

LAW WEEK

COLORADO

IP Growth Reflects Shift In State's Economy

By **James Carlson**
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DENVER—A little more than three months after the U.S. Patent and Trademark Office announced that Denver would house one of three new satellite offices, the Mile High City's firms have taken notice.

At least four firms have added one intellectual property attorney. Sheridan Ross has added two. And national firm Fox Rothschild opened its first Denver office, stocked with three IP attorneys from Bryan Cave HRO.

The Colorado 200 list of firms is only beginning to reflect the influx of IP lawyers, but that will change, said John Posthumus, an IP attorney at Sheridan Ross and one of three attorneys instrumental in luring the new patent office to Denver.

"And I think we're going to continue to see a lot of growth," he said.

The changing IP landscape in the city, however, isn't solely due to the satellite office. In fact, according to lawyers practicing in that area, the office is more the culmination of 15 years of the outside world's changing perception of Denver. From cow town to innovation hub.

When Robert Brunelli, also of Sheridan Ross, came to Colorado in 1990, the state's economy was driven by natural resources. But the Internet and telecommunications were about to boom, and "one of the country's two fiber optic backbones ran through the state." By the mid-1990s, Posthumus said, there started to be a focus on patent prosecution and litigation.

The Bar Association began an IP section, and an inn of court focusing on IP



ROBERT BRUNELLI

would eventually follow. Boulder grew into a center of leading edge technology. The aerospace and alternative energy industries now have operations here.

Posthumus said he thought the area didn't do enough early on to publicize the changing culture. And because of that, companies often looked to the coastal firms for their IP work.

That's changing, he said.

"It takes awhile to change the image of a city," said Posthumus, "and the new patent office just falls in line with a number of economic successes in the state. Look at the last 10 to 15 years. We've already seen huge growth."

The growth hit a snag in late 2008 when the recession spread its fingers into all sectors. Many firms not as conservative as Sheridan Ross had to shed people, Brunelli said. But by 2010, he



JOHN POSTHUMUS

said, "Companies realized the world wasn't ending and they started growing their technology base. From then on, firms started growing."

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His firm has grown from 25 to 40 attorneys, and it opened a Colorado Springs office. But it's not just Sheridan Ross, he said, "everybody is growing."

It's still too early to see what kind of

business-side impact the patent office will have. An analysis by the University of Colorado's Leeds School of Business estimated it will bring in \$439 million in the first five years, though Posthumus has said that is woefully low.

The law adding the new satellite offices requires they be opened by 2014, but Posthumus is optimistic that Denver's will open sooner. The city has already leased space in the Byron G. Rogers Federal Building, across from the federal courthouse. And just last week, Posthumus and other delegates hosted USPTO deputy director Terry Stanek Rea in Denver to talk about the hiring of the office's new director. Once that happens, the timeline on opening the office will shorten.

Meanwhile, George Matava, an IP attorney at Lathrop & Gage, said the hiring of patent attorneys might level off for a while.

"I think we've made a lot of progress over the last 20 years, but more needs to be done because we do have a very talented group of IP lawyers and litigators here in Colorado," he said. "The lifestyle here is great. We have attracted a very talented group of people. We just have to continue to convince the business community that this is a vibrant area that can satisfy their IP needs." •

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