

# **Mitigating Damages of Potential Patent Infringement in the U.S.**

**By Patrick Keane**

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# Drafting Strong Patent Applications

- ❖ More easily licensed
- ❖ More effective in early settlement of litigation



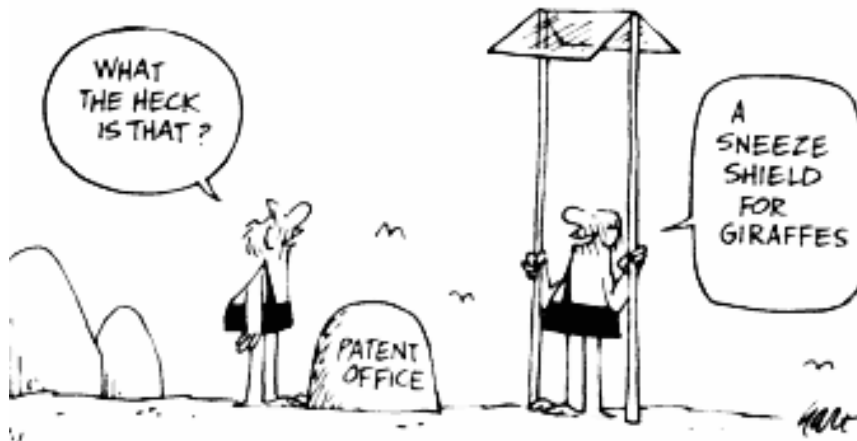
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# Drafting Strong Patent Applications

## ❖ Before preparing a patent application:

- Develop a good understanding of the state of art
  - Recent cases emphasize that narrowing amendments can negatively impact the scope of a patent claim and application of the doctrine of equivalents



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- ❖ **Discuss with inventors all possible alternative embodiments of the invention**

- Recent cases emphasize the importance of disclosing all embodiments that could have been reasonably contemplated by the inventors at the time of drafting the application



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## ❖ **United States Supreme Court indicates:**

- An inventor is expected to draft claims encompassing all readily known equivalents
  - Doctrine of Equivalents may not be used to cover readily known equivalents that are not literally covered by the claims

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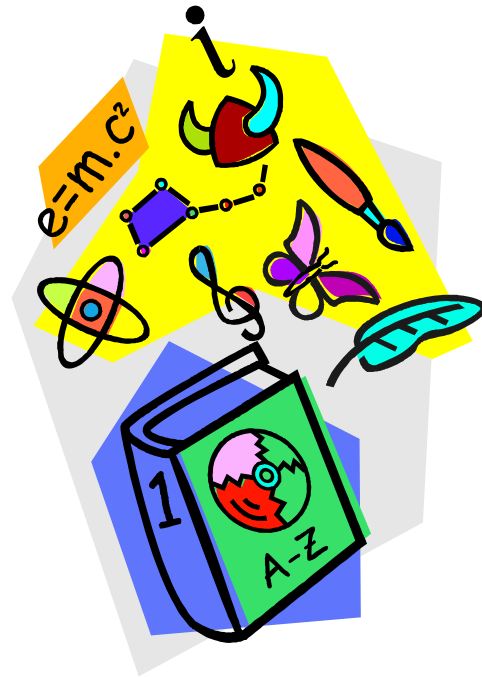
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## ❖ Field of the Invention

- Avoid inadvertently defining the invention in a manner narrower than is intended



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- ❖ **Summarizing the prior art in a patent application is **not required****
  - Some U.S. practitioners advocate simply omitting a description of the prior art entirely
  - Description of the prior art will not unnecessarily narrow the scope of the invention if properly drafted
    - May provide Examiner with a good focus from which to begin the examination of the application

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- ❖ **Be careful in describing the shortcomings of the prior art**



Example:

- If: Specification indicates that the prior art devices have a certain drawback or lack a certain quality
- And: Accused device similarly has that drawback or lacks that quality
- Then: A court may find that the accused device does not infringe

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- ❖ **If some technology or teaching that is not prior art is mistakenly described as prior art:**
  - Patent Office or a court may rely on such admission to use the technology or teaching as prior art to reject or invalidate the claims
  - Although in some cases it is possible to retract or withdraw such an admission, it is difficult and sometimes can't be done

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## ❖ Description of Objects of the Invention

- Some practitioners advocate omitting a description of objects of the invention
  - Courts may use the objects to interpret the claims:
    - If an accused device or accused method fails to achieve one or more of the recited objects, the court may find that the accused device or method does not infringe the patent

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## ❖ Summary

- A mere recitation of the independent claims of the application, almost verbatim



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## REMEMBER!!

- Describe the embodiments of the invention as the preferred embodiments, and not as the invention itself
- Be very careful about using absolute terms like:
  - Must
  - Critical
  - Essential
  - Important

**Words implying that a particular feature is a requirement of the invention may lead to the court construing the scope of the claims to require such features for infringement**

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## Recent Case Example of Using Absolute Language:

- Detailed description indicates that a particular structure was included in “**ALL** embodiments of the present invention contemplated and disclosed herein.”
- As a result, the Court held that the recited structure was deemed to be part of the claimed invention, even though such structure was not set forth in any of the claims

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**The Court of Appeals has held that:**

**If: Specification makes clear that an inventive device does not include a particular feature**

**Then: All devices or objects having that feature may be deemed to be outside the reach of the claims of the patent**

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**The Federal Circuit has also held that:**

- ❖ **The doctrine of equivalents cannot be utilized to reach disclosed, but unclaimed subject matter**

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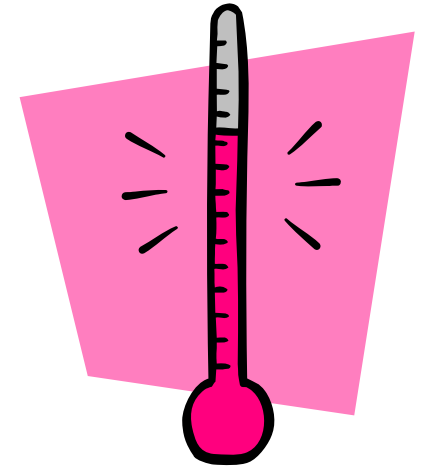
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## ❖ Include numerous fall-back positions

Example:

If: Inventor believes that inventive method should operate between 40 F and 100 F



Then: Application should state the invention could operate between 30 F and 110 F:

\* Preferably between 40 F and 100 F

\* Most preferably between 50 F and 90 F

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# Drafting Strong Patent Applications

- ❖ **Use terms consistently throughout entire application, including the claims**
  - **If detailed description describes something as “about 10,” DO NOT USE “approximately 10” in the claims**
  
- ❖ **Failure to use terms consistently may render one or more of the claims indefinite under 35 U.S.C. §112**

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- ❖ **Understand the meaning of all the words you use in the application**

Example:

What does “Impurity-free” mean?

- A. 100% free
- B. Includes trace amounts of impurities



- ❖ **Does a particular term have a special meaning to one skilled in the art?**

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## ❖ For Maximum Protection:

- Consider including some “means (or step) plus function” claims that fall within the scope of 35 U.S.D. § 112, sixth paragraph
- ALSO use claims that re clearly not covered by 35 U.S.D. § 112, sixth paragraph

In some situations, broader protection can be achieved with “means (or step) plus function claims,” but not in other situations

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## REMEMBER!!

### ❖ Things are not always as they seem:

- A claim element may be treated as a “means plus function” element even though it does not use the term “means”
- Language in the specification may be used to limit a claim even though such a specific limitation may not be found in the claim
- A term in a claim may be prohibited from covering a clearly equivalent element, even under the Doctrine of Equivalents

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# Protest

## ❖ Who can protest?

- Any member of the public (private, corporate, government) against pending applications
  - Attorney can file for an unnamed principal

## ❖ Information appropriate for protest

- Any facts/information adverse to patentability
- Examples:
  - Information that invention was “in public use or on sale in this country” more than one year prior to date of application for patent
  - Information that applicant abandoned invention or didn’t invent the subject matter himself
  - Information indicating “fraud” or “violation of the duty of disclosure”
  - Any other information demonstrating that the application lacks compliance with the statutory requirements for patentability



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# Protest

## ❖ Timing of protest

- Must be submitted prior to the publication date or mailing of a notice of allowance
  - Likelihood of consideration decreases as patent date approaches
- Application must be pending when protest and application file are brought before examiner
- Protest with regard to a reissue application: file within 2 months after announcement of the filing in the *Official Gazette*



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# Pitfalls of Protest



- ❖ **Limited Participation by protester**
- ❖ **Gratuitously provides prior art to patentee and allows unilateral arguments to distinguish**

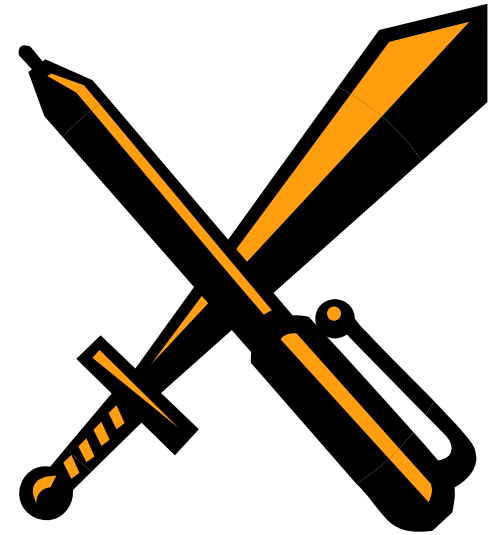
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# Reissue: Use of Reissued Patents as a Weapon

## ❖ Reissue claims must be for the same invention as the invention in the original patent

- Claims in reissue application are described in original patent specification
- Nothing in original patent specification indicates an intent not to claim the subject matter of the claims in reissue application



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# Recapture

- ❖ **Patentee cannot “recapture” subject matter surrendered to obtain allowance of the original patent**
  
- ❖ **Three step test for recapture:**
  1. Determine whether reissue claims are broader than the patent claims
  
  2. Determine whether the broader aspects of the reissued claim are related to surrendered subject matter (e.g., does broadening amendment contradict an earlier narrowing amendment)
  
  3. Court must determine whether reissued claims were narrowed in other respects to avoid the recapture rule

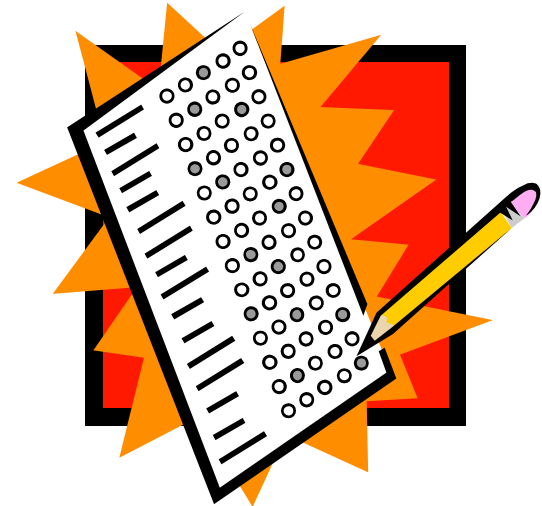
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# Reexamination

## ❖ Principle Requirements of a Request for Reexamination:

- Who can file a request for reexamination?
- What patents and printed publications are appropriate for reexam?
  - Substantial new question of patentability



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# Reexamination

## ❖ Formal Requirements of a Request for Reexamination:

- Statement pointing out each substantial new question of patentability
- Identity of each claim for examination
- Copy of every patent or publication
- Copy of the patent in two-column form
- Certification of service of the patent owner
- Official Fee

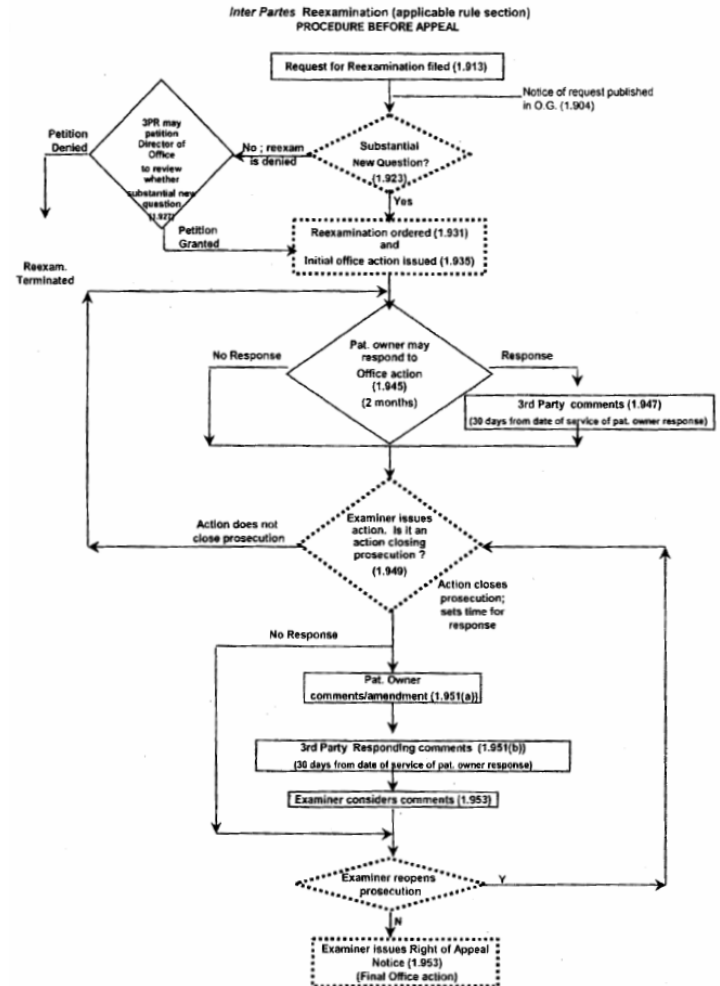
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# Reexamination

## ❖ The Reexamination Procedure

- Initial handling of the request and decision by the Examiner
- The Patent Owner's Statement
- The Reply by the Requester
- First Official Office Action
- Prosecution
- Conclusion



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# Reexamination

- ❖ **American Inventors Protection Act of 1999**  
**Established Inter Partes Reexam**
  - Principle requirements for Inter Partes Request
  - Inter Partes Reexamination Procedure
  - Integration of IPRP with other proceedings
  - Effect of reexam claims from an IPRP

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# Opinion of U.S. Counsel Regarding Validity and/or Infringement

## ❖ Recent example of Willfulness Law:

### Knorr-Bremse v. Dana, et al.

Defendant declined to produce a legal opinion and trial court concluded that opinion was therefore unfavorable and held that defendant's use of the at-issue patent was willful infringement



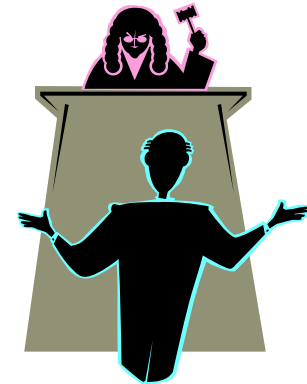
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# Opinion of U.S. Counsel Regarding Validity and/or Infringement

## ❖ Effect of Knorr-Bremse on Willfulness Law and Procedure

- Removed evidentiary presumption or inference based on the failure to obtain legal advice or to produce it in litigation
  - What happens now if there is no Opinion?
  - What happens now if the accused infringer refuses to produce an Opinion?



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# Opinion of U.S. Counsel Regarding Validity and/or Infringement (cont.)

- ❖ **Effect of Knorr-Bremse on Willfulness Law and Procedure**
  - **Opinions of Counsel are still important**
    - Provide tangible, contemporaneous evidence
    - Accused infringer has an extra witness (drafter of the Opinion)



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# Opinion of U.S. Counsel Regarding Validity and/or Infringement (cont.)

## ❖ Effect of Knorr-Bremse on Willfulness Law and Procedure

- The same pitfalls regarding opinions continue to exist
  - Low knowledge threshold to trigger duty of Due Care
  - Scope of Privilege Waiver is still uncertain
  - Timing of Privilege Waiver remains the same
  - Competency of Opinion will still be questioned



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# Opinion of U.S. Counsel Regarding Validity and/or Infringement (cont.)

## ❖ Effect of Knorr-Bremse on Willfulness Law and Procedure

- 2005 Congressional Patent Reform of Willfulness (still pending)
  - Increased Damages
  - Permitted grounds for willfulness
  - Limitations on willfulness

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# Recent Issues on Review at U.S. Supreme Court

- ❖ **Federal Circuit ruled that a district court, absent exceptional circumstances, must issue a permanent injunction after a finding of infringement** (eBay, Inc. v. MercExchange, LLC) – would give patent owners a big sword, and emphasize merit of a strong patent portfolio.
- ❖ **Can an inventor validly claim a basis scientific relationship used in medical treatment that is infringed by a doctor who thinks about the relationship after looking at a test result?** (Lab. Corp. v. Metabolite Laboratories) – Could open flood gates even further on eligible subject matter in U.S.
- ❖ **Must a patent licensee refuse to pay royalties and commit material breach of the license agreement before suing to declare the patent invalid, unenforceable or not infringed?** (MedImmune, Inc. v. Genentech, Inc.) – Potential infringers take licenses, and pay royalties to mitigate damages of breach, and still challenge validity
- ❖ **Does the export of software, replicated abroad and then included in a patented combination that is constructed and sold offshore, create infringement liability?** (Microsoft, Corp. v. AT&T Corp.) – If not, could provide mechanism for reducing exposure in U.S.

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# Recent Issues on Review at U.S. Supreme Court

- ❖ **Petition for *certiorari* to review the issue of the standard of patentability for a combination claim (KSR Int'l v. Teleflex)**

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# Recent Issues on Review at U.S. Supreme Court

- ❖ **Disclosure in the specification and prosecution history can limit the meaning of the claims**  
(*Nystrom v. TRES Co., Inc.*) -- Claimed “board” construed by Federal Circuit as a wooden board because no other alternatives were disclosed in the specification.
- ❖ **Can patent claims that are amenable to interpretation based on their plain meaning be narrowed by an enabling disclosure that neither disavows the claims' scope nor explicitly defines the claims' terms?**  
(*Izumi Products Co. v. Koninklijke Philips Electronics N.V.*) – Claims and specifications should be carefully prepared to ensure broad treatment by the courts.

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