

OCEAN TOMO

ANTITRUST LITIGATION



Antitrust laws and Intellectual Property (IP) rights are inherently intertwined under a common goal of encouraging innovation and competition. In fact, the 2007 US Department of Justice (DOJ) and Federal Trade Commission's (FTC), *Antitrust and Intellectual Property Rights: Promoting Innovation and Competition* report states, "the patent laws effectively modify the antitrust laws to the extent, and only to the extent, of precluding liability for the mere exclusion of others from making, using, or selling the patented invention".

While intellectual property rights do bestow a limited and specific monopoly to innovators and creators, the ability to attain such IP protection promotes the commercial pursuit of innovation. Specifically, IP rights reward market participants for the often-risky R&D efforts that ultimately (1) improve product or service quality, (2) motivate competitive response from rivals, and (3) create new markets altogether. The FTC report, *To Promote Innovation: The Proper Balance of Competition and Patent Law and Policy*, "the award of patent rights can spur stand-alone innovations by limiting free riding, facilitating commercialization of innovations, and encouraging disclosure of new ideas."

Further, the DOJ and FTC explain in *Antitrust Guidelines for Licensing of Intellectual Property*, that IP licensing spurs integration and efficiencies that benefit consumers, and that the royalties associated with IP licensing provide "an incentive to invest in innovative efforts".

The intersection of antitrust and IP rights means that neither can be assessed comprehensively in a vacuum. Instead, it is necessary to consider the concepts together, particularly as the significance of intangible assets to corporations continues to grow.

Our Credentials as Antitrust Litigation and Intellectual Property Rights Consulting Experts

Ocean Tomo is uniquely qualified to support the assessment of interplay between antitrust and IP rights concepts. Ocean Tomo's experts rely on the firm's collective experience across practice areas to consider and address the economic impact of IP licensing in the normal course of business, the effects of IP infringement and enforcement actions, and the real-world business considerations underlying IP-driven transactions. The firm's expertise across all facets of the IP market enables a unique perspective on the role of IP in antitrust contexts.

Ocean Tomo intellectual property experts can:

- » provide context for competition by analyzing the patent and licensing landscapes to assess the significance of IP owned by the parties to the competitive environment,
- » identify other patent owners in the industry and the relative strength of IP portfolios,
- » evaluate the availability of alternative technologies, and
- » opine on competitive royalty rates and other licensing terms typical in the industry.

Such analyses may assist in court assess of the appropriate balancing of antitrust and intellectual property rights or establish the fact of damages and financial damages expert testimony.

Featured Engagements

Ocean Tomo services are built upon more than three decades of experience in the most rigorous venues – state, federal, and international courts – and spans more than 150 different industry segments. Because our past success provides the best indication of our capabilities, we are proud to feature a few representative engagements and encourage potential clients to seek references from both past clients and opposing counsel.

Huawei Technologies Co. Ltd. v. Verizon Communications, Inc., ET AL

United States District Court for the Eastern District of Texas, Case No. 2:20-CV-00030

Deposition Testimony | Technology: Optical Transport Network (OTN) | Case Issues: Patent Infringement assertion to standard-essential patents (SEPs) and Huawei's commitment to license such SEPs on reasonable and non-discriminatory (RAND) terms.

Results

Ocean Tomo was retained by counsel for Huawei Technologies Co. Ltd. to prepare expert report and provide deposition testimony. The matter settled three days into the jury trial before U.S. District Judge Rodney Gilstrap.

Fujitsu v Tellabs

United States District Court for the Northern District of Illinois, Eastern Division Civil Action No. 09-cv-04530

Trial and Deposition Testimony | Technology: Optical Network Signal Amplification and Routing | Case Issues: Patent Infringement and Reasonable and Non-Discriminatory ("RAND") Royalties

Results

Ocean Tomo prepared expert reports on both traditional and RAND royalties and testified as an expert in the field of damages and patent licensing, including the economics of RAND obligations. The jury found in favor of Ocean Tomo's opinions.

Bio-Rad Laboratories, Inc. and President and Fellows of Harvard College v. 10X Genomics, Inc.

United States District Court for the District of Massachusetts, Case No. 1:19-cv-12533

Deposition Testimony | Technology: Genetic Analysis Tools | Case Issues: Antitrust

Results

The parties settled during trial.



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James E. Malackowski is a Senior Managing Director of Ocean Tomo, LLC, a part of J.S. Held.

Mr. Malackowski brings a truly unique experience base to his work as an expert drawing upon his role as a Certified Public Accountant, Certified Licensing Professional, adjunct MBA instructor and inventor of numerous issued U.S. patents and investor in IP assets.

He is widely recognized as a pioneer in the intellectual property field, receiving numerous awards and commendations, both in the United States and internationally.

On more than one hundred occasions, Mr. Malackowski has served as an expert in U.S. Federal Court, U.S. Bankruptcy Court, State Court, Court of Chancery, the Ontario Superior Court of Justice, the U.S. Patent and Trademark Office Patent Trial and Appeal Board, and global arbitrations on questions relating to intellectual property economics including the subject of valuation, reasonable royalty, lost profits, price erosion, commercial success, corrective advertising, creditor allocations, Hatch Waxman Act market exclusivity, business significance of licensing terms including RAND obligations, venture financing including expected risk / return, and equities of a potential injunction.



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About Ocean Tomo

Ocean Tomo LLC provides Expert Opinion, Management Consulting, and Advisory services focused on matters involving intellectual property (IP) and other intangible assets. Practice offerings address economic damage calculations and testimony; business licensing strategy and contract interpretation; trade secret reasonable measures; asset and business valuation; strategy and risk management consulting; merger and acquisition advisory; debt and equity private placement; and IP brokerage.

Ocean Tomo experts are routinely qualified in U.S. District Courts, U.S. Bankruptcy Courts, U.S. Tax Court, U.S. Court of Federal Claims, state courts, the U.S. Patent and Trademark Office Patent Trial and Appeal Board, international courts, and arbitration tribunals on questions relating to intellectual property economics. The firm's professionals have provided expert opinions on IP valuation, reasonable royalty, lost profits, price erosion, commercial success, corrective advertising, creditor allocations, Hatch-Waxman Act market exclusivity, business licensing terms including RAND obligations, venture financing, and equities of a potential injunction. The firm's experience extends to general business valuation and commercial disputes, domestic and foreign, as well as policy issues affecting international technology transfer and economic matters before the International Trade Commission.

Intangible assets comprise 90 percent of business value but are also subject to significant impairment due to enterprise and regulatory compliance risk. Our services are built upon more than three decades of experience assessing intellectual property in the most rigorous of venues. Our financial, market, scientific, and technical experts have deep experience with tangible and intangible assets protected by intellectual property. We bring a unique understanding of the contributory value of proprietary innovation to every engagement. This is the cornerstone of our business.

Subsidiaries of the firm include Ocean Tomo Investments Group, LLC, a registered broker-dealer. As a part of J.S. Held, Ocean Tomo works alongside more than 1500 professionals globally and assists clients – corporations, insurers, law firms, governments, and institutional investors – on complex technical, scientific, and financial matters across all assets and value at risk.

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About J.S. Held

J.S. Held is a specialized global consulting firm whose professionals serve as trusted, expert advisors to organizations facing high-stakes events that demand urgent attention, exceptional knowledge, staunch integrity, and clear-cut analysis and advice. The firm provides a comprehensive suite of technical, scientific, financial, and technology advisory services that enable clients across the spectrum of industries to navigate complex, contentious, and often catastrophic situations with precise analysis, reliable insights, and confidence.

In 2022, Ocean Tomo joined J.S. Held, continuing the strategic growth of the firm. Leveraging the J.S. Held team of more than 1,500 professionals around the world, our clients will now have access to J.S. Held's suite of specialized services, including:

- Construction Advisory Services
- Corporate Finance
- Economic Damages and Valuation Services
- Environmental, Health, and Safety Services
- Equipment Consulting
- Forensic Accounting
- Forensic Architecture and Engineering
- Global Investigations
- Property and Infrastructure Damage Consulting
- Surety Services

Headquartered in New York, J.S. Held has offices across the United States, Canada, Latin America, Europe, Asia Pacific, and the Middle East.

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