Patent Prosecution Update

November 2014

Claim with Omitted Material Limitation May Not Be Asserted Before Correction

When a patent issues with a mistake, a certificate of correction can be obtained to correct it under certain circumstances. 35 U.S.C. §§ 254, 255. When an issued claim "omits a material limitation, and such omission is not evident on the face of the patent, the patentee cannot assert that claim until it has been corrected by the PTO." *H-W Tech., L.C. v. Overstock.com, Inc.*, 758 F.3d 1329, 1335 (Fed. Cir. 2014). More

Means-Plus-Function Claims Require Disclosure of Means

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Claim with Omitted Material Limitation May Not Be Asserted Before Correction

by Adam M. Breier, Ph.D.

When a patent issues with a mistake, a certificate of correction can be obtained to correct it under certain circumstances. 35 U.S.C. §§ 254, 255. When an issued claim "omits a material limitation, and such omission is not evident on the face of the patent, the patentee cannot assert that claim until it has been corrected by the PTO. " *H-W Tech., L.C. v. Overstock.com, Inc.*, 758 F.3d 1329, 1335 (Fed. Cir. 2014).

H-W Technology was an appeal from an infringement suit asserting U.S. Patent No. 7,525,955 ("the '955 patent"), in which H-W Technology ("H-W") alleged infringement of claim 9, among others. Claim 9 recites a "method for performing contextual searches on an Internet Phone (IP) phone." *Id.* at 1333. In relevant part, the method of claim 9 as allowed by the U.S. Patent and Trademark Office (USPTO) recites steps of receiving search criteria from a user, submitting those criteria to a server, and receiving a list of merchants matching the search criteria from the server, "*wherein said user completes a transaction with at least one of said merchants listed without the need to generate a voice call.*" *Id*. Issued claim 9, however, mistakenly omitted the limitation italicized above. *Id*. H-W asserted uncorrected claim 9.

H-W obtained a certificate of correction for claim 9 after filing its complaint, but did not amend its complaint to refer to corrected claim 9. H-W did request that the district court order correction of claim 9. The district court refused, did not consider the certificate or correction, and instead held claim 9 indefinite on summary judgment.

The Federal Circuit first considered H-W's argument that the district court should have corrected claim 9 on its own authority. Such an action can be taken when "the error is evident from the face of the patent." *Grp. One Ltd. v. Hallmark Cards, Inc.*, 407 F.3d 1297, 1303 (Fed. Cir. 2005). The court found that nothing in the '955 patent itself made the error evident. Among other things, claim 9 "reads coherently without the missing limitation," and the limitation appeared in the specification as an optional feature. *H-W Tech.*, 758 F.3d at 1333-34. The court acknowledged that the USPTO's error was "clear on the face of the prosecution history," but noted that "evidence of error in the prosecution history alone [is] insufficient to allow the district court to correct the error." *Id.* at 1334.

Turning to whether the certificate of correction should have been considered, the Federal Circuit noted that a "certificate of correction is only effective for causes of action arising after it was issued." *Sw. Software, Inc. v. Harlequin Inc.*, 226 F.3d 1280, 1294-95 (Fed. Cir. 2000). There was no argument that this suit involved causes of action that arose after the certificate was issued. Thus, the district court correctly did not consider the certificate.

The Federal Circuit then addressed whether H-W should be permitted to assert uncorrected claim 9. The court said no. "To hold otherwise would potentially permit patentees to assert claims that they never asked for nor rightly attained. Such a result would be inequitable and undermine the notice function of patents." *H-W Tech.*, 758 F.3d at 1335. The court did observe that this situation is "in some ways, more akin to unenforceability than invalidity," and that "unenforceability of a patent may be cured under certain circumstances." *Id.* (Presumably, there would have been no issue of unenforceability had H-W obtained the certificate of correction at a sufficiently early stage, such as before its cause of action arose.)

As a consequence of this holding, "claim 9, as corrected, has not yet been litigated and, thus, has not been held invalid." *Id*. The Federal Circuit therefore did not reach the merits of indefiniteness for claim 9 and "str[uck] the portion of the final judgment holding claim 9 invalid," but otherwise affirmed the judgment in favor of defendant Overstock. *Id*. at 1336.

This case highlights the importance of carefully reviewing issued patents, particularly the claims, for errors. The USPTO's mistaken omission of a limitation from claim 9 as issued and the lack of timely correction resulted in the squandering of all the resources devoted to its attempted enforcement. The unenforceability-like rule announced here effectively meant that claim 9 was illusory until corrected. This case also shows that the issuance of a claim apparently broader than what the USPTO intended to grant is not likely to be a windfall for a patentee.

Patentees generally do not have perfect knowledge of their competitors' plans and activities, and may not know of a cause of action for infringement immediately when it arises. If a claim is issued in mistaken form, obtaining a certificate of correction early in the life of the patent maximizes the chance that the corrected claim can be asserted against later-discovered acts of infringement. It is therefore prudent to proofread patents when they issue, including checking each claim for printing errors against the allowed claims.

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Means-Plus-Function Claims Require Disclosure of Means

by Eric P. Raciti

In its decision in *Robert Bosch, LLC v. Snap-On Inc.*, No. 2014-1040 (Fed. Cir. Oct. 14, 2014), the Federal Circuit considered whether certain claim elements ("program recognition device" and "program loading device") should be interpreted as means-plus-function terms under 35 U.S.C. § 112, ¶ 6 (pre-AIA designation), notwithstanding the absence of the word "means" in these elements.[1] In finding that the elements were indeed properly interpreted as "means-plus-function" claims, the lack of corresponding structure for the means in the specification doomed the claims as indefinite under 35 U.S.C. § 112, ¶ 2 (pre-AIA designation).

Bosch asserted U.S. Patent No. 6,782,313 ("the '313 patent") against defendants Snap-On and Drew Technologies in the U.S. District Court for the Eastern District of Michigan. *See Robert Bosch LLC v. Snap-On*, *Inc.*, No. 12-11503, 2013 WL 4042664 (E.D. Mich. Aug. 9, 2013). The '313 patent concerns an automotive diagnostic testing device that evaluates a vehicle's on-board engine control computer. The device, as claimed, includes a "program recognition device" and a "program loading device." Although the specification describes the functions performed by these devices in detail, the specification otherwise completely lacked detail regarding their structure. The issued '313 patent had only three pages, with the "Detailed Description" taking a total of about a half page. The '313 patent contained no figures.

The Federal Circuit began its analysis by noting that the word "device" is a nonstructural "nonce word," that is to say, a word essentially lacking any definite meaning. *Robert Bosch*, No. 2014-1040, slip op. at 8. The other terms of the claim, the court noted, were entirely functional, and the specification "does not contain a single reference to the structure" of the devices. *Id.* at 9. Because the claims lack sufficiently definite structure, they fall within the reach of § 112, ¶ 6. *See Inventio AG v. ThyssenKrupp Elevator Ams. Corp.*, 649 F.3d 1350, 1356 (Fed. Cir. 2011).

Having determined that the "program recognition device" and "program loading device" were to be interpreted under § 112, ¶ 6, the court then undertook the second step of construing a means-plus-function recitation, that is identifying structure in the specification that performs the claimed functions. This part of the analysis was rather straightforward because, as already mentioned above, there was no structure to be found in the specification.

In light of the *Robert Bosch* decision, patent prosecutors should be cautious when drafting claims containing only functional descriptions. Such claims are vulnerable to interpretation under 35 U.S.C. § 112, ¶ 6, now 35 U.S.C. § 112(f) (post-AIA designation). If such claim strategy is used, it is advisable to have a specification that contains robust corresponding structural details for performing any claimed functions, starting with how components interconnect and interact, and ending with specific structural details about each component.

[1] Claim 1 did contain a passage stating that a connected engine control module is recognized "by means of" the program recognition device, but the Federal Circuit stated this is not a typical "means-plus-function" format. The court therefore found there was no presumption that 35 U.S.C. § 112, ¶ 6 should apply.

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FULL DISCLOSURE

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Design Patents

Who Dunnit?: Design Patents Cover "Designs," Not "Design Concepts"

by Elizabeth D. Ferrill

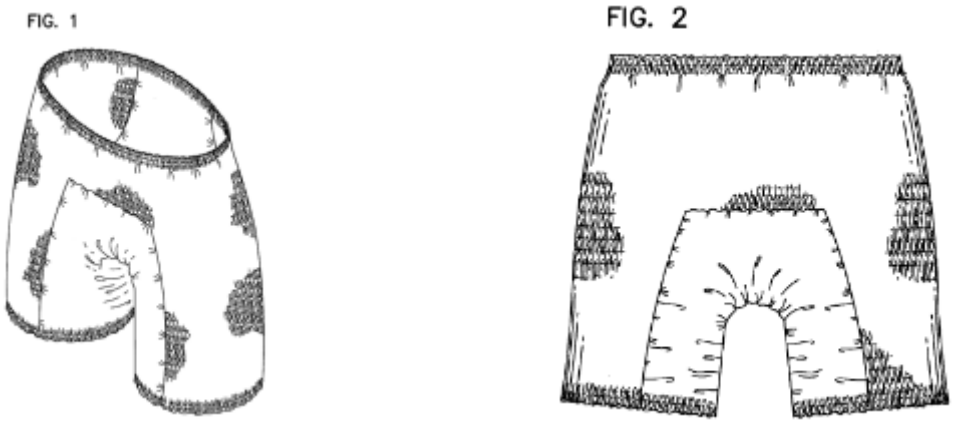
When someone has a new idea, they often turn to intellectual property attorneys to help them protect their idea. It is important to remember that each form of intellectual property has a role to play in serving this overall goal. For design patents, it is protecting the appearance of an article of manufacture.

Design patents have many roles, depending on the circumstances. But at their heart, they cover the design displayed within their figures, not a more general design concept. Keep in mind that the scope of a design patent is determined by the solid lines of the patent figures. And infringement of a design patent is assessed from the point of view of an ordinary observer familiar with the prior art. The basic inquiry is whether the claimed design is substantially similar to the article accused of infringement.

These are some golden tenets of design patent practice that are sometimes overlooked by design patent owners, perhaps in their efforts to earnestly protect an idea they think is theirs. Consider three recent cases.

Number 1: The Case of the Roomie Bloomers

In *Anderson v. Kimberly-Clark Corp.*, No. 2014-1117 (Fed. Cir. July 10, 2014), the design patent was directed to an "absorbent disposable undergarment":



U.S. Design Patent No. D401,328 ("the D328 patent")

Ms. Anderson filed suit in Washington state against Kimberly-Clark, maker of Depend® and GoodNites® brand absorbent undergarments for adults and children, respectively.

Depend® Real Fit for Men Briefs

GoodNite® Brand “Boxer” Style Brief

The district court dismissed the complaint for failure to state a claim of infringement, and the Federal Circuit affirmed. The district court found that Ms. Anderson’s complaint had “fallen well short of a viable infringement claim.” *Id*., slip op. at 6 (citation omitted). The Federal Circuit affirmed the district court’s application of the “ordinary observer” test and the at least three “most striking” differences between the patented design and the Depend® products, including the “bloomers-style” of the claimed design and the “briefs-style” of the accused product. The Federal Circuit also agreed that there were at least four major differences between the GoodNite® product and the claimed design.

Number 2: The Case of the Shocking Brass Knuckles

In *P.S. Products, Inc. v. Activision Blizzard, Inc.*, No. 4:13-cv-00342 (W.D. Ark. Feb. 21, 2014) (granting motion to dismiss), one plaintiff is the inventor of two design patents directed to designs for “stun guns,” which appear to resemble brass knuckles. The other plaintiff is the manufacturer of a product embodying that design:

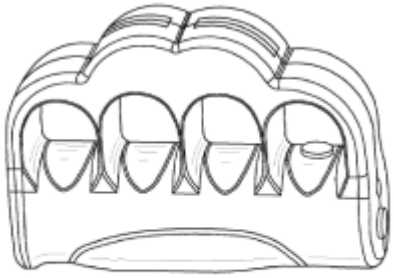
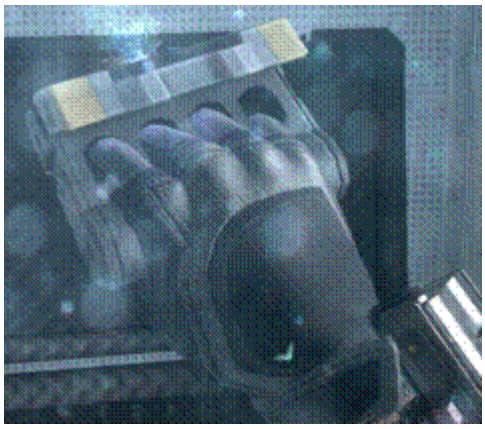


FIG. 6

U.S. Design Patent No. D561,294 (“the D294 patent”) and P.S. Product’s “Zap Blast Knuckle”

The plaintiffs accused the defendants’ depiction of the following handheld stun gun of design patent infringement:



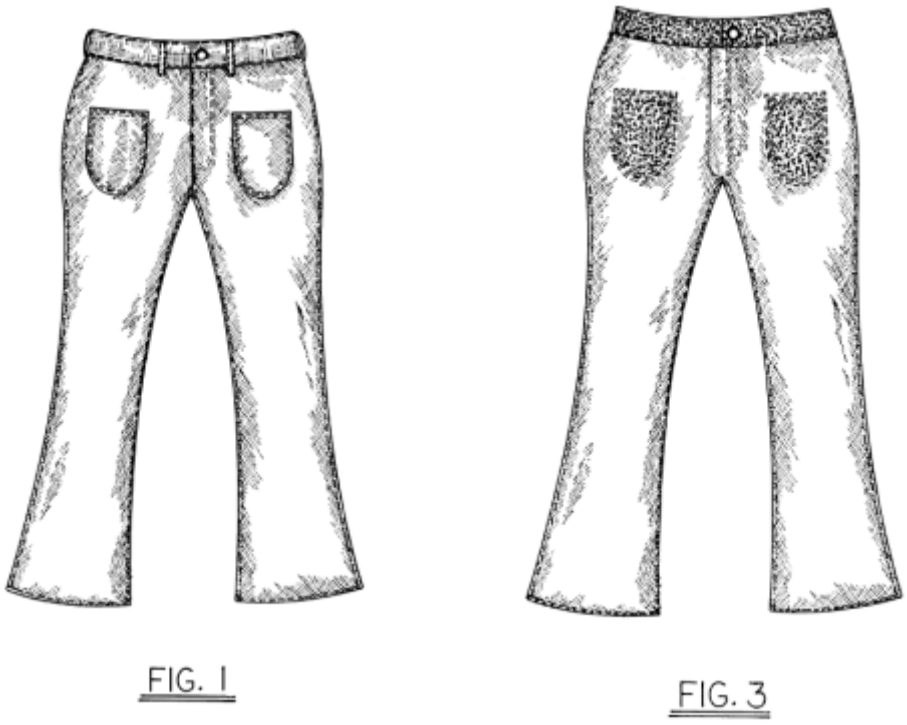
Activision’s Combat Suppression Knuckles[1]

Activision moved to dismiss the complaint, arguing that no ordinary observer would mistake the Combat

Suppression Knuckles for the design claimed in the D294 patent. In response, P.S. Products argued that there was “no prior art” to its design because “this patented product did not exist anywhere in the world until it was designed, patented and placed in the stream of commerce” by P.S. Products. P.S. Products also stated that its “patent is unique and [plaintiffs are] the sole inventor of the concept and design.” The court agreed with Activision, finding that no reasonable person would purchase Activision’s video game believing that they were purchasing plaintiffs’ stun gun, and dismissed the case.

Number 3: The Case of Inside-Out Denim

In *Chuck Roaste, LLC v. Reverse Gear, LLC and Call Me Bleu, LLC*, No. 1:14-cv-01109 (N. Ohio May 22, 2014), the patent-in-suit was filed in 1999 and is titled “Reversible Denim Pants”:



U.S. Design Patent No. D459,055 (“the D055 patent”) (showing front elevational view of the design in a first condition and in a “reversed” condition)

The “reversed condition” figures of the D055 patent appear to include front and rear pockets, and a waistband directed to a “spotted” material. Chuck Roaste filed suit against the defendants, accusing their “Reversible Collection” of infringement:

"First" Condition of Accused Product

"Reversed" Conditionof Accused Product

Reverse Gear and Call Me Bleu both deny infringement. This case is still in its infancy and it remains to be seen how the court will rule. But it is interesting to note that the accused product does not appear to have a patterned waistband or pockets with the "spotted" material like the patent-in-suit.

Conclusion: The Reveal

What do all three of these cases have in common? First, none of the design-patent figures appeared to be substantially similar to the accused products, aside from being the same type of article. Indeed, the claim designs have elements (such as the groin element of D328 or the patterned waistband of D055) that are completely missing from the accused products.

Nonetheless, it appears that the patent owners in each case believed their design-patent rights included the right to exclude others from using a "design concept" (e.g., absorbent undergarments, brass-knuckle stun gun, or reversible jeans) in addition to the figures shown in the patent. P.S. Products admitted that it called itself the "sole inventor of the *concept*" of a stun gun held like a pair of brass knuckles.

But this is not true. As the Federal Circuit has repeatedly held, the scope of the patent is limited to the "overall ornamental visual impression, rather than to the broader general design concept." *OddzOn Prods., Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 1405 (Fed. Cir. 1997). And for the plaintiffs in *Anderson* and *P.S. Products*, the court dismissed the case because the overall ornamental impression of the claimed design was much different than the accused product, such that the ordinary observer would not find the two to be substantially similar. *Chucke Roaste* may suffer the same fate.

This can be a hard pill to swallow for an upstart designer who has a new idea.

[1] The astute reader will see that these pictures are not of a real product, but are rather screenshots from a videogame—specifically, Activision's *Call of Duty: Black Ops® II*. The question of whether a design patent can be infringed by a depiction in a video game is an interesting question, but one that this column will leave for another day.

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Rule Review

Obviousness-Type Double Patenting

by J. Derek McCorquindale

The Uruguay Round Agreements Act (URAA), Pub. L. 103-465, 108 Stat. 4809 (effective June 8, 1995), installed a twenty-year U.S. patent term from the earliest-claimed priority date, modifying the previous seventeen-year term calculated from the date of patent issuance.[1] That change eliminated a perceived abuse—sometimes called "submarine patenting" or "evergreening"—wherein the use of continuing applications allowed claiming of previously disclosed features many, many years later, since patent expiration was calculated from the date of issuance. In that former context, the prohibition against obviousness-type double patenting (OTDP) was a check ensuring that patentees could not obtain more than one patent based on merely unpatentable variations, effectively extending the monopoly on the same basic invention.

When OTDP, also known as "non-statutory double patenting," was raised by AbbVie Inc. as a defense in an infringement suit brought by The Mathilda and Terence Kennedy Institute of Rheumatology Trust ("Kennedy"), the policy justification for the doctrine post-URAA was questioned.[2] Kennedy argued that the rationale for the rule no longer exists and that the doctrine should be discarded. The Federal Circuit, however, reaffirmed in its unanimous opinion that compelling reasons militate in favor of OTDP today:

> It is designed to prevent an inventor from securing a second, later expiring patent for the same invention. That problem still exists. . . . [W]here, as here, the applicant chooses to file separate applications for overlapping subject matter and to claim different priority dates for the applications, the separate patents will have different expiration dates since the patent term is measured from the claimed priority date.[3]

In *AbbVie*, both patents at issue were directed towards methods of treating rheumatoid arthritis by co-administering two drugs—a disease-modifying antirheumatic drug (methotrexate) and an antibody (anti-TNF antibodies). Kennedy sought and secured two patents on this combination therapy: it claimed the priority date of October 8, 1992 (the filing date of an earlier application), for U.S. Patent No. 6,270,766 ("the '766 patent"), and a later priority date, August 1, 1996 (the filing date of the '766 patent), for U.S. Patent No. 7,846,442 ("the '442 patent"), "so that the '422 patent would expire after the '766 patent."[4] This timing made for a six-year difference in patent term. "When such situations arise," explained the court, "the doctrine of obviousness-type double patenting ensures that a particular invention (and obvious variants thereof) does not receive an undue patent term extension."[5] The Federal Circuit thus made explicit at least one post-URAA application for OTDP: "[T]he doctrine of obviousness-type double patenting continues to apply where two patents that claim the same invention have different expiration dates."[6]

In analyzing whether the claimed matter was patentably distinct, the Federal Circuit affirmed the district court's finding that the two inventions were not. As a first step, claim construction, the Federal Circuit agreed that the "co-administering" limitation did not mean "administration of the antibody alone after discontinuing treatment with methotrexate."[7] "Put simply," based on the specification of the '766 patent, "co-administration" meant "administration of both drugs at the same time," and "cannot include patients who discontinued methotrexate as Kennedy contends."[8] The Federal Circuit then assumed, without

deciding, that Kennedy's definition of the term "active disease"—"the presence of six or more swollen joints plus at least three of four secondary criteria"—was correct for the purposes of its OTDP analysis.[9] Given Kennedy's definition of "active disease," the court noted that "the genus claimed in the '766 patent (treating all patients in need thereof) is broader than the species claimed in the '442 patent (treating patients with 'active disease,' *i.e.*, particularly sick patients)."[10] While Kennedy admitted that the claims of the '442 patent were encompassed by the claims of the '766 patent, Kennedy argued that the species claims were separately patentable.[11] The Federal Circuit reminded that, indeed, "a narrow species can be non-obvious and patent eligible despite a patent on its genus," but that "not every species of a patented genus is separately patentable."[12]

In the second step of the OTDP analysis—whether the differences in the subject matter between the claims render them patentably distinct—the Federal Circuit found the later-expiring claims were obvious over the earlier claims. In particular, the court found that the later claims of the '442 patent applying to sicker patients with "active disease" were specific as compared to the '766 patent claims directed to a broader patient population. According to the court, "species are unpatentable when prior art disclosures describe the genus containing those species such that a person of ordinary skill in the art would be able to envision every member of the class."[13]

The court further found that there were no unexpected results with respect to the "active disease" group when compared to the known utility disclosed in the specification of the '766 patent.[14] The court was free to "look to a reference patent's disclosures of utility to determine the question of obviousness," even if the reference patent's specification cannot technically be used as prior art in the OTDP analysis.[15] The Federal Circuit stated that "[w]e have repeatedly approved examination of the disclosed utility of the invention claimed in an earlier patent to address the question of obviousness."[16] Accordingly, the claims of the '422 patent were deemed to have been obvious over the '766 patent claims, rendering them invalid for OTDP.[17]

The Federal Circuit has addressed the issue of OTDP several times over the last two decades.[18] As evidenced in the *AbbVie* decision, the doctrine can reach some very specific circumstances, including where two patents claim the same invention, but have different expiration dates due to different priority assertions.

[1] Because of the URAA, patents filed on or before June 15, 1995, have a base term of seventeen years from the date of issue; patents filed after June 15, 1995, have a base term of twenty years from the date of filing.

[2] *See AbbVie Inc. v. Mathilda & Terence Kennedy Inst. of Rheumatology Trust*, No. 2013-1545, slip op. at 10-11 (Fed. Cir. Aug. 21, 2014).

[3] *Id*. at 11 (citations omitted).

[4] *Id*. at 11-12 n.2.

[5] *Id*. at 11-12.

[6] *Id*. at 13.

[7] *Id*. at 15.

[8] *Id*. at 17.

[9] *Id*. at 19-20.

[10] *Id*. at 20-21.

[11] *Id*. at 4.

[12] *Id*. at 23.

[13] *Id*. at 24.

[14] *Id*. at 26.

[15] *Id*. ("[W]hile . . . it is impermissible to treat a patent disclosure as though it were prior art in a double patenting inquiry, . . . the disclosure may be used . . . to answer the question whether claims merely define an obvious variation of what is earlier disclosed and claimed." (citation and internal quotation marks omitted)).

[16] *Id*. at 26-27 (citing *Geneva Pharm., Inc. v. GlaxoSmithKline PLC*, 349 F.3d 1373, 1386 (Fed. Cir. 2003)).

[17] *Id*. at 28.

[18] *See, e.g.*, *Gilead Scis., Inc. v. Natco Pharma Ltd.*, 753 F.3d 1208 (Fed. Cir. 2014); *Sun Pharm. Indus., Ltd. v. Eli Lilly & Co.*, 611 F.3d 1381 (Fed. Cir. 2010); *In re Fallaux*, 564 F.3d 1313 (Fed. Cir. 2009); *In re Basell Poliolefine Italia S.P.A.*, 547 F.3d 1371, 1375 (Fed. Cir. 2008); *In re Metoprolol Succinate Patent Litig.*, 494 F.3d 1011, 1016 (Fed. Cir. 2007); *Eli Lilly & Co. v. Barr Labs., Inc.*, 251 F.3d 955, 967 (Fed. Cir. 2001); *In re Berg*, 140 F.3d 1428, 1433 (Fed. Cir. 1998); *In re Emert*, 124 F.3d 1458 (Fed. Cir. 1997).

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EPO Practice

Priority Pitfalls in European Patent Applications Based on U.S. Priority Applications

by Martin D. Hyden and Amanda L. Lutz

Article 87 of the European Patent Convention (EPC) allows applicants for European patent applications to claim the benefit of the filing date ("priority date") of an earlier application ("priority application") under certain conditions. While Article 87 EPC broadly corresponds to Article 4 of the Paris Convention, the European Patent Office's (EPO) implementation of Article 87 EPC can lead to denial of priority claims and, ultimately, loss of applicant's rights. Without careful attention by practitioners, claiming the benefit of a U.S. priority application may result in loss of rights.

The EPO Enlarged Board of Appeal (EBA) specifically considered the interpretation of Article 87 EPC in its decision G2/98. The following key points arise when claiming priority under Article 87 EPC:

1. The European application must be for the same invention as the priority application, and
2. The priority application must be the first application for protection of the invention and must not be filed more than twelve months before the European application's filing date.

Although the EPO does not routinely examine priority claims, to avoid the risks of improperly claiming priority—and detrimentally relying on invalid priority claims—practitioners should carefully assess the contents of the priority application and European application before filing to ensure the claimed priority is valid.[1] Further, during prosecution of the European application, practitioners should cautiously amend the European claims to maintain the valid priority claim. Scenarios exemplifying some common priority pitfalls are discussed below.

Priority Claims to the "Same Invention"

According to the EBA in G2/98, the EPO acknowledges priority claims for the "same invention" "only if the skilled person can derive the subject-matter of the claim directly and unambiguously, using common general knowledge, from the previous application as a whole."[2] Thus, the EPO priority standard requires not only that all elements of a claim be explicitly or implicitly disclosed in the priority application, but that any claimed combination also be so disclosed. This standard is the same applied to determine the validity of added subject matter by amendment under Article 123(2) EPC.[3] Simply stated, if a claim could not be added to a priority application without contravening Article 123(2) EPC, it cannot validly claim the priority date.

1. Claiming Priority to a U.S. Provisional Application Filed Without Claims

U.S. provisional applications can be filed without claims, and in some cases with as little as a single drawing. Although these applications qualify as potential bases for priority under Article 87(3) EPC, they routinely fail to provide valid priority dates for claims generalizing their specifically disclosed features. Even the EPO's "whole contents" approach in Article 88(4) EPC, which recognizes that priority may be granted for subject matter disclosed but not claimed in the priority application, offers scant assistance in establishing priority.

Indeed, EPO practice under Article 123(2) EPC routinely denies broadening amendments such as

attempts to define a range based only on a series of discrete values or introducing generalized terms from discrete example (e.g., broadening “diesel engine” to “combustion engine”). Without any claims or statements corresponding to claims in the priority application, the claims added to the European application often cannot be clearly and unambiguously derived from the priority application.

2. Claiming Priority to a U.S. Provisional or Nonprovisional Application Filed with Very Broad Claims

Including only very broad claims in a priority application does not guarantee the priority of narrower claims falling within their scope. A priority application that recites, for example, a range or a genus does not necessarily support narrower claims presented in the European application because the range or genus claim in the provisional application cannot be separated into a narrower subgenus or species without supporting direct and unambiguous disclosure in the application as filed.[4]

3. Claiming Priority to a U.S. Provisional or Nonprovisional Application Filed with Very Narrow Claims

The analogous case involving only narrow claims can have similar problems. Although the specific claims and examples may be sufficient to support a broader claim, without the unambiguous disclosure of the broader claim scope, no valid priority may be claimed.

As seen in each of the three preceding scenarios, either the lack of corresponding claims or the lack of disclosure providing direct and unambiguous derivation of the claim scope can be fatal to a priority claim in a later European application. When filing an application that is to serve as a basis for priority, practitioners must consider providing a proper basis for later claims at the EPO.

Practitioners may avoid the traps in the preceding scenarios by incorporating language that closely resembles future claim language in a claimless provisional application, including alternative embodiments and definitions of subgenus and species falling within the scope of broad claims, and unambiguously disclosing broader claim scope in priority applications with narrow claims.

Priority Claims to the “First Application”

European applications claiming priority to U.S. continuation-in-part (CIP) applications raise unique questions of priority under Article 87(1) EPC regarding the “first application” for protection of the claimed invention. Because CIP disclosures include content from an earlier parent application and later new matter, valid priority claims turn on whether the European application claims relate only to the new matter in the CIP.[5] The critical point when analyzing the validity of a CIP priority claim is to determine if the CIP is the first application to disclose the invention claimed in the European application.[6]

1. Support for the European Application Claims Only Found in a CIP

A European application properly claims priority to a CIP where the European application claims relate solely to new matter contained in the CIP (i.e., cannot be derived from the parent application). The CIP is the first application for the invention of the new matter according to Article 87(1) EPC.

2. CIP New Matter Is an Example Wholly Encompassed by the Parent Application

Where the CIP’s new matter does not add a new element to the invention covered by the parent application, the parent application remains the “first application” disclosing the invention claimed in the European application. As such, the parent application alone supports a valid priority claim.

A priority claim to the CIP may be valid, however, if a dependent claim in the European application cannot be derived from the parent application alone.

3. European Application Claims Read on Subject Matter of Parent Application

As in scenario 2, a European application cannot validly claim priority to a CIP when the European claims

read on the subject matter of the parent application. The "first application" to disclose what the European application claims recite is the parent application.

These three scenarios are particularly relevant where the parent application was filed more than twelve months before the European application. Outside of this priority period, and when the European application's claims are not entitled to the CIP's priority date, the claims take the filing date of the European application. Any disclosures made before the European application's filing date can be used to attack the validity of the claims, including disclosures made by the applicant and publication of the parent application. A parent application published after the filing date of the European application by the EPO or as a PCT application may still qualify as prior art for novelty purposes under Article 54(3) EPC.

Under these circumstances, practitioners may avoid risking the validity of a European application due to an invalid priority claim to a CIP by only reciting claims that are exclusively based on the CIP application.

Amendments During Examination

Even after ensuring that a European application as filed contains a valid priority claim, applicants risk losing the claimed priority during prosecution through claim amendments. To maintain the claimed priority, practitioners should consider the content of the priority application and attempt to introduce amendments that are clearly and unambiguously supported in the priority application.

Conclusion

The EPO's strict priority standard means that practitioners must pay close attention to the preparation of the priority application so it can adequately support potential claims that may be envisaged. Failure to secure proper priority may leave an application vulnerable to the applicant's own disclosures.

[1] Where an application is filed under the Patent Cooperation Treaty (PCT), the PCT filing date is taken as the filing date under the EPC and not the date of entry into the European regional phase.

[2] Enlarged Board of Appeal in *G2/98*, [2001] OJ EPO 413, 433.

[3] Art. 88(4) EPC (recognizing priority claims to any matter disclosed in the priority application, not just to the claims of a priority application); Guidelines for Examination F.VI, 2.2.

[4] Guidelines for Examination F.VI, 2.2.

[5] *Id.* at F.VI, 2.4.4.

[6] *See id.*; *id.* at F.VI, 1.4.1.

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At the Federal Circuit

Affirmatively and Knowingly Misrepresenting Prior Art Constitutes Inequitable Conduct

by Theresa M. Weisenberger

In *Apotex*, the Federal Circuit affirmed the district court's holding that the inventor-applicant Dr. Sherman's misrepresentations regarding the prior art cited against his application during prosecution were but-for material, and thus constituted inequitable conduct. *Apotex, Inc. v. UCB, Inc.*, 763 F.3d 1354, 1361(Fed. Cir. Aug. 15, 2014).

The district court found, and the Federal Circuit affirmed, that the inventor, Dr. Sherman, made multiple misrepresentations regarding the prior art during prosecution that "evidence[d] a pattern of lack of candor" constituting inequitable conduct. *See id.* at 1362. During prosecution, Dr. Sherman concealed the fact that Univasc—the product Apotex would later accuse of infringement—was made according to the process claimed in his pending application. *Id.* at 1357-58. He also affirmatively misrepresented the nature of the asserted prior art reference, U.S. Patent No. 4,753,450 ("the '450 patent"), which is listed in the FDA Orange Book as covering Univasc. *Id.*

The issue during prosecution was whether the prior art disclosed reacting moexipril hydrochloride with an alkaline stabilizing agent. *See id.* at 6. Based on preliminary tests Dr. Sherman conducted the day he filed his application, Dr. Sherman suspected that Univasc included moexipril magnesium. This information was sufficient to indicate that Univasc included the reacted moexipril hydrochloride and alkaline stabilizing agent. *Id.* at 1358. His suspicions were confirmed two months later when he received a detailed mass spectrometry report on Univasc. *Id.* at 1359.

Despite this information, which Dr. Sherman failed to disclose to the United States Patent and Trademark Office ("USPTO"), Dr. Sherman consistently argued that Univasc and the '450 patent disclosed an *unreacted* combination of moexipril hydrocloride and alkaline stabilizing agent. *See id.* at 1357-58. First, Dr. Sherman submitted the Orange Book listing that stated the moexipril hydrochloride and magnesium oxide were "unreacted but combined." *Id.* at 1357. He instructed counsel to reinforce these arguments with a declaration from an expert. *Id.* Tellingly, Dr. Sherman failed to apprise his expert of all of the information he possessed regarding Univasc and the '450 patent, including the mass spectrometry report. *Id.* at 1358.

The court agreed with the patentee that the duty of candor and good faith does not require applicants to disclose personal suspicions or beliefs regarding the prior art to the USPTO. *Id.* at 1361. Reasonable, good-faith arguments distinguishing an application over the prior art do not constitute misconduct by an applicant, regardless of the applicant's personal beliefs regarding the prior art. *Id.* However, the *Apotex* court explained that knowingly misrepresenting material facts regarding the prior art to the USPTO, however, does constitute misconduct. *Id.* at 1362.

Distinguishing between acceptable, good-faith advocacy and unacceptable misrepresentations of prior art, the Federal Circuit found that Dr. Sherman's statements constituted the latter because they were "factual in nature" and "contrary to the true information he had in his possession." *Id.* at 16. The Federal Circuit concluded that "Dr. Sherman knew enough to recognize that he was crossing the line from

legitimate advocacy to genuine misrepresentation of material facts." *Id.*

Distinguishing between acceptable, good faith advocacy and unacceptable misrepresentations of prior art, the Federal Circuit found that Dr. Sherman's statements constituted the latter because they were "factual in nature" and "contrary to the true information he had in his possession." *Id.* The Federal Circuit concluded that "Dr. Sherman knew enough to recognize that he was crossing the line from legitimate advocacy to genuine misrepresentation of material facts." *Id.* at 1362.

The *Apotex* decision is in-line with previous decisions, like *Therasense*, regarding the applicant's duty of candor before the USPTO. This case serves as a reminder that practitioners clearly explain the duty of candor to applicants, regardless of their familiarity with the USPTO. The Federal Circuit found that it was not necessary to address the district court's alternative holding that Dr. Sherman's misbehavior was so egregious that materiality could have been presumed, consistent with the Federal Circuit's *en banc* decision in *Therasense v. Becton, Dickinson & Co.*, 649 F.3d 1276 (Fed. Cir. 2011) (en banc). However, dictum does indicate that had the *Apotex* court reached this issue, it would have found Dr. Sherman's conduct—particularly, "the fact that Dr. Sherman arranged for the preparation and submission of an expert declaration containing false statements instrumental to issuance of the patent"—would have amounted to affirmative misconduct such as that in *Therasense*.

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