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THE YEAR IN

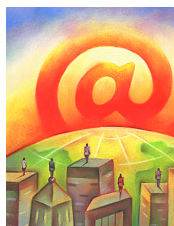
IP

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FROM THE EDITORS OF IP WORLDWIDE

FEATURING THE LEADING IP FIRMS AND THE HOTTEST IP MARKETS

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IP LAWYERS FOR THE NEW ECONOMY

Reporting by Victoria Slind-Flor

Statistics compiled by Jeni Gallagher

Even with the crash of the dot-com market and the economic slowdown, New Economy companies need IP lawyers—now, more than ever. But who do the clients of the twenty-first century see as the best of the breed? Are these the firms their granddads might have retained, back in the era of cathode ray tubes and slide rules?

We answer those questions below, but we are getting ahead of ourselves. What companies made up the New Economy in 2001? The question was tough enough to answer in 1999, when *IP Worldwide's* sibling publication, *The American Lawyer*, first ran a similar survey and when the phrase, “The New Economy,” evoked possibility. Today, with the landscape so littered with detonated dot-coms, it’s a dicier proposition. Even so, there has been a seismic change in the economic order brought on by cheap processing power and instantaneous communication. Some companies are harnessing the energy released by those forces; others are being swept along, like flotsam.

We’ve tried to identify 50 companies that are players rather than followers. Many are traditional technology companies. Silicon Valley is well represented by the likes of Oracle Corporation, ebay Inc., and others. But so is the heartland. Companies like Wal-Mart Stores, Inc., and Marriott International, Inc., exploit computer systems to track merchandise and meat. Is our list perfect? Of course not. (See Enron Corporation.) But it’s a window into the work of the IP firms that these companies hire.

We asked the companies to pick the firms they rely on for IP litigation and IP counseling. As it turns out, our winners are neither old nor new, but middle-aged firms with new approaches.

Take Washington, D.C.’s Finnegan, Henderson, Farabow, Garrett & Dunner, a patent firm founded in 1965. New Economy companies named Finnegan more often than any other firm overall. (It tied for first in litigation and in counseling.) One reason is its vaunted practice before the U.S. Court of Appeals for the Federal Circuit, led by name partner and appellate specialist Donald Dunner.

But Finnegan’s presence outside the Beltway is also a factor. Thomas Jenkins, former managing partner, says the firm’s Silicon Valley office, in place now for five years, has boosted the bottom line. “This was contrary to the historic philosophy of the firm that people who need us will find us,” he says.

New York’s Weil, Gotshal & Manges ranked second overall and tied for first with Finnegan for litigation. The New York firm has been around for more than 50 years. But, like Finnegan, its Silicon Valley office gives it street cred in the New Economy.

Even at Cooley Godward, which fired more than 80 lawyers in August, firm chairman and chief executive Stephen Neal says that there are still plenty of IP cases. Internet superstar eBay, based in San Jose and Santa Clara, California’s Applied Materials, Inc., both use Cooley for litigation. Partner Matthew Powers says that in tough times companies will still spend generously in high-stakes court battles.

Apart from litigation, counseling work is still percolating. Los Angeles’s Blakely, Sokoloff, Taylor & Zafman, which tied for first for counseling, focuses primarily on patent prosecution for computer-related industries.

Tarek Fahmi, managing partner of the firm’s Sunnyvale, California, office, says that the firm is feeling the slowdown, not so much in volume of work, but in the nature of the clients. While the dot-com work is drying up, Fahmi says that infrastructure companies are “still strong, demanding more in the way of IP services” in mining their IP portfolios.

And though Fenwick & West, which tied for fourth in counseling with Baker Botts, has laid off lawyers, the firm expects to ride through the downturn with long-term clients like Palo Alto’s Sun Microsystems, Inc., and Mountain View, California’s Intuit Inc.

“Things aren’t as quiet as they may seem,” says Sally Abel, who heads the trademark group. “There’s still a lot of work out there.”

TOP FIRMS

IN COUNSELING *

- 5 **Blakely, Sokoloff, Taylor & Zafman**
- 5 Finnegan, Henderson, Farabow, Garrett & Dunner
- 5 Townsend and Townsend and Crew
- 4 Baker Botts
- 4 Fenwick & West
- 3 Banner & Witcoff
- 3 Christie, Parker & Hale
- 3 Fish & Richardson
- 3 Kenyon & Kenyon

*Firms mentioned most often for counseling.

TOP FIRMS

LITIGATION & COUNSELING***

- 11 Finnegan, Henderson, Farabow, Garrett & Dunner
- 8 Weil, Gotshal & Manges
- 7 Baker Botts
- 7 Townsend and Townsend and Crew
- 6 **Blakely, Sokoloff, Taylor & Zafman**
- 6 Fenwick & West
- 5 King & Spalding
- 5 Morrison & Foerster
- 4 Cooley Godward

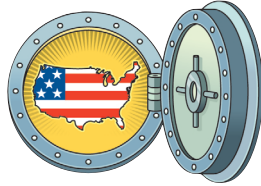
***Firms mentioned most often for litigation and counseling.

IP LAWYERS FOR THE NEW ECONOMY

COMPANY	TOP IP OFFICER	LITIGATION	COUNSELING
Applied Materials Santa Clara, California Semiconductor manufacturing appliedmaterials.com	Donald Verplancken, chief counsel—product business group	Weil, Gotshal & Manges; Cooley Godward	Thomason, Moser & Patterson; Blakely, Sokoloff, Taylor & Zafman; Fish & Richardson
eBay San Jose Commerce ebay.com	Jay Monahan, associate general counsel—IP	Cooley Godward; Orrick, Herrington & Sutcliffe; Wilson Sonsini Goodrich & Rosati	Blakely, Sokoloff, Taylor & Zafman ; Cooley Godward
Intel Santa Clara, California Semiconductors intel.com	Peter Detkin, v.p. and assistant general counsel	Howrey Simon Arnold & White; Weil, Gotshal & Manges; Kenyon & Kenyon; Fish & Richardson	Blakely, Sokoloff, Taylor & Zafman ; Fish & Richardson; Kenyon & Kenyon
Siebel Systems San Mateo, California Customer management software siebel.com	James Soong, senior corporate counsel—trademarks and patents	Blakely, Sokoloff, Taylor & Zafman	Blakely, Sokoloff, Taylor & Zafman
Sun Microsystems Palo Alto Computer hardware/software sun.com	Ken Olse, v.p.—IP	Fenwick & West; Day Casebeer Madrid & Batchelder	Fenwick & West; Blakely, Sokoloff, Taylor & Zafman ; Finnegan, Henderson, Farabow, Garrett & Dunner

Who Protects IP America

Introduction by Elaine R. Friedman • Statistics compiled by Jeni Gallagher



Intellectual property is everywhere in Americans' daily lives. A dizzying number of patents cover the foods we eat and the medicines we take. We buy licensed products like there is no tomorrow, a fact that has made Mike, Shaq, and Kobe today's plutocrats. Copyrights apply to the computer programs we use and the music we listen to—or download. Trademarks serve as guideposts for the detergents and deodorants we buy, the beer we drink, and the sneakers we wear.

The world has thankfully moved beyond the silly Internet-era notion that only clicks matter, but no longer bricks. Even so, IP—the most intangible of intangible assets—is here to stay. Consider Qualcomm Incorporated, one of the darlings of day traders and essentially an IP play on wireless technology. Although its stock price has been more than halved, Qualcomm still has a market capitalization exceeding \$40 billion.

As America's corporate brainpower continues to churn, the law firms that protect patents, copyrights, trademarks, and trade secrets are thriving. This is borne out by our special report on the firms that represent America's IP. We asked Fortune 250 companies to name the lawyers they rely on for IP work—the firms they use most often for patent prosecution and IP counseling and licensing, and the firms they count on for IP litigation. We also asked the companies to identify their top in-house IP lawyers.

Loose Lips Don't Sink Ships

Corporations have become more loose-lipped about their IP guard dogs than they were last year ["Who Protects IP America" October/November 2000]. Out of the 250 largest U.S. companies, 202 responded. That's an 80 percent return—compared with 63 percent last year. In recognition of the importance of IP, more companies named a top in-house IP lawyer—83 percent, compared with 80 percent last year.

Best of all for firms, fewer companies are relying on in-house expertise to manage and defend IP assets. Only about 7 percent of the companies reported that they handled all their own counseling work internally, compared with 10 percent last year. And only five companies—Ashland Inc., AT&T Corp., The Bear Stearns Cos., Chevron Corp., and Edison International—say that they mostly handle IP litigation in-house.

The respondents collectively named a total of 246 firms.

Washington, D.C.'s Finnegan, Henderson, Farabow, Garrett & Dunner was the big winner. It was tied for first in both prosecution and counseling ("IP Advisers" chart) and litigation ("Trial Types" chart). The firm came in first overall, followed by New York's Fish & Neave, another boutique, and Chicago's Kirkland & Ellis, a general firm.

Kirkland isn't the only general firm that did well in the survey. Our charts are stocked with several Am Law 100 firms such as New York's Weil, Gotshal & Manges, Houston's Fulbright & Jaworski, and Milwaukee's Foley & Lardner. Boston's Fish & Richardson finished second best among boutiques.

If the world continues to be dominated by both bricks and clicks, it seems too that IP work will flow to both boutiques and behemoths.

American Lawyer Media research staffers Shannon Attaway, Michael Scherer, Marion Jacobson, and Peter Lucas assisted on this project.

IP ADVISERS*

7	Finnegan, Henderson, Farabow, Garrett & Dunner
7	Fish & Richardson
6	Alston & Bird
6	Fish & Neave
6	Skadden, Arps, Slate, Meagher & Flom
6	Woodcock Washburn
5	Baker Botts
5	Blakely, Sokoloff, Taylor & Zafman
5	Foley & Lardner
5	Fulbright & Jaworski
5	Kenyon & Kenyon
5	Kirkland & Ellis
5	Vinson & Elkins

*Firms mentioned most often for counseling, licensing, and prosecution.