

# PATENT

The Ultimate Guide For Self Study

# BAR EXAM CRASH COURSE



The Ultimate Guide For Self Study  
**Patent Bar Exam**



# **PATENT BAR CRASH COURSE**

In this lecture we will discuss some general information about patents, such as the definition of a patent, the constitutional basis for and public policy to be served by patents, and the laws governing patents.

## **DEFINITION OF A PATENT**

A patent is a contract between an inventor and the U.S. government under which the government grants the inventor a limited monopoly

## WHAT IS PATENT

The limited monopoly gives the inventor the right to exclude others from making, using, or selling a claimed invention in the United States for a period of years (previously, seventeen years for a utility patent).

In return for these patent rights, the inventor discloses the complete invention to the public in order to promote the progress of science.

Under the General Agreement on Tariffs and Trade (GATT), the term of a U.S. patent is changed from seventeen years from the issue date to twenty years from the filing date. When applicable, the filing date of the earliest U.S. "parent" application is used to measure the twenty-year term. This change will apply to all U.S. patent applications filed on or after June 8, 1995.

Patent applications filed before this date will be entitled to a term of seventeen years from the issue date or twenty years from the filing date, whichever is longer. Also, any U.S. patent issued before June 8, 1995, will automatically have a term of seventeen years from the issue date or twenty years from the filing date, whichever is longer. Accordingly, the term of some previously issued patents might now be longer than seventeen years.

The Intellectual Property and Communications Omnibus Reform Act of 1999 provides for Patent Term Guarantee. If the United States Patent and Trademark Office (PTO) has caused a certain delay in the prosecution of a patent application, the term of a patent is increased by the time caused by the PTO's delay.

If, however, an applicant for a patent has caused a certain delay in the prosecution, the time caused by the applicant's delay is subtracted from the aforementioned increase.

The Patent Term Guarantee is applicable to an application which is pending for three years or more and is intended to guarantee a term of seventeen years for a patent if the applicant diligently prosecutes the application. The guarantee is also available for the time period of an appeal, an interference, or a secrecy order.

## **PATENT BAR REVIEW**

May 29, 2000, is the effective date for the Patent Term Guarantee, and it relates to any application except a design application.

### **CONSTITUTIONAL BASIS FOR A PATENT**

Patents are provided for in article 1, section 8, clause 8, of the United States Constitution, which states:

**The Congress shall have power . . . to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.**

The words "progress of science," "inventors," and "discoveries" refer to patent law.

### **LAWS AND RULES GOVERNING PATENTS**

The Constitution grants Congress the power to pass laws relating to patents. The patent laws are promulgated in Title 35 of the United States Code. Hereafter, "Section" numbers will refer to Title 35.

The Commissioner of Patents and Trademarks has authority from Congress to establish rules and regulations for the conduct of proceedings relating to the granting and issuing of patents, known as "Patent Office Prosecution." These rules and regulations are set forth in Title 37 of the Code of Federal Regulations. Hereafter, "Rule" numbers will relate to Title 37.

Detailed procedures to be followed in the prosecution of patent applications before the United States Patent and Trademark Office are published in the Manual of Patent Examining Procedure (MPEP). Practitioners frequently refer to this manual.

### **WHO MAY APPLY**

## **PATENT BAR REVIEW**

An application for a patent must be filed by the actual sole inventor or joint inventors of an invention. There are several exceptions to this requirement.

If the inventor is dead, the legal representative, such as the executor or administrator, may apply for a patent on behalf of the deceased inventor. Similarly, if the inventor is insane or otherwise legally incapacitated, the legal representative, such as a guardian or conservator, may apply.

If there are joint inventors and if a first inventor refuses to file a patent application or if a first inventor cannot be located, the other inventor or inventors may file on behalf of the first inventor.

If an inventor refuses to file a patent application or if an inventor cannot be located, another party may file on behalf of the inventor where the invention has been assigned to the party, where the inventor has agreed in writing to assign the invention to the party, or where the party otherwise shows sufficient proprietary interest in the invention.

### **HOW TO APPLY**

A patent application must be filed in the United States Patent and Trademark Office, which is located in Arlington, Virginia. However, the application and other communications should be addressed to:  
Commissioner of Patents and Trademarks, Washington, D.C. 20231.

The application must be in writing and must be submitted by the inventor or by someone on behalf of the inventor, such as an attorney authorized to practice before the United States Patent and Trademark Office in patent matters.

### **WHEN TO APPLY**

As soon as an inventor conceives an invention or actually makes the invention, the inventor should record the date of this event with proper witnessing. The inventor should then promptly apply for a patent by filing an appropriate application.

Before filing a patent application, however, an inventor may investigate the possibility that the subject matter of the invention has been previously

## PATENT BAR REVIEW

known to others. A "search" in the United States Patent and Trademark Office might reveal related patents. Depending on the results of the search, the inventor may or may not file an application for a patent.

### UTILITY PATENT

The basis for a utility patent is Section 101, which reads:

**Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.**

Hence, the subject matter for a utility patent can be a process, machine, composition of matter, manufacture, or any improvement thereof. In order to secure a utility patent, an inventor must show that the claimed invention is new, useful, and unobvious over the prior art, i.e., the previously known subject matter.

A process is a method of treating material to produce a particular result or product. A process can also relate to a new use of a known composition, apparatus, or the like. Process claims generally recite the required steps, such as mixing, heating, cooling, etc. An example of a patentable process is making expanded sheet metal.

A machine is a device in which energy can be utilized to perform a useful operation.

It is frequently claimed as an apparatus with the required mechanical or electrical elements, such as hinge, rod, spring, transistor, etc. A machine with feed-rollers that prepares moldings for picture and mirror frames to accept and retain a gilt surface is an example of a patentable machine.

A composition of matter is a combination of two or more substances. It can include chemical elements, chemical compounds, or other components. For example, pulp for making paper is a composition of matter.

## **PATENT BAR REVIEW**

A manufacture is a category for the remaining statutory subject matter that is not a process, machine, or composition. For example, a human-made genetically engineered bacterium capable of breaking down crude oil is patentable subject matter.

An improvement is a new addition to, simplification of, or change in a process, machine, composition, or manufacture. An example is an improvement in automatic heel lasting machines for manufacturing shoes. Certain items are not statutory subject matter for utility patents.

Laws of nature, physical phenomena, or abstract ideas are not patentable.

Moreover, a perpetual motion machine is deemed to be impossible. Prior to 1998, mathematical algorithms were also not statutory subject matter. Accordingly, a patent could not be obtained for a computer program encompassing an algorithm.

However, it was possible to obtain a patent for a machine that includes a programmed computer or for a process that performs a function utilizing a programmed computer.

Additionally, an item injurious to one's health may not be statutory subject matter unless it has some overriding beneficial result. Moreover, something immoral may be denied patent protection.

### **DESIGN PATENT**

Under Sections 171 to 173, a person may obtain a patent for a design of an article of manufacture. A design must be new, original, and ornamental in order to be patentable.

However, some courts have also required some degree of "patentable distinction" or "inventive faculty" similar to the unobviousness requirement for utility patents.

No description, other than a reference to the drawing, is ordinarily required for a design. The term of a design patent is fourteen years.

## **PATENT BAR REVIEW**

### **PLANT PATENT**

It is also possible, under Sections 161 to 164, to secure a patent for a plant. A plant patent will be granted to one who invents or discovers and asexually reproduces any distinct and new variety of plant, including cultivated sports, mutants, hybrids, and newly found seedlings, other than a tuber propagated plant or plant found in an uncultivated state.

### **REISSUE PATENT**

Under Sections 251 and 252, it is possible to secure a reissue patent. Reissue is a procedure to correct in a patent an "error without any deceptive intention" that causes the patent to be "wholly or partly inoperative or invalid." For instance, the specification (technical description of the invention) may be defective, or the claims (legal rights of the patent owner) may be too broad or narrow.

A claim cannot be broadened unless the reissue application is filed within two years from the issue date of the original patent. A party may have intervening rights when a claim has been broadened.

For instance, if the party's making, using, or selling has not infringed the patentee's original patent, the party, by continuing these acts, may not be liable to the patentee of a broader reissue patent. In other words, the party may have a right to continue the making, using, or selling as if the party had a license under the reissue patent.

A reissue application is usually filed by the inventor. However, if the reissue application does not broaden the scope of any claims in the original patent, the reissue application can be filed by the assignee. No new matter can be included in the reissue application.

In order for the reissue application to issue, the original patent must be surrendered to the United States Patent and Trademark Office. The term of the reissue patent is the balance of the term of the original patent.

## **PATENT BAR REVIEW**

### **INVENTOR'S RIGHT TO EXCLUDE**

The Constitution grants the inventor the "right to exclude" others from making, using, or selling the claimed invention in the United States for the term of a patent. However, a patentee does not necessarily have the "right to use" the claimed invention free of liability to others.

For example, a first inventor holds an unexpired first patent with a broad claim reciting "a chair." A second inventor holds an unexpired second patent with a narrow claim reciting "a rocking chair."

If the second inventor makes, uses, or sells a rocking chair, the second inventor infringes the broad "chair" claim in the first patent owned by the first inventor.

This infringement occurs because the first inventor has the right to exclude others, including the second inventor, from making, using, or selling any chair (whether it rocks or not). Accordingly, the first inventor's patent "dominates" the second inventor's patent.

### **APPLICANT'S RIGHTS**

Prior to the Reform Act of 1999, an applicant for a pending patent application had no rights, under the U.S. patent laws, to sue for infringement.

However, the applicant frequently marks an item "patent pending." This marking may deter a competitor from entering the field of the invention. The competitor is on notice that the application may eventually issue as a patent and that the patentee may subsequently sue for infringement.

The Reform Act of 1999 provides for a reasonable royalty for infringement during the time period between the publication, if any, of a U.S. patent application and the issuance of the patent.

For recovery during this time period, the claims in the publication must be substantially identical to the claims in the issued patent. The United States Patent and Trademark Office must have been provided with a copy of the publication in the English language. The alleged infringer has to have had actual notice of the published application.

## **PATENT BAR REVIEW**

Before or after the filing of a patent application, the inventor might negotiate a confidentiality agreement with a party interested in the invention.

Under the circumstances, the inventor should disclose the invention in writing to the interested party for evaluation, and the interested party should promise not to disclose the invention to others.

One highly recommended writing for making this disclosure to an interested party is the patent application itself, since it must describe the invention completely and must have at least one claim defining the legal rights.

After evaluation, the interested party might secure a license or an assignment relating to any patent rights, and the inventor might receive royalties or a "lump sum" payment under the license or assignment.

### **RIGHT TO ASSIGN**

A patent owner may assign, grant, or convey either (1) the whole patent comprising the exclusive right to make, use, or sell the invention in the United States, (2) an undivided part or share of that exclusive right, or (3) the exclusive right under the patent within a specified part of the United States. A transfer of any of these interests is an assignment, and it vests in the assignee a title with a right to sue infringers.

### **RIGHT TO LICENSE**

A patent owner may also license a patent. A license is a transfer of fewer rights than the rights in the three categories for an assignment.

For instance, a licensee may have the right to make and to use, but not the right to sell. Title is retained by the licensor and is not transferred to the licensee. A license does not have to be in writing, and there is no statutory requirement for recording a license.

A license may be exclusive or nonexclusive. The licensee may have the right to grant a sublicense.

## **PATENT BAR REVIEW**

Where the owner of a patent, as a licensor, grants an express license to a licensee, the licensee may also have an implied license under any other patent of the licensor that would be infringed by the licensee exercising the rights granted under the express license.

Hence, the licensor has an obligation to inform the licensee about all patents covering the licensed subject matter. A licensee is not estopped from attacking the validity of the licensor's patent.

### **EMPLOYER-EMPLOYEE OBLIGATIONS**

As a condition of employment, an employee might be required to execute a contract obligating the employee to assign to the employer all inventions conceived as a result of the employee's employment. This contract is generally upheld by the courts except where there is no time limit stated or no subject matter restriction.

Even if there is no contract and an employee is hired to invent, an invention might belong to the employer, and the employee might have to assign the invention to the employer. For instance, the employee may be hired to invent a specific item or to solve a specific problem.

Even if there is no contract and the employee is not hired to invent, the employer may have "shop rights" to an invention if the employee has used the employer's time, facilities, or materials. In this situation, the employee retains the title to the invention, but the employer has a nonexclusive license.

### **PUBLICATION OF A PATENT APPLICATION**

As promulgated in the Reform Act of 1999, certain U.S. patent applications will be published within eighteen months of the earliest Effective Filing Dates. This includes U.S. applications filed on or after November 29, 2000, and U.S. applications based on PCT applications filed on or after November 29, 1999.

Pending U.S. applications will not be published if the applicant certifies upon filing that the invention disclosed in the application has not been or will not be the subject matter of an application filed in another country.

## **PATENT BAR REVIEW**

There are other exceptions. A U.S. provisional or design application will not be published. If the U.S. application is abandoned or is subject to a secrecy order, it will not be published.

Furthermore, an applicant in the United States has the option of redacting the published subject matter if the redacted version is filed in any other country.

### **PATENT OFFICE PROSECUTION**

The conduct of proceedings relating to the granting and issuing of patents is known as "patent office prosecution."

### **PARTS OF A PATENT APPLICATION**

A patent application for an invention has several different parts. Some are required in order to have a complete application, and some are optional. Every patent application must have a specification and at least one claim. The specification describes the complete invention.

Each claim defines the legal rights of the patent owner. Drawings, when necessary for understanding the invention, are also required parts of a patent application.

An oath or declaration executed by each inventor and the appropriate fee are also required. They do not have to accompany a patent application at the time of filing, but must be submitted at a later date.

An oath or declaration should state, among other things, that the inventor is the original and first inventor of the claimed subject matter. A petition and a power of attorney, permitting an attorney to act on behalf of the applicant before the United States Patent and Trademark Office, are optional parts of a patent application.

After a patent application with all the required parts is filed with the United States Patent and Trademark Office, it receives a filing date and a serial number (an application number).

## **PATENT BAR REVIEW**

The filing date is important for two reasons. Firstly, the filing date is an Effective Filing Date, which is one type of a Date of Invention for establishing priority. Secondly, the filing date determines whether there are certain statutory bars under Section 102, which preclude the issuance of a valid patent.

After issuance, the patent application is known as a patent. The specification, claims, and drawing, if any, are also found in the patent along with other parts.

### **PARTS OF A PATENT**

For familiarization, two utility patents are reproduced on the succeeding pages. The first (Exhibit 2-1) is for a bumper arrangement, and the second (Exhibit 2-2) is for a detergent. The following parts should be noted in these patents:

1. U.S. Patent Number. This appears at the top of the right column, e.g., 3,822,907 and 3,758,595.
2. Issue Date. This also appears at the top of the right column under the patent number, e.g., July 9, 1974, and September 11, 1973. In some instances, the issue date is important because the patent owner has the right to exclude others in the United States from making, using, or selling the claimed invention for seventeen years from the issue date.
3. Title. The title is found in the left column, e.g., BUMPER ARRANGEMENT and DETERGENT.
4. Inventors. The inventors are listed in the left column, e.g., Appel et al. for the bumper arrangement and Lamberti et al. for the detergent.
5. Assignment. The assignee, if any, is specified in the left column, e.g., Volkswagenwerk Aktiengesellschaft and Lever Brothers Company.
6. Serial Number and Filing Date. These items are found in the left column, e.g., the application filed on July 9, 1973, was assigned serial number 377,450, and the application filed on February 5, 1971, was assigned serial number 113,079. In some instances, the filing date determines the term of a patent.

## PATENT BAR REVIEW

7. Foreign Application Priority Data. The Volkswagen patent has a claim of priority under Section 119 based on the convention application filed in Germany on July 11, 1972. Convention applications are important to secure an earlier Effective Filing Date for a U.S. patent application.

8. Related U.S. Application Data. As indicated, the Lever patent is a continuation-in-part of serial number 764,362, filed August 7, 1968, which, in turn, is a divisional of serial number 502,299, filed October 22, 1965. Prior U.S. applications, i.e., provisional applications, continuation applications, continuation-in-part applications and divisional applications, are important also to secure an earlier Effective Filing Date for a U.S. patent application.

9. Classification. Based on the subject matter, a patent is classified according to a U.S. system and an international system. There is a U.S. classification, e.g., 293/63 in the Volkswagen patent, and an international classification, e.g., B60r in the Volkswagen patent.

10. Field of Search. The field of search indicates the various classifications, searched by the examiner in the United States Patent and Trademark Office, to determine if the claimed subject matter is patentable.

11. References cited. The examiner evaluated these references, if any, and decided that the claimed subject matter in the issued patent was patentable over the references.

12. Examiners. The examiners are listed in the patent.

13. Attorneys. The attorneys, if any, are listed in the patent.

14. Abstract. An abstract, found on the first page of a patent, briefly describes the invention.

15. Drawing. If there are any drawings (as there are in the Volkswagen patent), one drawing is reproduced on the first page. Other drawings are found on subsequent pages in the patent.

16. Specification. The specification is a required part of a patent. It provides a complete description of the operable invention and forms the basis for the claims.

## **PATENT BAR REVIEW**

17. Claim. At least one claim is required. Each claim defines the legal rights of the patent owner against a potential infringer.

### **EXAMINATION OF A PATENT APPLICATION**

After a patent application has been filed, an examiner in the United States Patent and Trademark Office examines the application. The application may proceed through the various prosecution stages. For the following discussion, assume that the claimed subject matter is "rejected" at each stage. Also keep in mind that the patent application may be "abandoned" if a required paper is not filed by the applicant within a specified time period.

Assume that after initial examination the examiner rejects the claimed subject matter in the patent application.

Under the circumstances, the examiner submits an Office Action stating the reasons for the rejection.

After receiving the Office Action rejecting the claimed subject matter, the applicant has six months or less to file a paper in response to the Office Action. The paper is usually called an amendment (or a response). In general, the amendment must either traverse or comply with the rejection in the Office Action.

The examiner considers the filed amendment. If the examiner submits another Office Action again rejecting the claimed subject matter, the applicant must file another amendment. The cycle of Office Action and amendment may be repeated several times.

If the examiner continues to reject the claimed subject matter and the issues of disagreement between the examiner and the applicant have been adequately defined, the examiner submits a final rejection.

In order to avoid abandonment of the patent application, the applicant must file a notice of appeal, including the required fee, with the Board of Patent Appeals and Interferences within the specified time period, i.e., six months or less.

## **PATENT BAR REVIEW**

During this time period, the applicant may file a Rule 116 amendment, an optional paper responding to the final rejection. There is no abandonment of the application if a Rule 116 amendment is not filed.

### **PATENT APPEAL PROCEDURE**

After the applicant has filed a notice of appeal, the applicant (now the appellant) has two months to file a brief on appeal, including the required fee. The brief on appeal must set forth the applicant's arguments. The examiner then submits an examiner's answer. It responds to the brief on appeal and sets forth the examiner's arguments.

Within one month from the date of the examiner's answer, the applicant has the option of filing a reply brief. There is no abandonment of the patent application if the optional reply brief is not filed.

Within the same one-month period, the applicant may also file a request for an oral hearing, including the required fee. An Oral Hearing is optional, and there is no abandonment if a request is not filed.

The Board of Patent Appeals and Interferences arrives at a decision by considering at least two papers--the brief on appeal and the examiner's answer. The Board's decision may also be based on the optional reply brief and the optional oral hearing.

If the decision of the Board is adverse, the applicant has sixty days to appeal to the courts. The applicant may appeal directly to the Court of Appeals for the Federal Circuit (CAFC) or may commence a civil action before the District Court for the District of Columbia.

If the decision of the district court is adverse, the applicant may appeal to the CAFC. Thus, all patent appeals eventually will be decided by the CAFC. In 1999, the United States Supreme Court held that the standards of the Administrative Procedure Act apply when the Federal Circuit reviews findings of fact made by the United States Patent and Trademark Office.

If the decision of the CAFC is adverse, the applicant may petition to the United States Supreme Court.

## REEXAMINATION OF A PATENT

As provided by Section 302, any person, e.g., a patent owner or a third party, may file a request for reexamination by the United States Patent and Trademark Office of any claim in the patent on the basis of prior art (previously known) patents or publications.

The purpose of the reexamination proceeding is to have the United States Patent and Trademark Office issue a certificate

- (1) canceling any claim in the patent finally determined to be unpatentable,
- (2) confirming any claim in the patent determined to be patentable, and
- (3) incorporating in the patent any proposed amended or new claim determined to be patentable.

Within three months following the filing date of a request for reexamination, an examiner will determine whether "a substantial new question of patentability" is raised by the request.

For instance, the requester may have submitted new prior art patents or publications that warrant reexamination of the claims on the issue of patentability. If a substantial new question of patentability is found, the examiner will prepare an "order for reexamination" of the patent.

Within the time period set forth in the order for reexamination, the patent owner may file a statement on the new question of patentability including any proposed amendments. The statement must be served upon the reexamination requester.

A reply to the patent owner's statement may be filed by the reexamination requester within two months from the date of service of the patent owner's statement. Any such reply must be served upon the patent owner.

Thereafter, reexamination will be similar to the usual patent office prosecution. Copies of the prosecution papers must be sent to or served upon the reexamination requester.

According to the 1999 Reform Act, the requester can now participate in the entire reexamination proceeding with regard to any patent issued from

## **PATENT BAR REVIEW**

an application filed on or after December 10, 1999. This includes the requester's written comments in a response to an Office Action.

However, the requester is then estopped from asserting at a later time in any civil action the invalidity of any claims finally determined to be valid and patentable on any ground that the requester raised or could have raised during the reexamination proceeding.

The estoppel does not apply to newly discovered prior art unavailable to the requester at the time of the reexamination proceeding.

### **PATENTABILITY IN GENERAL**

Patentability of an invention can be investigated before or after a patent issues. For instance, it can be considered by the inventor before the filing of a patent application to determine whether the subject matter of the invention has been previously known to others.

Patentability can also be evaluated by the applicant and the Examiner after the filing of a patent application, if the Examiner rejects any claims in the application as being unpatentable over the prior art.

Furthermore, after a patent has issued, the patentability (validity) of a patent can be challenged in litigation when an adverse party submits evidence to demonstrate that the claimed invention is found in the prior art.

### **TEST FOR PATENTABILITY**

The test for patentability is whether the inventor's claimed subject matter is new, useful, and unobvious over the prior art.

The first step is to ascertain the Effective Filing Date of the inventor's application or patent under Section 119, Section 120, or Section 121. The second step is to decide, based on dates alone, whether the reference, cited against the inventor's application or patent, is a possible statutory bar under Section 102(b).

If the answer is "no," proceed to the third step. If the answer is "yes," proceed directly to the fourth step. In other words, the third step, which is

## PATENT BAR REVIEW

an antedating procedure, cannot be considered when there is a Section 102(b) statutory bar, based on dates alone.

The third step, where applicable, is to determine whether the inventor can antedate the cited reference under Section 102(a), Section 102(e), Section 102(g), or Section 291. If the answer is "yes," the cited reference is overcome. Under the circumstances, a patent may issue or the issued patent may be valid unless other cited references or other statutory problems have to be considered. If the answer is a "no" in the third step, proceed to the fourth step.

The fourth step, where applicable, is to ascertain any differences between the claimed subject matter of the inventor's application or patent and the subject matter of the cited reference. If there is a difference, is it unobvious under Section 103?

If the answer is "yes," the cited reference is overcome. A patent may issue or the issued patent may be valid unless other cited references or other statutory problems have to be considered. If the answer is "no" in the fourth step, a patent will not issue or the issued patent is invalid based on the cited reference.

### EFFECTIVE FILING DATES

#### *Top of Form*

A patent application may be accorded a filing date that is earlier than its actual filing date. Thus, an Effective Filing Date (EFD) can be either (1) the actual U.S. filing date or (2) a date earlier than the actual filing date. With an earlier Effective Filing Date, an inventor's application or patent receives an earlier Date of Invention, which may avoid certain statutory bars under Section 102.

#### *Step 1 for Patentability*

The first step is to ascertain the Effective Filing Date of the inventor's pending application or issued patent.

#### *Effective Filing Dates Earlier Than Actual Filing Dates*

Five types of patent applications can support an Effective Filing Date earlier than the actual U.S. filing date. They are: a convention application under Section 119, a provisional application also under Section 119, a

## **PATENT BAR REVIEW**

continuation application under Section 120, a continuation-in-part application also under Section 120, and a divisional application under Section 121.

### **CONVENTION APPLICATION**

An applicant who has filed a patent application in the United States may have filed an earlier corresponding patent application in a foreign country. If certain statutory requirements are met, the U.S. application may be a convention application.

### **STATUTORY BASIS**

The basis for a convention application is found in Section 119, which reads:

An application for patent for an invention filed in this country by any person who has, or whose legal representatives or assigns have, previously regularly filed an application for a patent for the same invention in a foreign country which affords similar privileges in the case of applications filed in the United States or to citizens of the United States, shall have the same effect as the same application would have if filed in this country on the date on which the application for patent for the same invention was first filed in such foreign country.

No application for patent shall be entitled to this right of priority unless a claim therefor and a certified copy of the original foreign application, specification and drawings upon which it is based are filed in the Patent and Trademark Office before the patent is granted, or at such time during the pendency of the application as required by the Commissioner not earlier than six months after the filing of the application in this country. Such certification shall be made by the patent office of the foreign country in which filed and show the date of the application and of the filing of the specification and other papers.

The Commissioner may require a translation of the papers filed if not in the English language and such other information as he deems necessary.

### **REQUIREMENTS**

## PATENT BAR REVIEW

If a U.S. patent application was filed within twelve months from the earliest filing date of a corresponding patent application filed in a "convention" foreign country, the U.S. application is a convention application. Under these circumstances, the earliest foreign filing date becomes the "new" Effective Filing Date for the U.S. patent application (except when determining certain statutory bars under Section 102(b), discussed below).

### TABULAR OR GRAPHIC MATERIAL SET AT THIS POINT IS NOT DISPLAYABLE

There is an important exception near the end of the first paragraph of Section 119 concerning the benefit of the earlier filing date of a corresponding foreign application with regard to the one-year time period for determining Section 102(b) statutory bars. According to this exception, the U.S. filing date cannot include the benefit of a Section 119 convention application, but the U.S. filing date can include the benefit of Section 119 provisional application, a Section 120 continuation application, a Section 120 continuation-in-part application, or a Section 121 divisional application

### CONTINUATION APPLICATION

During the prosecution of a first patent application, an applicant may "refile" a second patent application having the same subject matter. This second application may be a continuation application providing it complies with the statutory requirements.

#### *Statutory Basis*

Section 120 is the statutory authority for a continuation application.

### REQUIREMENTS

If a second U.S. patent application, in general, has the same inventors and same subject matter as an earlier first U.S. patent application, and is filed before the issuance or abandonment of the first application, the second patent application is a continuation application. Accordingly, the Effective Filing Date of the second application is the filing date of the earlier first application, also known as the parent application.

## CONTINUATION-IN-PART APPLICATION

During the prosecution of a first patent application, an applicant may "refile" with a second patent application having new subject matter. This second application may be a continuation-in-part (CIP) application providing it complies with the statutory requirements.

### *Statutory Basis*

Section 120 is also the statutory authority for a continuation-in-part application.

## REQUIREMENTS

If a second U.S. patent application, in general, has the same inventors but has new subject matter in addition to the old subject matter in an earlier first U.S. patent application and if the second application is filed before the issuance or abandonment of the first application, the second application is a continuation-in-part application.

Accordingly, the Effective Filing Date of the "old" subject matter in the second application is the filing date of the earlier first (parent) application. However, the Effective Filing Date of the "new" subject matter in the second application is the filing date of the second application.

A claim based only on the "new" subject matter in the second application, i.e., not supported in the first (parent) application, might be unpatentable over intervening prior art, i.e., prior art between the filing dates of the first and second applications.

## DIVISIONAL APPLICATION

Sometimes an inventor claims two (or more) inventions in a first application. The inventor may divide the inventions by retaining the first invention in the first application and by filing a second application for the second invention. If certain statutory requirements are met, the second application may be a divisional application.

### *Statutory Basis*

A divisional application is based on Section 121

# PATENT BAR REVIEW

## REQUIREMENTS

Generally, if some of the claimed subject matter is canceled in a first U.S. patent application and is then filed in a second U.S. patent application with the same inventors and if the second application is filed before the issuance or abandonment of the first application, the second application is a divisional application. The Effective Filing Date of the second patent application, therefore, is the filing date of the first (parent) application.

## DOUBLE PATENTING

The concept of double patenting is based on the rationale that a person can have only one patent for one invention. However, it is possible to secure a second patent for an improvement over the subject matter of a first patent, but the improvement in the second patent must be "new, useful, and unobvious" over the subject matter of the first patent.

A double patenting situation can arise

- (1) between two or more pending applications,
- (2) between two or more issued patents, or
- (3) between one or more pending applications and one or more issued patents.

Generally, the claims (not the specifications) in the applications or patents should be compared when determining possible double patenting.

Double patenting can occur when the inventors are the same in the two applications or patents. It can also occur when the inventors are different, but there is a common assignee, such as a corporation.

There are two types of double patenting: Double patenting "Type I"--when the claims of one application or patent are the same as the claims of another application or patent, and "Type II" --when the claims of one application or patent are different from, but obvious over, the claims of another application or patent, i.e., obviousness-type double patenting. In the Eli Lilly decision, the CAFC mentioned that a possible Type II double patenting rejection requires a two-step analysis.

First, determine whether the claim in the later patent encompasses (is the same as) the subject matter in the earlier patent. If not, then determine

## **PATENT BAR REVIEW**

whether the differences in the subject matter between the claims are patentably distinct (unobvious).

To overcome a double patenting rejection and to secure a second patent, an applicant or patentee may, when appropriate, disclaim the terminal portion of the term of a second patent to the extent necessary for the second patent to expire on the same date as the first patent. A terminal disclaimer is appropriate to avoid a Type II double patenting rejection, but it is not appropriate to overcome a Type I double patenting rejection.

Therefore, if the claimed subject matter is the same in each application or patent, it is a double patenting Type I situation. A terminal disclaimer cannot be filed to avoid this type of double patenting, and a valid second patent cannot issue.

If the claimed subject matter is different and obvious (not unobvious), it is a double patenting Type II situation. A terminal disclaimer can be filed to avoid this type of double patenting, and a valid second patent can issue. If the claimed subject matter is different and unobvious, it is not a double patenting situation. A valid second patent can issue without filing a terminal disclaimer.

When there is litigation based on a double patenting Type II situation between two issued patents, frequently the first filed application is the first to issue as a patent (first filed--first issued).

Under these circumstances, a "one-way" test is used whereby the claims in the second filed--second issued patent must be obvious over the claims of the first filed--first issued patent to support a double patenting rejection.

Certain circumstances or situations described in Sections 102(a) through (g) of the statute can bar a person from securing a patent for an invention, and therefore are known as statutory bars.

### **STATUTORY BARS UNDER SECTIONS 102(A) AND 102(B)**

There are eight statutory bars specified in Section 102(a) and Section 102(b). If any statutory bar is applicable, an inventor is not entitled to a patent, because the claimed invention is "contemplated" by the prior art. In other words, the claimed invention is not "new," and it is not patentable.

## **PATENT BAR REVIEW**

This is also known as a "complete anticipation," which precludes the issuance of a patent.

### **"USE" AS A STATUTORY BAR**

In order for use to qualify as a bar under Section 102(a) and Section 102(b), the use should be accessible to the public, i.e., performed openly. A secret use is generally not a bar under Section 102(a) and Section 102(b).

Experimental use also does not constitute a bar under Section 102(a) and Section 102(b). Experimental use relates to developing, perfecting, or testing the invention.

To be a "complete anticipation" under Section 102(a) and Section 102(b), the prior art use must contemplate the complete invention being claimed by the inventor. If the prior art use is something less than the complete invention, the use can still be considered under Section 103.

### **"KNOWLEDGE" AS A STATUTORY BAR**

Knowledge should also be accessible to the public to qualify as a Section 102(a) bar. The prior art knowledge must contemplate the inventor's complete invention, as claimed, in order to be a "complete anticipation." If the prior art knowledge is something less than the complete invention, the knowledge can still be evaluated under Section 103.

### **"SALE" AS A STATUTORY BAR**

An offer for sale, such as a demonstration, or an actual sale in (8) above can cause a bar under Section 102(b). To qualify as a "complete anticipation," the prior art sale must contemplate the complete invention being claimed by the inventor. If the prior art sale is something less than the complete invention, the sale can still be considered under Section 103.

This is illustrated in a 1999 decision, where the CAFC stated that the subject matter of the offers for sale did not fully anticipate the claimed invention and the alleged infringer did not argue that the offers would have rendered the invention obvious.

## **PATENT BAR REVIEW**

The United States Supreme Court in the Pfaff decision has promulgated a two-prong test for proving a sale bar. First, the product must be the subject of a commercial sale or sales offer.

Second, the invention must be "ready for patenting," which can be established by a reduction to practice or by proof that the inventor has drawings or other descriptions of the invention that are sufficiently specific to enable a person skilled in the art to practice the invention.

In 2000, the CAFC applied the Pfaff test to determine whether the subject matter of a patent was on sale to qualify as a bar under Section 102(b). According to the court, there was sufficient evidence that the invention was ready for patenting, i.e., a model of the invention and its subsequent promotion.

Three 2001 decisions clarified the standard for an "offer for sale" to satisfy the first prong of Pfaff's two-prong test for proving a sales bar, i.e., the product must be the subject of a commercial sale or sales offer.

The Group One court stated that because of "the importance of having a uniform national rule regarding the on-sale bar, we hold that the question of whether an invention is the subject of a commercial offer for sale is a matter of Federal Circuit law, to be analyzed under the law of contracts as generally understood." As guidance the court suggested the U.C.C., the Restatement (Second) of Contracts, and the vast amount of existing contract law.

The Pechiney Rhenalu court in 2002 promulgated three guidelines for determining whether there is a commercial offer under traditional contract law. First, the transaction must rise to a level where the other party could bind the offeror by an acceptance.

Second, the offer is the manifestation of a willingness to enter in a bargain in such a way that the offeree believes an acceptance will create a binding contract. Third, the language used by the offeror should be indicative of a legal offer with certain phrases suggesting such a legal offer.

Mere quotations do not constitute commercial offers for sale under Section 102(b), since they are only suggestions to negotiate. More terms

## **PATENT BAR REVIEW**

are required in addition to the quotations, such as time and place of delivery, price, and quantity.

Merely sending samples to customers, without any other evidence of entering into a contract, is not an offer that triggers the sale bar. Again, the transaction should include contract terms, such as prices and the like.

### **"PUBLICATION" AS A STATUTORY BAR**

As a statutory bar under Section 102(a) and Section 102(b), a publication in (4) and (6) above can be anything that is printed and available to the public in any country without any injunction of secrecy.

This can include, for example, material in a public library, a catalog for promoting sales, or papers distributed at a meeting of a technical society.

The prior art publication must contemplate the inventor's complete invention, as claimed, in order to be a "complete anticipation." If the prior art publication describes something less than the complete invention, the publication can still be evaluated under Section 103.

### **STATUTORY BAR UNDER SECTION 102(C)**

A person who abandons an invention is barred from securing a patent.

Section 102(c) reads:

A person shall be entitled to a patent unless ...he has abandoned the invention . . . .

When abandonment occurs, the invention is dedicated to the public, and the inventor loses any right to a patent. For example, the inventor may expressly intend not to file a patent application for the invention.

This intent can be evidenced by the inventor's oral or written statements. An intent to abandon may also be implied, for example, by an inexcusable delay in filing a patent application. Furthermore, patent rights are abandoned if the inventor engages in an activity that results in a statutory bar under Section 102(b), or Section 102(d).

Abandonment may also occur during the prosecution of a patent application. If the subject matter of the invention is disclosed in a patent

## **PATENT BAR REVIEW**

application but never claimed in that patent application (or in a continuing patent application), the unclaimed subject matter may be dedicated to the public. If broad subject matter is claimed in a patent application but is not claimed in a patent issuing therefrom (or in a continuing patent application), the broad subject matter may be dedicated to the public.

If the applicant fails to file an amendment or take some other appropriate action within the required time period during the prosecution of the patent application, the application and its subject matter may be abandoned. A patent application also may be expressly abandoned.

Section 253 provides for disclaimers relating to an issued patent. The patentee may disclaim one or more claims in a patent or the entire term of a patent. The patentee (or applicant) may disclaim a terminal part of the term of the patent granted (or to be granted).

### **STATUTORY BAR UNDER SECTION 102(D)**

Under certain circumstances, a person who first obtains a patent in a foreign country may be barred from obtaining a U.S. patent. Section 102(d) reads:

A person shall be entitled to a patent unless--

. . .

(d) the invention was first patented or caused to be patented, or was the subject of an inventor's certificate, by the applicant or his legal representatives or assigns in a foreign country prior to the date of the application for patent in this country on an application for patent or inventor's certificate filed more than twelve months before the filing of the application in the United States.

If A's corresponding foreign patent application is filed more than twelve months before the Effective Filing Date of A's U.S. patent application and if A's corresponding foreign patent application issues before the Effective Filing Date of A's U.S. patent application, there is a statutory bar under Section 102(d). Therefore, two requirements must be met in order to have a Section 102(d) bar.

The Effective Filing Date of the U.S. patent application under Section 102(d) includes the benefit of a Section 120 continuation application, a Section 120 continuation-in-part application, or a Section 121 divisional

## **PATENT BAR REVIEW**

application but does not include the benefit of a Section 119 convention application. Section 102(d) should be contrasted with Section 119.

### **STATUTORY BAR UNDER SECTION 102(E)**

In some situations, a person is barred from securing a patent if the invention that has been disclosed in a U.S. patent issued to another. Section 102(e) reads:

A person shall be entitled to a patent unless ... the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

According to Section 102(e), the "disclosure" of a U.S. patent, issued to another, can be cited as prior art against an inventor's patent application (or issued patent) when the cited U.S. patent was filed before the inventor's Date of Invention and when the cited U.S. patent was issued "after" the inventor's Date of Invention. If a cited U.S. patent, issued to another, was issued "before" the inventor's Date of Invention, Section 102(a), would be applicable. If the cited U.S. patent, issued to another, "claims" the same subject matter as the inventor, Section 102(g), would be applicable.

The Reform Act of 1999 has amended Section 102(e). If a U.S. application has been published, the U.S. filing date can be used as a prior art reference against another person under Section 102(e).

There is another amendment to Section 102(e) under the Reform Act of 1999. If a U.S. application claims the benefit of an earlier filed PCT application, the Section 102(e) prior art date against another person is the filing date of the PCT application provided that the PCT application has been published in English.

If the PCT application is not published in English, the Section 102(e) prior art date against another person is the filing date of the U.S. application.

### **STATUTORY BAR UNDER SECTION 102(F)**

## **PATENT BAR REVIEW**

A person who did not invent the subject matter is barred from securing a patent. Section 102(f) reads:

A person shall be entitled to a patent unless ... he did not himself invent the subject matter sought to be patented.

Based on Section 102(f), the declaration for a patent application must be executed by the inventor of the claimed subject matter.

A person is barred under Section 102(f) from securing a patent if that person derived the invention from another. In order to prove that an invention was derived from another, it may be necessary to show (1) the invention was conceived by another and (2) the conception by another was communicated to that person.

### **STATUTORY BAR UNDER SECTION 102(G)**

In some situations, a person may be barred from securing a patent if the invention was previously made in the United States by another.

As discussed heretofore, where the dates are applicable, a NAFTA country and a WTO country must also be considered for establishing a Date of Invention.

Section 102(g) reads:

A person shall be entitled to a patent unless...before the applicant's invention thereof the invention was made in this country by another who had not abandoned, suppressed, or concealed it.

Section 102(g) is the basis for determining who is the prior inventor of the claimed invention. A person who loses an interference proceeding before the United States Patent and Trademark Office or loses a cause of action under Section 291, is barred under Section 102(g) from securing a valid U.S. patent.

This is because another person had an earlier Date of Invention in the United States (or where the date is applicable in any NAFTA or WTO country) for the same invention, and priority was awarded to the other person.

## **PATENT BAR REVIEW**

Section 102(g) also applies when a prior invention has been "admitted" either in a patent application or during the prosecution of a patent application.

However, according to a 1984 amendment to Section 103, subject matter developed by another person, which qualifies as prior art only under Section 102(g), does "not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person." This means, for instance, that the subject matter previously developed by a coworker in the same organization might not be prior art only under Section 103.

### **PRIOR ART REFERENCE**

A prior art reference may be cited against the inventor's application or patent. If appropriate, the inventor may be able to avoid or overcome the reference by showing an earlier Date of Invention. This is known as "antedating the reference" or "swearing back of the reference."

### **STEP 3 FOR PATENTABILITY**

Step 3 for Patentability relates to antedating, i.e., evaluating whether an inventor can antedate a cited reference under Section 102(a), Section 102(e), Section 102(g), or Section 291. In order to antedate a cited reference, the inventor ("A") must show a Date of Invention before the appropriate date of the cited reference. Step 3 can be considered only if there is a "no" answer in step 2.

If there is a "yes" answer in Step 2, the antedating procedure in Step 3 cannot be considered. Instead, the inquiry proceeds directly from Step 2 to Step 4 relating to unobviousness.

There are four categories of cited references. They are:

- (1) a published article, use, or sale;
  - (2) a foreign patent;
  - (3) a United States patent that discloses but does not claim the invention;
- and
- (4) a U.S. patent that discloses and claims the invention.

## **PATENT BAR REVIEW**

The category determines the date of the cited reference that must be antedated, the procedure for antedating, and the section applicable for antedating.

### **ANTEDATING CATEGORY 1 PUBLISHED ARTICLE, USE, OR SALE**

If the cited reference is a published article, use, or sale, the date of the publication, use, or sale must be antedated. Section 102(a) is the pertinent statute for antedating in this category.

The antedating procedure used during the prosecution of a patent application is a Rule 131 affidavit or declaration.

Generally, a Rule 131 affidavit or declaration contains statements of fact, supported by documentation, that establish an earlier Date of Invention for the affiant's or declarant's invention.

### **ANTEDATING CATEGORY 2 FOREIGN PATENT**

If the cited reference is a foreign patent, the issue date (not the filing date) of the foreign patent must be antedated in Step 3 for Patentability.

The antedating procedure employed during the prosecution of a patent application is a Rule 131 affidavit or declaration. Again, Section 102(a) is the pertinent statute for antedating in this category.

### **ANTEDATING CATEGORY 3 UNITED STATES PATENT THAT DOES NOT CLAIM THE INVENTOR'S INVENTION**

Suppose the cited reference is a U.S. patent, and suppose it discloses but does not claim the same subject matter as the inventor's application or patent.

## **PATENT BAR REVIEW**

In Step 3 for Patentability, the inventor must antedate the Effective Filing Date of the cited U.S. patent. For antedating, the Effective Filing Date of the cited U.S. patent can include the benefit of a Section 119 provisional application, a Section 120 continuation application, a Section 120 continuation-in-part application, or a Section 121 divisional application, but cannot include the benefit of a Section 119 convention application.

During prosecution of a patent application, the antedating procedure is a Rule 131 affidavit or declaration. Either Section 102(a) or Section 102(e) is the pertinent statute for antedating depending upon whether the cited U.S. patent issues before or after the Date of Invention of the inventor's application or patent.

### **ANTEDATING CATEGORY 4**

#### **UNITED STATES PATENT THAT CLAIMS THE INVENTOR'S INVENTION**

Suppose the cited reference is a U.S. patent, and suppose it discloses and claims the same subject matter as the inventor's application or patent. In Step 3 for Patentability, the inventor must antedate the Effective Filing Date of the cited U.S. patent (including any Section 119 foreign convention date) or any earlier Date of Invention in the United States (or, where applicable, in a NAFTA or WTO country) for the claimed subject matter in the cited U.S. patent.

Regarding a pending patent application, the antedating procedure is an interference proceeding under Section 102(g). Regarding an issued patent, the procedure is a civil action under Section 291.

### **CATEGORY I**

As an illustration of antedating, assume A, the inventor, has a Date of Invention (D/I) of February 1, 1966, for a chair and A files a patent application claiming the chair with an Effective Filing Date (EFD) of May 1, 1967. B's publication, dated August 1, 1966, mentions a chair. The first step for determining patentability is to determine the Effective Filing Date of A's patent application. Here, it is May 1, 1967.

The second step for determining patentability is to ascertain, based on date alone, whether there is a statutory bar under Section 102(b) with regard to B's publication. The answer is "no," because the time period between August 1, 1966, and May 1, 1967, is not more than one year.

## **PATENT BAR REVIEW**

Since the answer to Step 2 is "no," proceed to Step 3 and consider antedating. A must antedate B's publication date by submitting a Rule 131 affidavit based on A's earlier Date of Invention of February 1, 1966. The cited B publication is overcome, and Step 4 is not applicable

### **CATEGORY 2**

Assume A has the same Date of Invention and the same Effective Filing Date for filing a patent application claiming a chair. However, in a second category, assume C's French patent, disclosing a chair, was filed in France on September 1, 1965, and was issued on August 1, 1966.

Here, A's Effective Filing Date is May 1, 1967

Based on dates alone (Step 2), C's French patent is not a Section 102(b) bar, because it has not issued more than one year before A's Effective Filing Date. Since the answer for Step 2 is "no," consider antedating (Step 3). With regard to C's French patent, A must antedate only the issue date and not the filing date. Therefore, A can submit a Rule 131 affidavit to overcome the French patent as a cited reference, because A's Date of Invention, February 1, 1966, is earlier than the French issue date, August 1, 1966. Step 4 does not have to be considered.

### **CATEGORY 3**

Assume A has the same Date of Invention and the same Effective Filing Date for filing a patent application claiming a chair. In Category 3, D's U.S. patent, which discloses but does not claim a chair, has been cited as a reference against A's patent application. D's U.S. patent was filed on September 1, 1965, and was issued on August 1, 1966.

Referring to Step 1 for Patentability, A's Effective Filing Date is May 1, 1967. Referring to Step 2, D's U.S. patent is not a Section 102(b) bar, based upon dates alone, because it did not issue more than one year before A's Effective Filing Date. Referring to the "no" answer for Step 2 and referring to Step 3, A must antedate, with a Rule 131 affidavit, the Effective Filing Date of D's U.S. patent, which is September 1, 1965.

A cannot antedate D's U.S. patent, since A's Date of Invention is only February 1, 1966, and there is a bar under Section 102(e). Referring to the "no" answer for Step 3 and referring to Step 4, there is no unobvious

## **PATENT BAR REVIEW**

difference between the subject matter (chair) of A's invention and the subject matter (chair) of D's U.S. patent. Hence, no patent will issue to A.

### **CATEGORY 4**

Assume again A's Date of Invention for a chair is February 1, 1966, and A's Effective Filing Date for a patent application claiming the chair is May 1, 1967. In a fourth category, F's U.S. patent, which has been cited against A's patent application, discloses and claims a chair.

F's U.S. patent was filed on September 1, 1965, and was issued on August 1, 1966. Considering Step 1 for Patentability, A's Effective Filing Date is May 1, 1967. Considering Step 2, the issue date of F's U.S. patent, August 1, 1966, is not more than one year before A's Effective Filing Date, May 1, 1967. Hence, there is no Section 102(b) bar based on dates alone.

Considering the "no" answer for Step 2 and then considering Step 3, A must antedate, with an interference procedure, F's Effective Filing Date of September 1, 1965, since the facts do not support an earlier Date of Invention in the United States by F. A's Date of Invention of February 1, 1966, is after September 1, 1965; therefore, A cannot antedate F's U.S. patent. Considering Step 4, a patent will not issue to A, because the subject matter (chair) of A's application and the subject matter (chair) of F's U.S. patent are the same, i.e., no unobvious difference.

### **the background and statutory basis for unobviousness**

Even if an invention is new and useful, to be patentable it must also be unobvious over the prior art to a person skilled in the field of the invention.

### **STEP 4 FOR PATENTABILITY**

Step 4 relating to unobviousness is considered after a "yes" answer in Step 2 or after a "no" answer in Step 3. Step 4 is to ascertain if there is a difference between the claimed subject matter of the inventor's application or patent and the subject matter of a cited reference, and if there is a difference, whether the difference is unobvious under Section 103.

## **PATENT BAR REVIEW**

The background of Section 103 will be considered first, and this will be followed by a discussion of Section 103 in the 1952 statute.

### **HOTCHKISS DECISION**

In *Hotchkiss v. Greenwood*, an early decision by the United States Supreme Court, the invention at issue was the substitution of a clay or porcelain knob for a metallic knob. Setting the standard for patentability, the Court held that the substitution was not a patentable invention and stated:

For unless more ingenuity and skill in applying the old method of fastening the shank and the knob were required in the application of it to the clay or porcelain knob than were possessed by an ordinary mechanic acquainted with the business, there was an absence of that degree of skill and ingenuity which constitute essential elements of every invention. In other words, the improvement is the work of the skillful mechanic, not that of the inventor.

### **CUNO DECISION**

Almost a century later, the United States Supreme Court in *Cuno Eng'g Corp. v. Automatic Devices Corp.* applied a new standard for patentability and declared that "a new device, however useful it may be, must reveal the flash of creative genius not merely the skill of calling. If it fails, it has not established its right to a private grant on the public domain. Tested by that principle Mead's device was not patentable."

The "flash of genius" test in the *Cuno* decision was much stricter than the test in the *Hotchkiss* decision. In fact, relatively few inventions have been a "flash of genius."

### **SECTION 103**

Section 103 in the 1952 statute is considered to be a rejection of the *Cuno* "flash of genius" test for patentability and acceptance and codification of the *Hotchkiss* test. Section 103 reads:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been

## **PATENT BAR REVIEW**

obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

### **APPLICATION OF SECTION 103**

The unobviousness test of Section 103 is a subjective one. Certain negative and positive rules have been used to determine patentability.

### **NEGATIVE RULES**

Before the 1952 statute, the courts developed certain negative rules of invention. When these rules are applied to Section 103, an invention is obvious, and therefore unpatentable, if the inventor is:

1. Merely exercising skill or ingenuity expected of a person in that field.
2. Merely substituting equivalents, such as compounds in a composition, elements in an apparatus, or steps in a process.
3. Merely changing proportion, location, size, degree, form, or the like.
4. Merely reversing elements or steps.
5. Merely combining old parts together in an aggregation.
6. Merely making old devices portable or movable.
7. Merely duplicating compounds, elements, or steps.
8. Merely omitting a compound, an element, or a step and omitting simultaneously the function of the compound, element, or step.

### **POSITIVE RULES**

Conversely, there are certain criteria for demonstrating that an invention is unobvious, and therefore patentable. Some of these positive rules are:

1. Where, in the negative rules, there is (a) a substitution of equivalents or (b) a change of proportion, location, size, degree, or form or (c) a change of compounds, elements, or steps, and this substitution or change has caused disproportionate, unexpected, surprising, or unusual results.
2. Where the prior art relates to an entirely different field, i.e., nonanalogous art.
3. Where the prior art leads someone away from the invention, i.e., teaches away.
4. Where the results of the invention are substantially superior to results previously achieved.

## **PATENT BAR REVIEW**

5. Where critical limitations, proportions, or conditions are necessary for the success of the invention.
6. Where the results of the invention are synergistic. In other words, the sum effect is more than one would expect by adding the parts, e.g., one plus one equals three.
7. Where there has been a long-standing need or problem in the field and the inventor has satisfied the need or solved the problem.
8. Where the invention, based on its merits, is successful commercially.
9. Where the invention has been copied by others.

### **BASIC FACTUAL INQUIRIES**

Basic factual inquiries have been used to demonstrate that an invention is unobvious, and therefore patentable. A leading decision on basic factual inquiries to consider with regard to unobviousness is *Graham v. John Deere Co.*, where the Supreme Court stated:

Under Section 103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or nonobviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented. As indicia of obviousness or nonobviousness, these inquiries may have relevancy.

### **SECONDARY CONSIDERATIONS**

Commercial success and several other positive rules are known as "secondary considerations." Courts have been split about the weight accorded to commercial success and other secondary considerations. With some courts, commercial success is taken into consideration, but it does not replace the unobviousness test.

In another view, commercial success is used "to tip the scale" where there is a very close question of unobviousness. Other courts evaluate secondary considerations as part of all the evidence.

## **PATENT BAR REVIEW**

The importance of commercial success has increased in recent years. In the Gore decision, the court opined that this objective evidence "may be the most pertinent, probative, and revealing evidence available to aid a court in reaching a conclusion on the obvious/non-obviousness issue" and that it "should when present always be considered as an integral part of the analysis."

However, a nexus must be established between the commercial success and the patented invention.

### **RULE 132 AFFIDAVIT**

During the prosecution of a patent application, an inventor may submit data to show unobvious superiority, criticality, or synergism of the claimed invention. Data can be presented in a Rule 132 affidavit or declaration. Furthermore, data can be included in the patent application as originally filed and can be introduced as evidence during patent litigation. A Rule 132 affidavit can also be submitted

### **HOW AN INVENTION IS MADE**

Section 103 states, in part, that "patentability shall not be negated by the manner in which the invention was made." Consequently, an invention may result from an accident, trial and error, extensive experimentation, or revolutionary imagination.

To illustrate, scientists in a corporation may be employed for the sole purpose of inventing. A first scientist discovers an invention. Then a second scientist finds an improvement. A third scientist subsequently develops an improvement on the improvement. All three scientists may secure patents so long as the requirements of patentability, i.e., new, useful, and unobvious, are met.

### **HINDSIGHT**

It is improper to use hindsight to determine patentability. For instance, a telephone is such an integral part of our society today that it is almost impossible to imagine that at one time the telephone did not exist.

## **PATENT BAR REVIEW**

However, Section 103 requires the subject matter to be unobvious "at the time the invention was made." In other words, prior art must be viewed from a point of time just prior to the date of invention.

A claimed invention is frequently alleged to be unpatentable based on a combination of prior art references. It is also improper hindsight merely to "pick and choose" components from the prior art references to arrive at the claimed invention. There should be a suggestion in the prior art references to combine the components as recited in the claimed invention. Without this suggestion, the claimed invention may be patentable.

### **AN INTERFERENCE**

An interference is frequently an expensive and extensive proceeding. It is a quasi litigation because at least two adverse parties are involved.

### **DEFINITION**

Interference is an antedating proceeding before the United States Patent and Trademark Office for determining who is the prior inventor of the same invention, i.e., which inventor should be awarded priority.

An interference, under Section 102(g), can be declared between two (or more) pending patent applications claiming the same invention or between an issued patent and one (or more) pending patent applications claiming the same invention. However, an interference cannot be declared between two issued patents, since the appropriate procedure under those circumstances would be commencement of a civil action under Section 291.

### **COUNT OF INTERFERENCE**

A count of interference is a claim that covers the subject matter common to the parties in the interference. More than one count may be submitted. In an interference between two pending applications, the Examiner suggests a count of interference. In an interference between an issued patent and a patent application, the applicant suggests a count of interference by copying at least one claim from the patent.

### **DATES OF INVENTION AND PRIORITY**

## **PATENT BAR REVIEW**

Priority in an interference is awarded to the party who proves the earliest Date of Invention for the subject matter recited in the count of interference. There are three possible Dates of Invention. The first is conception plus diligence, if required. The second is an actual reduction to practice. The third is a constructive reduction to practice.

Based on the North American Free Trade Agreement (NAFTA), effective December 8, 1993, activities in any NAFTA country, such as Canada or Mexico, must be considered for establishing a Date of Invention under U.S. patent laws. Based on the General Agreement on Tariffs and Trade (GATT), effective January 1, 1996, activities in any World Trade Organization (WTO) country must also be considered for establishing a Date of Invention.

### **CONCEPTION**

Conception is the date in the United States (or, where applicable, in a NAFTA or WTO country) when the party conceived the idea of the complete and operable invention recited in the count. This is known as the "mental phase."

### **ACTUAL REDUCTION TO PRACTICE**

Actual reduction to practice is the date in the United States (or, where applicable, in a NAFTA or WTO country) when the party actually made the complete and operable invention recited in the count. This is known as the "physical phase."

Experiments or other acts conducted at the request of an inventor by another party (noninventor) may inure to the benefit of the inventor to establish an actual reduction to practice. The CAFC in 2000 considered inurement in the Genentech decision. The court established three requirements in order for a noninventor's recognition of the utility of an invention to result in inurement:

- (1) The inventor must have conceived the invention.
- (2) The inventor must have had an expectation that the embodiment tested would work for the intended purpose of the invention.
- (3) The inventor must have submitted the embodiment for testing to the noninventor for the intended purpose of the invention.

### CONSTRUCTIVE REDUCTION TO PRACTICE DILIGENCE

#### *When Diligence Need Not Be Shown*

Diligence does not have to be shown if a party in an interference is the first to conceive the invention recited in the count of interference and is also the first to reduce it to practice either actually or constructively.

#### *When Diligence Must Be Shown*

Diligence must be shown if a party in an interference is the first to conceive the invention recited in the count of interference, but is the second to reduce it to practice either actually or constructively.

When required, diligence must be shown by the first party from the date just prior to the second party's entry into the field of the invention up to the date of the first party's reduction to practice either actually or constructively.

The diligence must be a continual effort, without any inexcusable delay, by the first party to make the invention (actual reduction to practice) or to file a patent application (constructive reduction to practice).

#### *Notebook Records as Evidence*

As evidence of conception and an actual reduction to practice, an inventor should record in a notebook both the idea for an invention (conception) and all the physical acts subsequently performed to make the invention (actual reduction to practice). In both instances, the notebook records should describe the invention completely, i.e., should describe all the features recited in the claims.

The records should also mention any tests performed, any equipment used, and any other pertinent information.

The records should avoid any suspicion of alteration. A pen is preferred over a pencil. A bound notebook is preferred over a loose-leaf notebook. An inventor should not tear out any pages or cross out any results without a written explanation.

## PATENT BAR REVIEW

There should also be a written explanation for any inserts or attachments. Any mistake should be crossed out and not erased. The inventor should also sign and date any these alterations.

An inventor should not skip spaces on a page unless a line is drawn through the spaces. Similarly, a notebook should not have any blank pages unless a line is drawn through the pages. The inventor should also sign and date any of these blank spaces or pages.

From the time of conception, the inventor should be diligent in performing the required physical acts for an actual reduction to practice. The notebook records should reflect continuing efforts in this regard. In other words, there should be no excessive and inexcusable delays.

### ***Corroboration***

Each page in the notebook should be dated and signed by each inventor, and preferably each page should be dated and signed by a person other than the inventor who understands the subject matter or who has actually witnessed the conception and actual reduction to practice.

The corroborating person, however, should not have made a significant contribution to the claimed invention, since he or she would then be a co-inventor.

In a 2001 decision, the Federal Circuit applied the "rule of reason" to evaluate all the pertinent evidence relating to corroboration. Eight factors were emphasized to determine the weight a court should give to a witness's testimony. The factors were

- (1) the relationship between the corroborating witness and the alleged prior user;
- (2) the time period between the event witnessed and the trial;
- (3) the interest that the witness may have in the subject matter of the suit;
- (4) any contradiction or impeachment of the witness's testimony;
- (5) the extent and details of the corroborating testimony;
- (6) the witness's familiarity with or prior use of the subject matter disclosed in the patented invention;
- (7) the probability that a prior use could have occurred considering the state of the art at the time; and
- (8) the impact of the invention on industry, and the commercial value of its practice.

## **PATENT BAR REVIEW**

### **INVENTION DISCLOSURE**

Many companies in the United States instruct their employees to prepare an invention disclosure when submitting inventions for consideration by the patent department.

This disclosure frequently includes the name of each inventor, a brief summary of the invention, any problems solved by the invention, any differences between the invention and the known prior art, and any activities for establishing a Date of Invention based on earlier pages in a notebook.

These earlier pages should be identified. The invention disclosure should also be signed and dated by a person other than the inventor. This could be someone who receives the invention disclosure.

Sometimes the earlier pages in a notebook might be defective. The invention disclosure itself might then be sufficient to establish a Date of Invention.

### **FOREIGN INVENTOR'S DATE OF INVENTION**

The U.S. patent laws are based on the "first to invent" and not the "first to file." Therefore, it is important for a foreign inventor to obtain a Date of Invention in the United States earlier than the priority filing date of the corresponding foreign application.

With this earlier Date of Invention, a foreign inventor may be able to antedate or swear back of a reference cited against the inventor's U.S. patent application. To establish this earlier Date of Invention, the foreign inventor must show either conception and diligence, if required, or an actual reduction to practice prior to the filing of the corresponding foreign application.

### **FOREIGN INVENTOR'S PROVISIONAL U.S. APPLICATION**

There are two important reasons why a "provisional" U.S. application should be filed immediately after a foreign patent application is filed by a foreign inventor. The first reason is to avoid prior art which might be cited under Section 102(b) against the foreign inventor's U.S. application. The second reason is to obtain an early date under Section 102(a) or

## **PATENT BAR REVIEW**

Section 102(e) if the foreign inventor's issued U.S. patent is cited as prior art against a competitor's U.S. patent application.

### **FIRST REASON FOR FILING A PROVISIONAL APPLICATION**

Referring to aforementioned first reason, suppose a foreign application is filed on April 1, 1996, and a corresponding "convention" U.S. application is filed on March 1, 1997. Suppose there is a publication of the same invention on February 1, 1996. Since this publication date is more than one year before the U.S. filing date of March 1, 1997, there is a statutory bar under Section 102(b), and no U.S. patent would issue.

This Section 102(b) statutory bar could be avoided by promptly filing on May 1, 1996, a "provisional" U.S. application corresponding to the foreign application.

The publication date of February 1, 1996, is not more than one year before the "provisional" U.S. filing date, and there is no Section 102(b) bar.

Therefore, a Rule 131 affidavit or declaration could be filed to antedate the cited reference by showing an earlier Date of Invention in a NAFTA or GATT foreign country, such as the notebook records of the foreign inventor. A corresponding "regular" U.S. application could still be filed on March 1, 1997, claiming both the benefits of the "convention" date of April 1, 1996 and the "provisional" date of May 1, 1996.

### **SECOND REASON FOR FILING A PROVISIONAL APPLICATION**

Referring to the aforementioned second reason and the facts in the first reason, the Section 102(a) or Section 102(e) date for citing the foreign inventor's issued U.S. patent against a competitor's application would be March 1, 1997, if only a "convention" application is filed in the United States.

In contrast, the Section 102(a) or Section 102(e) date against a competitor's U.S. application would be May 1, 1996, if a "provisional" application is filed according to the additional facts in the first reason. By claiming the benefits of both the "convention" date of April 1, 1996, and the "provisional" date of May 1, 1996, the Section 102(g) date for the

## **PATENT BAR REVIEW**

issued U.S. patent in an "interference" with a competitor's application or patent would be at least April 1, 1996.

A "provisional" U.S. application can be filed in a foreign language. Therefore, a corresponding foreign application without any claims can be used if it meets all the requirements of a provisional application. However, a translation will be required subsequently.

There is also an advantage in sending an Invention Disclosure of a foreign inventor to the United States before the priority filing date of the corresponding foreign application. Any suggestions from the U.S. patent attorney can be included in both the foreign and U.S. applications. This might avoid a Section 112 rejection during the prosecution of the U.S. application thereby reducing

### **ANALYSIS**

The first step in determining priority is to ascertain who is the senior party and who is the junior party.

The senior party has the earlier Effective Filing Date for the patent applications (or patent) involved in the interference. The junior party has the later Effective Filing Date. The burden of proof is on the junior party to show a Date of Invention at least earlier than the senior party's Effective Filing Date.

The next step is to determine which party was the first to conceive and which party was the first to reduce to practice either actually or constructively. The results of this determination establish whether diligence is required, and if so, between what dates. Based upon this information, priority is awarded to one of the parties.

Applying the above analysis to a first factual situation, suppose A conceives an invention in 1976. B conceives the same invention in 1977. A has an actual reduction to practice in 1978. B has an actual reduction to practice in 1979. A files a patent application in 1980. B files a patent application in 1981.

Here, A is the senior party with an Effective Filing Date of 1980. B is the junior party with an Effective Filing Date of 1981. The burden of proof is

## **PATENT BAR REVIEW**

on B. A is the first to conceive in 1976, and A is also the first to reduce to practice either actually or constructively in 1978. Therefore, diligence is not applicable (N/A), and priority should be awarded to A.

In a second factual situation, suppose A has a conception in 1976. B has a conception in 1977. B has an actual reduction to practice in 1978. A has an actual reduction to practice in 1979. A files a patent application in 1980. B files a patent application in 1981.

Here, A is the senior party based upon the 1980 Effective Filing Date. B is the junior party based upon the 1981 Effective Filing Date. B has the burden of proof. A in 1976 is the first to conceive. However, B in 1978 is the first to reduce to practice either actually or constructively.

Therefore, A must show diligence, since A is the first to conceive but is the second to reduce to practice either actually or constructively. A must show diligence from just prior to 1977, when B entered the field, until 1979, when A reduced to practice either actually or constructively. If A can show this diligence, A will be awarded priority.

### **INFRINGEMENT OF PATENT**

The unauthorized making, using, or selling in the United States of the claimed invention in an unexpired U.S. patent constitutes infringement of a patent. This is promulgated in Section 271 (a), which reads:

Except as otherwise provided in this title, whoever without authority makes, uses or sells any patented invention, within the United States during the term of the patent therefor, infringes the patent.

It is necessary to examine the claims in an unexpired U.S. patent to determine infringement in the United States. If the patent has been issued more than seventeen years, it is expired, and the public is able to make, use, or sell the claimed invention in the United States without incurring any liability to the patent owner.

Under the General Agreement on Tariffs and Trade (GATT), the term of a U.S. patent is changed from seventeen years from the issue date to twenty years from the filing date. When applicable, the filing date of the earliest U.S. "parent" application is used to measure the twenty-year

## **PATENT BAR REVIEW**

term. This change will apply to all U.S. patent applications filed on or after June 8, 1995.

Patent applications filed before this date will be entitled to a term of seventeen years from the issue date or twenty years from the filing date, whichever is longer. Also, any U.S. patent issued before June 8, 1995, will automatically have a term of seventeen years from the issue date or twenty years from the filing date, whichever is longer. Accordingly, the term of some previously issued patents might now be longer than seventeen years.

The claims of an unexpired U.S. patent define the metes and bounds of the property rights accruing to the patent owner. If subject matter is disclosed in a patent, but not claimed in that patent (or a continuing application), the disclosed, unclaimed subject matter may thereby be dedicated to the public.

Certain situations do not constitute infringement. For example, a foreign patent is not infringed by making, using, or selling in the United States. An ordinary publication, which does not have any claims, also cannot be infringed under the U.S. patent laws.

However, the Intellectual Property and Communications Omnibus Reform Act of 1999 provides for infringement, under certain circumstances, during the time period between the publication of a U.S. patent application and the issuance of the patent.

Recovery for patent infringement in the United States can be based on direct infringement or on third party liability.

According to sections 284 and 285, damages are awarded to compensate adequately for an infringement, i.e., no less than a reasonable royalty for the infringer, together with interest and costs. If the infringement is "willful," the damages might be trebled and reasonable attorney fees might be awarded.

In order to avoid a charge of willful infringement, potential infringers can demonstrate a reasonable reliance on the opinion of counsel. As a defense to willful infringement, the counsel's opinion must be competent and objective.

# PATENT BAR REVIEW

## DIRECT INFRINGEMENT

Three steps are frequently considered to determine if an alleged infringer, usually the defendant, has directly infringed a patent held by a patent owner, usually the plaintiff.

- **The first step is Literal Infringement,**
- **The second step is Doctrine of Equivalents**
- **The third step is File Wrapper Estoppel,**

The first step for determining direct infringement is to ascertain whether there is literal infringement by the defendant.

If the answer is "Yes," there is direct infringement, and the defendant may be liable to the plaintiff. If the answer is "No," proceed to the second step, since a "No" answer in Step 1 does not necessarily mean that there is no direct infringement.

In the second step, evaluate whether the plaintiff can successfully apply the Doctrine of Equivalents. If the answer is "No," there is no direct infringement and no liability. If the answer is "Yes," proceed to the third step, since a "Yes" answer in Step 2 does not necessarily mean that there is direct infringement.

In the third step, analyze whether the defendant can successfully apply File Wrapper Estoppel. If the answer is "Yes," there is no direct infringement and no liability. If the answer is "No," there is direct infringement, and the defendant may be liable to the plaintiff.

## THIRD PARTY LIABILITY

To have third party liability, there must be direct infringement. There are two types of third party liability.

- **The first is Inducement under Section 271(b).**
- **The second is Contributory Infringement under Section 271(c).**

## LITERAL INFRINGEMENT THREE RULES

## PATENT BAR REVIEW

Three rules can be considered with regard to literal infringement. The first is the "Rule of Exactness." The second is the "Rule of Addition." The third is the "Rule of Omission."

### *Rule of Exactness*

According to the Rule of Exactness, the defendant, in general, will literally infringe the plaintiff's claim in an unexpired U.S. patent if the defendant in the United States copies the invention "exactly" as it is recited in the plaintiff's claim.

### *Rule of Addition*

According to the Rule of Addition, the defendant, in general, will literally infringe the plaintiff's claim in an unexpired U.S. patent if the defendant makes, uses, or sells in the United States an apparatus, composition, or process having all the elements, compounds, or steps, respectively, specified in the plaintiff's claim and if the defendant "adds" other elements, compounds, or steps.

### *Rule of Omission*

According to the Rule of Omission, the defendant, in general, will not literally infringe the plaintiff's claim in an unexpired U.S. patent if the defendant "omits" one or more of the elements, compounds, or steps recited in the plaintiff's claim.

## CHAIR-ROCKING CHAIR ILLUSTRATION

As an illustration, assume a first inventor, A, has a patent broadly claiming a chair, and assume a second inventor, B, has an improvement patent narrowly claiming a rocking chair. Both are unexpired U.S. patents. More specifically, A's patent claims a chair with (1) seat, (2) back, and (3) legs. B's patent claims a rocking chair with (1) seat, (2) back, (3) legs, and (4) means for rocking.

By the Rule of Exactness, A literally infringes B's patent if A manufactures a rocking chair having all four elements recited in B's claim. Also by the Rule of Exactness, B literally infringes A's patent if B manufactures a chair having all three elements recited in A's claim.

Suppose B (the second inventor) manufactures a chair with the rocking means, i.e., a rocking chair. By the Rule of Addition, B literally infringes A's chair patent. The rocking chair has all three elements claimed in A's

## PATENT BAR REVIEW

patent, namely, (1) seat, (2) back, and (3) legs, and the rocking chair merely has an additional element, namely, (4) rocking means.

Suppose, on the other hand, A (the first inventor) manufactures a chair that does not rock. By the Rule of Omission, A does not literally infringe B's patent, because one of the claimed elements in B's patent, namely, (4) rocking means, has been omitted by A.

Under these circumstances, neither A nor B is able to manufacture a rocking chair without infringing the other's patent. However, this dilemma can be overcome in a number of ways.

For instance, A could obtain a license under B's patent. Also, A could secure an assignment of B's patent, and A would then own both patents. Furthermore, A and B could enter into a cross-license agreement where A would be granted a license under B's patent and B would be granted a license under A's patent.

### CHAIR-ROCKING CHAIR CONVERTING CHAIR

The Rule of Exactness, Rule of Addition, and Rule of Omission can be further exemplified by considering a third unexpired U.S. patent. C has discovered a chair that converts to a bed but does not rock. Therefore, C's patent claims a chair with (1) seat, (2) back, (3) legs, and (4) means for converting. Assume that A's patent and B's patent are still unexpired.

#### ***The rights of A, B, and C are:***

1. A has the right under A's patent to exclude B from making any chair including a rocking chair.
2. A has the right under A's patent also to exclude C from making any chair including a convertible chair.
3. B has the right under B's patent to exclude A from making a rocking chair.
4. B has the right under B's patent also to exclude C from making a rocking chair.
5. C has the right under C's patent to exclude A from making a convertible chair.
6. C has the right under C's patent also to exclude B from making a convertible chair.

## PATENT BAR REVIEW

Therefore, the liabilities of A, B, and C are:

1. If A makes a chair that does not rock and does not convert to a bed, A does not infringe B's patent (Rule of Omission), and A does not infringe C's patent (Rule of Omission).
2. If A makes a rocking chair, A would infringe B's patent (Rule of Exactness).
3. If A makes a convertible chair, A would infringe C's patent (Rule of Exactness).
4. If B makes a rocking chair, B would infringe A's patent (Rule of Addition), but B would not infringe C's patent (Rule of Omission).
5. If B makes a convertible chair, B would still infringe A's patent (Rule of Addition), and B would infringe C's patent (Rule of Exactness).
6. If B makes a chair that does not rock and that does not convert to a bed, B would infringe A's patent (Rule of Exactness), but B would not infringe C's patent (Rule of Omission).
7. If C makes a convertible chair, C would infringe A's patent (Rule of Addition), but C would not infringe B's patent (Rule of Omission).
8. If C makes a chair that does not rock and that does not convert to a bed, C would infringe A's patent (Rule of Exactness), but C would not infringe B's patent (Rule of Omission).
9. If C makes a rocking chair, C would infringe A's patent (Rule of Addition) and C would infringe B's patent (Rule of Exactness).

### *Chair-Rocking Chair*

#### *Convertible Rocking Chair*

In a third situation, there are three unexpired U.S. patents issued to A, B, and D. A's patent to a chair has the following elements: (1) seat, (2) back, and (3) legs. B's patent to a rocking chair has the following elements: (1) seat, (2) back, (3) legs, and (4) means for rocking. D's patent to a convertible rocking chair has the following elements: (1) seat, (2) back, (3) legs, (4) means for rocking, and (5) means for converting to a bed. There is no C patent. D has the right to exclude A and B from making the convertible rocking chair. However, if D makes a convertible rocking chair, D would infringe A's patent (Rule of Addition) and B's patent (Rule of Addition).

B has the right to exclude A and D from making a rocking chair whether or not it converts to a bed. If B makes a rocking chair that does not convert, B would infringe A's patent (Rule of Addition), but B would not infringe D's patent (Rule of Omission).

## **PATENT BAR REVIEW**

A has the right to exclude B and D from making a chair whether or not it rocks or converts to a bed. If A makes a chair that does not rock or convert, A would not infringe either B's patent (Rule of Omission), or D's patent (Rule of Omission).

### **CLAIM CONSTRUCTION**

In the 1996 Markman decision, the United States Supreme Court held unanimously that construction of a patent claim is a matter of law. The Court thought that judges, not juries, are better suited to find the acquired meaning of patent terms and that this would result in "internal coherence" and "uniformity" in the treatment of a given patent.

After Markman, the CAFC considered the proper evidence for interpreting patent claims. In Vitronics, the court limited extrinsic evidence to times when the claims remain ambiguous after all intrinsic evidence has been considered. Intrinsic evidence includes the claim language, the specification, and the prosecution history. Extrinsic evidence includes technical treatises, dictionaries, and expert testimony.

### **DOCTRINE OF EQUIVALENTS**

The test for the Doctrine of Equivalents, promulgated in Graver Tank & Manufacturing Co. v. Linde Air Products Co., is whether the defendant's substitution "performs substantially the same function in substantially the same way to obtain [substantially] the same result."

In the Graver Tank decision, the composition covered by the issued patent contained calcium fluoride, calcium silicate, and magnesium silicate. The magnesium in magnesium silicate is an alkali earth metal. The accused composition contained calcium fluoride, calcium silicate, and manganese silicate.

The manganese in manganese silicate is not an alkali earth metal. The Supreme Court concluded there was no literal infringement, because the defendant had omitted magnesium silicate from its composition.

The Court subsequently analyzed the Doctrine of Equivalents based on the defendant's substitution of manganese silicate for magnesium silicate. According to the Supreme Court, specialists "familiar with the problems of welding compositions understood that manganese was equivalent to and

## **PATENT BAR REVIEW**

could be substituted for magnesium in the composition of the patented flux and their observations were confirmed by the literature." Applying the Doctrine of Equivalents, the Court held that the accused composition infringed the patent.

If the Doctrine of Equivalents applies, File Wrapper Estoppel is then. Apparently there were no facts relating to File Wrapper Estoppel before the Graver Tank Court.

### **FILE WRAPPER ESTOPPEL**

"File Wrapper" refers to the papers, e.g., amendments, filed in the United States Patent and Trademark Office during the prosecution of a patent application. "Estoppel" means that the patent owner may be precluded in litigation from recapturing the scope of a claim that was previously surrendered by an amendment or by a remark during the prosecution of the application before the United States Patent and Trademark Office.

### **JUDICIAL APPLICATION OF FILE WRAPPER ESTOPPEL**

Three views have been advanced by the courts with regard to the requirements to establish File Wrapper Estoppel.

First View: During the prosecution of a patent application, there must have been an actual amendment narrowing the scope of the claim in order to avoid a rejection based on a cited prior art reference.

This actual amendment to avoid the prior art is required to establish File Wrapper Estoppel.

Second View: The narrowing amendment may have occurred either to avoid a rejection based on a cited prior art reference or to overcome an objection based on formal matters, such as objections under Section 112 (also known as nonart objections). In this view, either type of amendment is required to establish File Wrapper Estoppel.

Third View: During the prosecution of a patent application, the applicant may have made comments and remarks tending to narrow the scope of the claim. This means that File Wrapper Estoppel can be established without the claim actually having been amended.

### THIRD PARTY LIABILITY

Inducement Under Section 271(b) Section 271(b) reads:

Whoever actively induces infringement of a patent shall be liable as an infringer.

In order for a third party to be liable for inducement under Section 271(b), the third party must knowingly "aid and abet" someone else in a direct infringement of a patent. With regard to knowledge, mere accidental or inadvertent inducement is not sufficient. The inducement must be purposeful or intentional.

The decision in *Fromberg, Inc. v. Thornhill* illustrates inducement under Section 271(b). The plaintiff, Fromberg, patented a device that repairs punctures in tubeless tires.

The device consists of a hollow metal tube and a cylindrical rubber plug held firmly in place through compression. By means of a special tool, the rubber plug is pushed out of the metal tube and into the puncture.

The defendant manufactured and sold replacement rubber cylinders called "Miracle Plugs" and demonstrated to customers how the Miracle Plug "could be inserted in an empty Fromberg tube to recreate the original device which he knew to be patented."

Finding the defendant liable for inducement under Section 271(b), the court said the defendant, "[f]rom his own motive to profit by sales of Miracle Plugs, . . . shows his customers how to poach upon another's patent so that the illicit user may likewise profit."

### CONTRIBUTORY INFRINGEMENT UNDER SECTION 271(C)

Section 271(c) reads:

Whoever sells a component of a patented machine, manufacture, combination or composition, or a material or apparatus for use in practicing a patented process, constituting a material part of the invention, knowing the same to be especially made or especially adapted for use in an infringement of such patent, and not a staple article or commodity of commerce suitable for substantial noninfringing use, shall be liable as a contributory infringer.

## PATENT BAR REVIEW

The statute requires that the following four requirements must be met to impose liability on a third party:

1. There must be a sale of a component part for a patented item.
2. The component must be a material part of the patented item.
3. There must be knowledge by the seller that the component is especially made for use in an infringement of the patent.
4. The component must not be a staple article suitable for a substantial noninfringing use.

### REPAIR AND RECONSTRUCTION

When a patented article is sold by a patentee or by the patentee's licensee, a purchaser is granted an implied license under the patent to use or resell the article. Under this implied license, the purchaser also has the right to repair but not the right to reconstruct.

Repair means correction, i.e., restoring the patented article to a sound, good, or complete state after decay, injury, dilapidation, deterioration, wear, or partial destruction. Reconstruction means creation, i.e., rebuilding the patented article.

Under the holding in *Aro Manufacturing Co. v. Convertible Top Replacement Co.* (Aro I), if a person has an express or implied license under a patent, a repair is not a direct infringement.

The third party, who sells the item being used in the repair, is not liable for contributory infringement. However, under the holding in a later case by the same name (Aro II), if a person does not have an express or implied license under a patent, a repair may be a direct infringement. The third party, who sells the item being used in the repair, may be liable for contributory infringement.

In Aro I, the majority view of the Supreme Court was that "reconstruction of a patented entity, comprised of unpatented elements, is limited to such a true reconstruction of the entity as to in fact make a new article." In other words, there is a "second creation" of the patented entity.

## **PATENT BAR REVIEW**

The minority view considered other factors, such as life, cost, dominance, removability, inventive feature, and intention, evaluated by the courts in previous decisions.

In Aro II, the majority view of the Supreme Court was that knowledge under Section 271(c) required "a showing that the alleged contributory infringer knew that the combination for which his component was especially designed was both patented and infringing." The minority view merely required knowledge "that the component was especially designed for use in a combination" and not knowledge "that the combination was either patented or infringing."

The Jazz Photo court characterized the "refurbishing" activities of "inserting new film and film containers, resetting the film counter, and resealing the broken case--the principal steps performed by the remanufacturers--as more akin to repair." The court noted that some components of the claimed "single-use" camera remained intact during the refurbishment.

In another 2001 decision, the CAFC stated that the concept of permissible "repair" is directed primarily to the replacement of broken or worn parts. However, permissible "repair" can also include replacement of parts that are neither broken nor worn.

### **ASSEMBLY OF COMPONENTS OUTSIDE THE UNITED STATES**

In the decision of Deepsouth Packing Co. v. Laitram Corp., Laitram owned a combination patent on a machine for deveining shrimp. Deepsouth made the parts for the deveining machine and sold them to foreign buyers.

In less than one hour, the buyers assembled the parts outside the United States for use abroad. The Supreme Court held that Deepsouth's "substantial manufacture of the constituent parts of a machine" in the United States was not direct infringement since "a combination patent protects only against the operable assembly of the whole and not the manufacture of its parts."

The Deepsouth decision was, in effect, overruled when Congress, on November 8, 1984, added Section 271(f) as follows:

(1) Whoever without authority supplies or causes to be supplied in or from the United States all or a substantial portion of the components of a

## **PATENT BAR REVIEW**

patented invention, where such components are uncombined in whole or in part, in such manner as to actively induce the combination of such components outside of the United States in a manner that would infringe the patent if such combination occurred within the United States, shall be liable as an infringer.

(2) Whoever without authority supplies or causes to be supplied in or from the United States any component of a patented invention that is especially made or especially adapted for use in the invention and not a staple article or commodity of commerce suitable for substantial non-infringing use, where such component is uncombined in whole or in part, knowing that such component is so made or adapted and intending that such component will be combined outside of the United States in a manner that would infringe the patent if such combination occurred within the United States, shall be liable as an infringer.

### **PREPARATION OF A WRITTEN OPINION ON PATENT MATTERS.**

In the usual situation, a client or a supervisor has requested an investigation concerning certain matters relating to a patent. An opinion, with the results of the investigation, is forwarded to the client or supervisor in the form of a letter or memorandum.

### **TYPES OF OPINIONS**

The two most frequently requested opinions relate to patentability (validity) and infringement. However, an investigation might be based, among others, on inventorship; contracts, such as assignments, licenses, and employer-employee obligations; litigation considerations, such as venue, jurisdiction, and causes of action; antitrust; and foreign filing.

### **CONTENTS OF AN OPINION**

An opinion letter or memorandum could include a heading, an introduction, a statement of facts or background, issues or questions under investigation, conclusions, a detailed discussion of the law as it relates to the facts, and a summary.

### **HEADING**

## PATENT BAR REVIEW

The purpose of the heading is to identify the subject matter of the investigation. If appropriate, the heading could also include the client's reference number and the firm's file number.

In a letter, the heading is frequently after the address in the center of the page. In a memorandum, the heading may be after "To" and "From" at the left of the page. The heading might be preceded by the word "Re:." An illustration of a heading for an opinion letter or memorandum is as follows:

Re: Investigation of [U.S. Patent No. 4,321,987](#)

Your Ref.: K272/RB (Our File 261-4329)

The first paragraph in a letter or memorandum might briefly inform the reader about who requested the opinion, when it was requested, and how the request was transmitted.

***For instance:***

Pursuant to your letter of December 3, 1987, OR In accordance with Mr. Smith's telex of February 3, 1988.

Furthermore, the introductory paragraph might identify the type of opinion and the scope of the investigation.

***For instance:***

We are submitting our patentability and infringement opinion relating to the above-identified subject matter.

### FACTS OR BACKGROUND

The purpose of this section of the opinion letter or memorandum is to provide a concise statement of facts (or background) as a foundation for the issues (or questions) being evaluated. Frequently, there are two parties involved in the investigation. For instance, the first party could be considering certain activities, and the second party could be the patent owner.

These facts might be summarized in two paragraphs. For instance:  
As we understand the facts, your company is interested in the manufacture and sale of a rocking chair. The rocking chair has ....  
ABC Corporation has alleged that the manufacture and sale of your rocking chair would infringe its patent, U.S. No. 4,321,987. This patent claims ....

# PATENT BAR REVIEW

## ISSUES OR QUESTIONS

This section of the opinion letter or memorandum states the issues (or questions) that are under consideration and are based on the previously stated facts (or background).

### *For instance:*

You have questioned whether the claims in U.S. Patent No. 4,321,987 are valid over the prior art. You have also questioned whether the manufacture and sale of your rocking chair would infringe any claims in the '987 patent.

## CONCLUSIONS

This section of the opinion letter or memorandum briefly states the conclusions to the issues (or questions) being evaluated. For instance: It is our opinion that the claims in U.S. Patent No. 4,321,987 are invalid over the prior art. It is also our opinion that the manufacture and sale of your rocking chair would not infringe any claims in the '987 patent.

The conclusions are advantageously placed before any detailed discussion. The initial reader, such as a president of a corporation, might be interested only in the conclusions. Someone else, such as legal counsel, might have the responsibility of considering the detailed discussion.

## DISCUSSION

The purpose of this section of the opinion letter or memorandum is to provide a detailed discussion of the facts and the law that support the conclusions.

Headings, such as "VALIDITY" and "INFRINGEMENT," might be appropriate to separate the major issues being analyzed. Subheadings might be helpful to indicate the steps for arriving at the conclusion. Under "VALIDITY," the subheadings could be "Effective Filing Date," "Statutory Bars Under Section 102(b)," "Antedating," and "Unobviousness."

## PATENT BAR REVIEW

Under "INFRINGEMENT," the subheadings could be "Literal Infringement," "Doctrine of Equivalents," "File Wrapper Estoppel," and "Third Party Liability." If numerous references are under consideration, a sub-subheading could be used for each reference.

### SUMMARY

The last section in the opinion letter or memorandum, if appropriate, could summarize the detailed discussion. There could also be a paragraph cautioning against the waiver of the attorney-client privilege. The final sentence could offer the reader either further assistance or the opportunity to ask additional questions.

#### *For instance:*

If we may be of further assistance, please let us know.

### PREPARATION OF A SPECIFICATION FOR A PATENT APPLICATION.

#### *Headings for a Patent Application*

The United States Patent and Trademark Office prefers a specification to have the following headings, where applicable:

1. Title of the Invention,
2. Cross-References to Related Applications (if any),
3. License Rights (if any),
4. Background of the Invention,
5. Summary of the Invention,
6. Brief Description of the Drawing(s) (if any),
7. Description of the Preferred Embodiment(s), and
8. Abstract of the Disclosure.

#### *Title of the Invention*

The title usually appears at the top of the first page of a patent application. It should be concise and should broadly characterize the subject matter of the invention. If the title is too specific, it may unnecessarily limit the scope of the invention.

#### *Cross-References to Related Applications*

A patent application might claim the benefit of a previously filed co-pending U.S. application or international application. If it does, the first sentence of the application, following the title, must contain a reference to the previously filed application, identifying it by serial number and filing

## **PATENT BAR REVIEW**

date or by international application number and international filing date. Furthermore, the first sentence must indicate the relationship between the applications, such as a continuation application.

### **LICENSE RIGHTS**

If a government contractor retains U.S. patent rights, the government contractor is required to include, at the beginning of the patent application, the following statement:

The U.S. Government has a paid-up license in this invention and the right in limited circumstances to require the patent owner to license others on reasonable terms as provided for by the terms of Contract No. (or Grant No.) awarded by (Agency).

### **BACKGROUND OF THE INVENTION**

The background should be in two parts. The first part is a brief statement concerning the field of the invention, that is, the subject matter of the claims.

The second part is a description of related prior art, i.e., any material and pertinent information known to the applicant prior to the discovery of the invention. It could include a previous problem that has been solved by the applicant's invention. Also, it could include limitations or disadvantages in the prior art that have now been overcome by the applicant's invention.

### **SUMMARY OF THE INVENTION**

This is a brief summary or general statement of the invention, such as its nature and substance. Unless readily apparent, the utility of the invention should be disclosed.

If the "Background of the Invention" mentions problems, limitations, or disadvantages in the prior art, the summary should indicate that these items have been solved or overcome by the invention.

Frequently, the summary and the broadest claim are similar in scope. If the summary is more specific, it could cause a narrow interpretation of the invention.

### ***Brief Description of the Drawing(s)***

## PATENT BAR REVIEW

In some instances, one or more drawings are required in a patent application. If required, there must be a brief description of each figure in the drawings.

### *Description of the Preferred Embodiment(s)*

Based on Section 112, the description should be in such "full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains" to make and use the invention.

The description should also "set forth the best mode contemplated by the inventor of carrying out his invention." In chemical applications, the "best mode" might be disclosed in one or more examples.

A court might consider several factors to ascertain whether the description, also known as disclosure, satisfies this "enablement" requirement of Section 112. Factors may include, but are not limited to, the following:

- (1) the breadth of the claims,
- (2) the nature of the invention,
- (3) the state of the prior art,
- (4) the level of ordinary skill,
- (5) the level of predictability in the art,
- (6) the amount of direction provided by the inventor,
- (7) the existence of working examples, and
- (8) the quality of experimentation.

With regard to experimentation, some experimentation does not preclude enablement, but the experimentation must not be unduly extensive.

The court in the 2002 Enzo II decision held that a reference in the specification to a deposit in a public depository, which makes its contents accessible to the public when it is not otherwise available in written form, constitutes an adequate description of the deposited material sufficient to comply with the written description requirement of Section 112.

If drawings are filed with the application, a numeral, i.e., 1, 2, 3, etc., should be assigned to each part. There should be a description of how each part functions and how it cooperates with other parts.

### **ABSTRACT OF THE DISCLOSURE**

A brief abstract of the technical disclosure in the patent application must be set forth on a separate page, preferably following the claims.

The purpose of the abstract is to enable the reader "to determine quickly from a cursory inspection the nature and gist of the technical disclosure." Although the abstract should not be used for interpreting the scope of the claims, it is prudent for the abstract to be broader than the broadest claim. The abstract should not exceed 250 words.

### **CLAIM(S)**

There must be at least one claim in a patent application. The claims must begin on a new page in the application.

### **PROVISIONAL APPLICATION**

As of June 8, 1995, an applicant can file a provisional application in the United States. A provisional application is an incomplete patent application, because it does not require any claims and does not require a declaration.

However, a properly filed provisional application must have a disclosure in accordance with Section 112, paragraph 1 (written description, best mode, and enablement requirements), drawings (if any) in accordance with Section 113, a cover sheet, and the filing fee. A provisional application can be filed in a foreign language.

If a complete U.S. application with a specification and at least one claim is filed within twelve months from the filing date of the provisional application, it receives the effective filing date of the provisional application.

The twenty-year term of a U.S. patent is measured from filing date of the complete application and not from the filing date of the provisional application.

## **PATENT BAR REVIEW**

In order to claim the benefit of priority under the Paris Convention, similar to Section 119, a corresponding application must be filed in a foreign country within one year from the filing date of the U.S. provisional application.

### **PREPARATION OF PATENT CLAIMS**

A patent application must have at least one claim. The claims recite the invention that is deemed by the applicant to be operable and patentable. In a patent issuing from the application, the claims define the legal right of the patent owner to exclude others from making, using, and selling the invention in the United States for the term of the patent.

#### **FORM**

Each claim must be a complete sentence. The sentence has two sections. The first section is a heading at the top of the page that reads "I claim:" for a sole inventor, "We claim:" for joint inventors, or "What is claimed is:" for either sole or joint inventors.

The second section, under the heading, is the remainder of the sentence, such as "A composition comprising a solid, a liquid, and a gas." Each claim, under the heading, begins with a capital letter and ends with a period.

If there is only one claim, it is not numbered. If there are two or more claims, they are numbered in sequence. Claims are grouped in logical order.

For instance, apparatus claims are in a group, composition claims are in a group, and process claims are in a group. For each group, the broadest claims usually are first, the claims of intermediate scope are next, and the narrowest claims are last.

Proper punctuation is important in a claim. Besides a capital letter at the beginning and a period at the end, commas are used in any set of three or more components, such as, "a solid, a liquid, and a gas." If there are subsets, semicolons may be used for the sets and commas for the subsets.

An illustration is: "A composition comprising a solid selected from the group consisting of sodium chloride, potassium chloride, and lithium

## PATENT BAR REVIEW

chloride; a liquid selected from the group consisting of sulfuric acid, nitric acid, and citric acid; and a gas selected from the group consisting of oxygen, nitrogen, and hydrogen."

The following format is preferred for claims with many components:

1. A composition comprising
  - (a) a solid selected from the group consisting of
    - (1) sodium chloride,
    - (2) potassium chloride, and
    - (3) lithium chloride;
  - (b) a liquid selected from the group consisting of
    - (1) sulfuric acid,
    - (2) nitric acid, and
    - (3) citric acid; and
  - (c) a gas selected from the group consisting of
    - (1) oxygen,
    - (2) nitrogen, and
    - (3) hydrogen.

With this format for a claim, it is easier to recognize the sets, subsets, sub-subsets, etc.

### PARTS OF A CLAIM

There are three parts to a claim, namely, preamble, transition, and body. Suppose a claim recites "A composition comprising a solid, a liquid, and a gas." The preamble is "A composition." The transition is "comprising." The body is "a solid, a liquid, and a gas."

### DEPENDENT CLAIM

A claim may be presented in dependent form. A dependent claim refers back to and further limits an independent claim or another dependent claim in the same application.

Also, a dependent claim frequently begins with the word "The." Conversely, an independent claim usually begins with the word "A" or "An" and \*16-7 includes the preamble, transition, and body. An independent claim could be:

1. A composition comprising a solid, a liquid, and a gas.

A claim dependent on an independent claim could be:

## PATENT BAR REVIEW

2. The composition according to claim 1 in which the solid is a salt.

A claim dependent on a dependent claim could be:

3. The composition according to claim 2 in which the solid is selected from the group consisting of sodium chloride, potassium chloride, and lithium chloride.

A multiple dependent claim could be:

4. The composition according to claim 1, 2, or 3 in which the solid is sodium chloride.

However, a multiple dependent claim cannot depend on a claim that is also a multiple dependent claim. An improper claim could be:

5. The composition according to claim 1, 2, 3, or 4 in which the solid is 10% sodium chloride.

Claim 5 is improper because it is a multiple dependent claim depending, in part, on claim 3 which is also a multiple dependent claim. In other words, claim 5 is an improper "multiple on multiple" claim.

### CALCULATION OF FILING FEE

The filing fee for a patent application varies according to the number and type of claims, i.e., independent or dependent claims.

A multiple dependent claim is calculated differently from a single dependent claim. For example, a multiple dependent claim, referring to three preceding claims in the alternative, is counted as three claims for determining the fee.

If as originally filed, there is an improper "multiple on multiple" claim, it is counted as a single dependent claim. However, a circle is drawn around the numeral "1" to indicate to the Examiner that the claim is improper, i.e.,

### ANTECEDENT

Antecedent means "going before" or "previous." If "the" appears before a component in a claim, the component must appear previously in the claim or in another claim upon which it depends. Otherwise, the claim is improper as "lacking proper antecedent basis."

In other words, when a component is recited for the first time in a claim, use "a" or "an" before the component. When the component is subsequently recited, use "the" before the component.

## PATENT BAR REVIEW

Referring to claims under the heading "Dependent Claim," the antecedent basis for "The composition" in claim 2 is "A composition" in claim 1. The antecedent basis for "the solid" in claim 2 is "a solid" in claim 1.

### "MEANS" CLAUSE

This clause recites a means for performing a specific function. It is useful in securing broader protection in a claim. For example, "means for measuring" is much broader than "a scale."

The basis for the means clause is provided in the last paragraph of 35 U.S.C. § 112, which reads:

An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.

Since the statute specifically mentions an element in a claim for a combination, it has been construed as meaning that a claim reciting a single element cannot be expressed with a means clause.

Based on a 1998 decision, a "means" clause should be used with caution. According to Section 112, this clause covers corresponding structure, material, or acts described in the specification and "equivalents thereof."

The court, however, distinguished between equivalents which "predated" the invention and those which are based on "after-developed" technology. The former could readily have been included in the specification at the time of filing the patent application, whereas the latter could not have been disclosed in the patent.

### FUNCTIONAL LIMITATION

A functional limitation may be used to describe an operation or result of a previously recited element of structure. Common expressions are "to," "for," "whereby," and "thereby."

## **PATENT BAR REVIEW**

A claim may be rejected, however, if it does not have sufficient structure to support the functional limitation. An example is: "A woolen cloth having a tendency to wear rough rather than smooth."

### **NEGATIVE LIMITATION**

A negative limitation might render a claim exceedingly broad or indefinite. This is especially true where a negative limitation in a dependent claim makes the dependent claim broader than the independent claim.

There are, however, some situations where a negative limitation may not be rejected. For instance, "odorless" or "in the absence of" might be acceptable if there is no other reasonable way to express these limitations.

With regard to "holes," they should not be claimed as "positive" elements. This rule also applies to notches, gaps, breaks, slots, slits, etc. If a hole or the like has to be recited, it should be included in the description of an element, such as "a tube having an opening."

### **DOUBLE INCLUSION**

The same element cannot be included in the claims twice with two different names. This is known as "double inclusion." For example, claim 1 recites a "means for measuring temperature" and dependent claim 2 recites "further comprising a thermometer." This is improper, since the thermometer recited in claim 2 is part of the means for measuring temperature recited in claim 1.

### **ALTERNATIVE EXPRESSION**

In the past, alternative expressions have been avoided. However, the Manual of Patent Examining Procedure § 706.03(d) now states: Alternative expressions such as "brake or locking device" may make a claim indefinite if the limitation covers two different elements.

If two equivalent parts are referred to, such as "rods or bars", the alternative expression may be considered proper.

Generally speaking, . . . alternative expressions, provided that [they] are basically equivalents for the purpose of invention, are permitted if no

## **PATENT BAR REVIEW**

uncertainty or ambiguity with respect to the question of scope or breadth of the claim is presented.

The expression "or the like" would render a claim indefinite. Also, an expression such as "a carbohydrate, preferably glucose" is considered improper because it actually presents both broad and narrow concepts.

### **MARKUSH GROUP**

This is the group of words "selected from the group consisting of" for avoiding alternative expression. The Markush group is described in the MPEP § 706.03(y) as follows:

This type of claim is employed when there is no commonly accepted generic expression which is commensurate in scope with the field which the applicant desires to cover. Inventions in metallurgy, refractories, ceramics, pharmacy, pharmacology, and biology are most frequently claimed under the Markush formula, but purely mechanical features or process steps may also be claimed by using the Markush style of claiming.

Suppose, for example, a composition contains sodium chloride or potassium chloride as a salt. In order to avoid the use of "or," the claim could be written:

A composition which comprises a salt selected from the group consisting of sodium chloride and potassium chloride . . . .

### **PREPARATION OF AN AMENDMENT.**

When an application is filed, an Examiner reviews the contents of the application, conducts a search of the prior art, and prepares an Office Action.

In the Office Action, the Examiner might:

1. Allow some or all of the claims;
2. Reject some or all of the claims as being unpatentable over prior art, such as under Sections 102 and 103; or
3. Object to some or all of the claims or to part of the specification based on matters of form, such as under Section 112.

### **REQUIREMENTS OF AN AMENDMENT**

## **PATENT BAR REVIEW**

After receiving an Office Action with rejections or objections, the applicant must respond with or without amendments to the specification or to the claims. This amendment (or response) must be in writing and must be filed within the required period of time.

With regard to each and every rejection or objection in the Office Action, the applicant must either traverse it or comply with it in the amendment. Otherwise, the amendment could be deemed nonresponsive, and this could result in an abandonment of the application.

When a rejection or objection is traversed, the amendment must distinctly and specifically point out the errors in the Examiner's rejection or objection.

When the specification or claims are amended to comply with the rejection or objection, the amendment must clearly point out the patentable novelty for overcoming the prior art rejection or the change for overcoming the formal objection.

Generally, the amendment has separate paragraphs responding to each point raised by the Examiner. These paragraphs are frequently in the same order as in the Office Action.

Statements should not be made in the amendment which unduly limit the scope of the claims. Otherwise, a court in litigation might find File Wrapper Estoppel (now known as Prosecution History Estoppel), which would preclude the application of the Doctrine of Equivalents.

The pending claims, with or without amendment, must specifically recite the features that distinguish over the Examiner's rejections or objections.

However, no "new matter" can be introduced into the specification and claims. In other words, any distinguishing feature, recited in an amended claim, must be supported by the specification, by the claims as originally filed, or by the drawings. Otherwise, the amended claim does not meet the requirements of Section 112.

The claims may be amended by canceling, adding, or rewriting certain claims. When claims are canceled, the remaining claims are not renumbered. When claims are added, they must be numbered consecutively beginning with the next number following the highest

## PATENT BAR REVIEW

numbered claim previously presented; therefore, a number cannot be used twice.

### PROCEDURES FOR AMENDING CLAIMS

Up to March 1, 2001, claims could be rewritten by several different procedures. Suppose an original claim reads:

1. A composition comprising a solid, a liquid, and a gas.

#### *First Procedure*

In a first procedure, words and punctuation can be canceled. For instance:  
Claim 1, line 1, cancel "a solid,".  
line 1, after liquid, cancel ",".

The quotation marks define the exact words and punctuation to be canceled.

#### *Second Procedure*

In a second procedure, words and punctuation can be added. For instance:  
Claim 1, line 1, after "solid" insert- -which melts above 200° F.- -.

Here, the quotation marks define the precise point for the addition.

There must be two dashes before and after the addition. However, the addition is limited to not more than five words in any one claim.

#### *Third Procedure*

In a third procedure, words and punctuation can be substituted. For instance:

Claim 1, line 1, cancel "solid" and substitute- -salt- -.

Again, the quotation marks define the precise point for the cancellation, and the dashes define the substitution.

#### *Fourth Procedure*

In a fourth procedure, a claim can be rewritten by underlining the words and punctuation to be added and by bracketing the words and punctuation to be deleted. The original claim number is used followed by the word "amended" in parenthesis.

For instance:

## PATENT BAR REVIEW

1. (Amended) A composition comprising a [solid] salt selected from the group consisting of sodium chloride, potassium chloride, and lithium chloride, a liquid, and a gas.

When the claim is rewritten using this procedure, the reader can easily locate the additions and deletions in the amended claim as compared with the previous pending claim. If a previously rewritten claim is rewritten a second time, underlining and bracketing apply only to the additions and deletions in the second rewriting, and the words "twice amended" in parenthesis follow the original claim number.

For instance:

1. (Twice amended) A composition comprising a salt selected from the group consisting of sodium chloride, potassium chloride and lithium chloride, a liquid that boils above 100° F., and [a gas] carbon dioxide. A claim can be similarly amended a third time, etc.

### *Fifth Procedure*

In a fifth procedure, a claim can be added using the next number (e.g., 11) after the last number used (e.g., 10).

For instance:

11. A composition comprising a salt selected from the group consisting of sodium chloride, potassium chloride, and lithium chloride, a liquid, and a gas.

### **AFTER MARCH 1, 2001**

The aforementioned first, second, and third procedures are not appropriate for amending claims after March 1, 2001. Only the fourth and fifth procedures can now be used in some way.

A rewritten or newly added claim must be included in the amendment in "clean form," i.e., the fifth procedure. In other words, there are no markings to indicate the changes that have been made. The status of claim must be indicated, such as, "amended," "twice amended," and "new."

The amendment must also be accompanied by another version of any "rewritten" claim on one or more pages separate from the amendment. The changes may be shown by the fourth procedure, i.e., underlining and brackets, or by any equivalent marking system.

### PRELIMINARY AMENDMENT

A preliminary amendment can be filed concurrently with the filing of the application. It can also be filed after the application is filed and prior to receipt of the first Office Action.

A preliminary amendment might be appropriate when the U.S. application is a conventional application based on an earlier filed foreign application. Sometimes, the claims are placed in better form for U.S. practice, such as canceling an improper "multiple on multiple" claim.

Shortly after filing a U.S. application, the applicant may become aware of new prior art, such as receiving a search report in a corresponding foreign patent application. Hence, a preliminary amendment could be filed to disclose the prior art and to amend the claims.

A preliminary amendment might be filed in a continuation application. If the Examiner would not consider new claims or new arguments during prosecution of the parent application, they could be presented in a preliminary amendment.

In a divisional application, a preliminary amendment could point out to the Examiner the differences between the claims in the divisional application and the parent application. The claims in the divisional application could also be amended.

Amendment in Response to an Office Action Which Is Not a Final Rejection  
An amendment which is not responsive to a Final Rejection is generally governed by 37 C.F.R. §§ 1.115 and 1.117--1.124, and M.P.E.P. §§ 714.01-- 714.08.

These amendments are usually filed to overcome the Examiner's rejections based on prior art or objections based on formal matters. The title, specification, claims, and/or drawings might be amended.

Ordinarily, Examiners are relatively liberal with regard to entering these amendments. However, an amendment will probably not be entered if it contains "new matter."

## PATENT BAR REVIEW

If claims have been added in an amendment, an additional fee may be required.

Suppose the applicant is required to respond within a shortened statutory time period. The applicant can request an appropriate extension of time with the payment of the required extension fee.

### AMENDMENT IN RESPONSE TO A FINAL REJECTION

An amendment which is responsive to a Final Rejection is generally governed by [37 C.F.R. § 1.116](#) and M.P.E.P. §§ 714.12-- 714.13. A Rule 116 Amendment is an optional paper responding to the Final Rejection. There is no abandonment if a Rule 116 Amendment is not filed. In order to avoid abandonment of the patent application, the applicant must file a Notice of Appeal, including the required fee, with the Board of Patent Appeals and Interferences within the required time period. A Notice of Appeal is not required if the application has been allowed or if a continuation application has been filed.

A Rule 116 Amendment is not entered as a matter of right. It is appropriate to request entry in the last paragraph of the amendment. New arguments in a Rule 116 Amendment might not be entertained by the Examiner. Furthermore, if amended or additional claims present new issues requiring further consideration or search by the Examiner, the Rule 116 Amendment will probably not be entered.

### PREPARATION OF AFFIDAVITS UNDER [37 C.F.R. §§ 1.131 AND 1.132](#), ALSO KNOWN AS RULE 131 AND 132 AFFIDAVITS.

Rule 131 and 132 affidavits are executed under oath. A "declaration in lieu of oath" can be filed, but the declaration must include a statement that "willful false statements and the like are punishable by fine or imprisonment, or both" under [18 U.S.C. § 1001](#).

#### ***Rule 131 Affidavit***

A Rule 131 affidavit is an antedating procedure that is used during the prosecution of an inventor's patent application to overcome or avoid a reference cited by the Examiner. Rule 131 reads:

(a) When any claim of an application or a patent under reexamination is rejected on reference to a domestic patent which substantially shows or describes but does not claim the rejected invention, or on reference to a

## **PATENT BAR REVIEW**

foreign patent or to a printed publication, and the inventor of the subject matter of the rejected claim, the owner of the patent under reexamination, or the person qualified under §§ 1.42, 1.43 or 1.47, shall make oath or declaration as to facts showing a completion of the invention in this country before the filing date of the application on which the domestic patent issued, or before the date of the foreign patent, or before the date of the printed publication, then the patent or publication cited shall not bar the grant of a patent to the inventor or the confirmation of the patentability of the claims of the patent, unless the date of such patent or printed publication is more than one year prior to the date on which the inventor's or patent owner's application was filed in this country.

18-2 (b) The showing of the facts shall be such, in character and weight, as to establish reduction to practice prior to the effective date of the reference, or conception of the invention prior to the effective date of the reference coupled with due diligence from said date to a subsequent reduction to practice or to the filing of the application. Original exhibits of drawings or records, or photocopies thereof, must accompany and form part of the affidavit or declaration or their absence satisfactorily explained.

A Rule 131 affidavit cannot be employed for antedating if the cited reference is a statutory bar under Section 102(b), based on dates alone. In order to antedate a cited reference with a Rule 131 affidavit, the inventor must show a Date of Invention for the claimed invention in the United States (or where applicable in a NAFTA or WTO country) before the appropriate date of the cited reference. If, for example, the cited reference is a publication, the date of publication must be antedated. If the cited reference is a foreign patent, the issue date (not the filing date) of the foreign patent must be antedated. If the cited reference is a U.S. patent that does not claim the same subject matter as the inventor's application, the Effective Filing Date (excluding any Section 119 convention date) of the U.S. patent must be antedated.

If the cited reference is a U.S. patent that claims the same subject matter as the inventor's application, a Rule 131 affidavit is not suitable. Instead, the proper antedating procedure is an interference under Section 102(g).

Each inventor must execute a Rule 131 affidavit. If a "suitable excuse is given for failure" of one inventor to sign, the other joint inventor (or inventors) can submit the affidavit. Also, if it is not possible to secure the

## **PATENT BAR REVIEW**

signature of the inventor (or inventors), the assignee or other party of interest can submit the affidavit.

A Rule 131 affidavit must state facts, not conclusions, and must include supporting documentary evidence and exhibits to show a Date of Invention in the United States (or where applicable in a NAFTA or WTO country) prior to the appropriate date of the cited reference. The Date of Invention can be either an actual \*18-3 reduction to practice or conception plus the required diligence to a subsequent actual or constructive reduction to practice.

The conception or actual reduction to practice must relate to the complete and operable invention recited in the claims. For example, if the claimed invention is a rocking chair, the facts and supporting exhibits in a Rule 131 affidavit must show a chair with a rocking means. An ordinary chair, without a rocking means, would not be sufficient to support a conception or an actual reduction to practice.

### **PREPARATION OF AN APPEAL BRIEF RESULTING FROM A REJECTION BY THE EXAMINER.**

An appeal brief must be filed in triplicate with the appropriate fee within two months from the filing date of a Notice of Appeal. The appeal brief must set forth appellant's arguments including any authorities. It must also include a concise explanation of the invention and a copy of the claims on appeal.

### **HEADING**

The heading for an appeal brief should include the applicant, serial number, filing date, title of the invention, appeal number, Examiner, and Group Art Unit.

The first paragraph of the appeal brief usually indicates the date of the Final Rejection. However, an appeal is appropriate after a second rejection of the claims even if it is not a Final Rejection.

### **CLAIMS ON APPEAL**

## **PATENT BAR REVIEW**

The appellant must include a copy of the claims on appeal. They should be double spaced. The claims can be included in the body of the appeal brief, or they can be attached as an appendix.

### **BACKGROUND OF THE INVENTION**

Frequently, an appeal brief includes the background of the invention. This can be similar to the background disclosed in the \*19-2 application as originally filed.

For instance, the background can describe limitations or disadvantages in the prior art that have been overcome by appellant's invention. It can also describe a previous problem that has been solved by appellant's invention.

### **THE INVENTION**

An explanation or description of the invention must be included in the appeal brief. This can be similar to the summary or general statement of the invention disclosed in the application as originally filed. The description can also be based on the broadest claim on appeal. If the invention has overcome or solved limitations, disadvantages, or problems in the prior art, this could be stated in the description.

### **THE PRIOR ART**

This section of the appeal brief can include a brief description of the prior art references cited by the Examiner in the Final Rejection. It would be appropriate to have a separate paragraph for each cited reference. Although differences between the invention and the cited prior art references might be evident in the description, this section is not intended to present appellant's detailed arguments.

### **THE REJECTION**

In this section, appellant states how the Examiner has applied the prior art references to reject the claims on appeal. For instance, the Examiner may be contending that appellant's invention is obvious over a combination of references. Based on the rejection, this section could also state the issue that is before the Board of Appeals.

## THE TRAVERSE

Appellant must traverse every rejection or objection stated in the Final Rejection that has not been previously overcome, for example, in a Rule 116 Amendment. The traverse should state appellant's detailed arguments and authorities, if any, with respect to each rejection or objection.

If a Rule 131 or Rule 132 affidavit has been filed during the prosecution of the patent application, it can also be discussed in the traverse.

Appellant's arguments might include one or more of the positive rules for demonstrating that the claimed invention is unobvious.

## CONCLUSIONS

In this section, appellant could summarize the reasons why the claims on appeal are patentable.

## PREPARATION OF AN INFORMATION DISCLOSURE STATEMENT BASED ON THE "DUTY TO DISCLOSE" IN RULE 56.

### *Duty to Disclose*

As stated in Rule 56, each "individual associated" with the filing and prosecution of a U.S. patent application has "a duty of candor and good faith" in dealing with the United States Patent and Trademark Office. This includes "a duty to disclose" all information known to that individual to be "material to patentability."

The duty to disclose exists with respect to each pending claim. This duty is satisfied by submitting all known material information to the United States Patent and Trademark Office.

No patent will be granted on an application where fraud was practiced or attempted on the United States Patent and Trademark Office or where the duty to disclose was violated through bad faith or intentional misconduct. This is also known as "inequitable conduct" which renders the patent unenforceable.

## PATENT BAR REVIEW

On the other hand, an allegation of inequitable conduct "so lacking in substance as to constitute a waste of time and resource to all the participants" can be a basis for sanctions under [28 U.S.C. § 1927](#). [\[FN1\]](#)

### *Types of Information*

Material information may be known from U.S. or foreign search reports, from related U.S. patent applications, and from corresponding foreign applications. Public use, sales, or knowledge in the United States or publications or patents anywhere in the world may be pertinent.

Rule 56 also encourages an applicant to examine carefully "the closest information over which individuals associated with the filing or prosecution of a patent application believe any pending claim patentably defines, to make sure that any material information contained therein is disclosed."

A new Form 1449 and Information Disclosure Statement should be filed with every new application as well as every continuation, divisional, or continuation-in-part application. The Form 1449 should cite every document listed on the Form 1449 of all applications in the same family. It should also cite every document cited by the Patent and Trademark Office or otherwise made of record for all applications in the same family.

Similarly, all documents disclosed, cited by the Examiner or otherwise made of record in related applications not in the same family should be included on the Form 1449. As new documents are submitted or cited during prosecution of applications from the same family or related applications, Supplemental Form 1449s and Information Disclosure Statements should be submitted. If any relevant references are found, advise the PTO as soon as possible.

Inequitable conduct might arise where the applicant, during the prosecution of a patent application before the United States Patent and Trademark Office, does not disclose material prior art which is known to the applicant.

In a 1999 decision, the Federal Circuit continued to evaluate both "materiality" and "intent" to determine the existence of inequitable conduct. In this regard, a two-step analysis was discussed in a 2000 decision. First, determine whether the conduct meets the threshold level

## **PATENT BAR REVIEW**

of "materiality." Then determine whether the evidence meets a threshold level of "intent" to mislead the United States Patent and Trademark Office.

### **INFORMATION MATERIAL TO PATENTABILITY**

Information is material to patentability when it is "not cumulative to information already of record" and

- (1) it establishes a prima facie case of unpatentability of a claim or
- (2) it refutes a position that the applicant takes in opposing an argument of unpatentability by the Examiner or a position that the applicant takes in asserting an argument of patentability.

### **ASSOCIATED INDIVIDUALS**

Individuals associated with the filing or prosecution of a U.S. patent application and having the duty to disclose include

- (1) each inventor named in the application,
- (2) each attorney or agent who prepares or prosecutes the application, and
- (3) every other person "who is substantially involved in the preparation or prosecution of the application and who is associated with the inventor, with the assignee or with anyone to whom there is an obligation to assign the application." Individuals other than the attorney, agent, or inventor may comply with this duty by disclosing information to the attorney, agent, or inventor.

### **TIME PERIODS FOR FILING**

Rule 97 describes the filing of an information disclosure statement during three different time periods.

In a first time period, the United States Patent and Trademark Office will consider an information disclosure statement with material information if it is filed either within three months of the filing date of the application or before the mailing date of a first Office Action on the merits, whichever occurs last.

During this first time period, an information disclosure statement could be filed to indicate that the attorney for the applicant, as presently advised, is

## **PATENT BAR REVIEW**

not aware of information material to the examination of the patent application.

This would be an acknowledgment by the attorney of the duty to disclose. After the first time period and as a second time period, an information disclosure statement will be considered if it is filed before the mailing date of either a final rejection or a notice of allowance, whichever occurs first. However, the information disclosure statement must be accompanied by either the required certification or the required fee.

When applicable, the certification must include one of two possible situations. The first situation is that each item of information was cited in a communication from a foreign patent office in a corresponding foreign application "not more than three months" prior to the filing of the information disclosure statement.

The second situation is that "no item of information" was cited in a communication from a foreign patent office in a corresponding foreign application or, to the knowledge of the person signing the certificate after making reasonable inquiry, was known to any aforementioned associated individual "more than three months" prior to the filing of the information disclosure statement.

After the second time period and as a third time period, an information disclosure statement will be considered if it is filed after the mailing date of either a final rejection or a notice of allowance, whichever occurs first, but before the payment of the issue fee.

Under these circumstances, it must be accompanied by the required certification, as in the second time period, the required petition requesting consideration of the information disclosure statement, and the required petition fee.

An information disclosure statement which is filed before the grant of a patent but which did not comply with one of the three time periods described above will be placed in the file but will not be considered by the United States Patent and Trademark Office.

This applies, for instance, when the information disclosure statement is filed after the payment of the issue fee. However, according to Rule 313(b), an application can be withdrawn from issue "for abandonment to

## PATENT BAR REVIEW

permit consideration of an information disclosure statement" in a continuing application.

After issuance, material information can be submitted to the United States Patent and Trademark Office. It will be considered by filing a reissue application or a request for a reexamination.

### CONTENT

An information disclosure statement must include a list of all patents, publications, or other information being submitted and a legible copy of each patent, publication, or other information.

If a listed information is not in the English language, there must be a concise explanation of its relevance. The concise explanation can be incorporated in the patent application as originally filed or it can be included in the information disclosure statement, such as by enclosing an English language abstract or a search report.

If readily available, a complete English translation or a corresponding patent in the English language should be filed with the information disclosure statement.

In a 2000 decision, the CAFC stated that by an applicant's submitting only the entire untranslated Japanese-language reference, a partial translation focusing on "less material portions," and a concise statement directed to "less material portions," the examiner was deliberately deceived into thinking that the reference was less relevant than it really was. Hence, the reference was "constructively withheld" from the examiner.

### FORMS

**Form 20-1** may be used in preparing an information disclosure statement in the first time period, i.e., within three months of the filing date of the application or before the mailing date of a first Office Action on the merits, whichever occurs last.

**Form 20-2** is the recommended PTO-1449 form for listing the patents and other documents being submitted with an information disclosure statement.

## **PATENT BAR REVIEW**

*Form 20-3* is appropriate within the aforementioned first time period where the attorney wants to acknowledge the duty to disclose.

### **PREPARATION OF OTHER PAPERS FREQUENTLY FILED DURING THE PROSECUTION OF A PATENT APPLICATION AND SUBSEQUENT TO THE ISSUANCE OF A PATENT.**

#### ***Patent Application***

Form 21-1 can be used as a transmittal letter for filing a patent application. The application has a specification and at least one claim.

#### ***Amendment***

A transmittal letter for filing an amendment can correspond to Form 21-2.

#### ***Assignment***

Based on Section 261, a patent application or an issued patent is assignable by an instrument in writing. Rule 331 provides for the recording of an assignment.

An assignment of a patent should identify the patent by number and date. The name of each inventor and title of the invention should also be given.

An assignment of a patent application should identify the application by serial number and filing date and should include the name of each inventor and title of the invention.

Sometimes the assignment is executed concurrently with the execution of the application or is executed subsequent to the execution of the application but before the application is filed or before the serial number and filing date are ascertained.

Under these circumstances, the assignment should adequately identify the application, such as, the date of execution, the name of the inventor, and the title of the invention.

A certificate of acknowledgment, under the hand and official seal of a person authorized to administer oaths within the United States, is prima facie evidence of the execution of the assignment

A similar certificate is appropriate in a foreign country.

## PATENT BAR REVIEW

However, if such an authorized person is not readily available, the execution of an assignment may still be witnessed by one or more persons.

Although not required, there is an advantage in having one or more witnesses in the event that the inventor or some other entity challenges the authenticity of the assignment.

**Form 21-5** is appropriate for recording the assignment in the United States Patent and Trademark Office. After recording, the assignment is returned to the designated name on the recordation form.

### STATEMENT CLAIMING SMALL ENTITY STATUS

According to Rule 27, any person seeking to establish status as a small entity for the purpose of paying reduced fees in a patent application or an issued patent must file a verified statement.

The small entity, as defined in Rule 9, may be an independent inventor, a small business concern (see Form 21-7), or a nonprofit organization. An independent inventor is one who has not assigned, granted, conveyed, or licensed (and is under no obligation to do so) any rights in the invention to any person or concern which is not an independent inventor, a small business concern, or a nonprofit organization.

A small business concern is one whose number of employees, including those of its affiliates, does not exceed 500 and one which has not assigned, granted, conveyed, or licensed (and is under no obligation to do so) any rights in the invention to any person or concern which is not an independent inventor, a small business concern, or a nonprofit organization.

A nonprofit organization is a university or other institution of higher education located in any country, an organization described in the Internal Revenue Code and exempt from taxation, any scientific or educational organization qualified under a nonprofit organization statute of a state of this country, or any organization located in a foreign country which would qualify as a nonprofit organization if it were located in this country.

## PATENT BAR REVIEW

### RESPONSE TO A NOTICE TO FILE MISSING PARTS OF AN APPLICATION

If a patent application which has been accorded a filing date does not include the appropriate filing fee or an oath (or declaration), the applicant, according to Rule 53(d), will be notified in a "Notice to File Missing Parts." The applicant will also be given a time period to file the fee or oath (or declaration) and to pay the surcharge.

*Form 21-9* represents a response to a notice to file missing parts.

#### *Claim for Priority*

As provided in Section 119, no application for a U.S. patent shall be entitled to the right of priority based on an earlier filed corresponding foreign patent application unless a claim therefor and a certified copy of the foreign application are filed in the United States Patent and Trademark Office before the U.S. patent is granted. Section 55 states that the claim of priority may be made by the attorney if the foreign application is referenced in the executed oath (or declaration) for the U.S. application. Form 21-10 may be used for a claim for priority.

#### *Terminal Disclaimer*

Section 253 and Rule 321 specify that a patentee or applicant may disclaim any terminal part of the term of the patent granted or to be granted. A terminal disclaimer may be appropriate to obviate some types of double patenting rejections.

When filed, the terminal disclaimer must be accompanied by the required fee. It also must include a provision that any patent granted on the application shall be enforceable only for such time period that the granted patent is commonly owned with the application or patent which formed the basis for the double patenting rejection. An attorney can sign a terminal disclaimer.

*Form 21-11* is suitable for a terminal disclaimer.

## **PATENT BAR REVIEW**

### **CORRECTION OF AN ISSUED PATENT**

Section 254 and Rule 322 provide for a correction in a U.S. patent when the mistake was the fault of the United States Patent and Trademark Office.

With the request for a certificate of correction, the applicant encloses a proposed certificate of correction in duplicate.

The Commissioner, if appropriate, issues a certificate of correction under seal stating the fact and nature of the mistake. A printed copy of the certificate is attached to each copy of the patent.

Rule 323 provides for a correction when the mistake was not the fault of the United States Patent and Trademark Office. It must be a clerical or typographical mistake or a minor mistake.

There must be a showing that the mistake occurred in good faith, and the required fee must be paid. The correction must not involve changes in the patent which would constitute new matter or require reexamination.

Upon comparison of the patent with the application, some errors may be noted which do not warrant a request for a certificate of correction. A paper can be filed, however, to make these errors of record in the patent file.

### **PAYMENT OF PATENT MAINTENANCE FEE**

As promulgated in Rules 362, 363, 366, 377, and 378, maintenance fees are required to be paid for all patents based on applications filed on or after December 12, 1980. However, these fees are not required for design and plant patents. Maintenance fees are due, without surcharge, at 3.5, 7.5, and 11.5 years after grant of the patent.

Under certain circumstances, the United Patent and Trademark Office will accept payment after the due date with the payment of the required surcharge.

The patentee (or any person or organization on behalf of the patentee) may pay the maintenance fees (and any required surcharge). The fees are

## **PATENT BAR REVIEW**

reduced if a small entity form has been filed. Form 21-16 is appropriate to transmit the patent maintenance fee.

### **NOTICE OF APPEAL**

Referring to Section 134 and Rule 191, an applicant for a patent, where any claim has been twice rejected or where any claim has been finally rejected, may appeal from the decision of the Examiner to the Board of Patent Appeals and Interferences. The notice of appeal must be filed within the appropriate time period, and it must include the required fee. The notice of appeal can be based on *Form 21-18*.

### **REQUEST FOR ORAL HEARING**

As established in Rule 194, an oral hearing can be requested before the Board of Patent Appeals and Interferences. An oral hearing should be requested only in those circumstances in which the appellant considers such a hearing necessary or desirable for a proper presentation of the appeal.

If the appellant wants an oral hearing, the request must be made in writing with the required fee and within the appropriate time period. The request for oral hearing can be similar to *Form 21-19*.

### **DESIGN APPLICATION**

Sections 171 to 173 of the patent statute provide for a design patent for an article of manufacture. *Form 21-20* is appropriate for filing a design application.

### **CONTINUED PROSECUTION APPLICATION**

Under Section 1.53(d) of the patent regulations, a continued prosecution application (CPA) may be filed to continue with the prosecution before the U. S. Patent and Trademark Office.

### **PATENT LITIGATION**

Frequently, the patent owner is the plaintiff in a cause of action for infringement of a patent, and the alleged infringer is the defendant.

## PATENT BAR REVIEW

However, under the Declaratory Judgment Act, the alleged infringer may be the plaintiff, and the patent owner may be the defendant.

### JURISDICTION

According to 28 U.S.C. § 1338, the district courts of the United States have "original" jurisdiction of any civil action arising under the U.S. patent laws. This jurisdiction is exclusive of the state courts.

### VENUE

As stated in 28 U.S.C. § 1400(b), any civil action arising under the U.S. patent laws may be brought in the judicial district (1) where the defendant resides or (2) where the defendant has committed acts of infringement and has a regular and established place of business.

The United States Supreme Court has ruled that this is not to be supplemented by the general corporation \*22-2 venue promulgated in [28 U.S.C. § 1391\(c\)](#). Furthermore, [28 U.S.C. § 1400\(b\)](#) has been interpreted restrictively.

However, the Court of Appeals for the Federal Circuit has held that a 1988 amendment to [28 U.S.C. § 1391\(c\)](#), which provides a new definition of "reside" for corporate defendants, does apply to [28 U.S.C. § 1400\(b\)](#).

Under the court's decision, corporations will be subject to suit for patent infringement in any district court in which they are subject to personal jurisdiction.

Under many state "long arm" statutes, this means that venue will be proper in any district in which the allegedly infringing device is sold, or even where the alleged infringement has not occurred, provided the defendant otherwise transacts business, derives revenue, or maintains other minimal contacts within the district.

Thus, a very low threshold for both jurisdiction and venue will now be present for corporate patent infringement defendants.

## **PATENT BAR REVIEW**

28 U.S.C. § 1404(a) relates to a change of venue. For the convenience of parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district where it might have been brought originally.

In a civil action for patent infringement against a foreign corporation, 28 U.S.C. § 1391(d) applies instead of 28 U.S.C. § 1400(b).

In an action under the Declaratory Judgment Act relating to a patent, 28 U.S.C. § 1391 is appropriate with regard to venue rather than 28 U.S.C. § 1400(b).

### **CAUSES OF ACTION**

A civil action relating to a patent may be commenced under various statutory provisions. The following are illustrative:

- Action to obtain a patent by an applicant dissatisfied with the decision of the Board of Patent Appeals and Interferences (Section 145).
- Action by a party to an interference dissatisfied with the decision of the Board of Patent Appeals and Interferences (Section 146).
- Action for an injunction to prevent the violation of any right secured (Section 283).
- Action for damages adequate to compensate for infringement of a patent (Section 284). The Intellectual Property and Communications Omnibus Reform Act of 1999 provides also for damages, under certain circumstances, for infringement during the time period between the publication of a U.S. patent application and the issuance of the patent.
- Action by the owner of an interfering patent against the owner of another patent (Section 291).
- Action for false marking (Section 292).
- Action in the Court of Claims for the unlicensed use of an invention by the U.S. government (28 U.S.C. § 1498).

### **PRESUMPTION OF VALIDITY**

An issued patent is presumed to be valid. However, this presumption may be overcome if prior art is found that is more pertinent than the prior art considered by the United States Patent and Trademark Office during the prosecution of the patent application.

## PATENT BAR REVIEW

### DEFENSES

If a patent owner (plaintiff) commences a civil action against an alleged infringer (defendant) for patent infringement, the defendant may plead or otherwise argue, among others, the following defenses:

1. Noninfringement under Section 271,
2. Lack of utility under Section 101,
3. Not statutory subject matter under Section 101,
4. Anticipation by the prior art under Section 102(a), (b), (d), (e), or (g),
5. Abandonment under Section 102(c),
6. Improper inventorship under Section 102(f),
7. Obvious over the prior art under Section 103,
8. Double patenting,
9. Inoperable invention under Section 112,
10. Improper scope of claims under Section 112,
11. No title in the patent,
12. License under the patent,
13. Fraud,
14. Misuse,
15. Antitrust violation,
16. Laches, including prosecution laches, infra,
17. Intervening rights, and
18. Method of doing business under new § 273(b) in the Reform Act of 1999.

### PROSECUTION LACHES AND THE LEMELSON PATENTS

Lemelson is the inventor of numerous unexpired patents and pending patent applications. In a 2002 decision, the CAFC considered "prosecution laches" which may "bar enforcement of patent claims that issued after an unreasonable or unexplained delay in prosecution even though the applicant complied with pertinent statutes and rules."

The patents at issue "allegedly are entitled to the benefit of the filing date of two applications filed in 1954 and 1956" under Sections 120 and 121 relating to continuation and divisional applications.

This type of patent is also known as a "submarine" patent because it has surfaced after being a pending application for a long period of time. The district court stated that Lemelson's use of the continuation applications

## PATENT BAR REVIEW

may have exploited patent practice, but it was improper to introduce the equitable doctrine of laches into the statutory scheme of continuation practice. The CAFC reversed and remanded the case because "the district court incorrectly concluded that the defense of prosecution laches was unavailable as a matter of law."

### PRACTICE AND PROCEDURE

With regard to practice and procedure, patent litigation is similar to any other litigation in the district courts. Service must conform to the guidelines of the Federal Rules of Civil Procedure. A plaintiff's complaint must contain a short, plain statement of the facts sufficient to put the defendant on notice of the nature of the adverse claim.

Discovery is conducted pursuant to the Federal Rules of Civil Procedure. A motion in a patent case is usually handled in the same way as in any other case. To the extent it is possible, a patent case should be tried like a general case, keeping in mind that judges and juries may not be versed in the intricacies of patent prosecution.

### VIOLATION OF THE ANTITRUST LAWS

Improper use of a patent may result in a violation of the antitrust laws. We will discuss the various theories on which such violations may be based.

#### *Acquisition*

Merely acquiring patents is not an antitrust violation unless there is an intent to monopolize or restrain trade.

#### *Litigation*

Merely commencing a patent suit is not an antitrust violation unless there is an intent to monopolize or restrain trade.

#### **Fraud**

There can be a simple misuse of a patent. However, certain evidence of intent may result in an antitrust violation. For example, under the Supreme Court's Walker Process case, fraud in procuring a patent may constitute a simple misuse or an antitrust violation.

In a 2002 district court decision, the judge noted that in Walker Process, the Supreme Court held that a party had monopolized a market through an

## **PATENT BAR REVIEW**

"infringement suit based on a patent that the party had obtained by making fraudulent misrepresentations to the Patent Office."

The judge then concluded that "misrepresentations as to the scope of a patent" to the Food and Drug Administration also "can be fraudulent for Walker Process purposes."

### ***Licensing***

A patentee may offer a license under a patent. The patentee may charge a royalty as high as the market will bear unless there is an intent to monopolize or restrain trade. However, an agreement that requires royalty payments beyond the patent's expiration date is unlawful per se and unenforceable.

### ***Price Fixing***

An antitrust violation exists where, in a sale, the patentee-seller attempts to fix the price of resale by the purchaser.

Conversely, a patentee-licensor might, under certain circumstances, be able to fix the price of an item sold by the licensee.

However, there can be no conspiracy to fix prices under a license agreement.

### ***Tie-in Restrictions***

A tie-in restriction is where a patentee-licensor requires the licensee to purchase unpatentable, staple items for use in the patented device. In all likelihood, this violates the antitrust laws.

### ***Patent Package***

Merely accumulating patents in a package is not, in and of itself, illegal. Licensing the patent package is not a patent misuse or an antitrust violation unless there is improper conduct, such as mandatory or coercive package licensing, or an intent to monopolize and restrain trade.

### ***Patent Pooling***

Merely pooling patents by two or more patent owners is not, in and of itself, illegal. Licensing the patent pool is not a patent misuse or an antitrust violation unless there is improper conduct or an intent to monopolize and restrain trade.

### ***Grant-Back***

A grant-back provision is where a licensee must assign or license back any improvement patents to the patentee-licensor. This is not illegal per se. However, a grant-back could be patent misuse or an antitrust violation if there is improper conduct or an intent to monopolize and restrain trade.

### ***Restrictions***

Restrictions in a patent license relating to quantity, time, location, and use are generally acceptable. However, these restrictions may be improper or illegal if imposed by a patentee-seller on the purchaser's use or resale.

## FOREIGN PATENT LAW

Now we will discuss certain similarities and differences that exist in the patent laws of foreign countries compared with the patent laws of the United States. A U.S. patent attorney should be aware of foreign patent laws, in general, because a U.S. inventor might want to secure patent rights in several foreign countries.

### ***Applicant***

In many foreign countries, an assignee of patent rights, such as a corporation, is permitted to apply for a patent in the assignee's own name. In other words, the inventors' signatures are not required.

### ***Term***

The term of a patent varies from country to country. Furthermore, the term may be based on the issue date or on the filing date or on a combination of the two dates.

### ***Statutory Bars***

The statutory bars against patentability may also be different. The United States is one of the few countries having a grace period, such as the one-year period specified in Section 102(b).

Some foreign countries insist upon absolute novelty. In such a country, there can be no publication, patent, use, sale, or knowledge prior to the filing date of a patent application in that country (or prior to the priority

## **PATENT BAR REVIEW**

date under the terms of the International Convention comparable to Section 119.

### ***Examination***

Some foreign countries have examinations as extensive as those in the United States. Other foreign countries have less extensive examinations. A few foreign countries do not examine patent applications.

### ***Delayed Prosecution***

Delayed prosecution is a procedure available in several foreign countries. Under this procedure, a patent application is filed in the foreign country, but examination can be delayed for a specified period of time. Examination can then be commenced, usually upon the filing of an appropriate request. Delayed prosecution has the advantage of deferring the expense of patent prosecution.

### ***Opposition***

Many foreign countries provide for opposition proceedings. In this proceeding, a patent application is examined and is allowed by the foreign patent office. Before it issues as a foreign patent, the allowed patent application is published for opposition. If an opposition is not filed within a stated time period, the patent application will issue as a foreign patent. Conversely, if an opposition is filed, the foreign patent office decides whether the patent application should issue in view of the opposition.

### ***European Patent Convention***

Most countries in Western Europe are members of the European Convention. To secure patent rights, an applicant files a European patent application in the European patent office located in Munich, Federal Republic of Germany, designating some or all of the countries under the convention. If the European patent application is allowed, it is forwarded to the designated European countries. A patent will usually issue in each of these countries.

### ***Patent Cooperation Treaty***

The Patent Cooperation Treaty is an international agreement that provides for the filing of patent applications on the same invention in member countries. The members include numerous manufacturing countries around the world, such as the United States, Japan, and most Western European countries.

## PATENT BAR REVIEW

Under the Patent Cooperation Treaty, a U.S. inventor usually files first a standard U.S. patent application. Within one year, the inventor can file an international patent application for the same subject matter and claim the priority date of the U.S. patent application.

The international patent application must be filed in a Receiving Office, such as the United States Patent and Trademark Office. At the time of filing, the international patent application must designate the member countries where patent protection is desired.

An International Searching Authority, such as the United States Patent and Trademark Office, conducts a prior art search relating to the invention claimed in the international application. An International Search Report is issued listing relevant prior art documents.

Twenty months from the priority date of the international patent application, the applicant must send to each Designated Office of a member country any required translation and the required filing fee. Each Designated Office determines patentability based on its own patent laws.

## INTELLECTUAL PROPERTY OTHER THAN PATENT

Let's discuss now in general terms intellectual property other than patents. It covers trademarks, copyrights, and trade secrets.

### ***Trademark***

A trademark is any word, symbol, or design adopted and used in commerce to identify a person's goods or services. As of November 1989, a trademark application can also be based on merely a bona fide "intent" to use. Trademark rights can be secured under both state law and federal law.

A trademark can be registered with the United States Patent and Trademark Office. This registration is based on the power of Congress under the Constitution of the United States to regulate interstate and foreign commerce, known as the "commerce clause." The term is ten years.

However, the registered trademark can be renewed indefinitely for additional periods of ten years.

## PATENT BAR REVIEW

The trademark owner can sue for infringement if someone else uses, without consent, a mark that is "likely to cause confusion, or to cause mistake or to deceive."

### COPYRIGHT

The basis for a copyright is the Constitution of the United States, article 1, section 8, clause 8. The words "useful arts," "authors," and "writings" relate to copyright law.

A copyright can protect original works of authorship fixed in any tangible medium of expression.

Works of authorship include literary works; musical works, including any accompanying words; dramatic works, including any accompanying music; pantomimes and choreographic works; pictorial, graphic, and sculptural works; motion pictures and other audiovisual works; and sound recordings.

Whenever a work is published, a notice of copyright must be placed on all publicly distributed copies or phonorecords. The notice has the following three elements:

1. The symbol ©, the word "Copyright," or the abbreviation "Copr." (For phonorecords, it is the symbol ??);
2. The year of first publication of the work; and
3. The name of the owner of copyright.

A copyright for most works "subsists from its creation" and "endures for a term consisting of the life of the author and fifty years after the author's death."

The owner of a copyright has the certain exclusive rights with regard to reproducing, preparing derivative works, distributing, performing, and displaying. Anyone who violates these rights may be liable for copyright infringement.

A copyright can be registered in the Copyright Office of the Library of Congress by filing an application with the required fee and with the required deposit. Registration is a prerequisite for commencing a civil action for copyright infringement.

## TRADE SECRET

A trade secret may consist of any formula, pattern, device, or compilation of information that may give someone an advantage over competitors who do not possess the trade secret. The subject matter of a trade secret may or may not be patentable.

A trade secret can last indefinitely. A patent is limited in duration. A trade secret must be kept secret, and it cannot be placed in the public domain.

On the other hand, a patent is a complete disclosure to the public. A trade secret is lost if it is discovered independently by another. Conversely, a patent provides protection against another's subsequent discovery, regardless of good faith.

A trade secret cause of action may arise, for instance, in an employer-employee relationship where the employee terminates the employment and enters into a competing situation.

At the termination of employment, the employee can use general knowledge, experience, memory, and skill, howsoever gained, so long as the employee does not use or disclose any trade secret of the former employer.

In ascertaining whether there is a trade secret, several factors may be considered.

They include the extent to which the information is known outside of the employer's business, the extent to which it is known by the employee, the extent of measures taken by the employer to maintain secrecy, the value of the information, the amount of effort or money expended by the employer in developing the information, and the ease or difficulty for others innocently to acquire the information.

**THE END**

# Examination **FOR REGISTRATION**

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