

Press Release

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CHAN LAW GROUP INVALIDATES PATENTS AGAIN

February 2, 2011, Los Angeles, CA – In a 2-1 precedential opinion, the United States Court of Appeals for the Federal Circuit upheld the decision of Judge Virginia A. Phillips, United States District Court for the Central District of California, invalidating Tokai Corporation’s three utility patents. Tokai Corp, et. al. v. Easton Enterprises, Case Nos. 2010-1057 and 2010-1116. See opinion at <http://www.cafc.uscourts.gov/images/stories/opinions-orders/10-1057.pdf>

Judge Phillips found that Plaintiff Tokai Corporation failed to cite or disclose relevant prior art to the patent examiner when Tokai initially sought patent protection for its utility lighters. The previously undisclosed prior art rendered Plaintiffs’ three inventions covered by the three utility patents at issue obvious and therefore invalid.

In addition, Chan Law Group convinced the Federal Circuit that Tokai’s attorneys had played “fast and loose” with discovery rules resulting in the complete exclusion of Tokai’s expert testimony that was proffered in the lower court proceedings.

“We are very pleased Easton successfully stood up to Tokai’s attack using invalid patents,” said George Fang, Vice President of Easton Enterprises, Inc., “this will allow Easton to offer consumers with alternative choices of quality gas lighters at a reasonable price.”

Thomas T. Chan, Managing Partner of Chan Law Group asserted: “It is a herculean effort to have both a district court and the Federal Circuit invalidate previously issued patents. Once issued, patents are presumed to be valid. Proving that an issued patent is invalid, i.e., that it never should have been issued, is a heavy burden to satisfy before any federal court. Yet, with this case we now have achieved that twice in a row within a year.”

In the other successful multimillion dollar case over truck light patents, Grand General Accessories Manufacturing v. United Pacific Industries, Inc. and Lucidity Enterprise Co., Case No. CV08-07078 DDP, Chan Law Group won a Summary Judgment Motion before Judge Dean D. Pregerson, United States District Court, Central District of California, for United Pacific Industries, Inc. and Lucidity Enterprise Co. invaliding five of the eight patents they were accused of infringing. Then, believing Plaintiff Grand General engaged in inequitable conduct by failing to fully disclose known prior art which rendered plaintiff’s designs as obvious, Chan Law Group forced Plaintiff to accept a consent judgment invalidating all eight patents and paying a six-figure amount to its clients. See judgment at <http://docs.justia.com/cases/federal/district-courts/california/cacdce/2:2008cv07078/429368/168/>

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Chan Law Group LLP, [www.chanlaw.com](http://www.chanlaw.com), is a Los Angeles based intellectual property law boutique firm. Its Managing Partner, Thomas T. Chan, previously served as trade adviser to the U.S. Trade Representative and the Secretary of Commerce. He was the founder of Business Software Alliance and filed the first antitrust lawsuit against Microsoft in 1993, which was reported in various biographies of Bill Gates and media around the world. Chan is current co-chair of NAMWOLF's IP Alliance.