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Added benefits exist for going with IP boutique firms

By Amanda Robert
Law Bulletin staff writer

Dean A. Pelletier refers to the infringement or misappropriation of intellectual property rights as “white-collar crime in the civil context.”

“[Intellectual property] is an economic driver,” said Pelletier, a shareholder at McAndrews, Held & Malloy Ltd., an IP boutique firm. “If you don’t have this mechanism in place and attorneys with expertise in place to justify that investment and to make it all worthwhile, whether it’s for a publicly traded company or a small start-up, you are going to have a situation where you are not encouraging people to innovate.”

Pelletier, who began his career in a general practice firm but moved to McAndrews in 1998, said that IP boutique firms are best equipped to protect these clients’ IP rights.

“The biggest thing is there’s a concentration of knowledge and expertise at a boutique firm that you aren’t necessarily going to have in a general practice firm,” he said. “There may be people in a general practice firm who have experience in intellectual property disputes, but it would be a unique circumstance for someone in a general practice firm to only do intellectual property.”

McAndrews expects its attorneys to have backgrounds in science or engineering, as well as degrees in law, Pelletier said. The firm also goes a step further and requires attorneys to pass the patent bar exam, he said.

“Even if you aren’t prosecuting patents, you have this background knowledge that is going to serve you well regardless of whether you do prosecution, litigation or transactional work,” he said.

Yufeng Ma, a partner at McAndrews, started with the IP boutique firm as a sum-

mer associate in 2002. In his first week, he helped an attorney with a case involving a dam construction project in China.

“The firm gave us the flexibility to take responsibility early and to have direct client contact very early on,” Ma said. “A lot of law firms expect young associates to sit in the office and work, and the turnover rates in those offices are high.”

Like Ma, most summer associates eventually join McAndrews and other IP boutique firms as full-time employees, while general practice firms expand their IP practice by acquiring lateral attorneys, he said.

Ronald A. DiCerbo, a shareholder at McAndrews, joined the firm in 1996 after working for six years as a chemical engineer. He agreed that daily client contact is another advantage offered by IP boutique firms.

When clients call their IP attorneys for advice on business decisions, they expect quick answers, DiCerbo said.

“The last thing they want to hear their attorney say is that they need to talk to someone else or talk to another firm,” he said. “It’s a quick turnaround for us, because we have the knowledge base to be able to do that.”

Janice V. Mitrius, the president of Banner & Witcoff Ltd. and a partner in the firm’s Chicago office, said cost-conscious clients find added benefit to working with IP boutique firms during the economic downturn.

“They’re looking more than before to partner with the law firms they’re working with so both the corporation and the law firm has benefits based on that relationship,” Mitrius said. “The IP boutique firm, as opposed to a general practice firm, has more flexibility in being able to structure fees and billing in order to accommodate

that for corporate clients.”

Small to midsize IP boutique firms also develop close relationships with those clients because they use a team of several attorneys to handle a wider array of their work, Mitrius said. The firm has worked with several long-term clients, including Nike and Kimberly-Clark, she said.

Michael H. Baniak brought more than 25 years of IP experience when he joined McDonnell, Boehnen, Hulbert & Berghoff LLP as a partner in 2007. Over the years, he saw several colleagues start in IP but switch to general practice, because they became bored by the work.

“I can understand that, because they don’t like the technical aspect of it,” Baniak said. “There are other areas of the law that are perhaps more sexy.”

“To us, it isn’t dull,” he said. “That enthusiasm is something we bring to the party for the client.”

Although general practice attorneys handle patent cases, it can become a problem when they bring in IP attorneys to help them understand these cases and their logistics, Baniak said.

“You have this split brain — you have two attorneys who have to be applied to a task,” he said. “We reduce that number, because it’s essentially all in one head.”

Associates in IP boutique firms also get more of an opportunity to try patent cases than associates in general practice firms who are surrounded by experienced litigators, he added.

“General practice firms have a lot of good patent attorneys trying cases for them,” Baniak said. “But in general, you’re going to see that those people have come out of a patent boutique. They come in with the chops to be able to do the job.”