

# Power Prosecutors

## THE FIRMS THAT PROSECUTED THE BEST PATENTS IN 2002

**S**mall firms do it better. That's the inescapable conclusion of a recent survey of patent quality in six different areas conducted by PatentRatings LLC. The company's computer model measures the strength of patents and scores them with what it calls an Intellectual Property Quotient (IPQ). The IPQ is much like an IQ score—a 100 is average, scores above 100 are above average. In 2002 patents with the highest IPQs came from small IP boutiques, not their larger brethren.

One of the survey's highest-ranking firms is Minneapolis's Schwegman, Lundberg, Woessner & Kluth, a small 55-lawyer firm devoted solely to patent prosecution that finished with top-ten scores in five categories.

Los Angeles's Blakely, Sokoloff, Taylor & Zafman also brings in quality clients. The 100-lawyer IP firm finished with top-ten scores in both computer and electrical patent prosecution. The firm says that it writes patents for more than one out of every six companies on the Nasdaq 100, citing Intel Corporation as a big client. "We don't feel like we have much competition [in prosecution]," says founding partner Roger Blakely, who emphasizes the firm's technology focus.

New York's IP boutique Fitzpatrick, Cella Harper & Scinto, which was a top-ten firm in five categories, is known for representing Big Pharma. But the firm showed up in the

### MOST MENTIONS\*

Fitzpatrick, Cella	5
Schwegman, Lundberg	5
Antonelli, Terry	4
Blakely, Sokoloff	4
Dorsey & Whitney	3
Frishauf, Holtz	3
Adams & Wilks	2
Dickstein Shapiro	2
TraskBritt	2

\*Firms mentioned in more than one category

**METHODOLOGY:** Not all patents are created equal. That's the idea behind PatentRatings, a Newport Beach, California, company that rates patent quality. The company, founded by a former partner at Irvine, California's Knobbe, Martens, Olson & Bear, evaluates patents with a computer model and a premise. The premise is that patent owners are more likely to pay maintenance fees to the patent office for a patent that is valuable.

The model predicts which patents will be maintained based on objective criteria that correlate with maintenance of older patents. The model examines, for example, the number of claims in a patent—the more claims, the higher the maintenance rates. Shorter claims, on the other hand, tend to make better patents, because fewer words translates to broader protection. The opposite holds true for the written specifications—longer is better. Finally, the model looks at a patent's forward citation rate—the number of times patents make reference to the patent in question. The more times a patent is mentioned by other patents, the higher that patent's maintenance rate.

## BIOTECH PATENTS

Rank	Firm	# of Patents	IPQ
1	SCHWEGMAN, LUNDBERG	69	120.5
2	Licata & Tyrrell	86	120.2
3	Woodcock, Washburn	127	117.7
4	Cooper & Dunham	72	116.3
5	Frishauf, Holtz	33	116.0
6	Hamilton, Brook	101	115.8
7	Wolf, Greenfield	45	115.0
8	Fitzpatrick, Cella	53	114.4
9	Knobbe, Martens	139	113.2
10	Senniger, Powers	49	112.7

## ELECTRICAL PATENTS

Rank	Firm	# of Patents	IPQ
1	TraskBritt	127	157.2
2	Schwegman, Lundberg	170	151.3
3	Fitzpatrick, Cella	852	148.2
4	Dorsey & Whitney	90	140.1
5	Dickstein Shapiro	140	139.6
6	Antonelli, Terry	381	135.0
7	Adams & Wilks	91	133.8
8	Blakely, Sokoloff	340	133.7
9	Myers Bigel	96	131.6
10	Parkhurst & Wendel	75	131.6

## CHEMICAL PATENTS

Rank	Firm	# of Patents	IPQ
1	Mueting, Raasch	38	176.0
2	Wells, St. John	201	161.6
3	Schwegman, Lundberg	74	154.7
4	TraskBritt	131	153.8
5	Dorsey & Whitney	62	151.1
6	AMIN & TUROCY	53	148.9
7	Dickstein Shapiro	94	144.7
8	Antonelli, Terry	138	144.2
9	Beyer Weaver	52	144.2
10	Fitzpatrick, Cella	163	143.6

## MECHANICAL PATENTS

Rank	Firm	# of Patents	IPQ
1	Fitzpatrick, Cella	263	131.3
2	Morrison & Foerster	144	121.8
3	Adams & Wilks	101	117.6
4	Antonelli, Terry	255	116.4
5	Sughrue Mion	1,073	112.2
6	Blakely, Sokoloff	149	111.7
7	Oliff & Berridge	646	111.4
8	McDermott, Will	282	110.9
9	Frishauf, Holtz	180	110.7
10	Oblon, Spivak	925	108.4

## COMPUTER PATENTS

Rank	Firm	# of Patents	IPQ
1	SCHWEGMAN, LUNDBERG	181	157.4
2	Dorsey & Whitney	132	155.3
3	Fish & Neave	78	146.1
4	Wenderoth, Lind	127	140.2
5	Fitzpatrick, Cella	479	139.8
6	Antonelli, Terry	446	139.5
7	Lee & Hayes	65	138.6
8	Blakely, Sokoloff	586	138.2
9	Conley Rose	252	137.4
10	Banner & Witcoff	153	136.1

## MEDICAL PATENTS

Rank	Firm	# of Patents	IPQ
1	SCHWEGMAN, LUNDBERG	87	146.0
2	Vidas, Arrett	48	140.9
3	Henricks, Slavin	17	133.4
4	Frishauf, Holtz	14	126.2
5	Coudert Brothers	15	125.4
6	Brinks Hofer	50	125.2
7	Ratner & Prestia	18	124.8
8	Crompton, Seager	46	124.0
9	Testa Hurwitz	41	123.4
10	Blakely, Sokoloff	14	123.3

## THE PROSECUTION CLINIC

**W**hen patent prosecutors Michael Schwegman, Steven Lundberg, Warren Woessner, and Daniel Kluth, left Minneapolis's Merchant & Gould in 1993, the ratio of prosecutors to litigators at the firm was 1:1, but all was not harmonious.

"There was a lot of tension with the litigation group," says Woessner. "They felt they were more profitable and that litigation work was more prestigious than patent-application work. It had become increasingly difficult to grow a prosecution practice because associates would get pulled off our work for litigation."

So, Schwegman, 58, Lundberg, 47, Woessner, 58, and Kluth, 46, founded Schwegman, Lundberg, Woessner & Kluth. Today, the 50-lawyer practice does work for a few of the clients that they brought with them from Merchant & Gould, including Cray Research, the University of Minnesota, and the University of Iowa.

And according to Patent Ratings, Schwegman, Lundberg prosecuted many of the highest-quality patents issued in 2002. Patent Ratings ranked the firm first in the biotech, computer, and medical fields, second in electrical, and third in chemical [see chart on page 43].

The firm edged out many longtime patent powerhouses such as New York's Fish & Neave; Los Angeles's Blakely, Sokoloff, Taylor & Zafman; Philadelphia's Woodcock Washburn; and Chicago's Brinks, Hofer, Gilson & Leone.

Merchant & Gould didn't make the list, but the firm doesn't mourn the loss of Schwegman, et al. "The firm is better off over the long haul," says D. Randall King, Merchant & Gould's managing director. "They wanted to do their own thing and have prospered. However, those of us who stayed realized the value of being a full-service IP firm with prosecution and litigation types working together." [King talks more about the relationship between

prosecutors and litigators in "A Merchant's Guide to Inner Harmony," on page 29.]

The founding partners say the firm's focus on prosecution work probably led to the high ranking. Lundberg says his firm is like "a clinic that does only heart transplants."

The firm also writes "almost everything from scratch," Woessner says. It doesn't translate and file many overseas patents, as some other patent shops do. Also, unlike other small firms, Schwegman, Lundberg generally charges by the hour.

Another difference: Schwegman,

**Schwegman, Lundberg's founders felt out of the loop at Merchant & Gould. "There was a lot of tension with the litigation group," says founding partner Warren Woessner.**

Lundberg doesn't recruit out of law schools. "We don't find that works for us," says Lundberg. "Most of the folks in law school want to be litigators, so we end up with a retention problem."

"We have very highly trained people with backgrounds in law and industry," says Schwegman. He speculates that those who have worked in another industry before becoming patent lawyers aren't so quick to be drawn to litigation.

The founders know this from experience. Both Schwegman and Lundberg worked at Honeywell, Inc., while attending law school at night at William Mitchell College of Law. Schwegman was a patent agent, and Lundberg designed electronic and software systems for the giant manufacturing company.

Name partner Woessner has a Ph.D. in organic chemistry and did drug research for Miles Laboratories. Kluth spent seven years as a computer design engineer for Sperry Corporation.

The firm boasts a blue-chip client list, including Lundberg and Schwegman's former employer Honeywell. Other high-tech clients in the electrical/computer area include Intel Inc., Silicon Graphics Inc., Apple Computer, Inc., and Micron Inc.

Guidant/Cardiac Pacemakers, Inc., Atrix Inc., Cornell University, Phonar Inc., and LecTec, Inc., bring their medical-device patent work to the firm.

Chemical and biotech clients include the Universities of Minnesota, Iowa, and California, Celltech, Inc., Affymetrix, Inc., NeoRx, Inc., Roche Biosciences, Inc., and MGI Pharma, Inc.

The firm does a little bit of copyright work for some software clients, and also does patent-opinion work, but the core practice area is patent prosecution. The firm does have an engineering culture, but it's not technenerd city, insists Lundberg. "We are engineers with salesmen's dispositions," he says.

—Victoria Slind-Flor



THE FOUNDERS (FROM LEFT): MICHAEL SCHWEGMAN, STEVEN LUNDBERG, WARREN WOESSNER, DANIEL KLUTH

computer and the electrical categories with the help of client Canon Kabushiki Kaisha. The Tokyo-based company was issued 1,893 U.S. patents in 2002—more than any other company besides International Business Machines—and Fitzpatrick, Cella prosecuted most of them, says partner Dominic Conde.

Patents from foreign countries often are just translations that U.S. firms process but don't write. "We find that many foreign-originating patents are of low quality and this is generally reflected in lower IPQ scores," says Jonathan Barney, PatentRatings president and cofounder.

However, as is the case with Fitzpatrick, Cella's work for Canon, foreign-originating work isn't always low-quality. Many firms prosecute original patents for overseas clients, Barney says. He cites his former law firm, Irvine, California's Knobbe, Martens, Olson & Bear, and the patent work it does for Yamaha Corporation, as an example.

**F**oreign clients provide about half of the patent prosecution work at Arlington, Virginia-based Antonelli, Terry, Stout & Kraus, and the 22-lawyer prosecution shop scored high on four of the charts. The firm prosecutes patents for such clients as Hitachi Limited and Nokia Corporation.

In the nineties Antonelli, Terry prosecuted patents for a holding company called NTP, Inc. The patents allowed NTP to sue the maker of the BlackBerry pager. NTP won its suit in November 2002 and is seeking a

permanent injunction.

Niche firms don't have a monopoly in prosecution. Washington, D.C.'s Dickstein Shapiro Morin & Oshinsky shows up on two of these lists. The 330-lawyer general practice firm has been building its IP group since 1986, when it brought in partner Gary Hoffman from LeBlanc, Nolan, Shur and Nies, an Arlington, Virginia, boutique. Today Hoffman heads up an IP group of 65 prosecutors and litigators. Last year the firm filed about 1,100 applications with the patent office. In March, Dickstein Shapiro hired two partners and three associates from Lieberman & Nowak, a New York boutique.

Minneapolis's 750-lawyer Dorsey & Whitney, which is mentioned on two of these lists, received a prosecution boost last May when it absorbed 22-lawyer Silicon Valley boutique Flehr Hohbach Test Albritton & Herbert.

Many large firms don't do patent prosecution for a variety of reasons, or they do it only reluctantly. They say that the work isn't highly profitable and poses potential conflicts. Says Roger Blakely, "Prosecution is a mainstay of our practice, I don't know that large firms can do it as efficiently as we can."

—Emily Friedlander

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