

Turning Your Legal Department Into A Profit Center

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Agenda

- Class Actions and Opt-out Litigation
- Challenges to Competitor False Advertising
- Knowing and Monetizing Your IP



The Basics

- [illegible]

Building Your Program

Class Action Settlement Claims

- Claims v. Opting Out
- Portfolio of Opportunities
 - Comprehensive reach
 - Numerous industries, not always obvious
- Solving Data Challenges
- Maximizing Outcomes
 - Jurisdictional and threshold issues
 - Application of class action rules and regulations



Partnering with Business

- Overcoming Objections and Incentivizing Participation
- Controlling Expectations
- Nurturing Internal “Recovery Champions”
- Allocating Recoveries



Eliminating Disruption

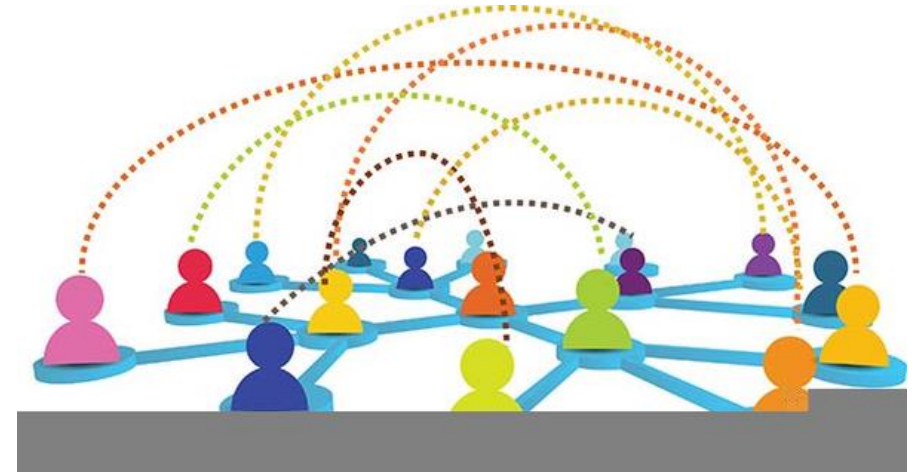
Making the Most of Limited Resources

- Resources: How to Plan, What is Really Needed
- Solving Data Challenges
- Considering a “***Default to Yes***” Approach



Systematic Approach

- Comprehensive approach is important
 - Systematic review builds muscle memory
 - Small recoveries will add up over time



- Track recoveries obtained and establish reasonable goals based on historical experience as program grows

Take Aways

- Systematize your Program
 - Comprehensive approach
 - Partner with business and leverage relationships
 - Establish a Culture of Recovery
 - Track Opportunities, Goals and Outcomes
 - Broad Reach into New Areas
- Can Grow Results



Seek



Capture



Act upon

Challenges to Competitor False Advertising



Brand Equity = Significant Asset

- Companies invest millions in creating a brand identity with which consumers connect
- The resulting goodwill is an asset worth protecting



Competitor False Advertising

Options to address false or misleading claims by competitors:

- Informal resolution
- National Advertising Division challenge
- Lanham Act False advertising litigation
- Encourage federal and state regulators to investigate and/or sue competitor



Lanham Act False Advertising Litigation

- Can result in substantial remedies:
 - Injunction
 - Attorneys' fees
 - Damages based on:
 - Loss of sales
 - Disgorgement
 - Treble Damages (up to amount of injury)



Examples of Significant Recoveries

- *PBM Products v. Mead Johnson*; No. 3:09-CV-269. (E.D. Va. Sep. 28, 2009) - nearly \$10 million damage award
- *Retractable Technologies, et al. v. Becton Dickenson & Co.*; No. 2:08-cv-00016 (N.D. Tex. 2013) – \$113 million damage award
- *Church & Dwight Co. v. SPD Swiss Precision Diagnostics GmbH*; No. 14-cv-595 (S.D.N.Y. 2018) – \$13.5 million damage award



But, Note Risk Of Proving Damages....

- *Select Comfort Corp. v. Baxter*, No. 12-2899 (DWF/SER), 2018 U.S. Dist. LEXIS 209527, at *40 (D. Minn. Dec. 12, 2018)
 - Court found that defendant Baxter obtained a wrongful benefit of \$155,721, but held that plaintiff failed to prove lost profits were caused by false advertising
- *Retractable Technologies, Inc. v. Becton Dickinson & Company*, 919 F.3d 869, 883 (5th Cir. 2019)
 - No damages – defendant failed to prove lost profits caused by false advertising



How We Can Help

- Audit competitor advertising to identify potential false advertising claims
- Audit company advertising to ensure no glass house issues
- Advise on likelihood of success on merits and strategy depending on type of claim at issue
- Advise on forum
 - NAD – no damages but protects brand equity, less costly
 - Federal Court – potential damages



First, Know Thy ... IP

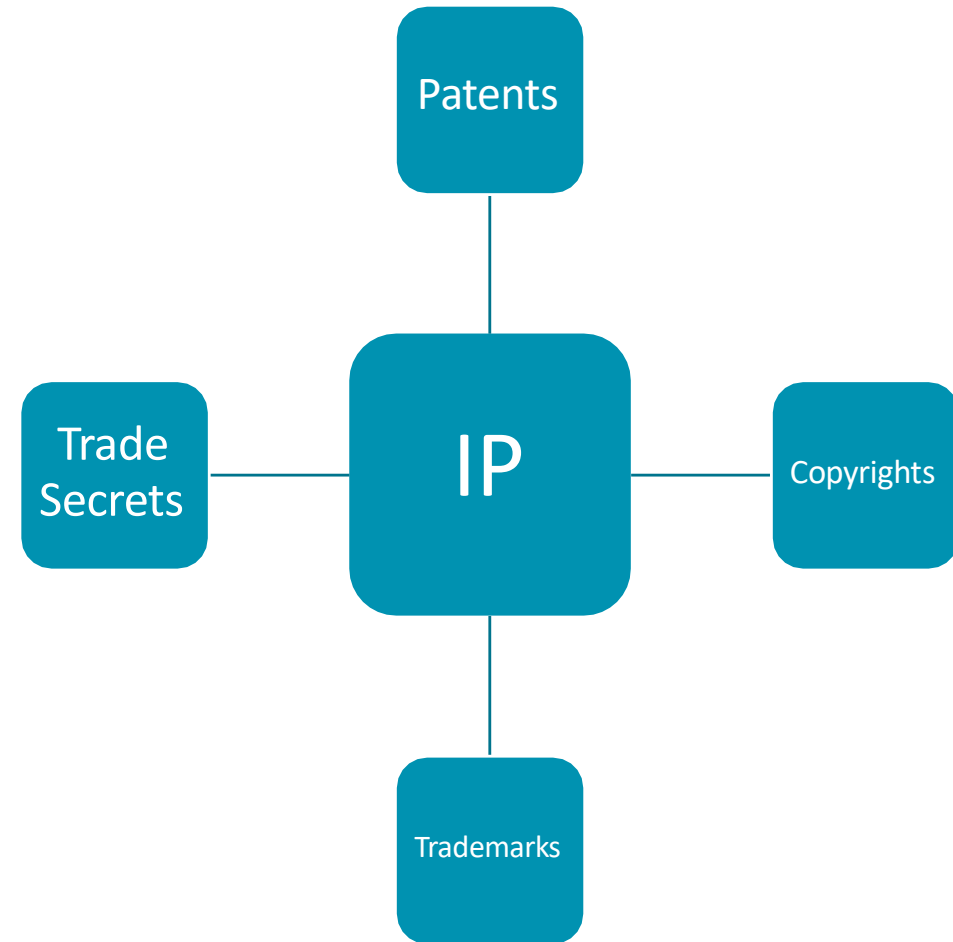


Overview

- Intellectual Property Audit
- IP Recovery Options
 - Sale
 - Licensing
 - Adjudication



What Do You Own? The IP Audit

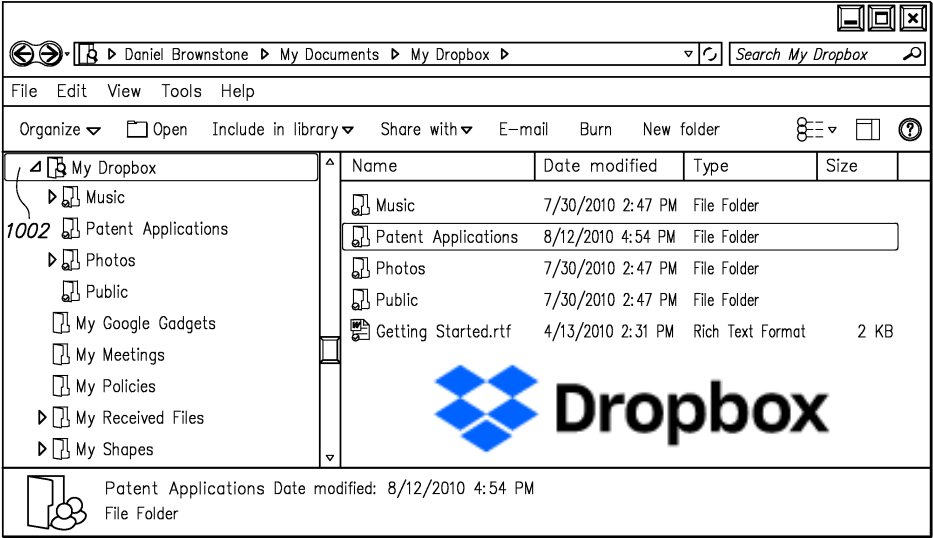
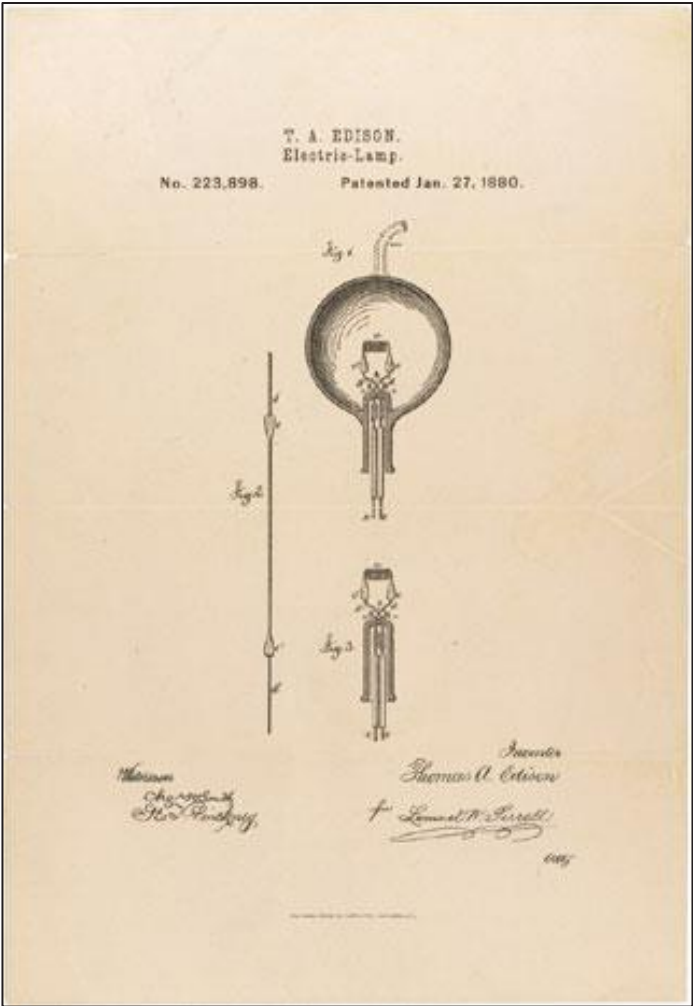


What Are Trade Secrets? How Do You Protect Them?

Google



Patents: What Are They?



U.S. Patent No. US8825597B1

Network folder synchronization

U.S. Patent

Sep. 28, 1999

Sheet 5 of 11

5,960,411



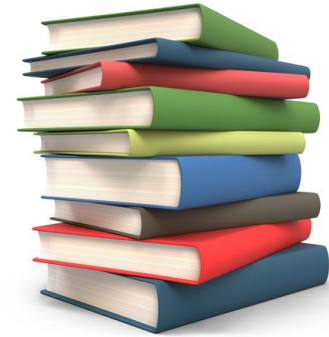
Enable Single-Action
Ordering

U.S. Patent No. US5960411A

Method and system for placing a purchase order via a communications network

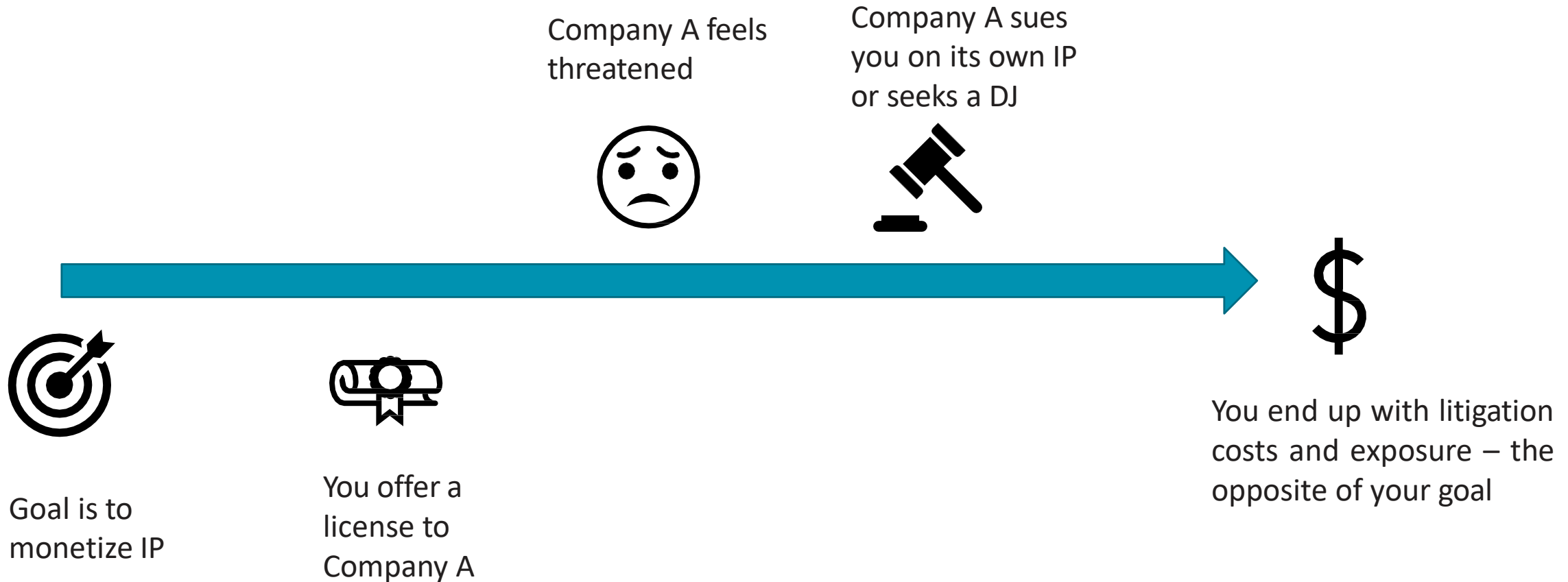
Copyrightable Works

- Literary works, e.g., books, software
- Musical works – words, music
- Sound recordings
- Pictorial, graphic, and sculptural works
- Motion pictures and other audiovisual works
- Dramatic works, including accompanying music
- Pantomimes and choreographic works
- Architectural works
- Works based on previously existing material – compilations, collective works, derivative works.





Manage Risk By Carefully Selecting The IP To Monetize



The Home (IP) Edit:



Doesn't cover
your products or
anyone else's



Covers your
products and your
competitor's



Covers your
products (but
no one else's)



Covers someone
else's products
(but not yours)

- Does any of the IP cover products you are not making? Products that are being phased out?
- How big is the market and which direction is it going?
- Will any of the IP expire soon?
- Do your competitors have their own IP?
- Does the IP cover an underperforming business?
- Are there any holes in your portfolio?



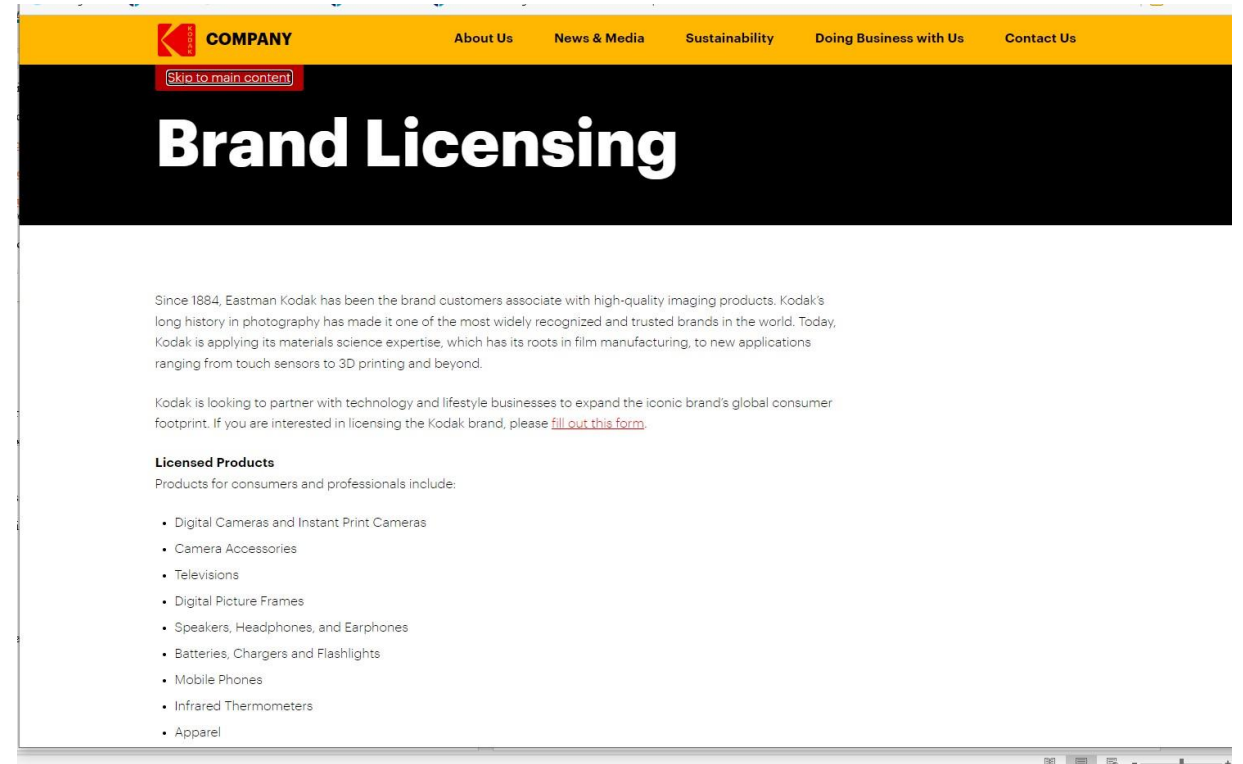
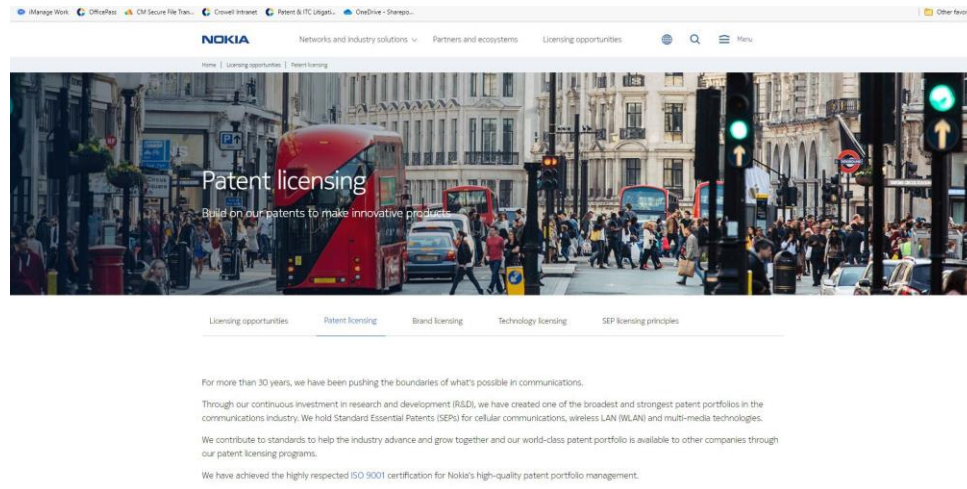
IP Recovery Option #1 - Sale

- Brokers
- Patent defense aggregators (e.g. RPX)
- Patent assertion entities
- Competitors
- Brand Management Companies (e.g. ABG)



IP Recovery Option #2: Licensing Options

- Industry wide licenses
- One-off licenses



IP Recovery Option #3: Adjudication and Enforcement

- District courts
- Patent Trial and Appeal Board (PTAB)
- Trademark Trial and Appeal Board (TTAB)
- International Trade Commission (ITC)
- Customs and Border Patrol (CBP)



Speakers



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Thank you

