

Navigating The Murky Waters of IP Settlements: Bringing Your Case to Dock



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**The Honorable James M.
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Hallmarks of IP Cases

- Involve critical assets
- Considerable impact on future business
- Emotionally charged

Barriers to IP Settlements

- Involve critical assets
- Considerable impact on future business
- Emotionally charged

Identifying Business Objectives

- Finality?
- Predictability (“No Surprises”)?
- “Freedom to Operate”?

Fairness?

“My father said: You must never try to make all the money that’s in a deal. Let the other fellow make some money too, because if you have a reputation for always making all the money, you won’t have many deals”

J. Paul Getty

Effective Use of ADR

- Timing?
- Form?
- Who to Use?
 - Background?
 - Style?

Licensing

- Identifying the IP
 - Related pending applications/continuations? included?
 - Product/Mark enhancements, redesigns, or modifications?
- Clarifying the Scope
 - Territory well defined?
 - Extend to parents, subsidiaries, affiliates?
 - Assignable and/or transferable? What's the effect of a transition in ownership?

The Trademark Tightrope

- Desire for finality and predictability vs. Aversion to restrictions in ever evolving marketplace
 - *The Beatles v. Apple Inc.*
- Identifying the Goods and Services Covered
- Clarifying Use & Variations Allowed
- “Notice and Cure” and “Good Faith” Provisions

The Patent “Design Around”

- Better to ask permission than forgiveness?
- Avoiding the perception the other party is “dictating” your product design.

Audit “Time Bomb”

- When and how often such audits are allowed?
- Who conducts the audit?
- Who covers the cost?
- What level of information will the licensee be required to disclose?
- Protection of confidential information
- What if the audit reveals inaccuracies?

“Best Efforts” Clauses and Minimum Requirements

- Objective minimal targets?
- Minimum annual license fee?
- License termination?

Confidentiality and Publicity Issues

- Strict Confidentiality Agreement?
- Limited Confidentiality Agreement?
- Mutual Press Release?
- Acceptable Agreed Upon Statements?

Non Practicing Entities (“NPEs”)

Patent Reexamination

Resolving Post Settlement Disputes

- Arbitration Provision?
- Notice and Cure?
- Attorneys Fees?
- Liquidated Damages?
- Jurisdiction Provision?



Questions?



Thank You!