

10 Mistakes That Will Kill Your Patent in Litigation*

***And how to avoid them**

By Brandon Baum

It is often said that hiring a litigator to draft a contract results in an iron-clad contract that no one will ever sign. That's because litigators learn by seeing how things can go wrong, and shoring things up to prevent that scenario from recurring in the future. We typically get involved when reasonable minds have failed to agree – the joint venture has gone south, the software didn't perform, or the parties disagree over the scope or value of patented technology. Thus, we have developed a treasure trove of anecdotal evidence of what *not to do* and we live by the motto "learn from the mistakes of others, as you may not live long enough to make them all yourself."¹

As a patent litigator, I have had the frequent opportunity to learn from the mistakes of others in the context of patents. (Of course, those who have worked with and/or opposite me have had the benefit of learning from *my* mistakes, but I will leave it to them to catalogue them all.) Much like the aforementioned litigator-turned-contract-drafter, I imagine I could write an iron-clad patent application that would probably never pass muster at the USPTO. Fortunately, I am not qualified to prosecute patents since my "science" background is limited to an undergraduate degree in "*political science*," and I have thus far been unsuccessful in persuading the USPTO of the proposition that "science is science."

¹Variously attributed to Eleanor Roosevelt, Admiral Hyman Rickover, and John Luther.

Undaunted, I shall attempt to convey to you some of the lessons I have learned as a patent litigator so that you who *are* qualified to prosecute patents might learn from them. These are not in any particular order, nor are they all of equal import or frequency. In my effort to come up with a full ten, I might have included some clunkers or stretched a little bit to fit some in. Nevertheless, here are ten mistakes that you can make in prosecution that will kill your patent in litigation.

Mistake No. 1: Characterization of “The Invention”

The MPEP and 37 CFR 1.73 require that the specification set forth:

A brief summary of the invention indicating its nature and substance, which may include a statement of the object of the invention, should precede the detailed description. Such summary should, when set forth, be commensurate with the invention as claimed and any object recited should be that of the invention as claimed.

This requirement should be preceded by *Miranda* warnings; *i.e.*, anything you say can and **will** be used against you.² Many patentees have gotten themselves into trouble when complying with this requirement because the characterization of “the invention” is overly narrow.

Take, for example, the case of *Netcraft Corp. v. eBay, Inc.*, 549 F.3d 1394 (Fed. Cir. 2008). Netcraft asserted two related patents against eBay and PayPal that purported to cover internet billing methods. Each asserted claim included the limitation “providing a communications link through equipment of the third party.” Netcraft argued that this limitation simply meant providing a connection between buyer and seller to enable

²*Miranda v. Arizona*, 384 U.S. 436 (1966).

a transaction, something that eBay and PayPal undoubtedly offered. Since the phrase “communications link” did not appear anywhere in the patent specification, Netcraft argued that the “plain meaning” of communications link should apply.

However, in the “Summary of the Invention,” the patents described the “objects of the present invention” as being achieved by “creat[ing] access to the Internet for the customer through the provider's equipment.” Thus the district court and the federal circuit found that the claims require that the payment provider be the internet access provider (e.g., Comcast, AT&T). *Netcraft*, 549 F.3d at 1399 (“[W]e agree with the district court that the common specification's repeated use of the phrase “the present invention” describes the invention as a whole....”)³ Since eBay and PayPal are not internet access providers, there was no infringement.

How might Netcraft have avoided this problem? In the summary of the invention, it should not have characterized “the present invention” generally, and instead should have described “some embodiments of the claimed invention” or even more simply “some embodiments.” In that way, the claims will not be unfairly restricted in subsequent litigation by the argument that this introductory portion of the specification circumscribes the scope of otherwise broad claims.

Mistake No. 2: Description of the Prior Art

A number of patents that I have litigated have included descriptions of the prior art. Why would anyone do this? There is no upside to characterizing what was in the

³See *Honeywell Int'l, Inc. v. ITT Indus.*, 452 F.3d 1312, 1318 (Fed. Cir. 2006) (concluding that the invention was limited to a fuel filter because the specification referred to the fuel filter as “this invention” and “the present invention”).

prior art, and there can be real downside. An accused infringer can merely assert that it is doing nothing more than practicing what is described or shown in the patent as prior art, and therefore there is no infringement (or else the patent is invalid). Similarly, an accused infringer can more easily demonstrate a 103(a) obviousness combination using the hand pre-labeled figures or descriptions from the patent, coupled with whatever additional has been added.

While it may be true that the accused infringer would be able to do this anyway because these features were, in fact, in the prior art, remember that most prior art references are not always this clear and often include a “teaching away” that would make them less susceptible to combining. By stripping the prior art bare of everything except that which is relevant to the invention, the prosecutor has made invalidation far easier.

US 6,591,976 B1

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AUTOMATIC BUILDING MATERIAL TRANSFER DEVICE

FIELD OF THE INVENTION

The present invention relates to the construction industry, and more particularly to equipment to be used in the construction industry, power equipment of great and world-wide importance.

Still more particularly, the present invention relates to and provides mechanized equipment for the primary usefulness of raising items of building materials, particularly shingles, to a raised position of the roof edge of residential construction.

Further, the invention relates to a device in which a bundle of shingles may be raised from the ground to the roof automatically upon actuation control by the user.

Problems Inherent as to Roofing Material Raising

Considering primarily the field of asphalt shingles, and other type of shingles for residential housing construction, in general contrast to multi-floor commercial construction, the field of residential housing has had several problems for scores of years.

For example, the roofing is often considered to be in a sense a specialized task, and the cost of the roofing is a very significant part of the overall job cost; and thus the roofing is often done by a specialized contractor or sub-contractor, often quite relatively costly labor. And the cost, when consideration is given to indirect costly additions such as injury compensation, insurance aspects, and other items of realistic cost a considerable savings may be considered by use of this power equipment.

The act of roofing requires human effort as to raised elevation of the roof of the residence; and the task is so objectionable that there may be expected a problem in the assignment of the task.

Whether or not a differential in wage factors is significant in any particular installation, the problem exists as to the raising of the shingles, ordinarily packaged and sold as bundles which are significantly heavy.

And for many years this task of raising the shingles to roof height has been considered such a burdensome task, that it is often referred to as a "back-breaking" effort.

As detailed further herein, some progress has been made for some sort of mechanized shingle-lifting apparatus, but the Prior Art known to this Inventor has stopped quite short of the advantageous invention of this patent, which solves problems for a practical, rugged, convenient to use, and cost-justified shingles carrier, which have not been attained by the Prior Art.

SUMMARY OF THE INVENTIVE CONCEPTS

The invention provides a novel and advantageous carrier, mechanism, primarily for the job of raising roofing shingle bundles, and this is achieved automatically in the sense of control by the user to lift and carry upwards one or more of such stacks or other items.

The device comprises a frame which carries a plurality of co-operating features, including a driving mechanism powered by an electric motor. The driving mechanism comprises a pair of chains and their associated sprockets; and the mechanical drive is such that when one of the shelf brackets carried by the chains reaches a top dead center position the

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object carried by the corresponding shelf bracket falls in an orderly fashion due to a baffle, providing convenience as the work progresses with succeeding shelf brackets sequentially reaching the top dead center position.

The mechanism is provided to have a sort of "stop and go" operativity, providing a safety control, avoiding the carry of one of the carried bundles until the previous bundle has finished its movement in which the baffle has moved that bundle to an out of the way position.

Further safety is provided by a cam mechanism which assures that the chains can move only in an upward direction when carrying a bundle.

Safety is further achieved by an angle bar gutter guard, preventing undue bending, leakage, or other damage to the gutter.

Other details are specified in the more detailed description which follows.

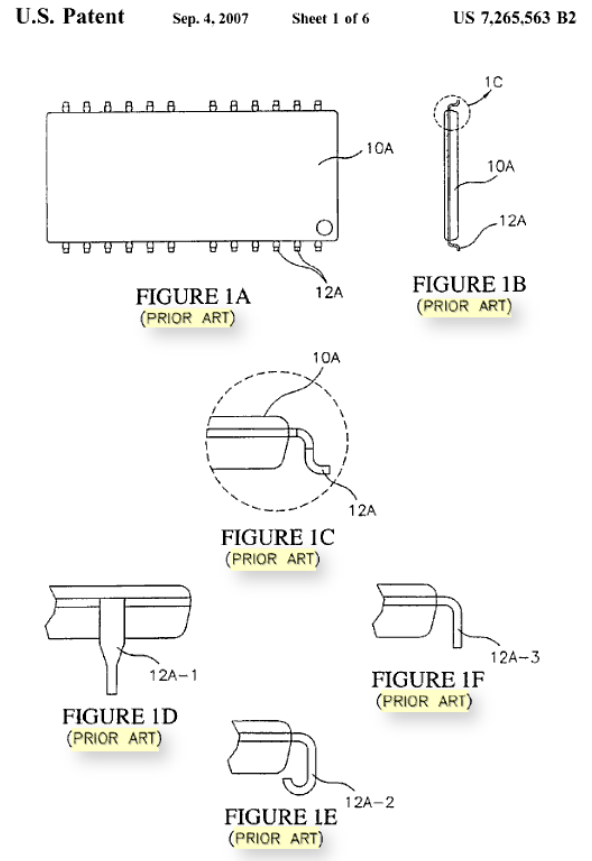
Prior Art Capability and motivations, as Helping Helping to Show Patentability Here

Even in hindsight consideration of the present invention to determine its inventive and novel nature, it is not only conceded but emphasized that the prior art had many details usable in this invention, details of both capability and motivation, but only if the prior art had had the guidance of the present concepts of this combination invention.

That is, it is emphasized that the prior art had or knew several particulars which individually and accumulatively show the non-obviousness of this combination invention.

E.g.:

- The prior art has had various types of material transfer mechanisms, for scores of years, of many shapes, natures, sizes and power drives;
- Such articles have included not only various types of equipment, but have included material transfer equipment both horizontally and vertically in operative effect;
- Such varieties of material transfer equipment and installations are well known for many uses and manufacturing incidents;
- Roof construction has used shingles of various forms, with a need for lifting them from ground level up to the height of the roof, which, in residential use, is a lifting distance in the order of eight feet or so, and there has always been a need for achieving lifting shingles, usually kept and handled as heavy bundles, and the need for help in such lifting has been known for scores of years;
- The disadvantages as to the lack of a practical means for achieving this bothersome lifting task are so great and would likely have been noticed by so many users and workmen, that this invention might have been born out of need but only if its concepts had been obvious;
- The ease of tooling for the present invention has surely given manufacturers ample incentive to have made articles and modifications for commercial competitiveness in a competitive industry, if the concepts had been obvious;
- The features of the present invention are reasonably likely considered by manufacturers and users to be of such an obvious advantage that manufacturers and/or users would likely consider lifting equipment of this invention to have massive sales opportunities to a great multitude of persons; and thus manufacturers and/or users would have been likely to have developed this



The solution to this problem is quite simple: **don't do it!** There is no upside and plenty of downside.

Mistake No. 3: Spoliation of Evidence

Spoliation carrier is a great word, isn't it? It means "the act of injuring beyond reclaim," and in a legal case, it typically refers to the destruction of documents or things that were germane to a lawsuit. Spoliation claims are particularly important to a patent case, because a patentee who has been found to have "spoliated" evidence relevant to the patent may have his patents deemed unenforceable.

“Spoliation occurs when a party has intentionally or negligently breached its duty to preserve potentially discoverable evidence.” *Kounelis v. Sherrer*, 529 F.Supp.2d 503, 518-519 (D.N.J. 2008). In *Micron Tech., Inc. v. Rambus, Inc.*, 255 F.R.D. 135 (D.Del.2009), the district court found that Rambus spoliated evidence by destroying relevant documents as part of its patent litigation strategy, and held Rambus’ patents unenforceable as a sanction.

Some patent prosecutors have adopted the approach of cleansing the file of extraneous notes and materials once the patent issues, or when a file is received from another firm. This can be very dangerous, and can lead to a spoliation claim. It can also make it very difficult to recall why you did or did not do something during prosecution if there is an inequitable conduct allegation made in subsequent litigation. Thus, the best course is to preserve everything.

Mistake No. 4: Poor Responses to Office Actions

When rejecting claims, Examiners often reveal a mistaken understanding of the teachings of the prior art references. Your response should focus on explaining to the Examiner how he has misunderstood the reference. You should not try to re-explain the Invention, using new words that are different from the words in the patent. This will only lead to problems down the road, either through the doctrine of estoppel or the 35 U.S.C. 112 disclosure requirements. If you must describe the Invention, do so by quoting your carefully crafted language directly from the specification. In this way, you avoid conflicts in the wording.

Also, when addressing the prior art that the rejection relies upon, avoid strong unequivocal characterizations, such as “the Jones patent fails to teach . . .” or “the Smith patent is concerned with a completely different problem.” Take the time to locate the exact language in Jones and Smith that is distinguishable from the Invention, and quote those portions directly. You are far less likely to suffer an estoppel or be accused of misleading the Examiner when you are directly quoting from the documents in question.

Finally, be extremely wary of declarations. It may seem easy to obtain an inventor declaration that describes the prior art, or commercial success of the Invention, or to overcome some other hurdle encountered in prosecution. **Don’t!** Unless you have litigated declarations, it is hard to envision the number of “known unknowns” that are baked into an *ex parte* declaration. Substantive declarations used in prosecution almost invariably contain some statement that is either demonstrably untrue, or is in some way inconsistent with the positions taken in subsequent litigation. It just happens – and there’s no way to fix it later. If you feel the Examiner could really benefit from hearing from the inventor, arrange an interview. Examiners love to talk to real human beings. Unless the inventor is dead, of course, in which case the prosecutor should not pretend otherwise (as reflected by the inequitable conduct order excerpted below).

1 under oath, that Kesil and Gershenzon were the “original, first and joint inventors” of the ‘287 patent
2 and it also authorized attorney Zborovsky to “accept and follow instructions” on their behalf. *Id.* at
3 157–59.

4 The PTO raised the question of why the combined declaration and power of attorney was
5 signed by only two inventors, when the original application had three. The PTO queried,

6 Paper #16 [the combined declaration and power of attorney] is a new declaration
7 but on this declaration there are only 2 applicants listed. There were no papers
8 located stating to delete the 3rd applicant ‘Margulis.’ Please advise on
9 inventorship.

10 *Id.* at 169. In response to the PTO’s directive to “Please advise on inventorship,” a supplemental
11 declaration was filed on November 16, 2004. *Id.* at 170-72. Pursuant to 37 C.F.R. section 1.67, the
12 supplemental declaration purported “to correct any deficiencies or inaccuracies present in the earlier
13 filed oath or declaration.” By providing the signatures of all three inventors listed on the original
14 application including Boris Kesil, Elik Gershenzon, and *David Margulis*, the supplemental
15 declaration “corrected” the inaccuracy in the previously filed combined declaration and power of
16 attorney, i.e. the assertion that Kesil and Gershenzon were the only two inventors. Having received
17 the supplemental declaration, the PTO deemed the record to be “corrected,” *Id.* at 169, and the
18 patent issued on December 14, 2004 with all three inventors listed.

19 David Margulis, however, had died in 2002, and therefore could not have signed the
20 supplemental declaration in 2004. Like the signature on the June 4, 2003 response to the PTO’s
21 objections to the patent claims, the signature on the November 16, 2004 response to the PTO’s query
22 regarding inventorship was a forgery.³

23 II. Conclusions of Law

24 Inequitable conduct is a judicially created doctrine designed to prevent fraudulent conduct
25 before the PTO. Those who participate in proceedings before the PTO, including purported
26 inventors, have a duty to do so with the “highest degree of candor and good faith.” *Kingsland v.*
27 *Dorsey*, 338 U.S. 318, 319 (1949); *see also* 37 C.F.R. § 1.56. The doctrine was “borne out of a
28 series of Supreme Court cases in which the Court refused to enforce patents whereby the patentees

Mistake No. 5: Too Few Claims (Especially Dependent Claims)

As a litigator, I like to have a large number of claims to choose from. There is nothing like a nice set of apparatus claims, followed by systems, claims, followed by method claims. And I like to have those claims to be of varying scope, and reordered language, with a variety of limitations. This allows me to think through issues like prior art, past damages, joint infringement, implied license and patent exhaustion, etc.

My favorite claims in litigation are cascading dependent claims, i.e., “claim 10, which depends from claim 9, which depends from claim 8,which depends from claim 1.” Why? Because it is so very difficult to find a single reference, or an obvious combination of references, that contains *everything* recited in all of those claims. To the extent I have difficulty proving infringement, I can always jettison dependent claims if I need to. It also allows me to apply the doctrine of claim differentiation – that claims are assumed to be of different scope.

Mistake No. 6: Claims That Don't “Claim the Money”

In *Lucent Techs., Inc. v. Gateway*, 580 F.3d 1301 (Fed. Cir. 2009), the Federal Circuit vacated a large damages award because the patented “date-picker” function used in Microsoft Outlook was only a minor aspect of the Outlook software, yet the award reflected an 8% royalty on overall Outlook sales. The *Lucent* case reflects the current trend at the Federal Circuit to restrict damages and cut awards.

The asserted claim of Lucent's 4,763,356 patent is reproduced below.

19. A method for use in a computer having a display comprising the steps of
 displaying on said display a plurality of information fields,
 identifying for each field a kind of information to be inserted therein,
 indicating a particular one of said information fields into which information is to be inserted and for concurrently displaying a predefined tool associated with said one of said fields, said predefined tool being operable to supply information of the kind identified for said one field, said tool being selected from a group of predefined tools including a tool adapted to supply an individual entry from a menu of alternatives and at least a tool adapted to allow said user to compose said information, and
 inserting in said one field information that is derived as a result of said user operating said displayed tool.

Lucent would have had a far better chance of sustaining the jury award on appeal with some minor modifications to the claims. For example, claim 19 could have been written as follows:

19. A computer system, comprising:
 a processor for executing instructions;
 a display, operatively coupled to the processor; and
 a computer readable medium, operatively coupled to the processor, wherein said computer readable medium contains instructions that, if executed by the processor, are operable to cause the computer system to [insert date-picker functionality] and display the result on the display.

Had the claim been written in this manner, the use of the entire value of the computer or the software program might have been defensible. Although *Lucent* obviously did not invent the computer, the display or the processor, the court is going to have a far more difficult time criticizing application of royalty rate to the entire value of the system when the components of the system are specifically required by the claim. Moreover, by claiming the software itself rather than the method, the patentee is not burdened with demonstrating how often the method is invoked by the end-user.

Instead, each sale of the software constitutes an infringement. Thus, one should always make sure that the claims are directed at the high value aspects of the invention. In other words, “claim the money!”

Mistake No. 7: Method Claims That Require Multiple Actors to Infringe

Where the combined actions of multiple parties are alleged to infringe process or method claims, the patent holder must prove that one party exercised “control or direction” over the entire process such that all steps of the process can be attributed to the controlling party, i.e., the “mastermind.” *Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318, 1329 (Fed. Cir. 2008). At the other end of this multi-party spectrum, mere “arms-length cooperation” will not give rise to direct infringement by any party. *Id.*

Take, for example, the following claim from U.S. 5,253,341, owned by Global Patent Holdings, LLC:

17. A method for downloading responsive data from a remote server comprising the following steps:

- (a) identifying a query via a data input means and inputting said query to remote query and data retrieval means;*
- (b) transmitting said query from said remote query and data retrieval means to said remote server via an input/output means;*
- (c) receiving a compressed or non-compressed response to said query at said remote query and data retrieval means from said remote server via said input/output means;*
- (d) displaying a presentation corresponding to said compressed or non-compressed response on output means;*
- (e) wherein said compressed or non-compressed response is compressed prior to receipt at said remote query and data retrieval means, and wherein said compressed response is decompressed at said remote query and data retrieval means using an asymmetric decompression technique corresponding to an inverse operation of the technique used to compress said compressed or non-compressed response.*

This claim requires two individuals or entities to complete all the method steps; a transmitting computer that transmits the query and a remote server that receives and responds to the query. Unless the remote server is under the “direction or control” of the receiving/responding server, there is no infringement. *Global Patent Holdings, LLC v. Panthers BRHC LLC*, 586 F.Supp.2d 1331, 1335 (S.D.Fla. 2008); *see also Cross Med. Prods. v. Medtronic Sofamor Danek*, 424 F.3d 1293 (Fed. Cir. 2005) (surgical implants that required that the implant be “operatively joined” to the patient's bone was not infringed by the implant's manufacturer because it was the surgeon “operatively joined” the implant to the bone); *McKesson Technologies Inc. v. Epic Systems Corp.*, ___ F.3d ____, 2011 WL 1365548 (Fed. Cir. April 12, 2011) (method claim requiring online interaction between users and health care provider could not be infringed where users were not agents of provider).

The obvious solution here is that when writing method claims, think through who is going to be performing all of the steps of the method. If the claim will require the actions of multiple individuals or entities, consider an apparatus or system claim instead. The claim above might have instead been directed solely to the remote server side – a remote server that receives incoming queries, processes them, and responds with a display.

Mistake No. 8: Claims That Require Proof of Indirect Infringement

This is another example of the importance of thinking through the question of who will be the person who makes, uses, sells, offers to sell or imports the claimed

invention. In many cases, you want to write your claim so that it is the supplier of the product who is the direct infringer, rather than the individual end-user, especially when the product is sold in large volumes.

Let's again look at claim 19 of Lucent's '356 patent:

19. A method for use in a computer having a display comprising the steps of
 displaying on said display a plurality of information fields,
 identifying for each field a kind of information to be inserted therein,
 indicating a particular one of said information fields into which information is to be inserted and for concurrently displaying a predefined tool associated with said one of said fields, said predefined tool being operable to supply information of the kind identified for said one field, said tool being selected from a group of predefined tools including a tool adapted to supply an individual entry from a menu of alternatives and at least a tool adapted to allow said user to compose said information, and
 inserting in said one field information that is derived as a result of said user operating said displayed tool.

This claim contemplates that the end-user performs a series of operations with a computer. Thus, to hold Microsoft liable, Lucent was required to show the end-users' *direct* infringement (i.e., *use* of the claimed method), and that Microsoft *contributed to* or *induced* that direct infringement. Lucent was just able to meet that additional burden at trial using circumstantial evidence. *Lucent Technologies, Inc. v. Gateway, Inc.*, 580 F.3d 1301, 1319 (Fed. Cir. 2009) ("Without doubt, Lucent would have been on much firmer ground had it introduced some direct evidence of using the claimed method.") However, the issue of indirect infringement could have been avoided entirely if the claim had been directed to a product rather than a method, since Microsoft sells the Outlook product. Other patentees have not been so fortunate. *See ACCO Brands,*

Inc. v. ABA Locks Mfg. Co., Ltd., 501 F.3d 1307, 1313 (Fed. Cir. 2007) (“However, the record contains no evidence of actual users having operated the lock in an infringing manner.”)

The key is to write claims that can be directly infringed by the end-user as well as the supplier of the product. This avoids the morass of indirect infringement law.

Mistake No. 9: Using Patent Prosecutors to Handle an *Inter Partes* Reexamination

This one is a little different than straight patent prosecution, but it is related and illustrates an important point. As we know, *inter partes* reexaminations are adversarial proceedings. The mindset for someone engaged in an adversarial process is much different than for someone who has been trained in a nonadversarial environment. For example, when a litigator makes an assertion in writing, it is second nature to consider questions such as how strong an assertion can be made? How strong does it need to be? Can the assertion be undermined? Can the assertion be rewritten in a manner to avoid it being undermined. Does the assertion rely on authority that contains other damaging material? This is why litigators are extremely cautious about putting assertions in writing: we are trained to think through all of the downsides.

Patent prosecutors, on the other hand, are trained and experienced in a completely different style of writing. Since they are accustomed to writing in an *ex parte* proceeding, they are far more likely to make assertions or rely on evidence that helps them without concern about the “double-edged” nature of the assertion. This works in an *ex parte* proceeding because the examiner will either be persuaded or not, but is unlikely to pick apart the reasoning and turn it on the applicant.

Similarly, patent prosecutors are trained to as many arguments as possible for patentability, without evaluating whether some arguments should be omitted because they are weaker and/or there are too many arguments already. Litigators, by contrast, are taught to weigh each argument against each other and to focus on the best arguments and leave the others behind. This leads to a more powerful and focused “rifle shot” approach to writing, as opposed to a scattered “shotgun” approach.

The solution is to recognize that even though *inter partes* reexamination is technically a patent prosecution function, it is best handled by patent litigators, and not patent prosecutors.

Mistake 10: Failing to Pursue Continuations

As a litigator representing defendant who has been sued for patent infringement, one of the first things I want to know is whether there are continuations pending. A continuation application allows the patentee to continually reload during litigation. The patentee can submit any previously uncited prior art uncovered by the accused infringer to the PTO in an *ex parte* setting, thereby undermining the argument that it would have invalidated the invention. The patentee can also narrow claims to “read on” potential design-arounds or address any claim defects that come to light during litigation. New claims can be proposed that address and avoid any newly uncovered prior art. And continuations ensure that you can maintain the *ex parte* status of the interaction with the PTO, at least with respect to that application.

The solution is straightforward: always recommend that your client pursue a continuation if the patent is valuable or likely to wind up in litigation.