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## RECENT SUPREME COURT DECISIONS IN IP

In the wake of the closed economy due to the COVID-19 pandemic, the Supreme Court has issued three decisions covering aspects of patent, trademark and copyright law that you should know about.

### **Lost Profits Available in Trademark Cases Without Willful Infringement**

Resolving a split in the U.S. appellate courts, on April 23, the United States Supreme Court ruled that a trademark owner can obtain lost profits damages even if they have not proved willful infringement. *Romag Fasteners, Inc. v. Fossil, Inc.* (Apr. 23, 2020, Case No. 16-1842) [In the interest of full disclosure, we note that Wiggin and Dana Partner Jonathan Freiman was among the appellate counsel for Romag]. Delivering the opinion for a unanimous Court, Justice Gorsuch stated that a plain reading of 15 USCS §1117(a) includes no express condition of willfulness, while other sections of the statute do include a mental state (*mens rea*) requirement. The Court found that Congress took great care in establishing express *mens rea* standards throughout the Lanham Act,

which implies Congress made no mistake by omitting a mental state, which is to say, a willfulness requirement, in §1117(a). Before concluding, Justice Gorsuch acknowledges that willfulness is a factor in the analysis of the appropriateness of an award of profits, but is not a prerequisite.

While only time will tell if the *Romag Fasteners* decision gives trademark owners an incentive to press forward to decision in the hopes of getting a damages award rather than settle cases earlier on, many circuits had already followed this rule, so there may not be a major change in litigation strategy. The decision may, however, increase the importance of good trademark clearance searches, since users of a mark may potentially be subject to an award of lost profits even in situations of innocent infringement. The Supreme Court made clear, however, that the mental state of the infringer is likely to remain important in deciding whether to grant lost profits, seemingly especially in situations where the infringement is not willful.

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**The Decision That an IPR Is Not Time-barred Is Not Appealable**

In *Thryv, Inc. v. Click-to-Call Tech, LP* (No. 18-916), a seven-member majority of the Court held that the timeliness of an *inter partes* review (IPR) proceeding under federal patent law is a determination not subject to judicial review.

Under 35 U.S.C. § 314, a party challenging a patent can request that the U.S. Patent and Trademark Office (PTO) institute an IPR, a proceeding to reconsider the validity of a patent already granted. The PTO's "determination . . . whether to institute an *inter partes* review" is "final and nonappealable." The statute also provides that IPR "may not be instituted" if the challenger's request comes more than a year after a patent infringement suit is filed against the challenger. In this case, the PTO instituted IPR following the request of patent challenger Thryv, Inc. Click-to-Call appealed to the Federal Circuit, which initially dismissed the appeal as barred by § 315(b). But, following an intervening *en banc* decision of the Federal Circuit in another case, the Federal Court granted rehearing and vacated the PTO's decision, agreeing with Click-to-Call that Thryv's request for IPR was untimely under § 315(b).

Overtaking the Federal Circuit's rehearing decision, the Supreme Court

found that the initial Federal Circuit ruling got it right. Joined by six of her colleagues (except as to a single portion of the opinion joined only by four other Justices), Justice Ginsburg concluded that the PTO's determination of timeliness under § 315(b) is part of the overall "determination . . . whether to institute an *inter partes* review," which is "final and nonappealable," per § 314(d). Thus, the Federal Circuit lacked jurisdiction to hear the appeal of the PTO's decision. The majority held that the issue was controlled by the Court's 2015 decision in *Cuozzo Speed Technologies, LLC v. Lee*, which had applied § 314(d)'s jurisdictional bar to the PTO's determinations as to a different precondition to IPR proceedings.

This decision gives the PTAB broad power to decide if a request is timely.

**Work Done By or For Judges and Legislators Are Not Subject to Copyright Protection**

In *Georgia, et al., Petitioners v. Public.Resource.Org, Inc.* (No.18-1150), the Supreme Court ruled that the published version of Georgia state law code along with annotations could not be copyrighted.

In a 5-4 decision, the Court found the annotations published under the code

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to be ineligible for copyright protection under the “government edicts” doctrine. Under this doctrine, work by government officials acting within their roles according to law cannot be protected by copyright. Since laws, statutes, and court decisions are edicts of government, such works are considered to be in the public domain, freely available to the public and not protected by copyright.

In this case, Georgia made its code available on-line, but had worked with Lexis-Nexis to publish a version of the code that was accompanied by annotations beneath the code that included case notes and commentary describing cases where the code was applied. When PRO

copied, scanned, and made available online the entire annotated version of the Georgia state law code, Georgia sued them for copyright infringement. Georgia argued that the annotations of the code themselves were entitled to copyright protection. Importantly however, the annotations were done as a work for hire for the Georgia state legislators. The Court determined Lexis-Nexis was acting an extension of the state legislators in drafting the annotations, and that therefore the government edicts doctrine applied.

This decision fosters a high degree of public access to work done by or for state governments in the interest of avoiding access by only those who can pay.