

# Wisconsin Imposes Requirements on Patent Notifications

By [Christopher Liro](#) and Tom Knight

On April 25, 2014, Wisconsin joined the growing number of states enacting laws to control bad-faith assertions of patent rights. Such legislation has been at least proposed in the U.S. Congress and in fully half of the fifty states, and passed into law in about one third of states. While the laws vary state by state, Wisconsin's statute generally aligns with the common themes of most states and the federal proposals.

## Parties Affected

Wisconsin Statute § 100.197 imposes requirements on notifications seeking to enforce or assert rights in a granted or pending patent. The statute seeks to control bad faith assertions and provide protection for the "targets" of such notifications by requiring sufficient information to fairly respond. The notification requirements apply to (almost) anyone providing such notice to anyone meeting the definition of "target." Anyone receiving a patent notice and meeting one of the following is considered a "target":

- A person domiciled in Wisconsin, or
- A Wisconsin corporation or LLC, or
- Anyone engaged in substantial commercial activities within Wisconsin

In addition, a party is defined as a "target" if the notice is sent to a customer of that party, rather than to them directly. Thus, for Wisconsin companies or those having their principal place of business in Wisconsin, the statute applies to notices received directly or by customers. Likewise, the statute applies to notifications sent on a company's behalf to such a target.

## Patent Notification Requirements

The statute requires that a patent notification may not contain any false, misleading, or deceptive information, and shall contain the following specific information:

- The patent or application number at issue

- A physical or electronic copy of the patent or pending patent
- The name and physical address of the patent or pending patent owner, as well as all others having enforcement rights
- Identification of each claim of each patent or pending patent being asserted
- Identification of the target's specific product, service, process, or technology that allegedly infringes upon the claims
- Factual allegations and an analysis setting forth in detail the theory of each claim allegedly infringed by the target
- Identification of any pending or completed court or administrative proceedings (including within the USPTO) concerning each patent or pending patent

Essentially, the statute requires an asserting party to demonstrate the due diligence of a good-faith assertion in any notice. If this required information is not included in an initial notification, the notifying party must provide it within 30 days of notification from the target that the notification is incomplete.

## Exemptions

Reflecting the fact that the statute was aimed at curtailing harassment from non-practicing entities or "trolls," the statute exempts from the notification requirements certain medical or research institutions that the legislature concluded did not require the additional notification burdens:

- Institutes of higher education and related technology transfer organizations
- Healthcare or research institutions with annual expenditures > \$10M receiving federal funding

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- Owners of patents or pending patents on device or components of devices that are subject to FDA or USDA approval
- Parties asserting rights arising under 35 USC §271(e)(2) (types of drugs and veterinary biological products) or 42 USC §262 (regulation of biological products)

Note, however, that there is no general exception for notifying parties that are practicing their relevant patents.

### Enforcement and Remedies

The statute also expressly provides for enforcement of the law and remedies for targets and other aggrieved parties. Wisconsin, like the most states with similar laws, empowers the Attorney General to investigate alleged violations of the patent notification requirements if the notifying party has failed to provide the required information when requested by the target. The AG is further empowered to restrain a wrongfully asserting party by temporary or permanent injunction and may also impose forfeitures of up to \$50,000 per violation.

In addition, targets and other aggrieved parties may bring actions to compel additional information from the asserting party, to impose temporary or permanent injunctions, or to seek appropriate damages. Damages may include costs, reasonable attorney's fees, and punitive damages up to the greater of \$50,000 or three times the aggregate amount awarded.

These potential consequences are intended to encourage a good-faith asserting party to provide the required information upon demand, which is certain to have a lower cost and burden than the potential cost of noncompliance, and curtail notifications when the required information would reveal that the assertion is unsupported and not made in good faith.

## FIRM NEWS

**75th Anniversary Networking Event** - In celebration of our 75th anniversary, we will be hosting a networking and cocktails event at Cuvée on Thurs., Oct. 16, 2014 from 5-7pm. Please join us at this networking event to celebrate our firm's past and connect with other area professionals. Light appetizers and cocktails will be served. [Click here](#) to register for the event. If you have any questions, please contact [Marie Mikolainis](#).

**Kevin Spexarth Joins Andrus** - On July 21, 2014, Kevin Spexarth joined Andrus Intellectual Property Law's Milwaukee office as an associate after graduating from Marquette University Law School. Prior to joining Andrus, Kevin partnered with in-house patent practitioners at the Right-Hite Holding Corporation and the Brady Corporation.

**Benjamin Imhoff Selected to the Harmonization of Trademark Law and Practice Committee of the International Trademark Association (INTA)** - During the two-year term, the committee will produce a classification guide for owners expanding their marks internationally.

**Appeal Decision Upholds \$500,000 Summary Judgment Award for Client DPW** - On June 24, 2014, the U.S. Court of Appeals for the Seventh Circuit issued a decision upholding an Eastern District of Wisconsin decision granting more than \$500,000 in damages to Andrus' client C&N Corporation (doing business as Door Peninsula Winery) in a trademark infringement case. Andrus attorneys Aaron Olejniczak, Chris Liro, and Chris Scherer represented DPW throughout this case.

**Andrus named Wisconsin IP Law Firm of the Year by Acquisition International** - In the 2014 [Acquisition International Magazine Intellectual Property Awards](#), Andrus was named the Wisconsin IP Law Firm of the Year. Voted for by a worldwide network of professionals, advisers, clients, peers and business insiders, the *Acquisition International Magazine Intellectual Property Awards* celebrate the individuals and firms involved in driving the intellectual property field and thus playing a vital role in advancing innovation.

**Christopher Liro Selected to the Intellectual Property and Technology Law Section Board** - Chris Liro became a member of the Board of the State Bar of Wisconsin's Intellectual Property and Technology Law Section on July 1, 2014. The Section provides opportunities for attorneys to network with other legal professionals, participate in continuing legal education seminars and engage in other professional development opportunities.