

FOREWORD

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The Annual Review is a yearly publication of the *Berkeley Technology Law Journal* that provides a summary of many of the major developments at the intersection of law and technology. Our aim is to provide a valuable resource for judges, policymakers, practitioners, students, and scholars. Each Note provides a primer on a particular area of law, a development in that area of law, and commentary on that development.

The eighteen Notes in this issue continue a tradition of covering a wide range of topics. The Notes address developments in traditional intellectual property areas—patent, copyright, and trademark law—along with developments in cyberlaw and privacy. Following the Notes in each area of law, we have included a Survey of Additional IP and Technology Law Developments, which contains brief descriptions of important cases that were not addressed in the Notes.

I. PATENT LAW

Our first Note¹ in the Patent Law section examines the Supreme Court's recent decision in *Association for Molecular Pathology v. Myriad Genetics, Inc.*,² which invalidated some DNA patents. It reviews the product of nature doctrine as applied to purified and isolated biologically active molecules. It argues that the decision likely will have little judicial impact outside the patent eligibility of DNA molecules because of the Court's emphasis on DNA as an information carrier and the superficiality of the Court's scientific and legal

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1. Tup Ingram, Note, *Association for Molecular Pathology v. Myriad Genetics, Inc.: The Product of Nature Doctrine Revisited*, 29 BERKELEY TECH. L.J. 385 (2014).

2. *Ass'n for Molecular Pathology v. Myriad Genetics, Inc.*, 133 S. Ct. 2107 (2013).

analyses as applied to the claimed molecules and the product of nature doctrine.

The second Note³ examines contractual issues and judicial determinations of reasonable and nondiscriminatory (“RAND”) rates in standard essential patent (“SEP”) litigation through the context of *Microsoft Corp. v. Motorola, Inc.*⁴

The third Note⁵ explores how, in the wake of *Bowman v. Monsanto Co.*,⁶ certain uses of patented inventions, even if they are expected and ordinary, are now inexhaustible, regardless of whether the consumer licenses directly with the patentee or is a downstream purchaser. Although the Court may have created an inexhaustible right to exclude reproduction or an inexhaustible right to exclude certain uses, the Supreme Court should have created an inexhaustible right to exclude exploitation. The distinction between exploitation and making or using better balances the policy concerns underlying the patent exhaustion doctrine with the protection of Monsanto’s patent rights and the property rights of end users.

The fourth Note⁷ evaluates the legal landscape for reverse payment settlements following the Supreme Court’s ruling in *Federal Trade Commission v. Actavis, Inc.*⁸ In this decision, the Court held that under the Hatch-Waxman Act, courts should evaluate reverse payment settlements under a modified antitrust rule-of-reason standard, as parties may have antitrust liability if the payments are designed to delay competition between a brand-name and a generic pharmaceutical manufacturer. The Note concludes that districts courts applying *Actavis* will face significant challenges in applying the decision consistently and that the FTC and Congress may attempt to significantly influence the application of the decision.

3. Kassandra Maldonado, Note, *Breaching RAND and Reaching for Reasonable: Microsoft v. Motorola and Standard-Essential Patent Litigation*, 29 BERKELEY TECH. L.J. 419 (2014).

4. *Microsoft Corp. v. Motorola, Inc.*, No. C10-1823JLR, 2013 WL 5373179 (W.D. Wash. Sept. 24, 2013); *Microsoft Corp. v. Motorola, Inc.*, No. C10-1823JLR, 2013 WL 2111217 (W.D. Wash. Apr. 25, 2013); *Microsoft Corp. v. Motorola, Inc.*, 871 F. Supp. 2d 1089 (W.D. Wash. 2012), *aff’d*, 696 F.3d 872 (9th Cir. 2012); *Microsoft Corp. v. Motorola, Inc.* 854 F. Supp. 2d 993 (W.D. Wash. 2012).

5. Tabetta Marie Peavey, Note, *Bowman v. Monsanto: Bowman, the Producer and the End User*, 29 BERKELEY TECH. L.J. 465 (2014).

6. *Bowman v. Monsanto Co.*, 133 S. Ct. 1761 (2013).

7. Allison A. Schmitt, Note, *Competition Ahead? The Legal Landscape for Reverse Payment Settlements After Federal Trade Commission v. Actavis, Inc.*, 29 BERKELEY TECH. L.J. 493 (2014).

8. *FTC v. Actavis, Inc.*, 133 S. Ct. 2223 (2013).

The fifth Note⁹ discusses the new joinder provision of the America Invents Act (“AIA”), Section 299,¹⁰ which substantially restricts the ability of a patent holder to sue multiple unrelated defendants in the same proceeding. Relying on post-AIA case statistics, this Note contends that § 299 has achieved a mixed result, accomplishing some measures of success but meanwhile creating unintended consequences.

The sixth Note¹¹ reviews and summarizes the post-grant patent validity challenges created by the AIA. Additionally, this Note analyzes the first sixteen months of *inter partes* and covered business method review (“CBMR”) decisions by the Patent Trial and Appeal Board.

The seventh Note¹² examines how recent Federal Circuit decisions addressing the conflict between the Entire Market Value Rule (“EMVR”) and apportionment, coupled with the advent of innovative approaches to calculating damages, have changed the landscape of reasonable royalties in multi-component patent cases. In addition to documenting these developments, this Note summarizes the tools that courts have at their disposal when calculating reasonable royalties.

II. COPYRIGHT LAW

The first Note¹³ in the Copyright Law section contemplates the ramifications of the purported expansion of fair use in the Second Circuit’s opinion in *Cariou v. Prince*¹⁴ by examining historical interpretations of the “transformation” doctrine in the fine arts context. The author suggests that judicial analysis of transformation is too closely intertwined with perceived physical alteration at the expense of postmodern understandings of contextual presentation and audience participation. The Note proposes that market valuation can often indicate the transformative nature of a work, allowing for a fair use analysis that better implicates the constitutional purpose of the copyright regime.

9. Dongbiao Shen, Note, *Misjoinder or Mishap? The Consequences of the AIA Joinder Provision*, 29 BERKELEY TECH. L.J. 545 (2014).

10. 35 U.S.C. § 299 (2012).

11. Jonathan Tamimi, Note, *Breaking Bad Patents: The Formula for Quick, Inexpensive Resolution of Patent Validity*, 29 BERKELEY TECH. L.J. 587 (2014).

12. Zelin Yang, Note, *Damaging Royalties: An Overview of Reasonable Royalty Damages*, 29 BERKELEY TECH. L.J. 647 (2014).

13. Jonathan Francis, Note, *On Appropriation: Cariou v. Prince and Measuring Contextual Transformation in Fair Use*, 29 BERKELEY TECH. L.J. 681 (2014).

14. *Cariou v. Prince*, 714 F.3d 694 (2d Cir.), *cert. denied*, 134 S. Ct 618 (2013).

The second Note¹⁵ explores how the Supreme Court's long-awaited decision in *Kirtsaeng v. John Wiley & Sons, Inc.*¹⁶ ushered a regime of international exhaustion into U.S. copyright law, holding that application of the first sale doctrine does not turn on whether goods were manufactured in the United States or abroad. However, as right holders seek new ways to implement geographic price discrimination and copyright law continues its uneasy transition into the digital age, the first sale doctrine remains significantly under threat.

The third Note¹⁷ recounts the five rulemakings that have been conducted since the passage of the Digital Millennium Copyright Act in 1998, which tasked the Copyright Office with conducting a triennial rulemaking to grant exemptions to a ban on circumventing access controls on copyrighted works.¹⁸ Drawing on a decade of experience with the rulemaking process, this Note explores lessons learned from the most recent round and suggests practices the Copyright Office could adopt to make the rulemaking more efficient and more closely aligned with Congress's intent.

The fourth Note¹⁹ examines how *Associated Press v. Meltwater U.S. Holdings Inc.*,²⁰ an opinion addressing the boundaries of fair use in the news aggregation context, is also connected to broader issues of monetizing print media in the Internet Age, as well as new licensing regimes in the news industry. This Note discusses the extent to which courts consider licensing customs in a fair use analysis, and it concludes that in an emerging licensing market tied to novel technology, the fine line between a court's enforcement of an existing custom or creation of a new custom may make fair use a poor fit for important policy decisions.

15. S. Zubin Gautam, Note, *The Murky Waters of First Sale: Price Discrimination and Downstream Control in the Wake of Kirtsaeng v. John Wiley & Sons, Inc.*, 29 BERKELEY TECH. L.J. 717 (2014).

16. *Kirtsaeng v. John Wiley & Sons, Inc.*, 133 S. Ct. 1351 (2013).

17. Mark Gray, Note, *New Rules for a New Decade: Improving the Copyright Office's Anti-Circumvention Rulemakings*, 29 BERKELEY TECH. L.J. 759 (2014).

18. 17 U.S.C. § 1201(a)(1)(B)–(C) (2012).

19. Rosalind Jane Schonwald, Note, *Associated Press v. Meltwater US Holdings, Inc.: Fair Use, a Changing News Industry, and the Influence of Judicial Discretion and Custom*, 29 BERKELEY TECH. L.J. 799 (2014).

20. *Associated Press v. Meltwater U.S. Holdings, Inc.*, 931 F. Supp. 2d 537 (S.D.N.Y. 2013).

III. TRADEMARK LAW

The first Note²¹ in the Trademark Law section discusses the Supreme Court's decision in *Already, LLC v. Nike, Inc.*²² and examines the general ramifications of a covenant not to sue on alleged infringers and trademark holders. It also analyzes the ways in which Nike's offensive strategy has affected the intellectual property litigation field more broadly.

The second Note²³ discusses a new program, launched in October 2013 by the Internet Corporation of Assigned Names and Numbers ("ICANN"), that intends to establish thousands of new generic top-level domains ("gTLDs"). Many critics of ICANN's current model view the new gTLDs as solutions to the anticompetitive atmosphere of the existing domain name system; however, it is unlikely that more gTLDs will alleviate concerns.

IV. CYBERLAW

The first Note²⁴ in the Cyberlaw section discusses the current legal regimes surrounding data scraping online. Although these doctrines can be used to protect data, the Note highlights situations in which businesses can benefit from working with, instead of against, scrapers.

The second Note²⁵ explores the rise of revenge porn, as well as the civil and criminal strategies that scholars and legislators have offered to address it. The Note argues that these suggested approaches needlessly complicate the law, and it concludes that the existing tort of intentional infliction of emotional distress is already well-suited for revenge porn cases.

V. PRIVACY LAW

The first Note²⁶ in the Privacy Law section explains how law enforcement's use of historic cell site location information has increased enormously due to innovation in technology and a permissive legal

21. Misa K. Eiritz, Note, *Should Intellectual Property Owners Just Do It? An Examination into the Effects of Nike's Covenant Not to Sue*, 29 BERKELEY TECH. L.J. 837 (2014).

22. *Already, LLC v. Nike, Inc.*, 133 S. Ct. 721 (2013).

23. Daniela Michele Spencer, Note, *Much Ado About Nothing: ICANN's New GTLDs*, 29 BERKELEY TECH. L.J. 865 (2014).

24. Jeffrey Kenneth Hirschey, Note, *Symbiotic Relationships: Pragmatic Acceptance of Data Scraping*, 29 BERKELEY TECH. L.J. 897 (2014).

25. Jenna K. Stokes, Note, *The Indecent Internet: Resisting Unwarranted Internet Exceptionalism in Combating Revenge Porn*, 29 BERKELEY TECH. L.J. 929 (2014).

26. Mark Daniel Langer, Note, *Rebuilding Bridges: Addressing the Problems of Historic Cell Site Location Information*, 29 BERKELEY TECH. L.J. 955 (2014).

framework. Although many argue for reform, any reform should focus not only on regulations, but also on rebuilding the relationships between government agents, businesses, and individual consumers.

The second Note²⁷ discusses the recent disclosures by former government contractor Edward Snowden, which revealed a National Security Agency (“NSA”) surveillance program that stores and analyzes records from every American phone call. This Note argues that the NSA program is constitutional, but only because technologies of surveillance have far outpaced the evolution of privacy protections under the Fourth Amendment.

The final Note²⁸ in this section considers the appropriateness of current jurisprudence applying Article III’s injury-in-fact standing requirement to constitutional and statutory privacy causes of action. It concludes that requiring a separate showing of injury-in-fact for these cases undercuts the goals of Article III standing; courts should instead consider violations of the underlying privacy cause of action to be sufficient injuries-in-fact to grant Article III standing.

27. Joseph D. Mornin, Note, *NSA Metadata Collection and the Fourth Amendment*, 29 BERKELEY TECH. L.J. 985 (2014).

28. Lexi Rubow, Note, *Standing in the Way of Privacy Protections: The Argument for a Relaxed Article III Standing Requirement for Constitutional and Statutory Causes of Action*, 29 BERKELEY TECH. L.J. 1007 (2014).

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PATENT LAW

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