

Inequitable Conduct: The "Atomic Bomb" of Patent Law

By Emily M. Hinkens

Dishonesty, failure to disclose material information, or egregious misconduct during prosecution of a patent before the United States Patent and Trademark Office, all of which constitute inequitable conduct, could potentially ignite what the Federal Circuit has dubbed an "atomic bomb" resulting in unenforceability of a patent in-suit and perhaps an entire patent family. For a long time, the doctrine of inequitable conduct was muddled, causing patent-holders uncertainty when acquiring patent portfolios they did not prosecute themselves and doubt regarding the enforceability of their own patents despite years of costly prosecution and R&D. Fortunately, the Federal Circuit recently clarified the test for inequitable conduct—hopefully limiting the range of its ramifications.

The Federal Circuit case *Therasense, Inc. v. Becton, Dickinson & Co.* sheds light on the two prerequisites of inequitable conduct: (1) misrepresentation or omission of material information with (2) a specific intent to deceive the USPTO. "Intent" requires that the applicant knew of the information, knew it was material, and made a deliberate decision to withhold it. Information is "material" if the USPTO examiner would not have allowed a claim had he or she been aware of the information. Materiality need not be proved if the applicant engages in affirmative, egregious misconduct during prosecution.

A patent applicant has to wonder: what things do I need to tell my attorney (and ultimately the USPTO) in order to avoid the potentially drastic consequences of a finding of inequitable conduct? The following is a checklist of sorts to help you minimize the risk of inequitable conduct.

Public Use

An applicant will not be entitled to a patent if he or another publicly uses an invention prior to submitting an application, making public use "material" to patentability. In the following examples of public uses, the key is whether the inventor kept "control" over the invention.

- Giving even just one person the invention without putting that person under an obligation of secrecy, for example, via a properly executed non-disclosure agreement.
- Using a process (even in secret) for a commercial end-result.
- Non-secret use of a process in the usual course of business.
- Putting an invention on display or selling it, even if the "invention" is part of a larger article and is hidden from view.

Sale/Offer for Sale

If an invention has been placed on sale (meaning it has been 1. offered for sale and is 2. ready for patenting) then applicants need to disclose this to their

FIRM NEWS

Emily M. Hinkens Joins Andrus

On July 1st, Emily Hinkens joined Andrus' Milwaukee office as a first-year associate after graduating from Marquette University Law School in



May. Prior to this, Emily earned a degree in civil engineering from Northwestern University, practiced at a local survey and engineering firm, and interned at Andrus for two summers during law school. Currently, she focuses her legal practice on domestic and international patent prosecution in the civil and mechanical engineering fields.

attorneys because it may bar patentability. Generally, the test for whether an invention has been "offered for sale" comes from contract law—was there an offer that could be made into a binding contract simply by the other party's acceptance? "Ready for patenting" does not necessarily mean the invention is reduced to a working prototype; drawings or models that allow a skilled person to make the invention suffice. Here are examples of what

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does NOT constitute something being on sale:

- Internal communications between employees regarding product pricing.
- Negotiations or licensing of the right to commercialize an invention in the future.
- Assignment of rights in the invention.
- Customer contacts made while the product is still being developed or tested.

Patented/Described in Printed Publication

If an invention has been patented or described in a printed publication in the U.S. or abroad more than one year prior to the application, or any time before the applicant invented the invention, the applicant may not obtain a patent. There is not much applicants can do to prevent another from publishing about or patenting the same invention, but they can make sure to disclose their own publications to their attorneys. The following constitute printed publications:

- Trade catalogs
- Conference papers
- Magazines, newspapers, books
- Abstracts in technical journals
- Published foreign and U.S. patent applications
- Slide presentations that have been made available to the public
- Product catalogs
- Internet postings

The following are NOT printed publications, but applicants SHOULD still disclose them to their attorneys to comply with their duty of disclosure to the USPTO:

- Copies of promotional material distributed on a limited basis
- A speech that is not distributed in printed form
- Un-cataloged masters and doctoral theses
- Abandoned U.S. applications, unless they are referenced by another patent

Oaths and Declarations

Applicants also need to be truthful in making statements to the USPTO regarding inventorship and details of the invention regarding novelty and non-obviousness. The following are

- Has there been public use of the invention?
- Has the invention been offered for sale?
- Has the invention been described in a publication?

situations in which applicants need to be extra-careful:

- Prior public use and sales (see above) should be disclosed in the inventorship oath.
- Rule 131 affidavits concerning the date of invention should be truthful.
- Rule 132 affidavits concerning testing and other data showing success of the invention should be truthful. An applicant should avoid making statements to the effect that testing or clinical trials have been conducted if they have not been. Such statements may mislead an examiner into granting the patent for an only hypothetical "improvement" over the prior art.
- Petitions to make special (for speedier examination of an application) should not contain false statements.

Miscellaneous Things that Must be Disclosed

- Prior art deemed to be material to patentability needs to be disclosed to the USPTO in an Invention Disclosure Statement. If a reference could potentially render a claim obvious or non-novel, then the prosecuting attorney needs to know about it. However, an applicant has no affirmative duty to conduct a prior art search; he has an affirmative duty to disclose only the prior art of which he already knows.
- What the inventor deems to be the best mode in which to practice the invention.
- Correct inventorship. Disclose any disputes to an attorney, who will better be able to determine if an inventor needs to be named on the patent.
- Pre-existing translations of relevant publications, patents, and applications.
- Whether a patent for which an applicant seeks reissue is currently or has been attacked as to its validity. Also, any positions which the applicant has asserted during previous litigation as to related patents.

If you have any comments or questions, feel free to email Emily at ehinkens@andruslaw.com.