

**The Burden Of Foreign Speech
Federal Circuit Holds Patentees to Their Words, Even Those Said Abroad
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by Pamela I. Banner and Mark T. Banner

A long-recognized tenet under U.S. law is that patentees are permitted to use terms as they define them. Traditionally this was seen as giving patentees wide latitude in drafting patent applications, including the claims. As the Supreme Court affirmed in *Markman v. Westview Instruments Inc.*, 52 F.3d 967, aff'd., 517 U.S. 370 (1996), "a patentee is free to be his own lexicographer."

Recently, both the Supreme Court and the U.S. Court of Appeals for the Federal Circuit have also stressed the importance of predictability in claim construction. The Federal Circuit is thus holding patentees to their words.

Specifically, the Federal Circuit is holding patentees to their words whether those words were said at home or abroad. In the recent decision of *Tanabe Seiyaku Co. v. U.S. International Trade Commission*, 109 F.3d 726 (Fed. Cir.), cert. denied, 118 S. Ct. 624 (1997), the court made clear that statements in foreign cases will sometimes operate to narrow U.S. patents.

Tanabe opens the door wider for patent litigators trying to limit the permissible scope of allegedly infringed claims. It also presents a problem of global proportions for managers of international patent portfolios, who must avoid creating records abroad that might limit claim scope back home.

Customarily, the words used in the patent application, the claims themselves, and the record of the prosecution of the application before the U.S. Patent and Trademark Office have been scrutinized to determine the proper claim construction. This intrinsic evidence is used not only to gauge the literal scope of a claim, but also to limit the permissible scope of the claim under the doctrine of equivalents. In other words, where patentees "give up" claim scope in arguments or amendments before the PTO, they are not permitted to recapture that scope under the doctrine of equivalents, which plays a part in most patent litigation today.

'INSUBSTANTIAL DIFFERENCES'

The doctrine of equivalents allows infringement to be found where the literal language of the patent claim does not describe the accused product or process so long as the accused product or process contains only "insubstantial differences" from the patent claim. See *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997). Identifying what constitutes an "insubstantial difference" is not easy and requires a determination of the permissible scope of the claim. Intrinsic evidence is not the only evidence that bears on the question of claim construction; extrinsic evidence may also be considered. Recently, the Federal Circuit in *Vehicular Technologies Corp. v. Titan Wheel International Inc.*, 141 F.3d 1084 (Fed. Cir. 1998), confirmed that a variety of other types of evidence may serve to limit the permissible scope of a claim:

The available scope of protection of a patent under the doctrine of equivalents is not, however, limited solely by prosecution history estoppel. . . . In addition, a separate body of case law confirms that a patentee may otherwise lose the right to assert coverage of allegedly equivalent structure or matter. The case law to which we refer establishes that, through statements made during prosecution of a patent application, it can become evident that an asserted equivalent is beyond coverage under the doctrine of equivalents.

One frequently overlooked form of extrinsic evidence is statements made in the prosecution of related foreign patent applications. Representations made to counsel in another country may also be used to limit the scope of U.S. patent claims. An early case in this area was *Caterpillar Tractor Co. v. Berco S.P.A.*, 714 F.2d 1110 (Fed. Cir. 1983). While working to obtain foreign patents, Caterpillar made what Berco contended were harmful statements to foreign counsel, suggesting that the patent was not entitled to invoke

the doctrine of equivalents in the manner asserted. The claims could not support infringement under the doctrine of equivalents, according to Berco, because Caterpillar had given "particular instructions and representation [indicating that the] equivalent embodiment was not contemplated." On appeal, the Federal Circuit noted that there was no legal authority to consider statements made to foreign counsel, but the court indicated that they should be considered anyway:

Berco and Wortham cite instructions of Caterpillar's counsel to his foreign associate counsel describing the embodiment at the top of footnote 1, *supra*, and a representation of his German associate to the German patent office distinguishing over certain references, during Caterpillar's prosecution of patent applications on the same invention in Great Britain and Germany. Though no authority is cited for the proposition that instructions to foreign counsel and a representation to foreign patent offices should be considered, and the varying legal and procedural requirements for obtaining patent protection in foreign countries might render consideration of certain types of representations inappropriate, there is ample such authority in decisions of other courts, and when such matters comprise relevant evidence they must be considered. Because the Federal Circuit in Caterpillar nonetheless affirmed the District Court's finding of infringement, this language allowing review of statements made to foreign counsel in determining the scope of equivalents that a patent would be afforded was dicta. It set the stage, however, for the more recent case of *Tanabe Seiyaku Co. v. U.S. International Trade Commission*, which applied full force—the dicta of Caterpillar.

PRODUCT AND PROCESS

In *Tanabe*, the court affirmed that a product imported into the United States did not infringe a U.S. patent on a process for making that product. The case originated in the ITC and was brought under 19 U.S.C. §1337(a) (1980), which prohibits "[t]he importation into the United States . . . of articles that . . . are made, produced, processed, or mined under, or by means of, a process covered by the claims of a valid and enforceable United States patent."

Tanabe argued that the respondents' importation, sale for importation, and sale within the United States of diltiazem hydrochloride and diltiazem preparations for use in treating heart disease were prohibited because the accused medications were produced by a process that infringed the claims of U.S. Patent No. 4,438,035 (the '035 patent). In affirming the ITC's determination of non-infringement under the doctrine of equivalents, the Federal Circuit relied on Tanabe's own statements in related patent prosecutions before the European Patent Office (EPO) and the Finnish and Israeli patent offices. In claim 1 of the '035 patent, Tanabe recited five combinations of bases and solvents used in performing the chemical reaction, called N-alkylation, that is part of its process. The accused process involved performing N-alkylation in the presence of the base potassium carbonate as claimed in four of Tanabe's five combinations. However, rather than using the solvent acetone, the accused process used butanone mixed with water.

The parties agreed that the use of this base-solvent combination was not within the literal language of claim. Therefore, there was no literal infringement, and the question turned on infringement under the doctrine of equivalents. More particularly, the question turned on whether the use of butanone instead of acetone constituted a "substantial" or "insubstantial" difference between the accused process and the patent. If the difference was determined to be substantial, no infringement under the doctrine of equivalents could be found.

The ITC had considered statements made by Tanabe to foreign patent offices in prosecuting counterpart patent applications related to the '035 patent. In the EPO, Finland, and Israel, the '035 counterpart applications were rejected over a U.S. patent to Krapcho. In response to those rejections in all three jurisdictions, Tanabe argued that its claims were patentable because its five specific base-solvent combinations gave unexpectedly better results than other combinations of bases and solvents. In each foreign prosecution, Tanabe submitted a Comparative Test Report to show that the five specific base-solvent combinations were better than other combinations. Moreover, Tanabe submitted arguments to all three foreign patent offices that its claimed invention was not obvious over the Krapcho reference:

Judging from the facts (i) that [the Krapcho reference] teaches neither the use of potassium carbonate as the base nor the use of specific base-solvent combinations to be employed in the method of the present invention; (ii) that, when the condensation reaction was carried out by the use of sodium hydroxide or sodium carbonate as the base, the yield of the product was less than 10%; and (iii) that, even if potassium hydroxide or potassium carbonate was used as the base, the yield of the product was less than 30% in the case where dioxane, toluene or methanol was used, it is believed that the above mentioned advantages of the present invention have never been taught or suggested by [the Krapcho reference]. Thus the specific base-solvent combinations of the present invention is not obvious.

Based on these statements, the ITC concluded that Tanabe intended to exclude all bases and solvents other than those of the particular claimed combinations, including those that might generally be considered an equivalent, because the inventors believed that only through the unique base-solvent combinations stated could they produce the high yields desired. In affirming the ITC's determination of noninfringement, the Federal Circuit stated: "In evaluating infringement under the doctrine of equivalents, 'representation[s] to foreign patent offices should be considered . . . when [they] comprise relevant evidence.'" Here, the court found Tanabe's representations to the foreign patent offices relevant to determining whether a person skilled in the art would consider butanone (or other ketones) to be interchangeable with acetone as claimed in Tanabe's N-alkylation reaction. The court concluded that, because Tanabe represented that its specific base-solvent combinations distinguished its process from the prior art, the statements to the foreign patent offices suggest to a person of skill in the art that other solvents, including butanone, may not be interchangeable with the claimed solvents. In short, Tanabe's statements abroad eliminated arguable equivalents from the permissible claim scope in the United States.

PRACTICAL CONSIDERATIONS

The Federal Circuit's decision in Tanabe leads to several practical considerations for both patent litigators and prosecutors. As to patent litigation, Tanabe suggests taking a close look at any corresponding foreign patents and their file histories for anything said by the patent applicant that might arguably limit the scope of the claim. While the Federal Circuit's decisions in both Tanabe and Caterpillar involved questions of infringement under the doctrine of equivalents, any arguments or comments made by applicants abroad characterizing or distinguishing the claims might also conceivably limit the literal meaning of the claim in the United States.

Moreover, Caterpillar not only supports consideration of foreign prosecution records, but also authorizes consideration of instructions to foreign counsel. As a result, litigators seeking to enforce a patent should review both the foreign prosecution histories and any documents relating to instruction of foreign counsel. Likewise, defense counsel is well-advised to request such instruction letters early in the discovery process.

For patent prosecutors, the lesson of Tanabe is to implement procedures so that both instructions to foreign counsel and statements made in prosecutions abroad are controlled and coordinated so as to reduce the possibility of an inconsistency that might limit the U.S. claims. This task is particularly challenging for managers of worldwide patent portfolios, who often file patent applications on a particular invention in every patent office in the world.

One common strategy is to file a U.S. patent application first, followed by a patent application under the Patent Cooperation Treaty designating all desired foreign countries. The prosecution of the PCT application can be postponed under the applicable rules in order to determine the type of rejections made in the United States. The continued prosecution of the PCT application, including the entry of the various "national phases," can then more easily be coordinated with the U.S. prosecution. Regardless of the timing of foreign prosecutions, managers of global portfolios should carefully coordinate the actions and statements of outside counsel handling related patent prosecutions around the world.

The price for a patentee being his own lexicographer has become clear: All of the patentee's statements, both domestic and abroad, are fair game in determining U.S. patent rights. As the Federal Circuit explained in *Sage Products Inc. v. Devon Industries Inc.*, 126 F.3d 1420 (Fed. Cir. 1997), between a patentee, who

had a clear opportunity to develop a record supporting broad claims, and the public at large, "it is the patentee who must bear the cost of its failure to seek protection for this foreseeable alteration of its claimed structure." Let the patentee beware.

Pamela I. Banner and Mark T. Banner are partners at the D.C. and Chicago offices, respectively, of Banner & Witcoff Ltd., specializing in intellectual property law counseling and litigation.

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