apparently the sole inventor)
5. Developer filed suit to correct inventorship (& thus ownership)

C. Issue: Who owned the patent? Developer or hiring party?

D. Holding: Developer

1. **Assignment of software did not assign associated IPR**
 - a. Supported by separate promise to assign copyrights

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2. "Hired to invent" doctrine also did not support assignment
 - a. Especially where developer was not employee of hiring party**James v. J2** (Fed. Cir. Apr. 2018)

E. Practice Tips:

1. Hiring party should have used an **IP specialist** to negotiate deal
2. **Technology is not IPR**
3. Many problems can result from confusing them

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II. LICENSING: LICENSE GRANT (PERPETUAL AND/OR IRREVOCABLE)

A. Background: Executory contracts

1. Each party has **outstanding obligation** where that, if not performed, would be a material breach excusing performance by the other party
2. In **bankruptcy**, can either be (a) **assumed and/or assigned**, or (b) **rejected**
3. **IP contracts** generally regarded as executory
 - a. Patentee has continuing **obligation not to sue**
 - b. Licensee has continuing **obligations to report, pay**, etc.

B. Facts:

1. Patent licensee went bankrupt
2. The license agreement was “**perpetual**” but **not “irrevocable”**
3. Trustee sold the licensee’s assets via a **general assignment**
 - a. Language: **All executory contracts** are assumed and assigned
 - b. Did **not specifically list the license** – the assignee was unaware of it at the time, and learned about it later

C. Issues:

1. Was the license agreement **executory**?
2. Was the sale **valid**?

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D. Holding:

1. Yes, an **executory** contract
 - a. Perpetual = **not same** as irrevocable
 - b. **Perpetual = not terminable at will**
 - c. Dicta: If **irrevocable**, would not be terminable for any reason (e.g., for breach by the licensee)
 - i. Note: It was argued that **irrevocability** would make licensee **breaches (effectively) immaterial** → **non-executory**
2. However, sale invalid because under Ch. 7 bankruptcy (liquidation), asset **not expressly assumed / rejected** (e.g., general assignment) in 60 days is automatically **rejected**
 - a. Once rejected, no longer part of the bankrupt estate (and cannot be sold)

In re Provider Meds (5th Cir. Oct. 2018)

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III. LICENSING: LICENSE GRANT (LICENSED FIELD)

A. Background:

1. Most license grants have a **specified field of use**
2. Most U.S. states have an **implied covenant of good faith and fair dealing**

B. Facts:

1. Macon sold patents to Infineon
2. Infineon gave Macon a **grantback license** to practice only in a **specified field**
3. Macon allegedly **practiced outside** the specified field
4. Infineon **terminated for breach** of covenant good faith & fair dealing

C. Issue & Holding: Was use outside the field of use a **breach**? **No** *Macom v. Infineon* (Fed. Cir. Jan. 2018)

D. Practice Tips:

1. Patentee should **expressly prohibit use outside specified field**, instead of relying on implied argument (which failed)
2. Why does it matter, if patentee can sue for patent infringement? **Breach of contract is easier / cheaper** to litigate than infringement.

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IV. LICENSING: LICENSE GRANT (OUTSOURCING SUPPORT)

A. Facts:

1. **Competition**: Oracle competitor **Rimini** provides enterprise **SW support & maintenance** for **customers using Oracle SW** integrated into customer environments
2. **Activity**: Rimini **downloaded** & used Oracle SW to **create** updates & **“development environments”** (aka sandboxes) for testing, performed the testing, and provided the updates to Rimini customers
3. **Cross-Use?**: Rimini argued that **licenses** held by **individual Oracle licensees** allowed Rimini to **create/reuse development environments** in support of **other existing (& future) Rimini customers**, who have their own (or would get their own) licenses
4. **Oracle Licenses** (vary slightly by Oracle sub - JDE, Siebel, PeopleSoft):
 - a. **Least restrictive**: Licensee **can't** (or allow anyone to) **copy except** for **archival** purposes or **supporting** Licensee's **users**
 - b. **More restrictive**: Licensee can't copy except for **archival**, emergency **backup**, or disaster **recovery**, plus related **testing**
 - c. **Most restrictive**: Similar to Siebel, except license limited to use for **“internal data processing at customer facilities”**

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- B. Issue: What could Rimini do under customers' licenses?
- C. Holding (best guess – opinion is poorly organized/written):
 1. Outsourcing: Customers can **engage 3Ps** (such as Rimini) to perform support & maintenance **for that customer** (i.e., least restrictive version)
 2. Timing & Direct v. Cross Use: Rimini can develop testing environments **for a customer under** that same **customer's license**
 - a. Only **after** that customer has a license. **Not before.**
 - b. Only for that customer, **not others**
 3. Facilities Limitation: If present, **excludes 3P facilities** (e.g., remote servers or Rimini)

Oracle v. Rimini (9th Cir. Jan. 8, 2018)

- D. Comment:
 1. Judge **rewrote contracts** that were arguably unambiguous
 2. Imposed **least restrictive outcome** over more / most restrictive versions
 3. Allowed **not just copying** but also **modifying**
 - a. But these are **separate & distinct rights** under **copyright law!**
 4. **Per-customer development** is totally **impractical**
 5. Likely nobody was fully satisfied with the outcome

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V. **LICENSING: LICENSE GRANT (EXCLUSIVE LICENSE)**

- A. Background:
 1. Patents can be licensed **nonexclusively** (NEL) or **exclusively** (EL)
 2. Courts look to **substance of transaction, not just labels**
 3. True EL requires that licensee be the only one who can practice
 - a. Meaning the **EL must have the right to sue** in the exclusive field
 - b. Right can be primary or secondary (e.g., if the licensor fails to sue)

- B. Facts:
 1. **Patentee** (corporate IP holding company, FGTL) granted **purported EL** giving **licensee** (LKQ) **rights to sell**.
 2. Licensee effectively had **no right to enforce**
 - a. **Licensee** could **refer infringements** to **patentee**, who **had sole right to determine action** to take, but could not unreasonably refuse
 - b. Licensee had to **join suit by patentee (not vice versa)**
 3. Court (including Fed. Cir.) kept (**wrongly**) calling the license “**exclusive**”

New World v. Ford (Fed. Cir. Jun. 8, 2017)

- C. Comment: **Sloppy** terminology. Called EL, despite many Fed. Cir. cases to the contrary. **Muddies the water.**

- D. Practice Tip: Remember that EL = renting the right to wield the sword.

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VI. LICENSING: OTHER GRANTS (RELEASE)

A. Background:

1. Many license/settlement agreements have a **release of past claims**
 - a. Often using “boilerplate” or “form” language
2. Most U.S. states have a **parol evidence rule limiting extrinsic evidence**

B. Facts:

1. **Former employees** of Engineered Abrasives (“**OldCo**”) left to form **competing company**, American Machine (“**NewCo**”)
2. OldCo sued NewCo for IP violations (trade secret & trademark)
3. OldCo won \$700K **judgment that NewCo never paid**
4. OldCo later **sued** NewCo on **different claim**
5. **Settlement agreement**
 - a. \$75K payment and injunction
 - b. Boilerplate **general release of all claims / liabilities** before agreement date
6. Original \$700K judgment was not discussed in negotiating the settlement agreement

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C. Issue: Was the **original judgment released**?

D. Holding: Yes

1. Language of release covered all prior claims
2. Illinois’ parol evidence rule prohibits extrinsic evidence if contract is unambiguous (as here)

Engineered Abrasives v. American Machine (7th Cir. Feb. 2018)

E. Practice Tips:

1. **Sloppy** lawyering by the plaintiff
2. Used overbroad boilerplate / form language
3. Use language carefully – every word matters

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VII. LICENSING: OTHER TERMS (REASONABLE EFFORTS)

- A. Background:
1. Agreement obligations often specify a required **level of effort**
 2. Transactional attorneys believe there is a **hierarchy**:
commercially reasonable << **best**
- B. Facts:
1. M&A deal under Delaware law
 2. Use "**commercially reasonable efforts**" to obtain a legal opinion
 3. Use "**reasonable best efforts**" to consummate the merger
- C. Issues:
1. Was there a **difference** between the 2 standards?
 2. What **level** of efforts were required?
- D. Holdings:
1. **No difference**
 2. Both require using **all reasonable efforts**
- Williams v. Energy Transfer* (Del. Mar. 2017)
- E. Practice Tips:
1. Common beliefs among **deal lawyers** may **differ** from the **courts**
 2. Be **careful** when **changing** from one **governing law** to another
 3. If important enough, consider defining the specified level of effort?

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VIII. LICENSING: ROYALTIES / TERMINATION / ASSIGNMENT

- A. Facts:
1. License Agmt: **Nestor licensed SW** to ACI. **ACI pays royalties**. ACI could **modify + sublicense**. Nestor owned **new SW**. **No amendment** without mutual consent. **Either party could terminate** but **royalty oblig. survives** for sublicenses granted pre-termination
 2. Assignment of Royalty: **Nestor assigned royalties** to **Churchill** (investors in Nestor). Nestor agreed not to modify or terminate without Churchill's consent. **3-way amendment** (Nestor, Churchill, ACI) to license agmt specifying forex rates, confidentiality, and copies to Churchill of sublicenses giving rise to royalties.
 3. Assignment of Remaining Rights: **Nestor went insolvent**. Receiver **assigned** Nestor's **remaining** License Agreement **rights** (including ownership of the **new SW**) to **ATS** (the new licensor). **ATS then sold** those rights to **ACI** (i.e., **ACI became licensor** as well as licensee).
 4. Self-Dealing: ACI did **agreement with itself** (as licensor and licensee) amending the license agmt to **delete** the **post-termination royalty** payments, and **terminating** the license agmt. Stopped paying royalties to Churchill.

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5. Churchill Sued: Sought DJ it was **party to contract**, or 3PB, and that **amendment & termination** were **void** w/o its consent.
6. Dist. Ct.: Churchill was a party “in some capacity” (based on 3-way amdt) but not a “full party” (so consent not required)

B. Issue: Was **Churchill's consent** required?

C. Holdings:

1. Churchill could either be considered assignee of royalty, or 3PB.
2. Either way, once ACI had notice of Churchill's rights, Nestor (gone) and ACI (remaining) could **not prejudice Churchill's right to royalties** without consent.

ACI v. Churchill (8th Cir. Jan. 27, 2017)

D. Practice Tips:

1. Allowing (even seemingly innocuous) **partial assignments** can create **major complexities/problems**
2. Assignment = rights; Delegations = obligations; Transfer = agmt.
 - a. I prefer to allow only transfers, and only in limited situations

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IX. LICENSING / LITIGATION: LICENSES AS DAMAGES PRECEDENTS

A. Facts:

1. Prism sued AT&T & Sprint for patent infringement (same ct.; diff. cases)
2. AT&T & Prism → settlement agreement
3. Prism wanted to admit AT&T license for reasonable royalties re: Sprint

B. Issue: When can a **litigation settlement** be admitted as **evidence of reasonable royalties**?

C. Holding: Totality & balancing test (per S/Ct)

1. Exclude if **probative value** is substantially outweighed by a danger of unfair **prejudice**, confusing the issues, misleading the jury, undue delay, wasting time, or needlessly presenting cumulative evidence
2. District court has “broad discretion” ... no *per se* rules.
3. Cost Issue: Defendant won't settle unless predicted (& probability-weighted) judgment \$ + future litigation \$, exceeds settlement \$.
 - a. Ex: **Less** admissible if patentee **lowers \$** due to **probability of losing** on **validity** or **infringement**. (The hypothetical negotiation assumes that the asserted patents are valid and infringed)
 - b. Ex: **Less** admissible if patentee driven by **litigation cost avoidance**
 - c. Ex: **More** admissible if prior settlement **after liability determination**

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- d. Ex: **More** admissible if prior settlement **after discovery & long trial**, since record fully developed/tested & litigation costs sunk
 - 4. Comparability Issue: Similarity of issues in the prior and current suits
 - a. Ex: Prior settlement \$ too high if covers **more technology / patents**
 - i. But OK if apportionable
 - b. Ex: Prior settlement \$ too high if reflects **risk of enhanced damages**
- Prism v. Sprint* (Fed. Cir. Mar. 6, 2017)
- D. Practice Tips (for licensors seeking admissibility of “high cost” settlements)
 1. **Structure & draft** the “good” license to **support** future **admissibility**
 2. **Avoid** references to **litigation cost-avoidance** (on either side)
 3. Getting licensee’s **acknowledgement** of **validity** and **enforceability** may have **adverse consequences**
 4. Try to emphasize **fundamental** nature of **licensed technology/patents** (e.g., standard means everyone has to implement)
 - a. If mixed, separate out the core, and assign relatively high value to it
 5. Don’t seek enhanced damages without having really have a strong case
 - a. If so, assign value separately in settlement
 6. **Similar issues** apply for creating **RAND & MFN** licensing precedents!

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X. LICENSING / LITIGATION: OWNERSHIP / STANDING TO SUE

A. Background:

1. “**Exclusive rights**” in **copyright**: reproduce, create derivative work, distribute, publicly display, publicly perform. 17 USC 106
2. Copyright **ownership** can be in **whole** or in **part**. 17 USC 201(d)(1)
3. “Any of the **exclusive rights** ... including any subdivision of ... section 106, may be **transferred** ... and **owned separately**. 17 USC 201(d)(2)
4. **Contrast patent** ownership: all or nothing

B. Facts:

1. Representation Agreements (2002-2009): Photographers gave **agency nonexclusive right** to sell & license photos.
2. Assignment Agreements (2008):
 - a. Purportedly gave agency **right to enforce (including assignment)**
 - b. **Reversion** to photographer after resolution of infringement
 - i. Effectively, an IPR rental agreement
3. Infringement: **Agency sued** infringer (licensee who exceeded scope)
4. Alleged Defense: Infringer argued agency had **no ownership** (or **exclusive license**) and thus **no standing** to sue

C. Issue: Did **agency** have **ownership**, and thus the **right to sue** infringer?

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D. Holding: No

1. Court looked at substance of transaction, not labels
2. Assignment agmt transferred **bare right to sue, not ownership**
3. Supported by **course of conduct** (of agency + photographers), which remained **unchanged** even **after Assignment Agreements: photographers still used photos** any way they wanted & retained **exclusive rights**. Agency still only had **nonexclusive** rights

DRK Photo v. McGraw-Hill (9th Cir. Sep. 12, 2017)

E. Practice Tips:

1. Courts look at **substance** of transaction, **not labels**
 - a. If **patent**: Would be **similar**
2. **Can't transfer naked right to sue**. Need **transfer of ownership**, either in **whole** ("all rights") or in **part** ("exclusive right")
 - a. If **patent**: Somewhat similar yet different
 - i. Similar: Owner or "exclusive licensee" can sue
 - ii. Different: Exclusive license is not owner. Joinder required.
3. **Risky to assume** each area of IP law is the same
4. **Unclear** whether **rental agreement would be effective** even w/o conduct

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XI. **LICENSING / LITIGATION: R&W; CHOICE OF LAW**

A. Facts:

1. Zassi sold technology and **patent applications** to Hollister (2006)
2. R&W: Patents are **not** subject to **any encumbrances**
3. But in fact, Zassi had **previously licensed** Hollister's competitor, **ConvaTec** (2005)
4. After **patents issued** (2010), **Hollister sued ConvaTec and Bard**
5. **Bard settled** with Hollister – license agreement (\$)
5. ConvaTec cited **license** from Zassi as **defense** to infringement
6. Hollister sued Zassi for **breach of R&W, fraud**, etc.
7. Hollister sought **damages** from Zassi, for **lost ConvaTec opportunity**
 - a. Based on post-fraud / post-patent-issuance events
 - i. **Hypothetical negotiation** with **ConvaTec**
 - ii. By **scaling up** the **Bard license fee** to ConvaTec's scale
 - b. Based on Zassi's prior license grant to ConvaTec
8. Dist. Ct. held post-patent-issuance was proper date for damages calculation

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9. But awarded **\$0 damages**, because Hollister **could not explain**:
 - a. How Hollister-Bard license \$ was **calculated**
 - b. What **fraction** of Zassi-ConvaTec \$ was for the **accused product**

C. Issues:

1. Under Florida law, what **date** is used for **calculating damages** for fraud?
2. Was the **\$0 damages award** **erroneous**?

D. Holdings:

1. Damages for fraud should be calculated as of the **date the fraud occurred** (i.e., the 2006 sale agreement from Zassi to Hollister)
2. **Post-patent issuance damages** would be **too high** because, when the sale agreement was signed, the patents had not yet issued
3. The **\$0 damages award** was also **erroneous** – a court may not award no damages unless the evidence only supports a \$0 award

Hollister v. Zassi (11th Cir. Oct. 2018)

E. Comments:

1. (Default) damages are a matter of (default) **state / federal law**
2. Merely having causes of action may not be sufficient to compensate

F. Practice Tip: Consider **contractually specifying the remedy / liability** as well

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XII. LICENSING / LITIGATION: VENUE (1ST CASE)

A. Facts:

1. SW provider and recipient entered into Eval NDA and EULA
2. Both specified **venue** for **disputes “arising out of or related to” agmt.**
3. Later, recipient brought out competing product.
4. SW provider sued for **patent infringement** in contractual venue.

B. Issue: Did contractual **venue clause** apply to patent infringement suit?

C. Holding: No. **Patent infringement** was **not** reasonably **foreseeable**.

D. Practice Tips:

1. Draft so **recipient** acknowledges it not authorized to use provider's tech/IP in any recipient products
2. Draft so disputes include any unauthorized activity under the contract

Nexlearn v. Allen (Fed. Cir. 2017)

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XII. LICENSING / LITIGATION: VENUE (2ND CASE)

A. Background:

1. Many contracts contain a **specified venue** for dispute resolution
2. U.S. Supreme Court has held that “**no challenge**” clauses (against validity) are **unenforceable**

B. Facts:

1. Patent license agreement contained “**no challenge**” clause
2. Provision that **courts in California** adjudicate disputes over **subject matter** of agreement
3. Parties had dispute regarding performance under license agreement
4. Licensee filed **petitions (IPR)** to **challenge validity** in USPTO/PTAB
5. Licensor sought **injunction** against PTAB filings

C. Issues:

1. Were **patent challenges** required to be adjudicated in **California courts**?
2. Was **injunction** proper?

D. Holdings:

1. Yes, **patent challenge is part of agreement**, so must be adjudicated in **California (not PTAB)**

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2. Yes, **injunction** is proper

Dodocase v. MerchSource (N.D. Cal. Mar. 2018) [Note: Credit to Russell Levine, LES Annual Meeting 2018, for identifying this case]

E. Comments:

1. Drafter probably wasn't IP (or patent) attorney and didn't understand risk of losing PTAB as venue
2. Judge apparently (and litigants) did not understand that “no challenge” clauses are unenforceable

F. Practice Tips:

1. IP transactions require **special expertise** (commercial + IP)
2. Draft for the **non-experts** (prevent misunderstanding)
3. **Leave nothing to chance**

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XII. LICENSING / LITIGATION: VENUE (3RD CASE)

A. Facts:

1. Tela (patentee) **trying to license** patents to Intel (target)
2. Communications **stalled** for 1 year
3. Parties entered **NDA for discussions**
 - a. Then patentee **disclosed** relevant **patents**
 - b. **D.Del.** for all disputes **arising from or related to agmt**
4. Target sought **DJ** (noninfringement, invalidity, unenforceability) in **N.D.Cal.**
5. Patentee tried to **move DJ to D.Del.**

B. Issue: Should DJ be **transferred** to D.Del. venue?

C. Holding: **No**

1. **“Related to”** is **broader** than **“arising from”**
2. Even so, assertion **activities before effective date = not related to agreement**
 - a. Because **NDA is prospective**
 - b. Especially in light of 1-year **break in communications**

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- c. Current DJ and prior assertion / licensing offers were not part of a “single course of dealing” (!)

Intel v. Tela (N.D. Cal. Sep. 2018) [Note: Credit to Russell Levine, LES Annual Meeting 2018, for identifying this case]

E. Comments:

1. **Judge didn't understand** patent assertion / licensing dynamics
2. Patentee's lawyer didn't explain adequately during litigation

F. Practice Tips:

1. [For patentee:] Draft preamble: “... this **agreement relates to the ongoing patent discussions between the parties since 20XX ...**”
2. IP transactions require **special expertise** (commercial + IP)
3. Draft for the **non-experts** (prevent misunderstanding)
4. **Leave nothing to chance**

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XII. LICENSING / LITIGATION: VENUE (4TH CASE)

A. Facts:

1. **Quanta** (Taiwanese ODM) had **contract** to make & sell phones to **JCI** (Japanese mobile operator)
2. All disputes “arising out of or in connection with the contract to be resolved in **California courts**”
3. **All activity** (e.g., negotiation, operations, manufacturing, corporate offices) in **Asia**
4. Dispute over quality of phones
5. Quanta filed **breach of contract** case in **California**

B. Issue: Should California courts hear the case?

C. Holding: No

1. Only connection to California is the venue clause
2. “California has **no public interest** in **burdening its courts** with an action **lacking** any identifiable **connection** to the state.”
3. Result might be different if (a) California has meaningful public interest in keeping the case, (b) there is no alternative forum, or (c) the action is barred by statute of limitations elsewhere

Quanta v. Japan Communications (Cal.App.2d Mar. 2018)

D. Practice Tip: Make sure the specified forum has some (reasonable) connection to the contract

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XIII. SUMMARY

A. Developments Favorable to IP Owners/Licensors

1. Assigning technology does not assign IPR (*James*)
2. Bankruptcy: Irrevocable license may be non-executory (if no other licensor obligations) (*Provider Meds*)
3. Bankruptcy: Assuming patent license requires specific (not just general) listing (*Provider Meds*)
4. Outsourcers can’t cross-use rights from customer-licenses (*Oracle*)
5. Exclusive patent license required right to enforce (*New World*)

B. Neutral Developments

1. “Reasonable” and “reasonable best” efforts = “all reasonable efforts” in Delaware (*Williams*)
2. Messy partial assignments (*ACI*)
3. Settlement admissibility as reasonable royalty evidence (*Prism*)
4. Courts look at substance of grant not labels (*DRK*)
5. Contract damages calculations are matter of state law (*Hollister*)
6. Patent infr. not reasonably foreseeable after license breach (*Nexlearn*)
7. Pre-agreement activities not “related to” the agreement (*Intel*)
8. Contract-specified venue (court) can refuse if lacking nexus (*Quanta*)

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C. Developments Unfavorable to IP Owners/Licensors

1. “Perpetual” license not terminable at will (*Provider Meds*)
2. “Irrevocable” license not terminable at all (even if breach) (*Provider Meds*)
3. Licensee’s use outside licensed field is not a breach of contract (*Macom*)
4. Careless use of a general release is risky (*Engineered Abrasives*)
2. Messy assignment right (*ACI*)
5. Contract damages for fraudulent patent sale may be lowered based on lack of patent issuance (*Hollister*)
6. Negotiated contract terms meant IPR must be heard in district court (*Dodocase*)

D. Final Thoughts

1. IP Transactions: Require special expertise (commercial + IP)
2. High Level: Think through all the issues
3. Low Level: Be detail-oriented
4. Generalist / corporate / non-IP attorneys / judges: Prone to misunderstandings / mistakes
5. When Drafting: Apply expertise ... explain to the non-expert

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SPEAKER BIOGRAPHY -- JOSEPH YANG

Joe Yang is a partner at *PatentEsque Law Group, LLP*, and a Lecturer at *Stanford Law School*. He is also an expert witness for high stakes IP & licensing disputes. Previously, he was VP & General Counsel of *Cryptography Research, Inc.*, whose licensees make 10+ billion devices/year under the company’s patent and technology licenses. Joe specializes in patent deals (e.g., licensing, monetization and standard bodies), tech transactions (e.g., licensing, JVs, IoT, big data & SaaS) and IP strategy. He has led hundreds of deals worth billions of dollars in (and across) the computer, electronics, semiconductor, consumer, entertainment, energy & health fields. He has been an arbitrator, overseen patent litigation & developed corporate patent portfolios.

Joe is profiled in Marquis’ *Who’s Who in American Law* & *Who’s Who in America*; and in Intellectual Asset Management’s guides to the *World’s Leading IP Strategists*, *World’s Leading Patent Professionals* & *World’s Leading Patent & Technology Licensing Lawyers*. IAM named Joe as 1 of only 10 “highly recommended” IP transactional attorneys in California -- the only one from a boutique (non-AmLaw 100) law firm: “*Joseph Yang is a major-league deal maker and licensing authority*” ... “*a transactional mastermind*” ... “*a formidable negotiator*.” “*He ... is a creative problem solver who can clearly articulate legal risks and provide effective advice to guide business decision making.*”

Joe co-chairs the nationwide “Advanced Licensing,” “Advanced Patent Licensing” & “Understanding the IP License” courses -- attended by thousands of lawyers annually -- at the *Practising Law Institute*. He has written for journals & books, and been cited by courts & treatises. Joe teaches “*Patent & Technology Licensing*” at *Stanford Law School* & has taught “*Patent Law & Policy*” at *U.C. Berkeley School of Law*.

Previously, Joe co-founded & later led the IP Strategy & Transactions practice of *Skadden, Arps* (Palo Alto), the world’s then-largest law firm. Originally, Joe was a research engineer in aerospace & energy. Joe has a J.D. from Stanford and a Ph.D. (engineering) from the *California Institute of Technology*, where he has served on the boards of the Caltech Alumni Association, and the Caltech Associates.

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