

UPDATE

FALL/WINTER 2010

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FUNCTIONALITY—THE NEXT TURF WAR IN DESIGN PATENTS?



BY: DAVID R.
GERKE (L) & RAJIT
KAPUR (R)

In recent years,
design patent

law has received increased attention at the Federal Circuit. Starting in 2006 with a panel decision,¹ and then a clarifying opinion in *Lawman v. Winner*,² followed by a panel decision³ and rehearing *en banc* in *Egyptian Goddess v. Swisa* in 2008,⁴ the Federal Circuit clarified a key principle of design patent law—the test for infringement. In particular, the Federal Circuit in the *en banc* rehearing of *Egyptian Goddess*⁵ refocused the test for design patent infringement towards the “ordinary observer” test set forth in 1871 in *Gorham v. White*.⁶ While the dust is still settling regarding the revised test for infringement, another issue may be moving to front and center in the realm of U.S. design patent law—*functionality*.

FUNCTIONALITY—DISTRICT COURT OF ARIZONA

On June 3, 2008, Richardson filed suit against Stanley Works, Inc. (Stanley) in the District of Arizona, alleging that Stanley’s “Fubar”

product infringed Richardson’s U.S. Design Patent No. D507,167 (‘167 Patent). As seen in FIGS. 1 and 2 of the ‘167 patent, Richardson’s design patent was directed to “a multi function stud climbing and carpentry tool,”⁷ which commercially was known as the “Stepclaw.”⁸

Like Richardson, Stanley also obtained a patent covering its product—the Fubar, and FIGS. 1 and 5 of U.S. Patent No. D562,101 (‘101 Patent) illustrate the Fubar.⁹ [MORE>](#)



Turf War

1. *Lawman Armor Corp v. WinnerInt'l LLC*, 437 F.3d 1383 (Fed. Cir. 2006)
2. *Lawman Armor Corp v. WinnerInt'l LLC*, 449 F.3d 1190 (Fed. Cir. 2006)
3. *Egyptian Goddess, Inc. v. Swisa Inc.*, 498 F.3d 1354 (Fed. Cir. 2007)
4. *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665 (Fed. Cir. 2008)
5. *Id.*
6. *Gorham Manufacturing Company v. White*, 81 U.S. 511 (1871)
7. U.S. Pat. No. D507,167.
8. *Richardson v. Stanley Works, Inc.*, 597 F.3d 1288, 1290 (Fed. Cir. 2010).
9. *Richardson*, 597 F.3d at 1291.

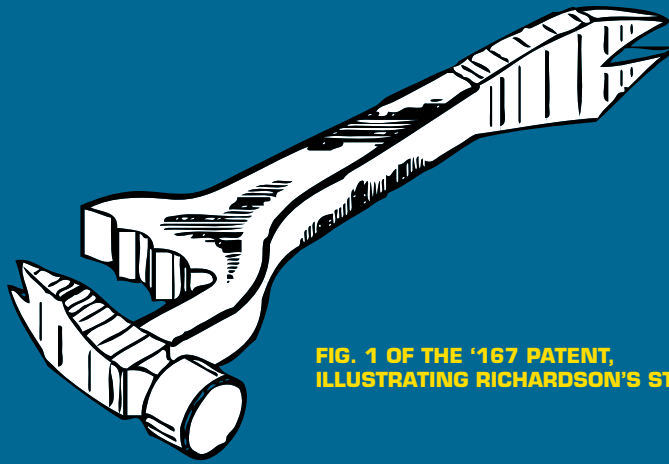


FIG. 1 OF THE '167 PATENT,
ILLUSTRATING RICHARDSON'S STEPCLAW

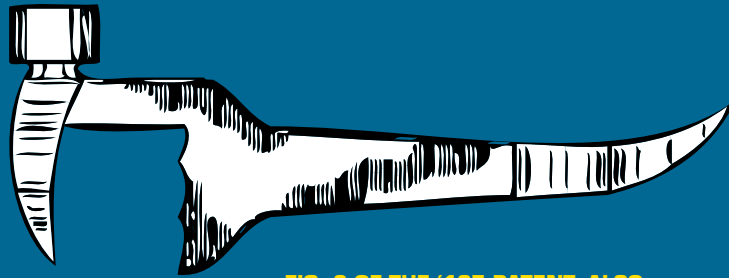


FIG. 2 OF THE '167 PATENT, ALSO
ILLUSTRATING RICHARDSON'S STEPCLAW



FIG. 1 OF THE '101 PATENT,
ILLUSTRATING STANLEY'S FUBAR PRODUCT

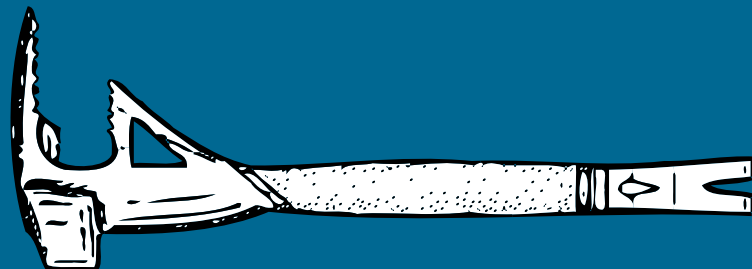


FIG. 5 OF THE '101 PATENT,
ILLUSTRATING STANLEY'S FUBAR PRODUCT

After a bench trial, the District Court entered judgment in favor of Stanley, ruling that the Fubar did not infringe Richardson’s design patent.¹⁰ The trial court determined that after discounting the functional elements of the ‘167 patent, the standard for design patent infringement was not met.¹¹ Thereafter, Richardson appealed the District Court’s findings, including its claim construction and finding of non-infringement.

FUNCTIONALITY ON APPEAL

On appeal, Richardson essentially argued that the trial court incorrectly applied the law by separating out the “functional aspects” of his design from the “ornamental” aspects instead of analyzing his design as a whole.¹² Richardson also argued that his design was not impermissibly functional because “(1) the functions that the ‘167 Patent is capable of performing can be achieved through other designs... and (2) that the overall design of the ‘167 Patent is not dictated by the use or purpose of the tool or of any useful elements found in the tool.”¹³ Likewise, Richardson asserted that *Egyptian Goddess* requires a comparison of his patented design be made in its entirety with the Fubar, and the similarities be evaluated from the perspective of an ordinary observer.¹⁴

The Federal Circuit rejected Richardson’s arguments, however, and instead stated that Richardson is only “entitled to a design patent whose scope is limited to those [ornamental] aspects alone and does not extend to any functional aspects of the claimed article.”¹⁵ The Court specifically identified “the handle, the hammerhead, the jaw, and the crowbar” of Richardson’s design as being “dictated by their functional purpose.”¹⁶

After affirming the District Court’s claim construction, the Federal Circuit also affirmed

that the Fubar product did not infringe the ‘167 patent, noting that “ignoring the functional elements of the tools, the two designs are indeed different.”¹⁷ In the Court’s opinion, the Fubar had a “streamlined visual theme that runs through the design,” which was evident in the Fubar’s “tapered” hammerhead, “streamlined” crow-bar, “triangular neck with rounded surfaces,” and “smoothly contoured” handle.¹⁸ Thus, in comparing the Fubar with the ‘167 patent, the Court held that Fubar’s “more rounded appearance and fewer blunt edges” made it “significantly different” from the ‘167 patent’s design.¹⁹

REQUEST FOR REHEARING

Richardson further challenged the decision, requesting a rehearing *en banc* before the Federal Circuit. The Federal Circuit’s ruling in this case also stirred the interest of members of the design patent community. As a result, non-parties Apple, Inc. and the American Intellectual Property Law Association (AIPLA) filed amicus briefs supporting the request for rehearing *en banc*.

In its brief, Apple argued that “[t]he parsing of ornamental and functional features should be abolished. Whether an individual feature of an overall design performs a function is simply not relevant to design patent infringement.”²⁰ Apple further argued that “[t]he proper place in design patent law to consider functionality is when evaluating the validity of a design patent, i.e., whether the overall claimed design is dictated solely by function.”²¹

AIPLA also argued that the functionality analysis performed by the Court was improper. In particular, AIPLA argued that “the Court should disavow a claim construction methodology... that purports to separate functional and ornamental elements of the claim [MORE >](#)

10. *Richardson*, 597 F.3d at 1292.
11. *Id.* at 1293.
12. *Richardson*, 597 F.3d at 1293.
13. Brief for Plaintiff-Appellant’s Petition for Rehearing En Banc at 18, *Richardson v. Stanley Works, Inc.*, 597 F.3d 1288 (Fed. Cir. 2010) (No. 2009-1354), *reh’g denied* (May 24, 2010).
14. *Richardson*, 597 F.3d at 1293.
15. *Id.* at 1294.
16. *Id.*
17. *Id.* at 1296.
18. *Richardson*, 597 F.3d at 1296.
19. *Id.*
20. Brief for Apple Inc. as Amicus Curiae Supporting Plaintiff-Appellant’s Petition for Rehearing En Banc at 1, *Richardson v. Stanley Works, Inc.*, 597 F.3d 1288 (Fed. Cir. 2010) (No. 2009-1354), *reh’g denied* (May 24, 2010).
21. *Id.*

[FUNCTIONALITY, FROM PAGE 3]

design, rather than properly directing the fact-finder to the overall design, considering all of a design's depicted elements taken together."²² AIPLA compared the Court's approach in *Richardson* to the "point of novelty" type of analysis that the Federal Circuit recently rejected in *Egyptian Goddess*. Specifically, AIPLA noted that "[l]ike the now defunct 'Point of Novelty' approach (which sought to separate out new and old elements), the panel's approach (which seeks to separate out ornamental and functional

design's individual components are functional or ornamental. As such, it is improper, and contrary to established precedent, to address "functionality" during claim construction. Rather, any functionality-validity challenges should only be performed as a determination as to whether the design's overall appearance is "dictated by function alone" and under the "safeguards that cloak a presumptively valid design patent including the higher clear and convincing evidentiary standard."²⁷

It is well established law that a design patent, unlike a utility patent, protects the *ornamental design* of the article of manufacture. However, virtually every "article of manufacture" has functional purposes or else it probably would not exist.

elements) conflicts with the tenet that a design patent protects the overall appearance of the claimed design, and is fraught with logistical problems."²³ The AIPLA brief also notably illustrated (see images on next page) one such logistical problem graphically by showing in a step-by-step manner the removal of the alleged "functional features" and the resulting presumptively valid design patent having no claim scope or features.²⁴

Despite the issues raised by *Richardson* and the *amici*, the Federal Circuit denied the request for rehearing *en banc* on May 24, 2010.²⁵

THE FUTURE OF "FUNCTIONALITY" IN DESIGN

It is well established law that a design patent, unlike a utility patent, protects the *ornamental design* of the article of manufacture.²⁶ However, virtually every "article of manufacture" has functional purposes or else it probably would not exist. As implicitly suggested by *Richardson* and the *amici* in support of a request for rehearing, design patents protect the overall appearance of designs regardless of whether the

While interest exists as to whether the Federal Circuit's functionality analysis in *Richardson* will be effectively used as a back door for attacking validity under a lower evidentiary standard in the future, those that disagree with the functionality analysis in *Richardson* may be comforted. The Federal Circuit may further address the issue of "functionality" should one or more future design patent decisions continue to analyze "functionality" element by element instead of looking to the design as a whole. Recall that the *en banc* rehearing in *Egyptian Goddess* came well after the Court's initial panel decision in *Lawman* that escalated the interest as to whether the point of novelty test was properly a part of the infringement analysis.

District Courts may also choose to read and apply *Richardson* in a narrow fashion. Recently, in a design patent infringement case involving a design patent directed to a "clip light"²⁸ the United States District Court for the Eastern District of Texas rejected arguments that under *Richardson* "functional elements are wholly eliminated from the claimed design..."²⁹ In its claim construction

22. Brief for Am. Intellectual Prop. Law Ass'n as Amicus Curiae Supporting Plaintiff-Appellant's Petition for Rehearing En Banc at 2, *Richardson v. Stanley Works, Inc.*, 597 F.3d 1288 (Fed. Cir. 2010) (No. 2009-1354), *reh'g denied* (May 24, 2010).

23. *Id.*

24. *Id.*

25. *Richardson*, 597 F.3d at 1288.

26. 35 U.S.C. § 171

27. Brief for Am. Intellectual Prop. Law Ass'n as Amicus Curiae Supporting Plaintiff-Appellant's Petition for Rehearing En Banc at 8-9.

28. U.S. Des. Pat. No. D498,322

29. *Good Sportsman Marketing, LLC v. Li Fung Ltd.*, 2010 WL 2640385 (E.D. Tex.)

30. *Id.* at 4.

31. *Id.*

32. *Id.* ("Here, however, there is no evidence that the claimed configuration is the only configuration for a clip on a book light. The relative locations of the elements are not necessarily dictated by the function of the article.")

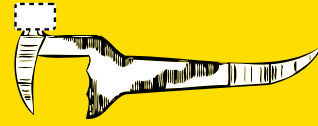
33. *Id.* at 3

[FUNCTIONALITY, FROM PAGE 4]

order the Court simply construed the claim to mean “the design for a clip light as shown in Figure 1 of the patent.”³⁰ The Court refused to eliminate allegedly functional features from its construction, stating that nothing in *Richardson* “compels the court to wholly ‘factor out’ any element.”³¹ Instead, the Court focused its functionality analysis on the design as a whole ³² and also reasoned that the Federal Circuit in *Richardson* merely observed “that function dictated the *configuration* of the tool.”³³ Only time will tell whether *Richardson* keeps functionality a hot topic in the world of design for the foreseeable future or whether its effects will be narrow and functionality will fall from the limelight. In the meantime, the design community will watch the effects of the *Richardson* decision very closely in design patent infringement cases moving forward. ■



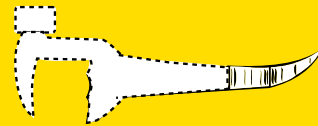
D'167 AS ISSUED



**HAMMER-HEAD DISCARDED
AS “FUNCTIONAL”**



**JAW DISCARDED
AS “FUNCTIONAL”**



**HANDLE DISCARDED
AS “FUNCTIONAL”**



**CROWBAR DISCARDED
AS “FUNCTIONAL”**



D'167 AS CONSTRUCTED

AS ILLUSTRATED IN THE BRIEF FOR
AM. INTELLECTUAL PROPERTY LAW
ASSOCIATION AS AMICUS CURIAE

FEDERAL CIRCUIT SIGNALS BIG CHANGES ON INEQUITABLE CONDUCT LIKELY BY YEAR END 2010



BY: CHARLES W. SHIFLEY

On April 26, 2010 the United States Court of Appeals for the Federal Circuit signaled that big changes are likely to come soon to the law of inequitable conduct, as related to patent procurement and enforcement. The Court granted a petition for the full court, with all active judges, to take a case (*en banc*), posing questions to the parties that foreshadow potential for a substantial narrowing of the doctrine of inequitable conduct. In that case, *Therasense, Inc. v. Becton Dickinson & Co.*, No. 2008-1511, a three judge panel affirmed a district court conclusion of inequitable conduct. The conclusion was specifically that a patent related to disposable diabetes blood test strips was unenforceable because statements made in international patent prosecution were not disclosed to the United States Patent and Trademark Office (USPTO) in the corresponding US case.

The district court found no evidence of good faith. The majority of the Federal Circuit panel agreed. Judge Linn, however, dissented as to this conclusion in a lengthy opinion that discerned many reasonable patent-owner-favorable interpretations of the statements made, and discerned plausible, specific, and detailed reasons for an alleged belief that the information was not material. Judge Linn also asserted that the rule of law was that inequitable conduct required any adverse inference drawn

from the evidence had to be the single most reasonable inference, and that the rule of law was violated in the case.

The Federal Circuit accepted the case *en banc*, and listed the following questions for the parties (the court's references to specific cases are omitted):

1. Should the materiality-intent balancing framework for inequitable conduct be modified or replaced?
2. If so, how? In particular, should the standard be tied directly to fraud or unclean hands? If so, what is the appropriate standard for fraud or unclean hands?
3. What is the proper standard for materiality? What role should the USPTO's rules play in defining materiality? Should a finding of materiality require that but for the alleged misconduct, one or more claims would not have issued?
4. Under what circumstances is it proper to infer intent from materiality?
5. Should the balancing inquiry (balancing materiality and intent) be abandoned?
6. Whether the standards for materiality and intent in other federal agency contexts or at common law shed light on the appropriate standards to be applied in the patent context.

As apparent from the number and range of these questions, the whole of the law for inequitable conduct is now in question at the Federal Circuit. The Court is asking whether to modify, replace or abandon the balancing



En Banc Rehearing

of materiality and intent. It is asking for a potential new standard for materiality. It is asking for potential new law on inferring intent from materiality. It is asking if definitions of materiality and intent from other bodies of law should cause it to change the standards of materiality and intent for patent law. Given the Court's willingness to replace older Federal Circuit law as expressed for example by *In re Seagate* as to willfulness of infringement, the Federal Circuit is expressing the potential for the whole of inequitable conduct law to change.

The Court invited amicus briefs, and the USPTO and more than twenty local and national patent bar associations, individual corporations, foundations and industry groups showed their interest, and weighed in with their briefs. Most advocated significant change to the law. The

Court also put the case on a schedule such that briefing will be completed in early October. Assuming several months to decision after briefing as in *Seagate*, the patent law is likely to have a new law of inequitable conduct by year end 2010, or at least by very early 2011. Note that former Chief Judge Michel has retired, and two of the Court's twelve judges will likely be new to the Court's bench. As well, in court opinions and at least one law review article, new Chief Judge Rader and several other judges have criticized the results of the district courts under the current law. ■



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SUPREME COURT EASES TEST FOR PATENTABILITY IN *BILSKI V. KAPPOS*



BY: BRADLEY C. WRIGHT

The U.S. Supreme Court has ruled that a business method invention was not entitled to a U.S. patent because it was merely an abstract idea. On June 28, 2010, the Supreme Court handed down its decision in *Bilski v. Kappos*, affirming a lower court's decision but doing so on different grounds than was rendered by the lower court. Although all nine justices agreed on the outcome, there was a sharp 5-4 split among the justices regarding whether so-called "business methods" should be eligible for patent protection. A slim majority of the Court said that business methods should be eligible for patent protection as long as they do not constitute an abstract idea or fall within one of the other previously-recognized exceptions to patentability.

FROM PATENT OFFICE TO U.S. SUPREME COURT

The case originated in the United States Patent and Trademark Office (USPTO) and was the subject of an *en banc* 2008 decision rendered

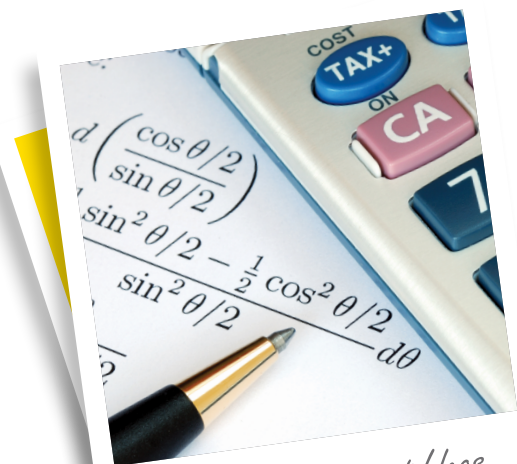
by the U.S. Court of Appeals for the Federal Circuit.

Bilski sought to patent a method involving a series of transactions between a commodity provider and market participants in a way that balanced risk. The USPTO rejected the patent application on the basis that it was not a "process" as that term is understood in patent law.

The Federal Circuit affirmed the USPTO, concluding that under controlling U.S. Supreme Court precedent, in order to be patentable a process must either be tied to a machine or it must transform something. Because Bilski's claims met neither prong of this "machine-or-transformation" test, it was deemed to be unpatentable. In his dissenting opinion, Judge Mayer would have gone farther, imposing a "technological arts" requirement for patentability. Two other judges filed dissenting opinions. The U.S. Supreme Court granted *certiorari* and heard arguments in November 2009.

COURT REJECTS "MACHINE-OR-TRANSFORMATION" TEST

Justice Kennedy, writing for a majority of the Supreme Court, rejected the Federal Circuit's reliance on the "machine-or-transformation" test as the sole test of patent eligibility for process patents. According to the Court, the only recognized limitations on patentable subject matter are laws of nature; physical phenomena, and abstract ideas. The Court did, however, state that the "machine-or-transformation" test was "a useful and important clue, an investigative tool, for determining whether some claimed inventions are processes under § 101." This likely provides a safe harbor for patents that can satisfy the "machine-or-transformation" test, even though a patent need not meet that test to be patent eligible. Justice Scalia, however, did not join Kennedy's plurality suggestion that the Federal Circuit could further refine the definition of "abstract idea" to bar certain categories of business methods. While a majority of the Justices did not agree to this suggestion, it is likely that the Federal Circuit will in future cases need to



Test for Abstract Ideas

[*BILSKI V. KAPPOS*, FROM PAGE 8]

grapple with the definition of “abstract idea.” The Court also noted that the Federal Circuit was free to develop “other limiting criteria” as long as they were not inconsistent with the patent statute.

ATTEMPT TO HARMONIZE PRIOR SUPREME COURT PRECEDENT

The majority tried to harmonize earlier U.S. Supreme Court decisions dealing with patent eligibility. Justice Kennedy wrote that, “the Court resolves this case narrowly on the basis of this Court’s decisions in *Benson*, *Flook*, and *Diehr*, which show that petitioners’ claims are not patentable processes because they are attempts to patent abstract ideas.” In *Benson*, for example, the Supreme Court held that an algorithm to convert binary-coded decimal numerals into pure binary codes was an unpatentable abstract idea, and that a contrary holding would “wholly pre-empt the mathematical formula and would in practical effect be a patent on the algorithm itself.” In *Flook*, the Court ruled that a process for monitoring conditions during a catalytic conversion process was unpatentable, noting that the prohibition on patenting abstract ideas “cannot be circumvented by attempting to limit the use of the formula to a particular technological environment” or adding “insignificant post-solution activity.” Finally, in *Diehr*, the Court held that although an abstract idea cannot be patented, an application of a law of nature or mathematical formula could be eligible for patent protection. The Court concluded that *Bilski*’s claim to a method of hedging risk was like the unpatentable algorithms at issue in *Benson* and *Flook*. Because the broadest claim was to an abstract idea and the narrower claims attempted to add insignificant extra-solution activity, patentability was barred.

STEVENS CONCURRENCE: CATEGORICALLY EXCLUDE BUSINESS METHOD PATENTS

Justice Stevens, in his last day on the Court, wrote a concurring opinion that was joined by three other justices. Taking a historical approach, Stevens argued that so-called “methods of doing business” were not the type of inventions that were traditionally patented in the United States. According to Stevens, “For centuries, it was considered well established that a series of steps for conducting business was not, in itself, patentable.” Stevens argued that the “wiser approach” would have been to hold that “business methods are not patentable.” He criticized the majority opinion because it “never provides a satisfying account of what constitutes an unpatentable abstract idea.”

CONCLUSION

Justice Kennedy’s majority opinion concluded by stating that, “we by no means foreclose the Federal Circuit’s development of other limiting criteria that further the purposes of the Patent Act and are not inconsistent with its text.” This invitation to the Federal Circuit to further clarify the boundaries of patentable subject matter suggests that perhaps *Bilski* was not the best test case for the Supreme Court to refine the contours of the law in this area. While many business method patents that can satisfy the “machine-or-transformation” test may survive *Bilski*’s abstract idea test, undoubtedly others will not. It may take several more years before the Federal Circuit is able to provide greater clarity in this area. For now, the Supreme Court has loosened the reins a bit on the standards for patent eligibility. ■



THE ABA-IPL CONFIRMS JOSEPH M. POTENZA AS VICE-CHAIR



The American Bar Association's Section of Intellectual Property Law (ABA-IPL) has confirmed Joseph M. Potenza to serve as Section Vice-

Chair beginning in August of 2010. The confirmation took place at the ABA Annual Meeting in San Francisco, August 5-10, 2010.

Mr. Potenza will serve in this capacity for the term of one year. Following this role, Mr. Potenza will serve as Chair-Elect during the 2011-12 term and finally Chair during the 2012-13 term.

The ABA-IPL is the largest intellectual property organization in the world and the oldest substantive Section of the ABA. Since 1894, the ABA-IPL has advanced the development and improvement of intellectual property laws and their fair and just administration.

Joseph Potenza practices in the Washington, DC office of Banner & Witcoff, Ltd.

DARRELL G. MOTTLEY ELECTED D.C. BAR PRESIDENT-ELECT



In June 2010, the D.C. Bar announced that Darrell G. Mottley was elected President-Elect of the D.C. Bar. Mr. Mottley will serve in that post for one

year before becoming President. Mr. Mottley is the first patent attorney to be elected President-Elect of the D.C. Bar. The D.C. Bar is the mandatory Bar of the Nation's Capital and is the second largest unified bar association in the U.S. with more than 93,000 members.

As D.C. Bar President, Mr. Mottley has committed to focus on the use of technology engagement and to emphasize the priorities of the Bar, including funding for the legal service community.

Darrell Mottley practices in the Washington, DC office of Banner & Witcoff, Ltd.

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On July 8, 2010, the lawyers of Banner & Witcoff and University of Richmond School of Law Professor Christopher Cotropia, led a panel discussion on the highly anticipated U.S. Supreme Court decision in *Bilski v. Kappos*.

BANNER & WITCOFF AND BNA WEBINAR: *INTER PARTES* REEXAMINATION: MYTHS BUSTED, TIPS GIVEN, AND PITFALLS AVOIDED, FROM ACTUAL PRACTITIONER EXPERIENCES

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HOW MUCH DO I REALLY NEED TO PUT IN MY INVENTION DISCLOSURE?



BY: H. WAYNE PORTER

A patent application must describe an invention with an appropriate level of detail. Most inventors understand this. Most inventors also recognize the need to prepare an invention disclosure or similar document. In particular, disclosure documents may help management decide which inventions are worth patenting. A disclosure document can also help a patent attorney prepare a patent application.

It is sometimes difficult to know how much information to include in a disclosure document. Inventors tend to be busy people who would rather create more innovations than spend time on patent disclosure paperwork. Putting too little effort into a disclosure, however, can be a mistake. Although a patent attorney will seek additional information if an initial write-up is lacking, a good disclosure helps an attorney understand the invention at an early stage. This can help the attorney quickly identify what further details are needed, reduce the time needed for inventor interviews and meetings, and generally streamline the patent application process.

Because a disclosure is used as a starting point to prepare a patent application, it is helpful to consider how much information a patent specification or drawings must include. Unfortunately, there is no simple formula for how much detail is needed. What might be enough for invention A may not be enough for invention B. Nonetheless, there are general principles all inventors should consider.

In the US, the specification of a patent application must “contain a written

description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.”¹ Thus, a specification must (1) have a “written description” of the invention, (2) “enable” others to replicate the invention, and (3) identify the “best mode” of carrying out the invention. The “invention” here refers to the invention as it is ultimately defined by the claims. Claims can be changed after a patent application is filed with the United States Patent and Trademark Office, but the filed specification and drawings cannot be substantively modified. The filed specification and drawings must therefore have sufficient technical detail to support whatever range of claims might ultimately be desired.

“Written description” is patent-speak for a requirement that a patent specification and drawings show an inventor “has possession” of the invention.² One way to think of this is that a specification must be written so that a specific type of reader will understand the full scope of what the inventor has invented. That specific type of reader—a “person of ordinary skill in the art”—is discussed below.

It may seem simple to provide an adequate “written description,” but problems frequently arise. Typically, written description problems result from claims added or amended [MORE](#)➤



Written description needed

1. 35 U.S.C. § 112, first paragraph.

2. See *Ariad Pharmaceuticals, Inc. v. Eli Lilly and Company*, 598 F.3d 1336, 1351 (Fed. Cir. 2010).



Clarity is essential

[INVENTION DISCLOSURE, FROM PAGE 11]

during prosecution. For example, a specification may explicitly describe a version of an invention having feature F_{specific} , with F_{specific} being a specific chemical, a specific mechanical component, a specific chemical processing step, a specific computational algorithm, or some other specific feature that can be used in a specific implementation of the invention. F_{specific} may be a member of a larger group of chemicals, mechanical

components, processing steps, etc. Other members of that group may be slightly different from F_{specific} , but those other group members may be sufficiently similar to F_{specific} so as to work in other implementations of the invention. For simplicity, this larger group that includes F_{specific} can be called " F_{generic} ." A claim might later be added for a version of the invention that permits use of any F_{generic} member. If the specification only refers to F_{specific} and does not otherwise indicate that the inventor considered the invention to include other members of F_{generic} , there may be insufficient written description for the newly-added claim.

Although drafting a specification broadly to include "written description" for multiple implementations is the attorney's job, an inventor can help by identifying variations from the outset. For example, an inventor may develop an invention with very specific details and/or a very specific use in mind. When preparing an invention disclosure, the inventor could consider how the invention details could vary, other ways in which those variations could be used, etc. In many cases, an

inventor may be able to identify variations on an invention by considering how competitors might adapt that invention to their own businesses or modify the invention in order to avoid a patent.

A patent's specification and/or drawings must also "enable" an invention. In particular, the specification (and/or the drawings) must be sufficiently detailed for a "person of ordinary skill in the art" to reproduce (i.e., "make and use") the invention. The required amount of enabling information thus depends on (i) how much skill is "ordinary" in the relevant field, and (ii) how much information that ordinarily-skilled person would need to recreate the invention.

An "ordinary skill" level can often be estimated by considering others in the same field developing similar inventions. The ordinary skill level can vary widely in different fields. Some simple mechanical devices might be designed by persons who have no formal education and who only have a modest amount of work experience in the relevant field. More complex devices, systems or process might be developed by persons who have a bachelors degree in engineering or science, but who may not have any significant work experience. Some complex devices or processes might be developed by persons with advanced graduate degrees and numerous years of work experience. These are only a few examples.

For purposes of drafting a patent application, and thus for purposes of preparing a disclosure document, it is often better to *underestimate* the ordinary skill level. Conversely, it is usually best to *overestimate* how much information that ordinarily-skilled person will need. If some parts of the invention are well known (e.g., a standard mechanical or electrical device, a commercially-available compound, a standard

physical processing technique, a well-known computational algorithm or data structure), simply identifying those parts by recognized terms may be enough. If any modification of a well-known part is needed, however, that modification should be thoroughly explained. No list would ever be complete, but the following are further examples of things to consider:

- Are there specific chemical compounds or other materials that are important?
- Are there specific sizes, dimensions, tolerances or other spatial relationships that are important?
- Are there any circuit details or inputs that are important?
- Are there any physical processing parameters (e.g., time, temperature, pressure, etc.) that are important?
- Are there specific computational steps, algorithms or data formats that are important?
- If there are working examples or prototypes, have the details of those examples/ prototypes been provided?

Not all of the above considerations will apply to every type of invention. On a more general level, however, there are several additional questions that should always be asked about the invention details provided. First, how much experimentation must an ordinarily-skilled person conduct in order to recreate the invention based on the details provided? Some experimentation is acceptable (e.g., minor trial and error among a relatively small set of choices). A need for extensive experimentation (e.g., numerous variables) can indicate that the provided details are not enabling. Second, will the ordinarily-skilled person know how to select standard materials, techniques, etc. to fill any gaps in the provided details? Third, do

the provided details give an ordinarily-skilled person a good “roadmap” of how to proceed? Fourth, how predictable is the technology in question? If the technology is very predictable (e.g., it is easy to know how certain variations will effect an outcome), fewer details may be needed. If the technology is unpredictable (e.g., if the effects of small changes are hard to know in advance), more details may be needed.

Finally, a patent must also describe the best mode of carrying out the invention. The “best mode” is the version of the invention that the inventor subjectively believes (as of the time the patent application is filed) to be the best implementation. In some cases, there may not be a best mode if the inventor is indifferent as to details of implementation. If any prototypes or examples have been created, however, or if a commercial embodiment has been created, it may be best to include such details. If a patent is later enforced and there are prototypes or other implementations that were not described in the patent, an accused infringer might try to argue that an omitted implementation was a “best mode.”

CONCLUSION

A patent must describe an invention with an appropriate level of technical detail. Knowing the appropriate level of detail can be difficult. For this reason, it is generally better to err on the side of overinclusion. Even if an inventor has limited time, however, understanding the types of information needed to prepare a satisfactory disclosure document can



Explaining modifications

FEDERAL CIRCUIT DECISION ON FALSE MARKING: PEQUIGNOT V. SOLO CUP



BY: JOSEPH J. BERGHAMMER (L) & TIMOTHY J. RECHTIEN (R)

On June 10, 2010, the United States Court of Appeals for the Federal Circuit handed down its second major decision in the last six months on the issue of false marking in *Pequignot v. Solo Cup Co.* In the first of these two decisions, *Forest Group, Inc. v. Bon Tool Co.*, the Federal Circuit clarified

the law regarding the penalty provision of the false marking statute, and held that the false marking statute “clearly requires a per article fine” of up to \$500 per article. In the much anticipated follow up decision, *Pequignot*, the Federal Circuit confirmed that marking a product with either an expired patent or with

the phrase “may be covered by one or more patents,” can give rise to false marking liability. The Court also provided a stronger defense to accused false marking defendants within the “intent to deceive” prong under the test for false marking.

The Patent Act provides: “Whoever marks upon... in connection with any unpatented article, the word ‘patent’ or any word or number importing that the same is patented

for the purpose of deceiving the public... [s]hall be fined not more than \$500 for every such offense.” Essentially, a false marking violation occurs where the patent owner (1) mismarks or falsely marks an article, and (2) does so with an intent to deceive the public. The statute also expressly authorizes what are often referred to as “*qui tam*” actions whereby any person can bring a lawsuit for a false marking violation so long as the person who initiates the litigation shares any recovery with the government.

In 2007, patent attorney Matthew Pequignot filed one of these *qui tam* actions alleging that Solo Cup Company had falsely marked its products with two patent numbers for the purpose of deceiving the public based on the fact that Solo knew that those patents had expired. Pequignot further alleged that Solo had marked its packages with language stating “may be covered by one or more U.S. or foreign pending or issued patents” even though Solo knew that not all its products were covered by any pending or issued patents. All told, Pequignot accused Solo of falsely marking an astounding 21,757,893,672 products.

At the district court level, the court held that marking with either an expired patent or the language “may be covered” can give rise to false marking, but nonetheless found Solo not liable for false marking based on the lack of an intent to deceive. On appeal, the Federal Circuit affirmed the district court’s judgment on liability. With respect the “may be covered” language, the Court noted that “the parties agree[d] that the contents of some of the packaging containing the ‘may be covered’



Per article fine

language were unpatented.” As for the expired patents, the Court definitively held that “an article covered by a now-expired patent is ‘unpatented’” under the false marking statute, and that accordingly, “articles marked with expired patent numbers are falsely marked.”

The Federal Circuit, however, like the district court before it, found that Solo was not liable because Pequignot had failed to prove that Solo mismarked for the purpose of deceiving the public. Importantly, the Court first explained that the combination of a mismarked product with the patentee’s

the expired patents right away based on the advice of counsel and the costs and business disruptions involved in having to remove every expired patent number at one time.

Turning to the “may be covered” language, the Court noted that “the ‘may be covered’ language stated exactly the true situation; the contents of some of the packaging were covered by patents, and the contents of some of the packaging were not covered.” Accordingly, in the Court’s view, “it is highly questionable whether such a statement could be made ‘for the purpose of deceiving

With respect to the expired patents, the Court found that Solo had provided more than simply “blind assertions of good faith,” and that it had successfully rebutted the presumption.

knowledge of the mismarking creates a rebuttable presumption that the patentee did so with an intent to deceive the public. The Court noted, however, that the presumption was rebuttable, explaining that “mere knowledge that a marking is false is insufficient to prove intent if Solo can prove [by a preponderance of the evidence] that it did not consciously desire the result that the public be deceived.” The Court stressed that the false marking statute is a “criminal one, despite being punishable only with a civil fine.” Thus, to be liable for false marking, “a purpose of deceit, rather than simply knowledge that a statement is false, is required.”

With respect to the expired patents, the Court found that Solo had provided more than simply “blind assertions of good faith,” and that it had successfully rebutted the presumption. To that end, the Court noted that Solo had cited specific evidence demonstrating that although Solo knew of the expired patents, it decided not to remove

the public,’ when the public would not reasonably be deceived into believing the products were definitely covered by a patent.” In any event, the Court explained that Solo had successfully rebutted the presumption because it had again relied on the advice of counsel and Solo had provided undisputed testimony that the language was added to all packaging because the alternative was financially and logistically inconvenient. ■

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