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Recent Development

RECENT DEVELOPMENTS IN PATENT LAW^{dt}

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***104 I. Introduction**

This article covers patent cases reported in Volumes 41, 42, and parts of Volume 43 of *United States Patents Quarterly*, Second Edition, ending in August 1997. Obviously, not all cases are reported, but most Federal Circuit decisions between February and August 1997 are included, as are significant district court decisions and, of course, the Supreme Court's decision in *Warner Jenkinson v. Hilton-Davis*.¹

II. Infringement

A. Literal Infringement/Claim Interpretation

In *CVI/Beta Ventures v. Tura LP*,² the plaintiffs had a patent for flexible eyeglasses frames which the district court found infringed by some of the defendants' frames.³ The appeals court found that the lower court had erred in its construction of the patent claims.⁴ The claim language at issue related to the requirement that the frames have "greater than 3% elasticity."⁵ The terms were *105 technical and ambiguous.⁶ Relying on the specifications and the prosecution history, the court interpreted this term in such a way that the accused products did not meet the limitation.⁷ The court therefore held that, construed correctly, the patents were not infringed by the defendants as a matter of law.⁸

In *Lockwood v. American Airlines, Inc.*,⁹ Lockwood appealed a summary judgment finding of noninfringement of his patents and of invalidity of two of his patents.¹⁰ Lockwood claimed that American's SABREvision terminals infringed his three patents relating to automated interactive sales terminals.¹¹ The court upheld the lower court's determination of noninfringement because SABREvision did not have the kind of audio-based user interfaces that the patents described.¹² The court also noted that Lockwood's asserted claim construction was inconsistent with the position he took before the Patent and Trademark Office (PTO).¹³

In *Glaxo, Inc. v. Novopharm, Ltd.*,¹⁴ Glaxo sued Novopharm for infringement of patents on a drug, RHC1, and the methods of creating it.¹⁵ The court determined that the district court did not err in finding that Novopharm did not infringe Glaxo's patents.¹⁶ Novopharm had applied to the FDA to make a generic form of one version of the drug under an older patent which would expire soon and had not planned to market it until the expiration of the older patent.¹⁷ The court found this application practice legal under 35 U.S.C. § 271(e)(1).¹⁸ The court also found that the plaintiff had failed to prove that its newer form of the drug that was covered by a newer, unexpired patent would be present in Novopharm's product.¹⁹ The court rejected Glaxo's argument that the abbreviated new drug application (ANDA), if approved, would be sufficiently broad that it might permit *106 the sale of infringing products.²⁰ Rather, it held, the proper inquiry is whether the product Novopharm in fact intends to sell will infringe any unexpired patent.²¹

In *J. T. Eaton & Co. v. Atlantic Paste & Glue Co.*,²² the plaintiff sued the defendant for infringement of its mousetrap adhesive patent.²³ The district court found infringement.²⁴ However, the appeals court found that the district court had misinterpreted the first claim of the patent.²⁵ The issue was how long the adhesive had to withstand a temperature of 120 degrees Fahrenheit.²⁶ Tests discussed in the prosecution history had continued for twenty-four hours.²⁷ The Federal Circuit disregarded expert testimony from the trial that periods of less than twenty-four hours were sufficient, stating that "trial testimony regarding the meaning of a claim cannot vary the meaning of a claim that is established either by the claim itself or by the claim as correctly understood by reference to the specification and the file history."²⁸ The Federal Circuit reversed the finding of infringement and vacated the finding that the patent was not invalid.²⁹ Judge Rader dissented, concluding that there was no indication that the length of the original tests was in any way significant.³⁰

After a bench trial, the district court in *IGT v. Global Gaming Technology Inc.*³¹ held that the defendant's electronic slot machines literally infringed the claims of the plaintiff's patent relating to electronic gaming machines.³² The plaintiff's patent described the use of hard-wired electronic circuits to control the gaming device, while the accused devices used programmed microprocessors.³³ However, the court found that the microprocessors were equivalent to hard-wired logic *107 circuits, since one skilled in the art could easily implement the hard-wired circuits in a microprocessor "without any particular advanced training."³⁴

In *Eastman Kodak Co. v. Goodyear Tire & Rubber Co.*,³⁵ the Federal Circuit was called upon to review the district court's construction of the claims of Kodak's patent.³⁶ The court noted that claim interpretation is a question of law under *Markman v. Westview Instruments, Inc.*,³⁷ and conducted a review of the entire record.³⁸ The court agreed with the district court that neither the claim language, its dictionary meaning, the specification, nor the prosecution history supplied "conclusive proof" of the meaning of the claim.³⁹ The district court was therefore correct to turn to expert testimony.⁴⁰ In evaluating this expert testimony on claim construction, the Federal Circuit showed substantial deference to the district court:

The trial court is best situated to gauge the relevance and need for additional evidence to explicate claim terms [R]ecognizing both the trial court's "trained ability to evaluate [expert] testimony in relation to the overall structure of the patent" and the trial court's "better position to ascertain whether an expert's proposed definition fully comports with the specification and claims," this court sustains the trial court's claim interpretation.⁴¹

Judge Lourie dissented in part, finding that both the claim and the specification were clear, and therefore resort to expert testimony was unnecessary.⁴²

In *Harris Corp. v. IXYS Corp.*,⁴³ the Federal Circuit reversed the district court's grant of summary judgment for the plaintiff on claim construction.⁴⁴ The Federal Circuit held that the requirement in a semiconductor patent that "no thyristor action occurs under any device operating conditions" meant that the device must not be able to be configured to act as a thyristor.⁴⁵ It rejected the plaintiff's claim that *108 "any device operating conditions" meant simply the normal and intended uses of the device.⁴⁶

In *Tanabe Seiyaku Co. v. International Trade Commission*,⁴⁷ the petitioner appealed the International Trade Commission's (ITC) failure to issue an exclusion order against certain respondents, which was based on a finding that the petitioner's patent for a chemical compound was not infringed.⁴⁸ The Federal Circuit held that the ITC could properly rely on statements made by the petitioner before foreign patent offices in prosecuting counterparts to the U.S. patent, because those statements were "relevant to determine whether a person skilled in the art would consider butanone or other ketones to be interchangeable with acetone."⁴⁹ The court did not permit a doctrine of foreign prosecution history estoppel, however.⁵⁰

B. Doctrine of Equivalents

In *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*,⁵¹ the plaintiff obtained a patent for the purification of dyes using pH levels from 6.0 to 9.0.⁵² The defendant-petitioner developed a process for purification at a 5.0 pH level.⁵³ The plaintiff sued for infringement under the doctrine of equivalents.⁵⁴ The defendant argued that the doctrine of equivalents, as set out in *Graver Tank & Manufacturing Co. v. Linde Air Products Co.*⁵⁵ in 1950, was inconsistent with the 1952 revision of the Patent Act.⁵⁶ The Supreme Court rejected this argument, and reaffirmed the role of the doctrine of equivalents in patent law.⁵⁷ The Court found that the 1952 Patent Act was not materially different from the 1870 Act with respect to claiming, reissue, and the role of the PTO.⁵⁸

The Court reconciled its duty not to expand the scope of patent protection too broadly with its desire to keep the doctrine of equivalents alive by describing a *109 method which will limit the scope of the doctrine of equivalents.⁵⁹ The Court suggested that the test for the doctrine of equivalents required courts to examine each individual element for infringement through equivalence, and not the invention as a whole.⁶⁰

Further, the Court expanded the defense of prosecution history estoppel, establishing a presumption that amendments made by the patentee during prosecution were driven by "a substantial reason related to patentability," and therefore barred application of the doctrine of equivalents.⁶¹ However, the court saw no necessary reason to punish everyone who made amendments to their claims by barring them from use of the doctrine of equivalents to vary the amended element.⁶² The court instead required patentees to overcome this presumption by providing a reason not relating to patentability for any such amendments.⁶³ If a sufficient reason unrelated to patentability is not provided, then a court can bar application of the doctrine of equivalents under the doctrine of prosecution history estoppel.⁶⁴

The defendant also suggested that *Graver Tank* required a judicial inquiry into the equities of the case before allowing use of the doctrine of equivalents, since the doctrine was originally based in equity.⁶⁵ The Court, however, found that *Graver Tank* would allow application of the doctrine of equivalents even where there is no bad faith.⁶⁶ The Court also questioned the reliability of two elements introduced into the doctrine of equivalents by the Federal Circuit--evidence of copying and designing around.⁶⁷ It stated that "intent plays no role in the application of the doctrine of equivalents."⁶⁸ On the other hand, the Court endorsed the use of the "reasonable interchangeability" factor (evaluated at the time of infringement, not when the patent was issued) in addition to the function-way-result test of *Graver Tank*.⁶⁹

The Court ducked the Federal Circuit's "insubstantial differences" gloss on the *Graver Tank* test, concluding that the ultimate query was the rather unhelpful *110 "[d]oes the accused product or process contain elements identical or equivalent to each claimed element of the patented invention?"⁷⁰ The Court did note that "different linguistic frameworks may be more suitable to different cases," and indicated that it would not "micro-manage the Federal Circuit's particular word-choice for analyzing equivalence."⁷¹ Both statements suggest that "insubstantial differences" may survive as an alternative to the tripartite test of *Graver Tank*.

The Court also refused to decide the question of whether the judge or the jury was the proper factfinder in equivalents cases.⁷² The Court wrongly suggested that the issue did not need to be resolved for disposition of the case.⁷³ It strongly hinted at the

continuing role of the jury, however, stating that there was ample support in prior cases for the Federal Circuit's holding that it was the jury's responsibility to determine equivalence.⁷⁴

The Court summed up its holding as follows:

Today we adhere to the doctrine of equivalents. The determination of equivalence should be applied as an objective inquiry on an element-by-element basis. Prosecution history estoppel continues to be available as a defense to infringement, but if the patent-holder demonstrates that an amendment required during prosecution had a purpose unrelated to patentability, a court must consider that purpose in order to decide whether an estoppel is precluded. Where the patent-holder is unable to establish such a purpose, a court should presume that the purpose behind the required amendment is such that prosecution history estoppel would apply.⁷⁵

The case was reversed and remanded to determine if the plaintiff had a reason for amending its claim regarding the pH level.⁷⁶ However, since the Court also refused to consider whether the doctrine of equivalents was properly a question for the judge or the jury, precisely *who* should determine that fact was not made clear.⁷⁷

Regarding *Hilton Davis Chemical Co. v. Warner-Jenkinson Co.*,⁷⁸ on remand from the Supreme Court, the Federal Circuit en banc noted that the Supreme Court's new rule on prosecution history estoppel might catch unawares those who had *111 prosecuted their patents under the old rule.⁷⁹ Thus, the court decided that "where the prosecution history is silent or unclear the district court should give a patentee the opportunity to establish the reason, if any, for a claim change."⁸⁰ The court remanded the case to the district court for further factfinding on the reasons for the inclusion of the lower pH limit of 5.0.⁸¹

In *American Permahedge Inc. v. Barcana Inc.*,⁸² a patent for artificial shrubbery contained a claim limitation requiring that the needles form "a bush-like planar array."⁸³ In prosecution, the patentee conceded that an artificial Christmas tree branch with needles extending in all directions could not form a "planar array."⁸⁴ The Federal Circuit held that the patentee was bound by that statement under the doctrine of prosecution history estoppel, even though the statement was made with respect to claims that were later canceled: "clear assertions made during prosecution in support of patentability, whether or not actually required to secure allowance, may create an estoppel."⁸⁵

In *ATD Corp. v. Lydall Inc.*,⁸⁶ Lydall, the defendant in an infringement suit brought by ATD, sought to admit evidence of its own patent on its technology as relevant to whether its product was equivalent to ATD's patent.⁸⁷ The district court held that the defendant's patent was properly admitted because its existence tended to show that the defendant's product was nonobvious in view of the plaintiff's previously-issued patent, and therefore that it was unlikely to be equivalent to that patent.⁸⁸ The district court held that under *Zygo Corp. v. Wyko Corp.*,⁸⁹ the defendant did not need to demonstrate that its patent was granted due to "unexpected results" in order to demonstrate its relevance.⁹⁰

***112 C. Means-Plus-Function Claims**

In *Caterpillar Inc. v. Detroit Diesel Corp.*,⁹¹ the district court held a *Markman* hearing to determine the meaning of the patent claims.⁹² The court held that Section 112, ¶ 6 applied to method claims as well as apparatus claims, relying on the Patent Act itself, the PTO guidelines, and legislative history.⁹³ However, the court followed *Greenberg v. Ethicon Endo-Surgery, Inc.*⁹⁴ in concluding that claim language was not determinative of means-plus-function status, and it determined that the claims were not means-plus-function claims because nothing in the prosecution history indicated an intent to invoke Section 112, ¶ 6.⁹⁵

In *Sitrick v. Nintendo of America Inc.*,⁹⁶ the plaintiff Sitrick sued Nintendo, alleging that the plaintiff's patent on a coin-operated video game that could be networked among different players was infringed by Nintendo's hand-held Game Boy, since the latter could be played in network form by users.⁹⁷ The district court acknowledged that the patent claim at issue was written in means-plus-function language, but refused to read the limitations of the specification into that claim.⁹⁸ Rather, the court found that *any* structure which performed the claimed interlinking function was within the scope of the claim.⁹⁹ The court thus concluded that Nintendo's system, when linked by users, was equivalent to the coin-operated selector in the patent, and that no separate central controller was required by the claim, even though such a controller was a part of the patent specification.¹⁰⁰ The court therefore denied summary judgment for Nintendo.¹⁰¹

D. Contributory Infringement and Inducement

In *Black & Decker (US) Inc. v. Catalina Lighting Inc.*,¹⁰² the plaintiff sued the defendant for inducing infringement.¹⁰³ The district court noted that inducement *113 required proof of direct infringement by another.¹⁰⁴ Because actionable direct infringement did not begin until August 8, 1996 due to the plaintiff's failure to mark its product, the district court held that the defendant could not be liable for acts of inducement occurring before that date, since until then there was no direct infringement to induce.¹⁰⁵

III. Validity and Ownership

A. Section 102

1. Public Use/On Sale

In *Kolmes v. World Fibers Corp.*,¹⁰⁶ the defendant appealed a finding that the plaintiff's patent was valid.¹⁰⁷ The defendant claimed that the plaintiff gave away samples of gloves made from the patented yarn without express confidentiality agreements before the critical date, thus triggering a Section 102(b) bar.¹⁰⁸ The Federal Circuit affirmed the district court's finding that the gloves given away represented an experimental use, since the durability of the yarn needed to be tested, the gloves were marked "sample" and not sold, and the gloves were subjected to destructive testing as well.¹⁰⁹

2. Priority

In *Kridl v. McCormick*,¹¹⁰ the Board of Patent Appeals and Interferences (Board) had awarded priority to the senior party in an interference after finding that the senior party was the first to conceive.¹¹¹ The Federal Circuit affirmed.¹¹² It held that priority was a question of law reviewed de novo,¹¹³ and that where the circumstances indicated that the inventor's testimony was credible, the inventor did *114 not need to show corroborating evidence that he had conceived the *utility* of the invention by a certain date.¹¹⁴

3. Prior Art

In *Lockwood v. American Airlines, Inc.*,¹¹⁵ Lockwood appealed a summary judgment finding of noninfringement of his patents and of invalidity of two of his patents.¹¹⁶ Lockwood claimed that American's SABREvision terminals infringed his three patents relating to automated interactive sales terminals.¹¹⁷ The court first held that American's original SABREsystem, which was developed in 1962 and was operational by 1965, was prior art.¹¹⁸ The court acknowledged that parts of the computer program were maintained as a trade secret, but held that the relevant feature of SABRE was well-known to the public, who had used it to make reservations well before the bar date.¹¹⁹ The asserted claims of two of the patents were found invalid for obviousness in light of the original SABRE system and prior art in another patent.¹²⁰

4. Anticipation

In *Rowe v. Dror*,¹²¹ the Board of Patent Appeals and Interferences held that the appellant's claim for an improvement in a "balloon angioplasty catheter" was anticipated by the prior art.¹²² The Federal Circuit reversed, holding that the term "angioplasty" in the preamble imposed a structural limitation on the claim, distinguishing it from the prior art.¹²³

B. Obviousness

In *In re Zurko*,¹²⁴ the applicants appealed the denial of a patent for a computer security improvement.¹²⁵ The PTO found the invention obvious because almost all *115 of its elements were contained in the prior art.¹²⁶ The new element, which the examiner found logical, was parsing a trusted command with untrusted code, then returning the command to a trusted environment to evaluate its authenticity.¹²⁷ The court decided that the Board improperly used hindsight in deciding that this improvement was not an inventive leap.¹²⁸ The court rejected the PTO's argument that the missing step was inherent in the nature of the problem to be solved, "because the Board has failed to show that this problem had been previously identified anywhere in the prior art."¹²⁹ Thus, the court reversed the Board's finding of obviousness.¹³⁰

In *Gambro Lundia AB v. Baxter Healthcare Corp.*,¹³¹ the plaintiff had a patent for an improvement in ultrafiltration monitoring during dialysis.¹³² The defendant argued, and the district court agreed, that the patent was invalid for obviousness and unenforceable for inequitable conduct.¹³³

The Federal Circuit first found that the lower court had wrongly applied the test for derivation under 35 U.S.C. § 102(f).¹³⁴ The court decided that there was very little mention of the plaintiff's improvement in a prior art proposal that the plaintiff had discovered, and that one vague sentence was not enough to show that this invention was in the prior art.¹³⁵ The court reiterated the standard for communication of a prior conception to the patentee: the communication must enable one of ordinary skill in the art to use the conception.¹³⁶ Under this standard, the court found insufficient evidence of communication.¹³⁷

***116** The court also found that the lower court failed to address the objective indicia of nonobviousness, and thus reversed the lower court's holding of obviousness.¹³⁸ The Federal Circuit specifically suggested that the record contained evidence of recognition by others, commercial success, and failure of others.¹³⁹

On the issue of inequitable conduct, the court found that, while the plaintiff did make overstatements to the PTO, there was no intent to deceive, and thus no inequitable conduct.¹⁴⁰ Finally, the district court had found that there would have been infringement, and the court upheld this part of the ruling.¹⁴¹

In *Motorola Inc. v. Interdigital Technology Corp.*,¹⁴² the jury found each of Interdigital Technology Corp.'s (ITC) twenty-four asserted patent claims both invalid and not infringed.¹⁴³ A special verdict form filled out by the jury indicated that they found three claims in particular to be obvious, and listed the four references the jury considered.¹⁴⁴ The district court found that the three claims were clearly not obvious *over those particular references*, even though there were other references presented at trial that would have supported the jury's verdict.¹⁴⁵ The district court granted judgment as a matter of law for ITC on those three claims.¹⁴⁶ The Federal Circuit affirmed, concluding that it must be governed by the formalities of what the jury had entered on the special verdict form, rather than speculating about what they might have done.¹⁴⁷

In *Arkie Lures, Inc. v. Gene Larew Tackle, Inc.*,¹⁴⁸ the plaintiff obtained a patent on a plastic fishing lure that was impregnated with salt.¹⁴⁹ In an infringement action, the defendant contended that the salted lure was obvious.¹⁵⁰ The Federal Circuit found that the patent was not obvious.¹⁵¹ The court put particular weight on the fact that even though people had been putting salty live bait on regular lines for ***117** years, no one had yet constructed a salty plastic lure.¹⁵² The court also found that the industry was skeptical about the workability of the invention, and that the invention was an immediate commercial success.¹⁵³

C. Enablement and Best Mode

In *Robotic Vision Systems, Inc. v. View Engineering, Inc.*,¹⁵⁴ the plaintiff appealed the district court's grant of summary judgment of patent invalidity based on failure to disclose best mode and violation of the on-sale bar.¹⁵⁵ The court reversed summary judgment on both counts.¹⁵⁶ The defendant argued that the best mode for this claim would be software, and yet, not only was software not disclosed, but the terms "computer" and "software" were not mentioned in the specification at all.¹⁵⁷ The court, however, determined that one of ordinary skill in the art would know to use software--indeed, it was "plainly apparent" that a computer would be required--and that it is not necessary to disclose software code in the patent.¹⁵⁸ The court also found error in granting summary judgment based on the on-sale bar because there was a genuine issue of fact as to when the software part of the invention was actually completed.¹⁵⁹

In *Fonar Corp. v. General Electric Co.*,¹⁶⁰ General Electric (GE) appealed a judgment that the plaintiff's patent relating to magnetic resonance imaging (MRI) imaging was valid and that GE had infringed it.¹⁶¹ Fonar cross-appealed a judgment that GE did not induce infringement on that same patent and that GE did not infringe Fonar's other patent for detecting cancer.¹⁶² The court reversed with respect to the finding of no infringement by GE on Fonar's second patent, and affirmed all other judgments.¹⁶³ GE argued that the patent relating to MRI use was invalid for failure to disclose best mode because it failed to disclose the actual program ***118** implementation or code for two software routines.¹⁶⁴ The court agreed that Fonar had a best mode that included the programs, but found that disclosure of the functions of the software was enough to satisfy the best mode requirement.¹⁶⁵ The court set forth a rule in broad terms:

As a general rule, where software constitutes part of a best mode of carrying out an invention, description of such a best mode is satisfied by a disclosure of the functions of the software. This is because, normally, writing code for such software is within the skill of the art, not requiring undue experimentation, once its functions have been disclosed.¹⁶⁶

In *Genentech, Inc. v. Novo Nordisk, A/S*,¹⁶⁷ Genentech was granted a preliminary injunction to prevent Novo Nordisk from importing, marketing, and distributing Genentech's patented human growth products.¹⁶⁸ The court reversed this injunction, finding that the lower court had misinterpreted enablement.¹⁶⁹ The court found that there was not enough detail for one of ordinary skill in the art to make the patented invention because Genentech had provided only the DNA sequences, a cleaving enzyme, and a "mere generic statement of the possibility of cleavable fusion expression."¹⁷⁰ Thus, the court held the patent invalid and removed the injunction.¹⁷¹ The court imposed a heavy burden on Genentech to prove the validity of its patent in order to qualify for a preliminary injunction.¹⁷²

In *Young Dental Manufacturing Co. v. Q3 Special Products, Inc.*,¹⁷³ the plaintiff appealed the district court's finding of noninfringement in a summary judgment and the finding of invalidity after a jury trial.¹⁷⁴ The Federal Circuit affirmed the finding of noninfringement based on proper claim construction.¹⁷⁵ On the issue of best mode, the Federal Circuit reversed, finding that the information not *119 disclosed in the specification was nothing more than "routine details" of the sort that would be apparent to one of ordinary skill in the art.¹⁷⁶

According to *Musco Corp. v. Qualite, Inc.*,¹⁷⁷ where the plaintiff's invention relates to determining the appropriate lighting for a target space and then implementing it by controlling existing lighting,¹⁷⁸ the plaintiff's patent was invalid because it failed to describe in the specification how a skilled artisan could select the lights to control.¹⁷⁹ The opinion suggests that mental steps in a patent do not result in invalidity, so long as they are disclosed sufficiently to enable their practice.¹⁸⁰

In *Harris Corp. v. IXYS Corp.*,¹⁸¹ despite concluding that under its claim construction there was no infringement, the Federal Circuit went on to rule on the issue of enablement.¹⁸² On that issue, the court held that the patentee did not properly enable one skilled in the art to make the claimed semiconductor, since it merely suggested that the desired result could be achieved by "manipulating 'the conductivities and geometries of the four semiconductor regions.'"¹⁸³ The court concluded that this was both obvious and unhelpful to anyone who desired to learn *how* the conductivities and geometries should be adjusted.¹⁸⁴

In *In re Dossel*,¹⁸⁵ the applicant drafted a means-plus-function claim which included a means for "reconstructing" data.¹⁸⁶ Despite the fact that the specification did not mention the use of a computer in the invention, the Federal Circuit held that the applicant had satisfied the "written description" requirement of Section 112, ¶ 1 because it would be evident that any means for processing digital data would involve the use of a computer.¹⁸⁷

In *Regents of the University of California v. Eli Lilly & Co.*,¹⁸⁸ the University of California (UC) filed suit for infringement of its patent on human DNA coding for *120 the production of human insulin.¹⁸⁹ The Federal Circuit held that UC's patent was invalid for failure to satisfy the written description requirement because it included only the protein produced by the DNA and a process for deriving the DNA, but not the claimed DNA sequence information itself.¹⁹⁰ The court found it irrelevant whether the description provided by UC was sufficient to enable one skilled in the art to produce and use the claimed invention; written description is a separate requirement.¹⁹¹ The court further invalidated broad claims to vertebrate and mammalian insulin-producing DNA, because the patent merely described rat DNA, only one member of the genus, without demonstrating its representative nature.¹⁹²

D. Patent Ownership and Inventorship

In *Hess v. Advanced Cardiovascular Systems, Inc.*,¹⁹³ Hess provided inventors of a medical device with samples and suggestions.¹⁹⁴ The inventors later patented this device.¹⁹⁵ The Federal Circuit affirmed the district court's finding that Hess was not entitled to be listed as a co-inventor because he did not participate in the day-to-day experimentation with the invention.¹⁹⁶ The court noted that parties claiming misjoinder or nonjoinder of inventors bear a heavy burden of proof.¹⁹⁷ It found that Hess had merely explained the state of the art to the inventors, and had not contributed "some important element ... that is claimed in the patent."¹⁹⁸

In *Stark v. Advanced Magnetics Inc.*,¹⁹⁹ Section 256 of the Patent Act provides that inaccurate inventorship may be corrected whenever "through error a person is named in an issued patent as the inventor, or through error an inventor is not named in an issued patent and such error arose without any deceptive intention on his part."²⁰⁰ The Federal Circuit held that the plain meaning of this language is that erroneous *nonjoinder* can be corrected only if the error was made without deceptive intent, but that erroneous addition of a non-inventor can be corrected even if the *121 "error" was in fact the result of deliberate

deception.²⁰¹ The court also held that the language of Section 256 constrained judicial orders amending inventorship as well as actions by the Commissioner.²⁰² Judge Plager dissented on the latter point.²⁰³

E. Patent Term

*Abbott Laboratories v. Novopharm Ltd.*²⁰⁴ noted that under the Uruguay Round Agreement Act,²⁰⁵ a patent expires twenty years after the filing of the first application in a chain of divisional applications, which gives the subsequent applications the benefits of the filing date of the parent application.²⁰⁶ The court held that the patentee could not extend its patent term by later disclaiming reference to the earlier application, despite the fact that it received no benefit from the earlier application.²⁰⁷

In *Hoechst-Roussel Pharmaceuticals Inc. v. Lehman*,²⁰⁸ the plaintiff sued the Commissioner in district court, seeking an extension of its patent term under 35 U.S.C. § 156.²⁰⁹ The district court denied the extension and the Federal Circuit affirmed.²¹⁰ The Federal Circuit found that a patentee was entitled to a Section 156 extension only if the patent “claimed” a product or method of using a product which has been granted approval by the Food and Drug Administration (FDA).²¹¹ In this case, the plaintiff did not directly claim the FDA-approved product, even though its patent claim would have been infringed by the production or use of the approved product.²¹² The court held that claiming a product was not the same thing as proving that the product would infringe, particularly in light of the doctrine of equivalents, and that the plaintiff was therefore not entitled to a term extension.²¹³ Judge *122 Newman, concurring in the result, rejected this reasoning, but would have found that the plaintiff did not qualify under the language of Section 156 for other reasons.²¹⁴

F. Reexamination and Reissue

In *In re Portola Packaging Inc.*,²¹⁵ Portola appealed the Board’s determination in a reexamination proceeding that several claims of its patent were unpatentable.²¹⁶ The PTO made its determination on the basis of prior art previously cited to the examiner in the initial prosecution.²¹⁷ The Federal Circuit reversed, holding that the PTO was without statutory authority to reject claims during reexamination unless “a substantial new question of patentability” was raised.²¹⁸ The court held that a new question of patentability could not be raised where the prior art used to reject the claims had previously been cited and therefore presumably considered by the examiner.²¹⁹

In *In re Graff*,²²⁰ the patentee filed a reissue application within two years after the issuance of the original patent.²²¹ During the reissue prosecution, but after the two-year period had expired, the patentee broadened its claims.²²² The Federal Circuit held that broadened claims must be sought within two years of the issuance of the original patent, and could not be sought for the first time after expiration of that period, even in an existing reissue application which was timely filed.²²³

In *Nupla Corp. v. IXL Manufacturing Co.*,²²⁴ the patentee made a number of material changes to its claims during a reissue application, including changes which were made to overcome prior art cited during the reissue prosecution.²²⁵ The Federal Circuit held that the altered, reissued claims were invalid because the patentee had not submitted evidence demonstrating that the change resulted from an *123 “error” in overclaiming in the original patent or that this error was non-deceptive and excusable.²²⁶

In *Hester Industries, Inc. v. Stein, Inc.*,²²⁷ the patentee broadened its claims on reissue.²²⁸ The district court held the broadened claims invalid because the reissued claims were not based upon an “error” made during prosecution.²²⁹ Rather, the patentee had deliberately chosen the original scope of the claims as a strategic matter, and could not revisit that choice in a reissue proceeding.²³⁰

The reexamination statute permits the examiner to consider only a substantial new question of patentability.²³¹ In *In re Lonardo*,²³² the Federal Circuit held that the statute permitted the examiner to consider whether a patent was invalid for double-patenting.²³³ The court rejected the patentee’s argument that reexamination must be based on “prior art” and that continuations of a patentee’s own application could not be prior art.²³⁴

IV. Enforceability

A. Laches and Estoppel

In *Ford Motor Co. v. Lemelson*,²³⁵ the court, reversing its 1995 conclusion, held that the doctrine of laches could not apply to intentional delays in the prosecution of a patent application.²³⁶ The case involved Jerome Lemelson, who held his patent applications in the PTO for as long as 40 years before allowing them to issue.²³⁷ The court noted that there is nothing illegal or improper about either delaying one's patent application or about altering claims during prosecution to keep up with later-discovered applications of an initial invention.²³⁸

***124 B. Inequitable Conduct**

In *Regents of the University of California v. Eli Lilly & Co.*,²³⁹ the University of California (UC) filed suit for infringement of its patent for human DNA coding for the production of human insulin.²⁴⁰ The district court found that UC engaged in inequitable conduct by using a plasmid that had not been certified by the National Institutes of Health in its tests, and then concealing that fact by misrepresenting to the PTO which plasmid it had used to conduct its experiments.²⁴¹ The Federal Circuit reversed, finding that the choice of plasmid could not possibly have been material to the patentability determination and therefore could not be the basis for a finding of inequitable conduct.²⁴²

C. Patent Misuse and Antitrust

In *Tank Insulation International, Inc. v. Insultherm, Inc.*,²⁴³ the issue on appeal was whether a Sherman Act "Handgards" antitrust claim,²⁴⁴ which was based on the patentee bringing a patent infringement suit to enforce an allegedly invalid patent, is a compulsory counterclaim in the infringement suit.²⁴⁵ The district court had dismissed this separate antitrust action, considering it a compulsory counterclaim that should have been raised in the prior infringement action.²⁴⁶ Since the evidence of this claim was largely similar to the evidence of the original action and the two claims raised common issues of law and fact, the court found that it was properly considered a compulsory counterclaim by the district court.²⁴⁷ However, the court found that *Mercoid Corp. v. Mid-Continent Investment Co.*²⁴⁸ created an exception for claims arising out of patent infringement suits.²⁴⁹ Thus, the court reversed the *125 district court's ruling that barred the defendant's antitrust claims and allowed the antitrust claim to proceed.²⁵⁰

In *Longwood Manufacturing Corp. v. Wheelabrator Clean Water Systems*,²⁵¹ the district court held that Longwood's antitrust suit based on Wheelabrator's alleged assertion of an invalid patent was not a compulsory counterclaim to Wheelabrator's patent suit, and therefore should not be dismissed.²⁵² However, the court certified the question for interlocutory appeal.²⁵³

In *DiscoVision Associates v. Disc Manufacturing Inc.*,²⁵⁴ the plaintiff alleged that the defendant's intentional delay in patent prosecution was a form of fraud on the patent office and a violation of the antitrust laws.²⁵⁵ The district court refused to dismiss the antitrust claim,²⁵⁶ noting that while the defendant had obtained lawfully issued patents, it was not immune from antitrust scrutiny of the means by which the defendant obtained those patents and their potential anticompetitive effect beyond the scope of the patents themselves.²⁵⁷

V. Remedies

A. Preliminary Injunctions

In *International Communication Materials, Inc. v. Ricoh Co.*,²⁵⁸ the plaintiff appealed the district court's denial of a preliminary injunction motion.²⁵⁹ Affirming, the Federal Circuit held that the district court was not obliged to issue a final determination on claim construction before ruling on a preliminary injunction motion.²⁶⁰

***126 B. Willful Infringement**

In *Laitram Corp. v. NEC Corp.*,²⁶¹ the Federal Circuit held that the district court did not abuse its discretion in denying an award of enhanced damages and attorneys' fees, despite the jury's finding of willful infringement.²⁶² The court found that enhanced damages were not required upon a finding of willfulness.²⁶³

VI. Procedure and Ethics

A. Declaratory Judgments

In *Biogen, Inc. v. Schering AG*,²⁶⁴ Biogen filed a declaratory judgment action against the patentee Schering.²⁶⁵ The defendant sought to dismiss the case on the ground that the plaintiff was not reasonably apprehensive of being sued for patent infringement, and therefore no case or controversy existed at the time the plaintiff filed its suit.²⁶⁶ The district court refused to dismiss the declaratory judgment action, holding that the defendant's statements about its ability to block Biogen's production were interpreted by the press as threats to sue Biogen, and Biogen could also reasonably interpret them as such.²⁶⁷ The court also held that Biogen was not immune from suit under the safe harbor of Section 271(e)(1), because it had invested money in researching, developing, and stockpiling its drug, and had therefore gone beyond mere preparations incidental to seeking FDA approval.²⁶⁸ Biogen was subject to suit--and therefore had standing to bring a declaratory judgment action--notwithstanding the fact that it had not yet received FDA approval to produce the new drug.²⁶⁹

B. Judicial Authority

In *Yukiyo, Ltd. v. Watanabe*,²⁷⁰ a motion to strike a CD-ROM brief was granted because the plaintiff had not asked permission for such a filing.²⁷¹ However, the *127 court encouraged the use of such briefs in the future, provided that the parties comply with all procedural details.²⁷² Indeed, the Federal Circuit has since permitted the filing of CD-ROM briefs where both parties concur.

C. Interferences

In *Genentech, Inc. v. Chiron Corp.*,²⁷³ the district court granted summary judgment to Chiron in an interference proceeding because it found that Genentech's claimed invention was not within the scope of the sole count of the interference.²⁷⁴ The Federal Circuit reversed, finding that the district court had not given the interference count its broadest reasonable construction.²⁷⁵ Specifically, the Federal Circuit held that the district court erred in focusing on the protein expressed by the DNA construct at issue, rather than the DNA construct itself.²⁷⁶ Because Genentech's DNA sequence produced a fusion protein, rather than human insulin growth factor I, the district court improperly concluded that Genentech's DNA sequence must be outside the scope of the interference count.²⁷⁷

D. Waiver of Attorney-Client Privilege

In *Steelcase, Inc. v. Haworth, Inc.*,²⁷⁸ good faith reliance on advice of counsel in an opinion letter was asserted as a defense against a charge of willful infringement.²⁷⁹ The district court held that by asserting advice-of-counsel as a defense, the defendant waived the attorney-client privilege that would otherwise apply to the letter and related documents.²⁸⁰ The district court held that the defendant must turn over the complete, unredacted letter from counsel, as well as all information provided by the defendant to counsel to assist in preparation of the opinion, and any other correspondence or documents referring or relating to the advice of counsel.²⁸¹ However, the waiver did not extend to counsel's work product *128 that was not disclosed to the client.²⁸² The court also held that patent privilege waiver issues were unique, and therefore the relevant law was Federal Circuit precedent, not cases involving waiver of the attorney-client privilege that arose in other contexts.²⁸³

E. Appeals

In *In re Lueders*,²⁸⁴ the Federal Circuit rejected the PTO's argument that the Administrative Procedures Act required the court to give deference to its factual findings, only reversing them if they are arbitrary, capricious, or lacking in substantial evidentiary support.²⁸⁵ The court held that precedent compelled the continued use of the less deferential "clearly erroneous" standard of review.²⁸⁶

F. Burdens of Proof

In *Abbott Laboratories v. Diamedix Corp.*,²⁸⁷ Abbott Labs, the licensee of Diamedix's patents, filed a declaratory judgment

action seeking to establish that the patents were anticipated by a prior art reference.²⁸⁸ Abbott argued that each of the elements of Diamedix's claims were present in the Mukojima reference, and moved for summary judgment of invalidity.²⁸⁹ The district court denied the motion because Diamedix raised a disputed issue of fact as to whether the Mukojima reference enabled the invention.²⁹⁰ The court held that even after it had established equivalence of the reference to all elements of the claim, Abbott still bore the burden of establishing by clear and convincing evidence that Mukojima was enabling once Diamedix placed enablement in question.²⁹¹

***129 G. Ethics**

1. Professional Negligence

In *Carnegie Mellon University v. Schwartz*,²⁹² Carnegie Mellon University (CMU) sued several patent attorneys for professional negligence in handling two of CMU's patents.²⁹³ The patent attorneys had failed to correct several errors in the patent.²⁹⁴ The district court granted summary judgment in favor of the defendants, reasoning that a certificate of correction had been issued by the PTO, and therefore the attorneys' alleged negligence could not possibly have harmed CMU.²⁹⁵ The Federal Circuit found uncertainty about the retroactive effect of the certificates of correction, and remanded the case with instructions to stay the case until a determination is made of whether CMU had suffered an actual loss.²⁹⁶

2. Sanctions

In *Judin v. United States*,²⁹⁷ Hewlett-Packard appealed the district court's decision not to sanction Judin for Rule 11 violations.²⁹⁸ The court found that Judin should have known that his patent infringement claim was frivolous, and determined that he violated Rule 11.²⁹⁹ In this case, the plaintiff's attorney did not obtain a copy of the accused device before filing suit and did not compare the claim elements to the accused device.³⁰⁰ The court held that Judin's "attorney acted unreasonably in giving blind deference to his client and assuming his client had knowledge" of infringement.³⁰¹ The fact that Judin could make colorable arguments of infringement after discovery did not excuse his failure to engage in a reasonable prefiling investigation.³⁰²

***130 VII. Licensing and Contracts**

In *Studiengesellschaft Kohle, m.b.H. v. Hercules, Inc. (Studiengesellschaft I)*,³⁰³ the plaintiff sued for patent infringement.³⁰⁴ The defendant, a licensee of the plaintiff, claimed that but for the plaintiff's breach of a contract provision granting the defendant most favored licensee status, it would have been properly licensed for such use of the plaintiff's patents.³⁰⁵ The court agreed with the defendant, finding no infringement, and remanded the case to determine if the defendant was entitled to interest on its licensing fee.³⁰⁶

In *Bonneau Co. v. AG Industries*,³⁰⁷ Bonneau bought display stands for glasses from AG Industries (AGI), who manufactured them based on specifications Bonneau had supplied.³⁰⁸ After Bonneau was successfully sued by a third party for patent infringement, it brought a breach of warranty claim against the manufacturer.³⁰⁹ The district court granted, and the Fifth Circuit affirmed summary judgment for the defendant AGI, finding that under Section 2.312(c) of the Texas Business and Commerce Code, there was no automatic warranty of noninfringement when, as here, the seller provided goods made to the buyer's specifications.³¹⁰

VIII. Interaction With Other Laws

In *Studiengesellschaft Kohle, m.b.H. v. Shell Oil Co. (Studiengesellschaft II)*,³¹¹ the patentee Studiengesellschaft Kohle (SGK) had licensed its polypropylene patent to Shell.³¹² Shell, who contended that the patent was invalid, stopped paying royalties, and SGK sued.³¹³ The Federal Circuit affirmed the district court's finding that the patent was invalid.³¹⁴ Nonetheless, the court held that Shell was obligated to pay past royalties due under the agreement.³¹⁵ The Federal Circuit rejected the *131 Supreme Court's contrary conclusion in *Lear v. Adkins*,³¹⁶ calling it the product of "a past era of skepticism over intellectual property principles," and finding that patent policy would be served by enforcing the licensing agreement in this case.³¹⁷

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a1 Assistant Professor, The University of Texas School of Law; of counsel, Fish & Richardson P.C., Austin, Texas. I acknowledge the
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1 117 S. Ct. 1040, 41 U.S.P.Q.2d (BNA) 1865 (1997).

2 112 F.3d 1146, 42 U.S.P.Q.2d (BNA) 1577 (Fed. Cir. 1997).

3 *Id.* at 1148, 42 U.S.P.Q.2d at 1578.

4 *Id.* at 1148-49, 42 U.S.P.Q.2d at 1578.

5 *Id.* at 1149-50, 42 U.S.P.Q.2d at 1579.

6 *Id.* at 1153, 42 U.S.P.Q.2d at 1582.

7 *Id.* at 1161, 42 U.S.P.Q.2d at 1588.

8 *Id.* at 1162, 42 U.S.P.Q.2d at 1589.

9 107 F.3d 1565, 41 U.S.P.Q.2d (BNA) 1961 (Fed. Cir. 1997).

10 *Id.* at 1567-68, 41 U.S.P.Q.2d at 1962-63.

11 *Id.* at 1568, 41 U.S.P.Q.2d at 1963.

12 *Id.* at 1575, 41 U.S.P.Q.2d at 1968-69.

13 *Id.* at 1573, 41 U.S.P.Q.2d at 1967.

14 110 F.3d 1562, 42 U.S.P.Q.2d (BNA) 1257 (Fed. Cir. 1997).

15 *Id.* at 1564, 42 U.S.P.Q.2d 1258.

16 *Id.* at 1563, 42 U.S.P.Q.2d at 1258.

17 *Id.* at 1564, 42 U.S.P.Q.2d at 1259.

18 *Id.* at 1571, 42 U.S.P.Q.2d at 1265 (citing 35 U.S.C. § 271(e)(1) (1994)).

19 *Id.*

20 *Id.* at 1570, 42 U.S.P.Q.2d at 1264.

21 *Id.*

22 106 F.3d 1563, 41 U.S.P.Q.2d (BNA) 1641 (Fed. Cir. 1997).

23 *Id.* at 1564, 41 U.S.P.Q.2d at 1642.

24 *Id.* at 1565, 41 U.S.P.Q.2d at 1642.

25 *Id.* at 1570-71, 41 U.S.P.Q.2d at 1647.

26 *Id.* at 1565, 41 U.S.P.Q.2d at 1642.

27 *Id.* at 1567-68, 41 U.S.P.Q.2d at 1644-45.

28 *Id.* at 1570, 41 U.S.P.Q.2d at 1646.

29 *Id.* at 1572, 41 U.S.P.Q.2d at 1648.

30 *Id.* at 1576, 41 U.S.P.Q.2d at 1652 (Rader, J., dissenting).

31 42 U.S.P.Q.2d (BNA) 1144 (D. Nev. 1997).

32 *Id.* at 1145.

33 *Id.* at 1146.

34 *Id.*

35 114 F.3d 1547, 42 U.S.P.Q.2d (BNA) 1737 (Fed. Cir. 1997).

36 *Id.* at 1551, 42 U.S.P.Q.2d at 1738.

37 116 S. Ct. 1384, 38 U.S.P.Q.2d (BNA) 1461 (1996). The *Eastman* court also cited *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 34 U.S.P.Q.2d (BNA) 1321 (Fed. Cir. 1995).

38 114 F.3d at 1552, 42 U.S.P.Q.2d at 1739-40.

39 *Id.* at 1554, 42 U.S.P.Q.2d at 1742.

40 *Id.* at 1555, 42 U.S.P.Q.2d at 1742.

41 *Id.* at 1555-56, 42 U.S.P.Q.2d at 1742 (quoting *Markman v. Westview Instruments, Inc.*, 116 S. Ct. 1384, 1395, 38 U.S.P.Q.2d (BNA) 1461, 1470 (1996)).

42 *Id.* at 1561, 42 U.S.P.Q.2d at 1747 (Lourie, J., dissenting in part).

43 114 F.3d 1149, 43 U.S.P.Q.2d (BNA) 1018 (Fed. Cir. 1997).

44 *Id.* at 1150, 43 U.S.P.Q.2d at 1019.

45 *Id.* at 1154-55, 43 U.S.P.Q.2d at 1022-23.

46 *Id.* at 1155, 43 U.S.P.Q.2d at 1023.

47 109 F.3d 726, 41 U.S.P.Q.2d (BNA) 1976 (Fed. Cir. 1997).

48 *Id.* at 727, 41 U.S.P.Q.2d at 1978.

49 *Id.* at 733, 41 U.S.P.Q.2d at 1983.

50 *Id.*, 41 U.S.P.Q.2d at 1982-83.

51 117 S. Ct. 1040, 41 U.S.P.Q.2d (BNA) 1865 (1997).

52 *Id.* at 1045, 41 U.S.P.Q.2d at 1868.

53 *Id.* at 1046, 41 U.S.P.Q.2d at 1868.

54 *Id.*

55 339 U.S. 605, 85 U.S.P.Q. (BNA) 328 (1950).

56 *Warner-Jenkinson*, 117 S. Ct. at 1047, 41 U.S.P.Q.2d at 1869.

57 *Id.* at 1048, 41 U.S.P.Q.2d at 1871.

58 *Id.* at 1047, 41 U.S.P.Q.2d at 1870.

59 *Id.* at 1049, 41 U.S.P.Q.2d at 1871.

60 *Id.* This issue had been resolved by the Federal Circuit en banc in *Pennwalt Corp. v. Durand-Wayland, Inc.*, 833 F.2d 931, 934-35, 4 U.S.P.Q.2d (BNA) 1737, 1739-40 (Fed. Cir. 1987).

61 117 S. Ct. at 1051, 41 U.S.P.Q.2d at 1873.

62 *Id.*

63 *Id.*

64 *Id.*

65 *Id.*

66 *Id.* at 1051-52, 41 U.S.P.Q.2d at 1873-74.

67 *Id.* at 1052, 41 U.S.P.Q.2d at 1874.

68 *Id.*

69 *Id.*

70 *Id.* at 1054, 41 U.S.P.Q.2d at 1875.

71 *Id.* at 1054, 41 U.S.P.Q.2d at 1875-76.

72 *Id.* at 1053, 41 U.S.P.Q.2d at 1875.

73 *Id.*

74 *Id.*

75 *Id.* at 1054, 41 U.S.P.Q.2d at 1876.

76 *Id.*

77 Indeed, the case is now before the District Court for further fact-finding, without the benefit of Supreme Court guidance as to who should do that factfinding.

78 114 F.3d 1161, 43 U.S.P.Q.2d (BNA) 1152 (Fed. Cir. 1997).

79 *Id.* at 1163, 43 U.S.P.Q.2d at 1154.

80 *Id.* The court did not limit this opportunity to past cases, however, leaving open the possibility that even patentees who prosecute their cases after the Supreme Court's decision in *Hilton Davis* can take advantage of the opportunity to explain their amendments in court.

81 *Id.*

82 105 F.3d 1441, 41 U.S.P.Q.2d (BNA) 1614 (Fed. Cir. 1997).

83 *Id.* at 1443, 41 U.S.P.Q.2d at 1616.

84 *Id.* at 1444, 41 U.S.P.Q.2d at 1617.

85 *Id.* at 1446, 41 U.S.P.Q.2d at 1618.

86 43 U.S.P.Q.2d (BNA) 1170 (E.D. Mich. 1997).

87 *Id.* at 1174.

88 *Id.* at 1175.

89 79 F.3d 1563, 1570, 38 U.S.P.Q.2d (BNA) 1281, 1286 (Fed. Cir. 1996).

90 43 U.S.P.Q.2d at 1174.

91 961 F. Supp. 1249, 41 U.S.P.Q.2d (BNA) 1876 (N.D. Ind. 1996).

92 *Id.* at 1250, 41 U.S.P.Q.2d at 1877.

93 *Id.* at 1253, 41 U.S.P.Q.2d at 1879 (citing 35 U.S.C. § 112, ¶ 6 (1994)).

94 91 F.3d 1580, 1582, 39 U.S.P.Q.2d (BNA) 1783, 1785 (Fed. Cir. 1996).

95 961 F. Supp. at 1255-56, 41 U.S.P.Q.2d at 1882-83.

96 42 U.S.P.Q.2d (BNA) 1700 (N.D. Ill. 1997).

97 *Id.* at 1701.

98 *Id.* at 1701-02.

99 *Id.* at 1703.

100 *Id.*

101 *Id.* at 1706.

102 42 U.S.P.Q.2d (BNA) 1254 (E.D. Va. 1997).

103 *Id.* at 1255.

104 *Id.*

105 *Id.* at 1255-56. Note that this decision would seem to suggest that inducers are always safe so long as they act before infringement begins, a proposition that seems troubling.

106 107 F.3d 1534, 41 U.S.P.Q.2d (BNA) 1829 (Fed. Cir. 1997).

107 *Id.* at 1537, 41 U.S.P.Q.2d at 1830.

108 *Id.* at 1539-40, 41 U.S.P.Q.2d at 1832 (citing 35 U.S.C. § 102(b) (1994)).

109 *Id.* at 1540, 41 U.S.P.Q.2d at 1833.

110 105 F.3d 1446, 41 U.S.P.Q.2d (BNA) 1686 (Fed. Cir. 1997).

111 *Id.* at 1447, 41 U.S.P.Q.2d at 1687.

112 *Id.*

113 *Id.* at 1449, 41 U.S.P.Q.2d at 1688.

114 *Id.* at 1450, 41 U.S.P.Q.2d at 1688.

115 107 F.3d 1565, 41 U.S.P.Q.2d (BNA) 1961 (Fed. Cir. 1997). *See also supra* note 9 and accompanying text (discussing the court's ruling on claim construction).

116 *Id.* at 1567-68, 41 U.S.P.Q.2d at 1962-63.

117 *Id.* at 1568, 41 U.S.P.Q.2d at 1963.

118 *Id.* at 1570, 41 U.S.P.Q.2d at 1964.

119 *Id.*, 41 U.S.P.Q.2d at 1965.

120 *Id.* at 1572, 41 U.S.P.Q.2d at 1966.

121 112 F.3d 473, 42 U.S.P.Q.2d (BNA) 1550 (Fed. Cir. 1997).

122 *Id.* at 475, 42 U.S.P.Q.2d at 1551.

123 *Id.* at 479, 42 U.S.P.Q.2d at 1553.

124 111 F.3d 887, 42 U.S.P.Q.2d (BNA) 1476 (Fed. Cir. 1997).

125 *Id.* at 887-88, 42 U.S.P.Q.2d at 1477-78.

126 *Id.* at 888, 42 U.S.P.Q.2d at 1478.

127 *Id.* at 889, 42 U.S.P.Q.2d at 1478.

128 *Id.* 42 U.S.P.Q.2d at 1479.

129 *Id.* at 890, 42 U.S.P.Q.2d at 1479.

130 On July 2, 1997, the Federal Circuit granted the PTO's petition for rehearing en banc, based on the contention that it was entitled to deference in its factfinding pursuant to the Administrative Procedures Act. *See In re Zurko*, 116 F.3d 874 (Fed. Cir. 1997).

131 110 F.3d 1573, 42 U.S.P.Q.2d (BNA) 1378 (Fed Cir. 1997).

132 *Id.* at 1575, 42 U.S.P.Q.2d at 1380.

133 *Id.* at 1576, 42 U.S.P.Q.2d at 1381.

134 *Id.* at 1577, 42 U.S.P.Q.2d at 1382 (citing 35 U.S.C. § 102(f) (1994)).

135 *Id.*

136 *Id.* at 1578, 42 U.S.P.Q.2d at 1383.

137 *Id.*

138 *Id.* at 1579, 42 U.S.P.Q.2d at 1384.

139 *Id.* at 1579-80, 42 U.S.P.Q.2d at 1384.

140 *Id.* at 1580-82, 42 U.S.P.Q.2d at 1385-86.

141 *Id.* at 1582, 42 U.S.P.Q.2d at 1386.

142 43 U.S.P.Q.2d (BNA) 1481 (Fed. Cir. 1997).

143 *Id.* at 1482.

144 *Id.* at 1484.

145 *Id.* at 1484-85.

146 *Id.* at 1485.

147 *Id.*

148 119 F.3d 953, 43 U.S.P.Q.2d (BNA) 1294 (Fed. Cir. 1997).

149 *Id.* at 954, 43 U.S.P.Q.2d at 1295.

150 *Id.* at 955, 43 U.S.P.Q.2d at 1294.

151 *Id.* at 958, 43 U.S.P.Q.2d at 1297.

152 *Id.* at 957, 43 U.S.P.Q.2d at 1297.

153 *Id.*

154 112 F.3d 1163, 42 U.S.P.Q.2d (BNA) 1619 (Fed. Cir. 1997).

155 *Id.* at 1164, 42 U.S.P.Q.2d at 1620.

156 *Id.* at 1168-69, 42 U.S.P.Q.2d at 1624.

157 *Id.* at 1164, 42 U.S.P.Q.2d at 1621.

158 *Id.* at 1166, 42 U.S.P.Q.2d at 1622.

159 *Id.* at 1168, 42 U.S.P.Q.2d at 1624.

160 107 F.2d 1543, 41 U.S.P.Q.2d (BNA) 1801 (Fed. Cir. 1997).

161 *Id.* at 1545, 41 U.S.P.Q.2d at 1803.

162 *Id.*

163 *Id.*

164 *Id.* at 1548, 41 U.S.P.Q.2d at 1804.

165 *Id.* at 1549, 41 U.S.P.Q.2d at 1805.

166 *Id.*

167 108 F.3d 1361, 42 U.S.P.Q.2d (BNA) 1001 (Fed. Cir. 1997).

168 *Id.* at 1363, 42 U.S.P.Q.2d at 1002.

169 *Id.* at 1368, 42 U.S.P.Q.2d at 1007.

170 *Id.* at 1368, 42 U.S.P.Q.2d at 1006. The conclusion that this patent was insufficient to enable one skilled in the art to produce the protein seems inconsistent with the court's determination in *In re Mayne*, 104 F.3d 1339, 41 U.S.P.Q.2d (BNA) 1451 (Fed. Cir. 1997), that production of a similar protein would be obvious. *See id.* at 1343, 41 U.S.P.Q.2d at 1454.

171 108 F.3d at 1368, 42 U.S.P.Q.2d at 1007.

172 *Id.* at 1364, 42 U.S.P.Q.2d at 1004.

173 112 F.3d 1137, 42 U.S.P.Q.2d (BNA) 1589 (Fed. Cir. 1997).

174 *Id.* at 1139, 42 U.S.P.Q.2d at 1590.

175 *Id.* at 1142-43, 42 U.S.P.Q.2d at 1593.

176 *Id.* at 1144-45, 42 U.S.P.Q.2d at 1595.

177 41 U.S.P.Q.2d (BNA) 1954 (Fed. Cir. 1997) (unpublished table decision in 106 F.3d 427).

178 41 U.S.P.Q.2d at 1955.

179 41 U.S.P.Q.2d at 1956.

180 *See id.*

181 114 F.3d 1149 (Fed. Cir. 1997).

182 *Id.* at 1155-56.

183 *Id.* at 1156.

184 *Id.*

185 115 F.3d 942, 42 U.S.P.Q.2d (BNA) 1881 (Fed. Cir. 1997).

186 *Id.* at 943, 42 U.S.P.Q.2d at 1882.

187 *Id.* at 946, 42 U.S.P.Q.2d at 1885 (citing 35 U.S.C. § 112, ¶ 2 (1994)).

188 119 F.3d 1559, 43 U.S.P.Q.2d (BNA) 1398 (Fed. Cir. 1997).

189 *Id.* at 1562, 43 U.S.P.Q.2d at 1401.

190 *Id.* at 1566-67, 43 U.S.P.Q.2d at 1405.

191 *Id.* at 1567, 43 U.S.P.Q.2d at 1405.

192 *Id.* at 1568, 43 U.S.P.Q.2d at 1406.

193 106 F.3d 976, 41 U.S.P.Q.2d (BNA) 1782 (Fed. Cir. 1997).

194 *Id.* at 977-78, 41 U.S.P.Q.2d at 1783.

195 *Id.* at 978, 41 U.S.P.Q.2d at 1784.

196 *Id.* at 980-81, 41 U.S.P.Q.2d at 1786-87.

197 *Id.* at 980, 41 U.S.P.Q.2d at 1785-86.

198 *Id.* at 980-81, 41 U.S.P.Q.2d at 1786-87.

199 119 F.3d 1551, 43 U.S.P.Q.2d (BNA) 1321 (Fed. Cir. 1997).

200 *Id.* at 1553, 43 U.S.P.Q.2d at 1322 (citing 35 U.S.C. § 256 (1994)).

201 *Id.*

202 *Id.* 43 U.S.P.Q.2d at 1322-23.

203 *See id.* at 1556-57, 43 U.S.P.Q.2d at 1325-26 (Plager, J., dissenting).

204 104 F.3d 1305, 41 U.S.P.Q.2d (BNA) 1535 (Fed. Cir. 1997).

205 35 U.S.C.A. §154 (1996).

206 104 F.3d at 1308, 41 U.S.P.Q.2d at 1537.

207 *Id.*

208 42 U.S.P.Q.2d (BNA) 1220 (Fed. Cir. 1997).

209 *Id.* at 1221 (citing 35 U.S.C. § 156 (1994)).

210 *Id.*

211 *Id.* at 1222.

212 *Id.* at 1223.

213 *Id.* at 1224.

214 *Id.* at 1225-26 (Newman, J., concurring).

215 110 F.3d 786, 42 U.S.P.Q.2d (BNA) 1295 (Fed. Cir. 1997).

216 *Id.* at 787, 42 U.S.P.Q.2d at 1296.

217 *Id.* at 787, 42 U.S.P.Q.2d at 1296-97.

218 *Id.* at 788, 42 U.S.P.Q.2d at 1297.

219 *Id.* at 791, 42 U.S.P.Q.2d at 1300.

220 111 F.3d 874, 42 U.S.P.Q.2d (BNA) 1471 (Fed. Cir. 1997).

221 *Id.* at 875, 42 U.S.P.Q.2d at 1472.

222 *Id.*

223 *Id.* at 877, 42 U.S.P.Q.2d at 1473-74.

224 114 F.3d 191, 42 U.S.P.Q.2d (BNA) 1711 (Fed. Cir. 1997).

225 *Id.* at 192, 42 U.S.P.Q.2d at 1712.

226 *Id.* at 195, 42 U.S.P.Q.2d at 1715.

227 963 F. Supp. 1403, 43 U.S.P.Q.2d (BNA) 1236 (E.D. Va. 1997).

228 *Id.* at 1405, 43 U.S.P.Q.2d at 1237.

229 *Id.* at 1408, 43 U.S.P.Q.2d at 1243.

230 *Id.* at 1409, 43 U.S.P.Q.2d at 1243-44.

231 35 U.S.C. § 303 (1994).

232 119 F.3d 960, 43 U.S.P.Q.2d (BNA) 1262 (Fed. Cir. 1997).

233 *Id.* at 968, 43 U.S.P.Q.2d at 1268.

234 *Id.* at 965, 43 U.S.P.Q.2d at 1265.

235 42 U.S.P.Q.2d (BNA) 1706 (D. Nev. 1997).

236 *Id.* at 1710-11.

237 *Id.* at 1707.

238 *Id.* at 1710.

239 119 F.3d 1559, 43 U.S.P.Q.2d (BNA) 1398 (Fed. Cir. 1997).

240 *Id.* at 1562, 43 U.S.P.Q.2d at 1401.

241 *Id.* at 1569, 43 U.S.P.Q.2d at 1407.

242 *Id.* at 1570-71, 43 U.S.P.Q.2d at 1407-08.

243 104 F.3d 83, 41 U.S.P.Q.2d (BNA) 1545 (5th Cir. 1997).

244 *Handgards, Inc. v. Ethicon, Inc.*, 743 F.2d 1282, 223 U.S.P.Q. (BNA) 214 (9th Cir. 1984). In *Handgards*, Ethicon filed a patent infringement suit against the predecessor in interest of Handgards. *Id.* at 1285, 223 U.S.P.Q. at 215. A few years later, Handgards filed a civil antitrust action against Ethicon and its parent company. *Id.* Among other things, Handgards sought to prove that Ethicon had in bad faith prosecuted its infringement action based on a patent that Ethicon knew had been invalidated on several grounds. *Id.* at 1288, 223 U.S.P.Q. at 217-18.

245 *Id.* at 84-85, 41 U.S.P.Q.2d at 1546.

246 *Id.* at 85, 41 U.S.P.Q.2d at 1546.

247 *Id.* at 86, 41 U.S.P.Q.2d at 1547.

248 320 U.S. 661, 60 U.S.P.Q. (BNA) 21 (1944).

249 104 F.3d at 86, 87, 41 U.S.P.Q.2d at 1547, 1548.

250 *Id.* at 89, 41 U.S.P.Q.2d at 1549.

251 954 F. Supp. 17, 42 U.S.P.Q.2d (BNA) 1795 (D. Me. 1997).

252 954 F. Supp. at 18, 42 U.S.P.Q.2d at 1796-97.

253 *Id.* at 19, 42 U.S.P.Q.2d at 1797.

254 42 U.S.P.Q.2d (BNA) 1749 (D. Del. 1997).

255 *Id.* at 1757.

256 *Id.*

257 *Id.* at 1756.

258 108 F.3d 316, 41 U.S.P.Q.2d (BNA) 1957 (Fed. Cir. 1997).

259 *Id.* at 318, 41 U.S.P.Q.2d at 1958.

260 *Id.*

261 115 F.3d 947, 42 U.S.P.Q.2d (BNA) 1897 (Fed. Cir. 1997).

262 *Id.* at 956, 42 U.S.P.Q.2d at 1904.

263 *Id.* at 955, 42 U.S.P.Q.2d at 1903.

264 954 F. Supp. 391, 42 U.S.P.Q.2d (BNA) 1681 (D. Mass. 1996).

265 *Id.* at 392, 42 U.S.P.Q.2d at 1682.

266 *Id.*

267 *Id.* at 395, 42 U.S.P.Q.2d at 1685.

268 *Id.* at 396-97, 42 U.S.P.Q.2d at 1685-86 (citing 35 U.S.C. § 271(e)(1) (1994)).

269 *Id.* at 397, 42 U.S.P.Q.2d at 1686.

270 111 F.3d 883, 42 U.S.P.Q.2d (BNA) 1474 (Fed. Cir. 1997).

271 *Id.* at 886, 42 U.S.P.Q.2d at 1476.

272 *Id.* at 886-87, 42 U.S.P.Q.2d at 1476.

273 112 F.3d 495, 42 U.S.P.Q.2d (BNA) 1608 (Fed. Cir. 1997).

274 *Id.* at 496-97, 42 U.S.P.Q.2d at 1609.

275 *Id.* at 501, 42 U.S.P.Q.2d at 1613.

276 *Id.*

277 *Id.*

278 954 F. Supp. 1195, 43 U.S.P.Q.2d (BNA) 1041 (W.D. Mich. 1997).

279 *Id.* at 1197, 43 U.S.P.Q.2d at 1042.

280 *Id.*

281 *Id.* at 1198-99, 43 U.S.P.Q.2d at 1043-44.

282 *Id.* at 1199-1200, 43 U.S.P.Q.2d at 1044.

283 *Id.* at 1197-98, 43 U.S.P.Q.2d at 1042.

284 111 F.3d 1569, 42 U.S.P.Q.2d (BNA) 1481 (Fed. Cir. 1997).

285 *Id.* at 1575, 42 U.S.P.Q.2d at 1485.

286 *Id.* The Federal Circuit has since taken this question en banc. *See supra* note 129.

287 969 F. Supp. 1064, 43 U.S.P.Q.2d (BNA) 1448 (N.D. Ill. 1997).

288 *Id.* at 1065, 43 U.S.P.Q.2d at 1449.

289 *Id.* at 1066, 43 U.S.P.Q.2d at 1450.

290 *Id.* at 1067, 43 U.S.P.Q.2d at 1451.

291 *Id.* at 1068, 43 U.S.P.Q.2d at 1451.

292 105 F.3d 863, 41 U.S.P.Q.2d (BNA) 1623 (3d Cir. 1997).

293 *Id.* at 864, 41 U.S.P.Q.2d at 1623.

294 *Id.* at 864-65, 41 U.S.P.Q.2d at 1624.

295 *Id.* at 866, 41 U.S.P.Q.2d at 1625.

296 *Id.* at 867, 41 U.S.P.Q.2d at 1626.

297 110 F.3d 780, 42 U.S.P.Q.2d (BNA) 1300 (Fed. Cir. 1997).

298 *Id.* at 781, 42 U.S.P.Q.2d at 1301 (citing FED. R. CIV. P. 11).

299 *Id.* at 785, 42 U.S.P.Q.2d at 1304.

300 *Id.* at 782-83, 42 U.S.P.Q.2d at 1302-03.

301 *Id.* at 784, 42 U.S.P.Q.2d at 1304.

302 *Id.* at 785, 42 U.S.P.Q.2d at 1304.

303 105 F.3d 629, 41 U.S.P.Q.2d (BNA) 1518 (Fed. Cir. 1997) [hereinafter *Studiengesellschaft I*].

304 *Id.* at 630, 41 U.S.P.Q.2d at 1519.

305 *Id.* at 633, 41 U.S.P.Q.2d at 1521.

306 *Id.* at 634, 41 U.S.P.Q.2d at 1522.

307 116 F.3d 155, 43 U.S.P.Q.2d (BNA) 1530 (5th Cir. 1997).

308 *Id.* at 156, 43 U.S.P.Q.2d at 1531.

309 *Id.*

310 *Id.* at 158, 43 U.S.P.Q.2d at 1533 (citing TEX. BUS. & COM. CODE ANN. § 2.312(c) (West 1994)).

311 112 F.3d 1561, 42 U.S.P.Q.2d (BNA) 1674 (Fed. Cir. 1997) [hereinafter *Studiengesellschaft II*].

³¹² *Id.* at 1563, 42 U.S.P.Q.2d at 1676.

³¹³ *Id.*

³¹⁴ *Id.* at 1565, 42 U.S.P.Q.2d at 1678.

³¹⁵ *Id.* at 1568, 42 U.S.P.Q.2d at 1680.

³¹⁶ 395 U.S. 653, 674, 162 U.S.P.Q. (BNA) 1, 9 (1969).

³¹⁷ *Studiengesellschaft II*, 112 F.3d at 1567, 42 U.S.P.Q.2d at 1680.