

Business Is Booming at the ITC

With investigations up by 25 percent last year, specialists are in high demand.

—By Eriq Gardner

The popularity of the International Trade Commission in Washington, D.C. as a forum for patent disputes continues to surge. In 2007 there were 40 “337 claims”—named for the section of the federal statute that authorized them—representing a 25 percent rise from 2006. It’s not hard to figure out why the forum has become so successful over the past several years. “The remedy it offers is unparalleled,” says Ruffin Cordell, a principal at Fish & Richardson, about an ITC exclusionary order that bars imported products that infringe U.S. patents from entering the country. “When someone wins an ITC case, the market responds, the customers are all watching. A victory has enormous repercussions.”

Fish & Richardson, representing clients in 13 investigations filed in 2007, including Microsoft Corporation and 3M Company, edged out international trade boutique Adduci Mastriani & Schaumberg (with 12) as the firm with the most ITC business in 2007. Cordell attributes the firm’s success to its nearly perfect track record. Cordell himself has handled 31 cases at the ITC in the last ten years; of those, eight cases went to trial, and he won all of the six that didn’t settle. What’s more, the firm’s practice was bolstered in September 2006 by the arrival of Jeffrey Whieldon, who formerly served as a supervisory attorney in the Office of Unfair Import Investigations for the ITC for nearly 20 years. At Fish, Whieldon has already been involved in more than a dozen investigations for clients.

Fish is also benefiting from its prescience in assiduously courting Asian clients over the years. These days foreign companies aren’t shy about bringing their own claims to the ITC; for instance, Fish was hired to represent Korea’s Samsung in its claims against Japan’s Renesas Technology Corp. And in their more traditional role of respondents, foreign companies are less likely to simply accept a default judgment at the ITC—and thus more likely to hire a law firm. Last year, Fish’s respondents included Korea-based Hynix Semiconductor Inc. and Taiwan-based ASUSTeK Computer, Inc.

With many law firms now tuned in to the action at the ITC, an ITC claim against a foreign company often spurs immediate action in Washington, D.C., as competing lawyers send letters and faxes to the foreign company, notifying them of the claim

WHICH LAW FIRMS WERE ACTIVE AT THE ITC IN 2007?	
Firm	2007 Investigations: Counsel for Complainants+Respondents = Total
FISH & RICHARDSON	5 + 8 = 13
ADDUCI	5 + 7 = 12
MILLER & CHEVALIER	8 + 3 = 11
FINNEGAN HENDERSON	5 + 1 = 6
MORRISON & FOERSTER	2 + 4 = 6
ALSTON & BIRD	2 + 3 = 5
DLA PIPER	3 + 2 = 5
HELLER EHRMAN	1 + 4 = 5
KIRKLAND & ELLIS	1 + 4 = 5
MCDERMOTT WILL & EMERY	2 + 3 = 5
AKIN GUMP	0 + 4 = 4
ARENT FOX	4 + 0 = 4
FOLEY & LARDNER	1 + 3 = 4
ORRICK	1 + 3 = 4
SIDLEY AUSTIN	0 + 4 = 4
WILMER	1 + 3 = 4

and offering their services. Often, the foreign company goes to its local IP counsel, which then engages a Western firm to not only respond to the claim, but, frequently these days, to file an ITC counterclaim.

A handful of firms, including Fish; Adduci Mastriani; Miller & Chevalier; and Finnegan Henderson Farabow Garrett & Dunner, have appeared on our list of top ITC firms since *IP Law & Business* began ranking firms on the basis of 2004 investigations. But there is a lot of jockeying going on below the very top ranks. DLA Piper has appeared on the list twice since it absorbed San Diego-based Gray Cary Ware & Freidenrich in 2005. Half the firms listed last year didn’t make it this year, including Howrey and Bingham McCutchen, while this year’s list has a clutch of new names, including Morrison & Foerster and Alston & Bird. Mofa ITC veteran Brian Busey has recently hired several former clerks at

the Federal Circuit to work as associates in Washington, D.C. to help with the firm's new case load; MoFo was hired for six cases filed in 2007 after not gaining any new ITC work in the previous two years. Though the firm would like to hire more lateral partners with strong ITC experience, it's hard to do, says MoFo IP practice head Harold McElhinny: "The market parallels that for experienced patent trial lawyers—there is great demand, so many people are marketing themselves as ITC specialists. But the very experienced ones rarely move."

Barbara Murphy, a partner at Miller & Chevalier who specializes in 337 claims at the ITC, says that more companies are heading to big law firms for representation. "Both complainants and respondents are trying to put together more comprehensive litigation teams," says Murphy,

whose firm handled 11 investigations last year. "And [those teams] are costing more than they used to." So ITC litigation (as opposed to a federal district court action) may not present the cost savings to clients that it once did. Murphy also points out that one result of the forum's burgeoning popularity has been an "overall slowdown." The typical 337 claim takes less than 18 months to resolve, still an enormous time advantage over trying to get an injunction in district court, but cases that once took less than a year can now take months longer. The ITC has been looking for over a year to add a fifth judge to its circuit to handle the heavy workload.

Practitioners worry that the ITC could become a victim of its own success. But for now, says Busey of Mofo, "this is still, relatively speaking, a rocket docket." ■

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Past ITC Survey Rankings

ITC SURVEY 2005

Frequent ITC Filers: Most Mentioned Firms

Complainants' Counsel	Mentions	Firms on Both Sides	Mentions
Fish & Richardson	6	Fish & Richardson	7
Finnegan, Henderson	4	Finnegan, Henderson	6
Gray Cary*	3	Gray Cary*	5
Miller & Chevalier	3	Miller & Chevalier	5
Adduci, Mastriani	2	Adduci, Mastriani	3
Dewey Ballantine	2	Dewey Ballantine	3
Fish & Neave*	2	Steptoe & Johnson	3
McDermott Will	2	Venable	3
Steptoe & Johnson	2	Wilson Sonsini	3
Venable	2	Weil, Gotshal	2
Wilson Sonsini	2		

*In January, Fish & Neave was acquired by Ropes & Gray, and Gray Cary merged with DLA Piper Rudnick.

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ITC SURVEY 2003

TOP FIRMS 2002

Firm	Patent Cases
Fish & Richardson	4
Adduci, Mastriani & Schaumberg	4
Howrey Simon	3
Miller & Chevalier	3
Townsend and Townsend	2

TOP FIRMS 2000-2002

Adduci, Mastriani & Schaumberg	18
Miller & Chevalier	17
Fish & Richardson	14
Howrey Simon	11
Finnegan, Henderson	9
McDermott, Will	8
Townsend and Townsend	7
Foley & Lardner	4
Morgan, Lewis	4
Morrison & Foerster	4
Pillsbury Winthrop	4

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