LITIGATION  •  Sep. 21, 2007

Partner Leaves Fish After He Sells His Patent
Holding Company Buyer Sues Google, Client of the Firm

By Joe Mullin
Daily Journal Staff Writer

SAN FRANCISCO - Fish & Richardson partner Scott Harris has split with his firm after selling one of his patents to a holding company - which promptly sued Google, a major Fish & Richardson client.

The firm confirmed Thursday that Harris, who had worked at the firm's San Diego office for 14 years, was gone.

'Professional Responsibility'

"A significant business conflict recently arose between a firm client and ventures engaged in by Scott Harris that were for his personal benefit and were not authorized by the firm," the firm said in a prepared statement. "Fish & Richardson believes that acting in our clients' best interests is our highest professional responsibility."

Fish & Richardson has long been a leader in intellectual property law, with 400 lawyers working in that field, litigation and corporate law.

The lawsuit against Google "caused a conflict issue," Harris said.

'Patent Trolls'

"I just think it was one of these things where we got ourselves into a position where there was no way to avoid parting of the ways," he said.

Records at the U.S. Patent and Trademark Office show that, between May and August, Harris sold 10 patents to holding companies. Three of the patents Harris sold have since been asserted in patent-infringement lawsuits, all filed by Niro, Scavone, Haller & Niro, the same firm that helped Harris sell his patents.

The 25-lawyer Chicago firm has a record of suing big companies on behalf of small patent-holding entities of the type often derided as "patent trolls."

In 2000, name partner Raymond Niro represented a tiny holding company that used a patent purchased for $50,000 to demand $8.2 billion from computer chip giant Intel. An East Texas judge threw the case out on summary judgment.

Companies with business models based on collecting money through threats of patent litigation are often called "patent trolls." Mixing plaintiff and defense-side work is the norm for patent litigators, but most big firms avoid working for so-called trolls and file infringement lawsuits only on behalf of "legitimate companies."

In addition to the suit against Google, Niro recently sued FedEx for patent infringement in the Eastern District of Texas and filed a lawsuit in Chicago against Honda, LG Electronics, Motorola, Oakley and U.S. Cellular. All three lawsuits were brought on behalf of holding companies asserting patents originally issued to Harris.

Harris declined to divulge who owns the patent-holding companies that serve as plaintiffs in the cases. He denied he had any part in the decision to file the lawsuits and said he sold off his patents in an attempt to avoid conflicts with his firm.

"People are calling me the kingpin, the mastermind," Harris said. "I think the way I've been characterized is very unfair. I'm a technologist and a patent attorney. I've always believed my technology might be used to help the world."

Harris has been granted more than 20 patents for his inventions over the last several years,
including a method for detecting cell phones at gas stations and an "Internet weight reduction system."

Since leaving Fish & Richardson, Harris has opened his own law office and will focus on patent prosecution, the practice of helping applicants get their patents, he said.

The lawsuit against Google was filed in Chicago on Sept. 11, by Illinois Computer Research. The complaint says that Google's Book Search program infringes a patent granted to Harris last year. The patent, titled "Enhancing Touch and Feel on the Internet," describes a method of displaying three-dimensional objects on the Web.

Just a week before that suit was filed, Google officials called on Congress to reform the patent system, joining a large group of technology companies. Google did not respond to a request for comment Thursday.

Three days after the lawsuit was filed, Harris split with Fish & Richardson. His biography was deleted from the company Web site, along with an article he wrote earlier this year that identified him as a lawyer who helps clients design "successful strategies for developing strong, broad patent portfolios and monetizing them."

Also wiped clean was www.imapatenttroll.com, a Web site Harris registered last year. He had described it on another site as a primer on "how to be and/or protect against patent trolls."

Harris said that he put up the site to "put together some advice for people who were having trouble" with trolls but that he never put much content on it.

"Patent trolls create value for intellectual property," read a cached version of the site accessed Thursday. The site offered advice about how to "Maximize the Value of Your IP" and advised skeptics that "patents will continue to exist whether you like them or not."

Earlier this year, Harris was a named plaintiff, together with Memory Control Enterprises, in lawsuits saying that Dell, General Motors, Panasonic, Kodak.com, Move.com and Cars.com all had violated his patents by how they displayed three-dimensional pictures online.

Niro, Scavone, Haller & Niro also represented Harris in those lawsuits, with name partner Raymond Niro listed as lead counsel. Niro did not immediately respond Thursday to a request for comment.

Those cases were consolidated, and a final settlement was reached Sept. 11, the same day Niro filed suit against Google.

Raymond Niro, name partner at Niro, Scavone, Haller & Niro, was lead counsel on those lawsuits, as well as the three recent lawsuits over Harris' patents.

*********

© 2007 Daily Journal Corporation. All rights reserved.