

PATENT LAW

Randy Canis

CLASS 2

**Patent Law Background;
Utility pt. 1; Novelty pt. 1;
ST: Invention Disclosures**

Patent Law Background

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Introduction

- **Essence of the Patent System**
 - Disclosure of a technological advance in exchange for the right to exclude others from employing it

- Also: Improve society through technological change

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Nature and Function of Patent System

- Incentive to invest in research to make new inventions.
- Patent system promotes disclosure of new inventions and thereby enlarges the public storehouse of knowledge.
- Does the patent system succeed in achieving the aforementioned goals?

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Incentive to Invest

- Pros
 - Too easy to appropriate
 - Problem with free riders
 - No return on research and development
- Cons
 - Restrict output
 - Monopoly restricts use
 - Distorts economic activity
 - Hinders progress

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Incentive to Disclose

- Pros
 - Absence of protection – inventors would keep invention secret
 - Secrecy prevents public from full benefits
- Cons
 - Secrecy is not always practical
 - Is the public disclosure enough?

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Federal Preemption

- The displacement of a state law due to the existence of a federal law
- Why do we care about federal preemption?
 - Patent law is federal law.
- What if:
 - A state law was enacted prior to the federal law?
 - A state law was enacted after the federal law?
 - The state law governs laws not covered under federal law?
 - State law provides additional rights/benefits beyond federal law?
 - State law restricts benefits/rights granted under federal law?

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Utility pt. 1

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Fundamental Question

- When something is patented, has the Patent Office and/or the court system deemed it to be better than previously existing technology?

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§101 – Inventions Patentable

- Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title

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Three Major Utility Issues

- Practical or specific utility
- Beneficial utility
- Operability

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Utility

- Should the claimed invention be useful for some practical purposes in and of itself, or should it be superior to known technologies?

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Lowell v. Lewis

- “All that the law requires is, that the invention should not be frivolous or injurious to the well-being, good policy, or sound morals of society.”
- The patent system is not looking for something better, but rather is just looking for something different.

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Practical Utility

- Patentability may be denied to wholly inoperable inventions
 - “An “inoperative” invention is not regarded as “useful” because it does not operate to produce the claimed result. However, “[t]o violate 101 the claimed device must be totally incapable of achieving a useful result.”

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Juicy Whip, Inc. v. Orange Bang, Inc.

- **Question** – is a patent on an invention that is “designed to deceive customers by imitating another product and thereby increasing sales of a particular good” invalid for lack of utility?

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Juicy Whip, Inc. v. Orange Bang, Inc.

“The threshold of utility is not high: An invention is useful under section 101 if it is capable of providing some identifiable benefit.”

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Juicy Whip, Inc. v. Orange Bang, Inc.

“The fact that one product can be altered to make it look like another is in itself a specific benefit sufficient to satisfy the statutory requirement of utility.”

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Foreign Comparison

- Foreign patent statues allows patent offices and courts to exclude immoral inventions from patenting.

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Anticipation pt. 1

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102

- As of 2013, the U.S. patent system operates under two parallel novelty standards
 - **1952 Act** – Novelty defined from the date of invention
 - **AIA** – Novelty measured as of the date a patent is first filed

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1952 Act Breakdown of 102

- Statutory Bar – 102(b), (c) and (d)
- Novelty – 102(a), (e), (g)
- Derivation – 102(f)

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Section §102

§102. Conditions for patentability; novelty and loss of right to patent

A person shall be entitled to a patent unless--

- (a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent, or

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Section §102

§102. Conditions for patentability; novelty and loss of right to patent

A person shall be entitled to a patent unless—

- (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, or

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Section §102

§102. Conditions for patentability; novelty and loss of right to patent

A person shall be entitled to a patent unless—

- (c) he has abandoned the invention, or

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Section §102

§102. Conditions for patentability; novelty and loss of right to patent

A person shall be entitled to a patent unless—

- (d) the invention was first patented or caused to be patented, or was the subject of an inventor's certificate, by the applicant or his legal representatives or assigns in a foreign country prior to the date of the application for patent in this country on an application for patent or inventor's certificate filed more than twelve months before the filing of the application in the United States, or

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Section §102

§102. Conditions for patentability; novelty and loss of right to patent

A person shall be entitled to a patent unless—

- (e) The invention was described in -
 - (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effect under this subsection of a national application published under section 122(b) only if the international application designating the United States was published under Article 21(2)(a) of such treaty in the English language; or
 - (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that a patent shall not be deemed filed in the United States for the purposes of this subsection based on the filing of an international application filed under the treaty defined in section 351(a); or

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Section §102

§102. Conditions for patentability;
novelty and loss of right to patent

A person shall be entitled to a patent
unless—

- (f) he did not himself invent the subject
matter sought to be patented, or

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Section §102

§102. Conditions for patentability; novelty and loss of
right to patent

A person shall be entitled to a patent unless—

- (g) (1) during the course of an interference conducted under section 135 or section 291, another inventor involved therein establishes, to the extent permitted in section 104, that before such person's invention thereof the invention was made by such other inventor and not abandoned, suppressed, or concealed, or (2) before such person's invention thereof, the invention was made in this country by another inventor who had not abandoned, suppressed, or concealed it. In determining priority of invention under this subsection, there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other.
- ...

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Breaking Down 35 U.S.C. 102

- An inventor must invent something new to become eligible for patent protection.
- 102
 - Novelty: time inventor completed invention – (a), (e) & (g)
 - Statutory Bar: time inventor filed the patent application – (b) & (d)
- "First to Invent" - Only the first to invent can obtain patent protection, not the first to file. [Under '52 Act 102]
- **Critical date** – one year prior to the filing of the patent application
- Determining the current state of the art at the time of the invention
- What is a reference? What is "prior art"?

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Definitions

- **Reference** – qualification of a publication or patent filing as prior art under one of 102 sections
- **Effective date** – time when the reference is considered to be prior art

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Anticipation

- An invention must be new at conception by an original inventor to be patentable.
- An invention is anticipated if someone else has already invented the invention.

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Strict Identity

- “If the claimed invention can be found within the ambit of a single prior art reference, then the invention has been anticipated. References may not be combined during this inquiry, nor may elements that are analogous to the disclosure of a reference be considered.”

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Titanium Metals Corp. of America v. Banner

- Is a newly discovered property of something already known patentable?

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Titanium Metals Corp. of America v. Banner

Questions

- What is a continuation-in-part?
- What is the invention?
- Why is this case being heard?
- What reference is used to reject the claims?

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Titanium Metals Corp. of America v. Banner

- “Appellants do not deny that the data points are disclosed in the reference. In fact, the Hall affidavit indicates at least two specific points (at 1% and 1.25% Mo + Ni) which would represent a description of alloys falling within the scope of the instant claims.”

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Titanium Metals Corp. of America v. Banner

- What did the board find?
 - “[T]he board found that the claimed alloys were not new, because they were disclosed in the prior art.”
 - Did it matter that the Russian article did not disclose corrosion-resistant properties of the alloys?

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Titanium Metals Corp. of America v. Banner

- Key issue for anticipation in this case
 - Was the alloy new?
 - Do the claims read on an alloy which was already known by reason of the disclosure of the Russian article?

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Titanium Metals Corp. of America v. Banner

- “Congress has not seen fit to permit the patenting of an old alloy, known to others through a printed publication, by one who has discovered its corrosion resistance or other useful properties, or has found out to what extent one can modify the composition of the alloy without losing such properties.”

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Anticipation

- “If the claimed invention can be found within the ambit of a single prior art reference, then the invention has been anticipated. References may not be combined during this inquiry, nor may elements that are analogous to the disclosure of a reference be considered.”

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Inherency

- At least a portion of the disclosure associated with a claimed invention is inherently, instead of explicitly, disclosed
- Should the reference then be considered patent defeating?

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Continental Can Co. v. Monsanto Co.

- Inherency dicta
 - “Inherency, however, may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient. ... If, however, the disclosure is sufficient to show that the natural result flowing from the operation as taught would result in the performance of the questioned function, it seems to be well settled that the disclosure should be regarded as sufficient.”

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Continental Can Co. v. Monsanto Co.

- Holding
 - “To serve as an anticipation when the reference is silent about the asserted inherent characteristic, such gap in the reference may be filled with recourse to extrinsic evidence. Such evidence must make clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill.”

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Schering Corp. v. Geneva Pharmaceuticals, Inc.

- Case History
- D.C.N.J.
 - Claims 1 and 3 of 4,659,716 are invalid because 4,282,233 inherently anticipates
- Panel Fed. Cir. of Rader, Plager and Bryson
 - Affirmed

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Schering Corp. v. Geneva Pharmaceuticals, Inc.

- Invention
 - Antihistamines
 - '233 prior art patent covers antihistamine loratadine (Claritin)
 - Current patent covers metabolite of loratadine

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Schering Corp. v. Geneva Pharmaceuticals, Inc.

- Background
 - Numerous companies sought to market generic version of loratadine once the '233 patent expired
 - ANDA filed seeking regulatory approval from the FDA to market the generic

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Schering Corp. v. Geneva Pharmaceuticals, Inc.

Claims of '716

- 1. A compound of the formula ##STR17## or a pharmaceutically acceptable salt thereof, wherein X represents Cl or F.
- 3. A compound having the structural formula ##STR18## or a pharmaceutically acceptable salt thereof.

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Schering Corp. v. Geneva
Pharmaceuticals, Inc.

- “A patent is invalid for anticipation if a single prior art reference discloses each and every limitation of the claimed invention. ... Moreover, a prior art reference may anticipate without disclosing a feature of the claimed invention if that missing characteristic is necessarily present, or inherent, in the single anticipating reference.”

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Schering Corp. v. Geneva
Pharmaceuticals, Inc.

- “At the outset, this court rejects the contention that inherent anticipation **requires recognition** in the prior art. [This court has] held that inherent anticipation does not require that a person of ordinary skill in the art at the time would have recognized the inherent disclosure.”

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Schering Corp. v. Geneva
Pharmaceuticals, Inc.

- Accidental Anticipation?
 - “DCL is not formed accidentally or under unusual conditions when loratadine is ingested. The record shows that DCL necessarily and inevitably forms from loratadine under normal conditions. DCL is a necessary consequence of administering loratadine to patients. The record also shows that DCL provides a useful result, because it serves as an active non-drowsy antihistamine. In sum, this court’s precedent does not require a skilled artisan to recognize the inherent characteristic in the prior art that anticipates the claimed invention.”

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Schering Corp. v. Geneva
Pharmaceuticals, Inc.

- Typical inherency cases
 - “In this court’s prior inherency cases, a single prior art reference generally contained an incomplete description of the anticipatory subject matter, i.e., a partial description missing certain aspects. Inherency supplied the missing aspect of the description. Upon proof that the missing description is inherent in the prior art, that single prior art reference placed the claimed subject matter in the public domain.”

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Schering Corp. v. Geneva
Pharmaceuticals, Inc.

- “[A] limitation or the entire invention is inherent and in the public domain if it is the ‘natural result flowing from’ the explicit disclosure of the prior art.”

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Schering Corp. v. Geneva
Pharmaceuticals, Inc.

- Should the court find anticipation when the entire structure of the claimed subject matter is inherent in the prior art?
- “This court has recognized that a person may infringe a claim to a metabolite if the person ingests a compound that metabolizes to form the metabolite.”

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Schering Corp. v. Geneva
Pharmaceuticals, Inc.

- “[A]nticipation requires only an enabling disclosure.”
- “A reference may enable one of skill in the art to make and use a compound even if the author or inventor did not actually make or reduce to practice that subject matter.”

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Schering Corp. v. Geneva
Pharmaceuticals, Inc.

- According to the court, how should the invention be claimed?

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Anti-Backsliding Principle

- “Parties cannot obtain patent rights encompassing practices that already exist in the public domain (or that would enter the public domain prior to the expiration of the patent at issue).”

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In re Robertson

- "If the prior art reference does not expressly set forth a particular element of the claim, that reference still may anticipate if that element is 'inherent' in its disclosure. To establish inherency, the extrinsic evidence 'must make clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill.'"

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Inherency Recognition

- Must a person of ordinary skill in the art recognize that the missing element is inherently there?

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Reference Must be Enabling

- "Patented inventions cannot be superseded [i.e., anticipated] ... unless the description and drawings [of the reference] contain and exhibit a substantial representation of the patented improvement in such full, clear and exact terms as to enable any person skilled in the art or science to which it appertains to make, construct and practice the invention to the same practical extent as they would be enabled to do if the information was derived from a prior patent. Mere vague and general representations will not support such a defense."

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Noninforming Products

- “[W]here the anticipatory reference is a product actually in public use, some case law suggests that no enablement standard applies: The product constitutes prior art even if the knowledge needed to produce the product is not publicly available. The issue generally arises in cases of so-called “noninforming” products — products or systems that are publicly available but that do not inform the public (i.e., do not reveal information) about how the product was created or how it works.”

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New Use for an Old Product

- A new use of an old product is not patentable, but the new use may be patentable as a process

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Location of the Disclosure

- Does the single reference just have to include the disclosure somewhere in the reference, or does it need to be disclosed in a particular way?

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Arranged in the Claim

- “[T]he prior art reference in order to anticipate under 35 U.S.C. § 102 must not only disclose all elements of the claim within the four corners of the document, but must also disclose those elements ‘arranged as in the claim.’”
- Connell v. Sears, Roebuck & Co., 722 F.2d 1542, 1548 (Fed.Cir.1983).

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Four Corners

- “[U]nless a reference discloses within the four corners of the document not only all of the limitations claimed but also all of the limitations arranged or combined in the same way as recited in the claim, it cannot be said to prove prior invention of the thing claimed and, thus, cannot anticipate under 35 U.S.C. § 102.”
- Net Moneyin, Inc. v. Verisign, Inc., Fed. Cir. 2008

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Invention Disclosures

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In Practice

- What do you do with an invention disclosure form?

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Approval Process

- Ordinarily, once the invention disclosure is completed and approved by the patent committee, the inventor(s) will meet or have a teleconference with the attorney to discuss the invention

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Approval Factors

What factors may be consider by in-house counsel and/or a patent committee when determining whether to file?

- Company total patent budget
- Competitors in the area
- Ease of infringement detection

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Inventor Interview

- The attorney will attempt to obtain sufficient information from the inventor(s) to be able to draft the patent application

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Purpose of the Meeting

- Understand the invention
- Understand how the invention ties into the company's business
- Be able to write claims based on the invention disclosure meeting
- Claim drafting during the meeting
- Educate inventors on general patent process and company's internal patent process

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Questions Asked

Questions that are typically asked by an attorney when interviewing the inventor:

- Has the invention been used publicly?
- When will the invention be publicly used or launched?

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Invention Disclosure

- What is an invention disclosure form?
- What are the benefits of using an invention disclosure form?
- How do you prepare an invention disclosure form?

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