



THE TIPSHEET

State Bar of Texas Intellectual Property Law Section

Vol. 19 No. 1

MESSAGE FROM THE CHAIR



Hi All,

I hope you enjoy this latest edition of our newsletter—we have plenty of great content for you.

As we welcome spring, I'd like to highlight a few important opportunities:

◆ **Texas Outstanding Inventor Award** – We are now accepting applications! This award is a fantastic way to recognize outstanding inventors—whether they are your coworkers, clients, or other innovators in your network. The recipient will be honored at our Annual Meeting luncheon. [Apply here](#).

◆ **IP Law Scholarship** – If you know a deserving law student with an interest in IP law, please encourage them to apply. [More details here](#).

◆ **Annual Meeting** – Mark your calendars! Our Annual Meeting will take place June 19-20 at the JW Marriott Hill Country in San Antonio. We have an excellent program planned, and we hope you'll join us.

◆ **"Experts-on-Experts" Conference** – On April 7, the Arts District Mansion in Dallas will host this insightful conference, designed for attorneys working with experts, as well as experts themselves. It is put on by Lexangle. Link: <https://www.experts-on-experts.com/agenda>

Wishing you a great Spring, and I look forward to seeing many of you at these upcoming events!

Thomas Kelton, Chair
Intellectual Property Section, State Bar of Texas

IP Section Members Share Expertise at Major Bexar County Business Conference

By: Nick Guinn, Esq.

The 2024 Bexar County Small, Minority, Women, and Veteran Business Owners [Conference](#) demonstrated the vital role intellectual property protection plays in business success. Held on December 11, 2024, at the Freeman Expo Hall in San Antonio, the conference brought together thousands of business owners, government officials, and industry experts.

Hope Shimabuku, Regional Director of the USPTO's Southwest Office, engaged in a morning panel discussion on "Securing Your Business" alongside Todd Vasilou of the Cybersecurity and Infrastructure Security Agency. "It's crucial for business owners to identify and protect their intellectual property assets," Shimabuku noted during the panel. She emphasized that businesses should develop comprehensive IP plans and policies before issues arise, particularly when dealing with employee transitions or technology implementation.

In the afternoon, Director Shimabuku was joined by local IP practitioners Nick Guinn, Derrick Pizarro, and Court Allen as they discussed IP issues for small business owners. The panel emphasized the fundamental importance of IP protection for businesses of all sizes.

The conference featured an impressive lineup of speakers, including keynote speaker Amina Al Sherif, Generative AI Lead for Google Public Sector, who delivered insights on artificial intelligence's impact on business. The event also included exhibitions from various government agencies, educational workshops, and networking opportunities.

The IP Section's participation in this major regional business conference reflects our ongoing commitment to educating Texas business owners about intellectual property protection. Through events like these, our members help bridge the gap between complex IP legal concepts and practical business applications.

This annual conference, now in its 24th year, continues to serve as a vital platform for connecting business owners with essential resources and expertise. The IP Section's involvement helps ensure that intellectual property protection remains a key consideration in business planning and growth strategies.



L to R: Derrick Pizarro, Nick Guinn, Hope Shimabuku, Court Allen

Nick Guinn is a registered patent attorney and is with the San Antonio law firm of Gunn, Care & Lee. His practice emphasis is on litigation, primarily infringement actions. Mr. Guinn also prosecutes patent and trademark applications and handles various trademark proceedings before the U.S. Trademark Trial and Appeal Board of the U.S. Patent and Trademark Office. Prior to joining the firm, Mr. Guinn served as a law clerk to Chief United States District Judge Fred Biery of the United States District Court for the Western District of Texas. Nick can be reached at 210.886.9500 or Nick.Guinn@Gunn-Lee.com.

2024 Startups, Outsourcing and the Attorney-Client Privilege

By: Ted Baroody, Esq.

Historically, many courts have been reluctant to construe the attorney-client privilege broadly and have viewed what assists an attorney in rendering legal advice narrowly. However, this approach does not take into account the business realities of how a modern startup company functions in the “gig” economy to both obtain and enforce intellectual property using out-sourced specialists in fields such as engineering and business analysis. Current developments in the law in Delaware regarding the “functional equivalents” doctrine demonstrates a modern approach to update the classic formulation of the requirements of the attorney-client privilege. In *Sight Sciences, Inc. v. Ivantis, Inc., et al.*, the District of Delaware (Mag. Fallon) held in July, 2023 as follows in the context of a motion to compel document production related to the application of the attorney-client privilege:

12. The motion is denied with respect to communications that do not include an attorney because the record supports Defendants’ position that these communications reflect the substance of attorney-client communications between employees and/or independent consultants. (D.I. 222, Ex. 13); *see Shire Dev. Inc. v. Cadila Healthcare Ltd.*, C.A. No. 10-581-KAJ, 2012 WL 5247315, at *3 (D. Del. June 15, 2012) (“[A] document does not even need to be addressed to or from an attorney to be privileged—privileged communications may be shared by nonattorney employees[.]”); *In re Flonase Antitrust Litig.*, 879 F. Supp. 2d 454, 459-60 (E.D. Pa. 2012) (explaining that an independent consultant is the functional equivalent of an employee for purposes of the attorney-client privilege).

Civil Action No. 21-1317, ¶ 12 (July 3, 2023)(emphasis added). This extension of the attorney-client privilege to include independent consultants participating with an attorney to provide legal advice to the client is an important recognition that including such consultants in an otherwise privileged communication does not automatically waive the privilege.

In the *In re Flonase Antitrust Litig.* opinion cited by the District of Delaware above, the E.D. of Pennsylvania explained:

The Eighth Circuit concluded that “just as [m]iddle-level — and indeed lower-level — employees ... would have the relevant information needed by corporate counsel if he is adequately to advise the client with respect to ... actual or potential difficulties, so too would nonemployees who possess a significant relationship to the [client] and the [client]’s involvement in the transaction that is the subject of legal services.” *Id.* at 938 (alteration in original) (citation omitted) (internal quotation marks omitted)(emphasis added).

879 F. Supp. 3d 454, 458 (E.D. Pa. 2012). A startup may not have in-house engineers and business advisors to assist in the preparation of patent applications, or the evaluation of potential monetization activities including potential patent litigation. Nevertheless, these “non-employees” certainly possess both a “significant relationship” to the client and to the legal advice that the attorney is seeking to render; even potentially if the attorney is not included in a specific communication. Mag. Fallon in

Sight Sciences above upheld privilege “with respect to communications that do not include an attorney because the record support[ed] Defendants’ position that these communications reflect the substance of attorney-client communications between employees and/or independent consultants.”

While the case law in this area continues to evolve, litigators representing smaller entities in patent litigation who are often the plaintiff and patent owner should carefully analyze communications with independent consultants to determine if the “functional equivalents” doctrine can be applied in the relevant jurisdiction.

Ted Baroody's practice focuses on intellectual property disputes including patent litigation, Walker Process patent fraud antitrust litigation, trade secret litigation, trademark litigation and other Lanham Act claims, and copyright litigation. Ted has the knowledge and experience to act as lead counsel, co-counsel, or local counsel in the Eastern and Northern Districts of Texas. He has also been lead counsel in six IPR (Inter Parties Review) proceedings before the Patent Trial and Appeal Board (“PTAB”) at the U.S. Patent and Trademark Office. Ted also has experience as lead counsel in appeals before the Federal Circuit and Fifth Circuit. In addition to his law degree, which he received from Southern Methodist University Dedman School of Law in Dallas (1989), Ted also holds a Bachelor of Science in Chemical Engineering from Rice University in Houston (1986). Ted can be reached at 972.367.2001 or baroody@caglaw.com.



ANNOUNCEMENTS AND CALLS FOR NOMINATIONS

Inventor of the Year: Nominations are now being accepted for the IP Section's Inventor of the Year Award. The Inventor of the Year award honors a recipient whose invention(s) has significantly impacted the Texas or U.S. economy. Nominees must have at least one United States patent, either expired or existing. The nomination form is available online at www.texasbariplaw.org/awards, and can be submitted via email to Stephanie Dowdy at straines21@hotmail.com. All nominations are due by April 15, 2025, and the 2025 Texas Inventor of the Year will be recognized at the Annual Meeting of the State Bar of Texas in San Antonio on June 19-20, 2025.

Fritz Lanham Annual Trademark Award: Nominations are now being accepted for the IP Section's 2025 Fritz Lanham Trademark Award (formerly the Annual Trademark Award). The purpose of the award is to recognize lawyers and businesses for their accomplishments on brand-related projects. Attorney nominees must be licensed in Texas. If a business or brand team is nominated, the company should have a headquarters or significant business operations based in Texas. Additional requirements and the nomination form are available online at www.texasbariplaw.org/awards, and can be submitted via email to shiro.jaleelkhan@gmail.com. The 2025 Fritz Lanham Trademark Award will be recognized at the Annual Meeting of the State Bar of Texas in San Antonio on June 19-20, 2025.

2025 Diversity Scholarship Applications: The application process is open at [Intellectual Property Law Section - Awards](#), and the deadline is May 2, 2025. The purpose of the scholarships is to encourage law students who have not traditionally been represented in Intellectual Property practice to enter the Intellectual Property profession in Texas by providing financial assistance to help defray the expenses of a law-school education.

Questions can be directed to Juanita DeLoach at juanita.deloch@btlaw.com and Marylauren Ilagan at marylauren.ilagan@olaplex.com.

CALL FOR SUBMISSIONS

The TIPSHEET welcomes the submission of articles for potential publication in upcoming issues, as well as any information regarding IP-related meetings and CLE events. If you are interested in submitting an article to be considered for publication or adding an event to the calendar, please email kim@richardlawgroup.com.

Article Submission Guidelines

STYLE: Journalistic, such as a magazine article, in contrast to scholarly, such as a law review article. We want articles that are current, interesting, enjoyable to read, and based on your opinion or analysis.

LENGTH: We accept a wide range of articles, with most falling into the 500-2500 word range.

FOOTNOTES AND ENDNOTES: Please use internal citations.

PERSONAL INFO: Please provide a one-paragraph bio and a photograph, or approval to use a photo from your company or firm website.

If you have any questions, please email kim@richardlawgroup.com.