mbhb snippets

Drafting the Technology Game Plan Part 4: Effective Trademark Searching

Protecting your company's trademark rights may not be as complicated as you might think. Here are some simple strategies that you can implement to protect your company's trademark rights without making a big impact on the bottom line.

Choose a Protectable Mark

Not all trademarks are considered equal. For example, a mark that is descriptive, or one that describes a product's physical characteristics, generally is not eligible for trademark protection. In contrast, a fanciful or suggestive mark is protectable. If you are uncertain whether or not a proposed brand name is descriptive, consult with a trademark attorney, who can steer you away from marks that are not protectable.

Perform a Trademark Clearance Search

Before dedicating your company's resources to a new brand name for a product, it can be very beneficial to perform a trademark clearance search. A trademark search can be as simple as accessing the U.S. Patent and Trademark Office's website at *www.uspto.gov* and

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The New Statutory Interference Bar: Should You Monitor Competitors' Published Patents?

In a little-publicized change, Congress added a provision to the patent code in the American Inventor's Protection Act of 1999 ("AIPA") that gives claims in published U.S. patent applications the same one-year statutory interference bar afforded issued patent claims. The provision gives the applicant of a filed patent application one year from the publication date of an earlier filed patent application to include potentially interfering claims in a U.S. patent application. If an interfering claim is not included in an application filed within the one-year period, then the Applicant of a later filed application is effectively barred from attempting to provoke an interference against the offending application and resulting patent.

The new provision also appears to apply to published PCT patent applications – in any language – that designate the United States. This puts the impetus on companies who are developing valuable technology or who are in highly competitive fields of technology to monitor the claims of both published U.S. patent applications and published PCT patent applications.

The new provision further provides incentives for U.S. patent applicants to expeditiously file and publish their U.S. patent applications, because it will protect them from competitors' attempts to use a patent application that is filed more than one year after patent publication to provoke an interference.

The Published Patent Application Statutory Interference Bar

Prior to the enactment of AIPA, one could not provoke an interference against an issued patent if a "claim which is the same as, or for

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Patent Validity Assessments: Your Guide to Avoiding the On-Sale Bar, Part 1

The on-sale bar to patentability. Few things can be more devastating to a company's patent portfolio and business strategy than to have a key patent invalidated under 35 U.S.C. § 102(b) because the invention was on sale more than one year prior to the filing date of the patent application ("the critical date"). An invalidation based on an on-sale bar is particularly devastating because it is almost entirely avoidable and within a patent owner's control to prevent. Although it does not matter who places the invention "on sale," typically, it is the inventor or assignee that creates the issue by making an offer for sale prior to the critical date.

In 1998, the Supreme Court set forth a two-prong test to govern the application of the on-sale bar: "First, the product must be the subject of a commercial offer for sale ... Second, the invention must be ready for patenting." *Pfaff v. Wells Elecs., Inc.*, 525 U.S. 55, 67 (1998). In this first of a two-part series, we will address when a transaction is a commercial offer for sale under *Pfaff* and provide guidelines to help you, as inventors and in-house counsel, avoid the mistakes that can lead to invalidation under the on-sale bar.

In an effort to clarify the first prong of the *Pfaff* test, the Federal Circuit has specified that "[o]nly an offer which rises to the level of a commercial offer for sale, one which the other party could make into a binding contract by simple acceptance (assuming consideration), constitutes an offer for sale under § 102(b)." *Group One, Ltd. v. Hallmark Cards, Inc.*, 254 F.3d 1041, 1048 (Fed. Cir. 2001). Additionally, Federal Circuit law, not state contract law, controls the issue of whether a particular communication rises to the level of a "commercial offer for sale," and the Federal Circuit in turn looks to the Uniform Commercial Code ("UCC") for guidance. *Lacks Indus., Inc. v. McKechnie Vehicle*, 322 F.3d 1335, 1347 (Fed. Cir. 2003).

While this legal framework appears simple enough on its face, the Federal Circuit's application of this framework has resulted in some invalidating transactions that you might not have expected. For example, Federal Circuit law has set forth that the invalidating sale or offer to sell must be between two separate entities. *Netscape Communications Corp. v. Konrad*, 295 F.3d 1315, 1324 (Fed. Cir. 2002). Surprisingly, the law on offers for sale even encompasses transactions such as sales between joint inventors. Therefore, a sale between separate and distinct legal entities qualifies as a sale under the statutory bar even where there is an overlap of ownership between the buyer and seller. *Brasseler USA I L.P. v. Stryker Sales Corp.*, 182 F.3d 888, 890 (Fed Cir. 1999). This law also encompasses contracts with suppliers. In fact, the Federal Circuit has specifically rejected making a "supplier" exception to the on-sale bar. *Special Devices Inc. v. OEA, Inc.* 270 F.3d 1353, 1355 (Fed. Cir. 2001). Therefore, a contract to supply goods, including a cost-plus type of contract, constitutes a sales contract, regardless of the means used to calculate payment and regardless of whether the goods are to be used for testing in a laboratory or for deployment in the field. *Zacharin v. United States*, 213 F.3d 1366, 1370 (Fed Cir. 2000). Additionally, a transfer of funding between two academic research facilities is also encompassed, even when the funding originated from the same source. *Netscape*, 295 F.3d at 1324. Whether there is an on-sale bar appears to depend

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[W]hat practical advice can you take away from the Federal Circuit's application of the first prong of the *Pfaff* test? ... The key is to make sure that no one crosses the line between "preparation" for release of the new product and "offers" to sell the new product. When in doubt, assume the activity has started the one-year clock and get the patent application on file within that period.

entirely on whether the seller so controls the purchaser that the invention remains out of the public's hands. *Id.*

The on-sale bar applies even if the offer for sale was unsuccessful (*Scaltech Inc. v. Retec/Tetra LLC*, 269 F.3d 1321, 1328 (Fed. Cir. 2001)) or took place in secret (*Special Devices Inc.*, 270 F.3d at 1357). As long as the offer provided sufficiently definite language to constitute a commercial offer for sale within the meaning of the statute, then the on-sale bar applies. Furthermore, appreciation of the invention is not a requirement to trigger the on-sale statutory bar. "If the process that was offered for sale inherently possessed each of the claim limitations, then the process was on sale, whether or not the seller recognized that his process possessed the claimed characteristics." *Scaltech Inc.*, 269 F.3d at 1330. Finally, for a process patent, even if the claimed process itself was not offered for sale but was only offered to be used by the patentee for a third party, the offer is not outside the on-sale bar rule. *Id.* At 1329.

Before you get too discouraged, there are some activities that the Federal Circuit has held do not trigger the on-sale bar. For example, merely granting a license to an invention, without more, does not trigger the on-sale bar of § 102(b). *In re Kollar*, 286 F.3d 1326, 1329 (Fed. Cir. 2002). Additionally, preparations for sale alone cannot give rise to an on-sale bar. Preparatory activities, such as internal communications between inventor/assignee and its sales reps, do not constitute an offer for sale to a customer not privy to the communications. Publication of preliminary data sheets and promotional information for the invention, so long as they communicate nothing to customers about the inventor/assignee's intent, do not trigger the bar. *Linear Tech. Corp. v. Micrel, Inc.*, 275 F.3d 1040, 1050 (Fed. Cir. 2001). And, in the often used example of the Federal Circuit, an individual inventor taking a design to a fabricator and paying the fabricator for its services in fabricating a few sample products would not raise the on-sale bar. *See Brasseler,* 182 F.3d at 891.

While mere advertising and promoting of a product in and of themselves do not trigger the bar, you must pay special attention to the language used in these activities. The language of the advertisement or promotional material may put readers on notice that you will make such offers to sell in the near future, but it must be clear that an offer is not being made today. *Linear Tech*, 275 F.3d at 1051. In particular, language suggesting more preliminary negotiations, such as "I quote" or "are you interested" should be used in lieu of language suggesting a legal offer, such as "I offer" or "I promise." *Group One*, 254 F.3d at 1048. One must also keep in mind that responding to an invitation raised by an advertisement or promotional material may itself be an offer. *Id.* at 1048 (citing Restatement (Second) of Contracts §26 (1981)).

As a side note, while the issue of experimental vs. commercial sale is too lengthy a topic to include in this article, in *Pfaff* the Supreme Court expressly maintained that proof of experimentation serves to negate the section 102(b) statutory bar. *EZ Dock Inc. v. Schafer Sys., Inc.*, 276 F.3d 1347, 1352 (Fed. Cir. 2002)

So, what practical advice can you take away from the Federal Circuit's application of the first prong of the *Pfaff* test? First of all, try to keep close tabs on your company's marketing and sales departments. In particular, be aware of and closely monitor any pre-sale activities conducted by these departments. Any discussions or contacts with someone outside of your company (i.e., an entity not under your company's control) about a new product or potential new product should be a red flag that triggers prompt further investigation. The key is to make sure that no one crosses the line between "preparation" for release of the new product and "offers" to sell the new product. When in doubt, assume the activity has started the one-year clock and get the patent application on file within that period.

In an upcoming issue of snippets™, we will address the second prong of the *Pfaff* test, to help you determine when the invention is "ready for patenting."

Alison Baldwin's practice focuses on litigation, client counseling and patent procurement. Ms. Baldwin has considerable experience counseling clients regarding intellectual property protection in the areas of plant molecular biology and plant-related inventions. Ms. Baldwin's litigation experience has covered diverse areas of topics from recombinant DNA technology to digital television.

abaldwin@mcnb.com

Claim Construction 101: Unlocking the Meaning of Preambles

Determining whether a patent claim's preamble is a limitation remains a difficult task. Generally, preambles are thought of as introductory language that merely set forth an intended purpose for the invention, not a limiting one. Not infrequently, however, courts have found that a claim's preamble acts as more than this, and actually serves as a limitation. Because the Federal Circuit has provided no concrete rules for interpreting preambles, there is no sure way to know if a preamble will be construed as limiting. Thus, much uncertainty remains in this area for those trying to evaluate the scope of claims.

Federal Circuit Framework for Construing Preambles

The Federal Circuit has stated: "A claim preamble has the import that the claim as a whole suggests for it." *Bell Communications Research, Inc. v. Vitalink Communications Corp.*, 55 F.3d 615, 620 (Fed. Cir. 1995). If the claim preamble, when read in the context of the entire claim, recites limitations of the claim, or, if the claim preamble is "necessary to give life, meaning, and vitality" to the claim, then the claim preamble should be construed as part of the claim. *Kropa v. Robie*, 187 F.2d 150, 152 (C.C.P.A. 1951). If, however, the body of the claim fully describes the complete invention, including all of its limitations, and the preamble offers no distinct definition of any of the claimed invention's limitations, but rather merely states, for example, the purpose or intended use of the invention, then the preamble is of no significance to claim construction because it cannot be said to constitute or explain a claim limitation. *Id.* These characterizations of preambles provide little guidance, serving merely to confirm that there is no bright line rule and that the effect of the preamble on claim construction depends on the circumstances. *See, e.g., Applied Materials, Inc. v. Advanced Semiconductor Materials Am., Inc.*, 98 F.3d 1563, 1572-73 (Fed.Cir.1996) ("Whether a preamble stating the purpose and context of the invention constitutes a limitation of the claimed process is determined on the facts of each case in light of the overall form of the claim, and the invention as described in the specification and illuminated in the prosecution history.").

Clearly, this framework is difficult to apply because interpreting the scope of words is inherently subjective, especially using such vague rules. Thus, to clarify the effect of a preamble on a claim's scope, courts generally apply the usual canons of claim construction: (1) claim language under the plain meaning rule; (2) written description of the specification; and (3) prosecution history—the statements made by patent counsel to the USPTO during the procurement of the patent.

Plain Meaning Rule

The plain meaning rule dictates that courts should follow the explicit language used in the claims when construing them. "Interpreting what is meant by a word in a claim 'is not to be confused with adding an extraneous limitation,... which is improper.' " *Storage Tech. Corp. v. Cisco Sys., Inc.*, 329 F.3d 823, 831 (Fed. Cir. 2003) (citation omitted). Thus, if the verbiage of the claim clearly indicates that the preamble is not intended to act as a limitation, courts generally do not disturb the plain meaning of these words. Further, courts will look at the words themselves and how they relate to the other parts of the claims for construction. For example, a preamble that provides antecedent basis for limitations later recited in the body of the claim may be construed by courts as a limitation because the plain meaning of the words used in this context may suggest an intent to rely upon the preamble. *Catalina Mktg. Int'l v. Coolsavings.com, Inc.*, 289 F.3d 801, 808 (Fed. Cir. 2002).

The Federal Circuit addressed the issue of whether a claim preamble constitutes a claim limitation in *Bristol-Myers Squibb Co. v. Ben Venue Labs., Inc.*, 246 F.3d 1368 (Fed. Cir. 2001) ("BMS"). The BMS court considered whether a claim to a method of treating cancer was patentable over prior art disclosing the same method but where no anti-cancer effect was observed. One claim at issue read:

> 1. A method for reducing hematologic toxicity in a cancer patient undergoing taxol treatment comprising parenterally administering to said patient an antineoplastically effective amount of about 135-175 mg/m² taxol over a period of about three hours.

In finding the preamble to act as an intended result and not a limitation, the court cited *In re Hirao*, 535 F.2d 67, 70 (C.C.P.A. 1976), which held that the preamble does not constitute a limitation where the preamble merely recites the purpose of the process, the remainder of the claim does not depend on the preamble for completeness, and the body's process steps are able to stand alone. 264 F.3d at 1375.

Therefore, if the plain meaning of the body of the claim can support itself without the inclusion of the preamble, courts are less likely to view the preamble as a limitation.

Written Description

While the plain meaning of the claims governs, courts faced with any ambiguity will read the claims in light of the written description and the prosecution history. Thus, if the specification's written description explicitly relies upon the preamble to define the invention and holds out the preamble as an integral portion of the invention, a court will likely view the preamble as an essential portion of the claimed invention. *See Storage Tech. Corp.*, 329 F.3d at 834-35; *see also Catalina Mktg. Int'l*, 289 F.3d at 808 ("[W]hen reciting additional structure or steps underscored as important by the specification, the preamble may operate as a claim limitation."). For example, a written description that describes an element of the preamble as essential to overcome prior art would likely be limiting on the claim. *See Catalina Mktg. Int'l*, 289 F.3d at 808-09. Thus, a written description that indicates the intended weight of a preamble may be determinative, especially if it contains language that indicates the intended purpose of the preamble phrase is absolutely required.

Prosecution History

Courts also examine prosecution history to interpret what is meant by patent preambles. For example, if the applicant relies upon the preamble language in defining the present invention over the prior art, a court will likely construe the preamble as a limitation.

In *Invitrogen Corp. v. Biocrest Mfg.*, 327 F.3d 1364 (Fed. Cir. 2003), the Federal Circuit examined the preamble of a method claim which read "A process for producing transformable E. coli cells of improved competence by a process comprising the following steps in order...." At issue was whether the phrase of improved competence (i.e., capability of taking in new DNA) served as a claim limitation. The court noted that generally claims are interpreted by their "ordinary meaning" as defined by the "context supplied by the field of invention, the prior art, and the understanding of skilled artisans generally." *Id.* at 1367. Further, the specification can supply meanings for terms, and the prosecution history can help illuminate a claim's scope. *Id.* In *Invitrogen*, the court ultimately found the preamble of a claim limiting because the applicants relied heavily upon the preamble in prosecution to distinguish the invention from the prior art.

Similarly, in *Storage Technology*, 329 F.3d at 834, the Federal Circuit found that the preamble of a method claim at issue limited the claim. The court first looked at the written description of the specification, which noted that a "forwarding device" mentioned in the preamble was a "key benefit of the invention." *Id.* Next, the court examined the prosecution history, in which applicants had distinguished their invention over the prior art based on the preamble's limitation. *Id.* at 835. Notably, "[c]lear reliance on the preamble during prosecution to distinguish the claimed invention from the prior art transforms the preamble into a claim limitation because such reliance indicates use of the preamble to define, in part, the claimed invention." *Id.* (citation omitted); *cf. id.* at 831 ("[W]hile proper claim construction requires an examination of the written description and relevant prosecution history to determine the meaning of claim limitations, additional limitations may not be read into the claims.").

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The best way for predicting the weight of a preamble is clear, however—by examining the patent contextually. . . . [T]he preamble's true meaning may be garnered only after first looking at what was presented as a whole during the patent process, looking at what the inventors actually intended that the patent would encompass, and then reading the patent in light of this information.

Claim Construction Roundtable: Unlocking the Meaning of Preambles

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Recent Application of the Principles

Current Federal Circuit case law continues to apply the three canons of claim construction discussed above to analyze claim preambles, but the results are not as clear as one might hope.

For example, in *Jansen v. Rexall Sundown, Inc.*, 342 F.3d 1329 (Fed. Cir. 2003), the court considered and applied these principles in determining that the preamble in the following claim constituted a claim limitation:

> 1. A method of treating or preventing macrocytic-megaloblastic anemia in humans which anemia is caused by either folic acid deficiency or by vitamin B[12] deficiency which comprises administering a daily oral dosage of a vitamin preparation to a human in need thereof comprising at least about 0.5 mg. of vitamin B[12] and at least about 0.5 mg. of folic acid.

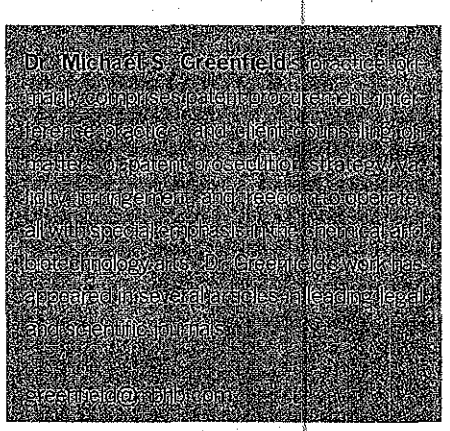
The court relied on both the plain meaning and prosecution history in support of its conclusion. First, relying on the plain and ordinary meaning of the claim language, the court emphasized the importance of the relation of (a) the preamble language characterizing the claimed method as one "for treating or preventing macrocytic-megaloblastic anemia" and (b) the recited application of the method "to a human in need thereof," which referred back to the preamble. *Id.* at 1332-33. The court characterized the preamble as setting forth the objective of the method and the body of the claim as directing that the method be performed on someone "in need thereof." *Id.* The court concluded that the recitation of "a human in need thereof" injected life and meaning into the statement of purpose in the preamble, presumably because the preamble served to clarify the meaning of the limitation "in need thereof" appearing in the body of the claim. *Id.*

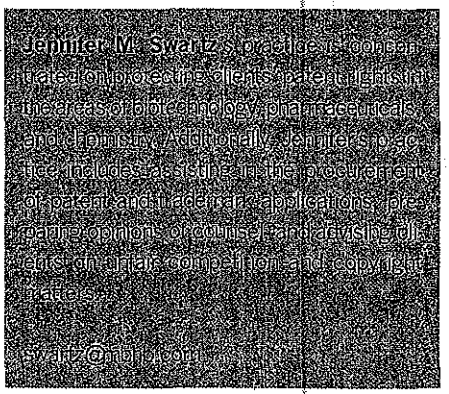
Second, the court also relied on the prosecution history of the patent, observing that both the preamble and phrase "to a human in need thereof" were added simultaneously in response to a prior art rejection and used to gain allowance of the claims. *Id.* at 1333-1334.

It is interesting to compare the outcome of *Jansen* with that of *BMS,* in which a similar claim form was at issue, but the court reached a different conclusion. As noted above, the *BMS* court held that the preamble phrase "for reducing hematologic toxicity" merely expressed an intended purpose. 246 F.3d at 1375. On its face, however, there seems to be little substantive difference between the language of the *BMS* claim and the *Jansen* claim. The *Jansen* claim recited administration to "a human in need thereof," while the *BMS* claim recites administration to a cancer patient undergoing taxol treatment. It is difficult to reconcile how the phrase "a human in need thereof" injects life and meaning into the preamble of the *Jansen* claim but a similar effect was not found for the *BMS* claim.

Conclusion

While the principles for analyzing preambles are clear, their application is not. The best way for predicting the weight of a preamble is clear, however—by examining the patent contextually. Thus, the preamble's true meaning may be garnered only after first looking at what was presented as a whole during the patent process, looking at what the inventors actually intended that the patent would encompass, and then reading the patent in light of this information.





Drafting the Technology Game Plan
Part 4: Effective Trademark Searching

searching for trademark applications and registrations that are identical or similar to the proposed product name. The advantages of this type of search are that it is quick and inexpensive; its disadvantages include the lag time between the filing date of new applications and the date they appear on the website, the searcher's inexperience, and the fact that the search is limited to federal trademark applications and registrations.

To better avoid problems with new marks, you can commission a full clearance search through a search firm. A full clearance search goes beyond federal applications and registrations and includes state registrations, common law trademarks, and domain names. It can also be more reliable because the searchers are experienced and routinely conduct such searches, and results can often be obtained within a week, or even sooner for a fee. Of course, the drawback to a full clearance search is that it is more expensive.

Regardless of which type of search is conducted, careful analysis of the search results can help prevent a company from investing a great deal of money in developing a mark that may later have to be changed because of potential infringement problems.

Obtain an Opinion of Counsel

Once a search has been performed, have a trademark attorney review the search results. If there are any marks that are similar to the proposed mark being used with the same or similar goods, you should get an opinion of counsel to protect your company in the event of litigation. Such an opinion typically discusses the closest marks found in the search and whether these marks present an infringement concern. Opinions of counsel do not prevent litigation or guarantee its results; however, they do assist a company in evaluating the business risks associated with adopting a new mark.

Apply for a Federal Registration

Under the common law, trademark rights accrue with adoption and use in commerce. Thus, a federal registration is not required to bring state or common law trademark infringement claims in state court. A federal registration, however, does have its advantages. A federal registration gives your trademark a nationwide presumption of use and allows you to bring a trademark infringement claim in federal court. Further, a federal trademark application can be filed on two bases, actual use in interstate commerce or intent to use. Thus, a federal trademark application can be filed before the mark has been actually used in commerce. Also, federal registration of the mark can serve as constructive notice of the registrant's claim of ownership to the mark. Lastly, if a registered mark has been in continuous use for five consecutive years, it is considered incontestable. Thus, the benefits afforded by a federal registration often justify the costs involved in obtaining the registration.

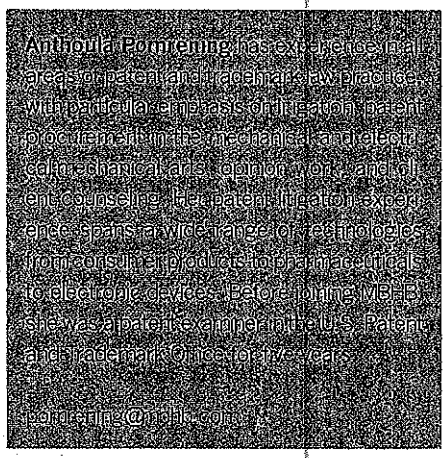
Utilize Electronic Trademark Filing

Trademark applications, responses to office actions, and various other papers, including those filed with the Trademark Trial and Appeal Board, can now be filed electronically. The U.S. Patent and Trademark Office website guides the applicant through the process of electronic filing and provides a great deal of online assistance. Electronic filing is more efficient than traditional paper filings and less expensive overall.

Utilize Watch Services

Your trademark attorney can also arrange for a watch service to monitor uses of marks that might be the same or similar to your trademarks. Such a watch service can help keep your marks strong by identifying, for example, trademark applications, uses of trademarks, domain names, and company names that might infringe or otherwise whittle away your rights. To help give your company a competitive edge, a watch service can also monitor a competitor's trademark applications, registrations, or uses.

With these strategies in mind, you can begin protecting your company's trademark rights in a cost-effective manner.



The New Statutory Interference Bar: Should You Monitor Competitors' Published Patents?

the same or substantially the same subject matter as, a claim of an issued patent" was not included in a pending patent application before the expiration of one year from the grant date of a patent with potentially interfering claims. 35 U.S.C. § 135(b) (1999). This sole statutory interference bar prohibited a party from using claims filed or added to a patent application more than one year after a patent issued as the basis for provoking an interference against the issued patent.

The AIPA added the now-familiar U.S. patent publication provision to the patent code, *see* 35 U.S.C. 122(b), and further amended the code in several respects to account for the new patent application publication provision. One amendment to Section 135 of the Patent Code treats published patent applications essentially the same as issued U.S. patents as far as the statutory interference bar is concerned. The new code provision provides:

> A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an application published under § 122(b) of this title may be made in an application filed after the application is published only if the claim is made before one year after the date on which the application is published.

35 U.S.C. § 135(b)(2). The published patent application statutory interference bar (hereinafter "publication bar") took effect on November 29, 2000. The publication bar applies to all published U.S. patent applications filed under 35 U.S.C. § 111(a) having filing dates on or after November 29, 2000. The provision also appears to apply to patent applications complying with section 371 resulting from international applications filed on or after November 29, 2000. That is, the publication bar applies to published PCT applications that designate the U.S. regardless of the language of the application.

Importantly, the publication bar applies only to U.S. patent applications having filing dates **after** the publication date of a patent application at issue. If the potentially interfering patent application has a filing date after the filing date of but prior to a publication date of the patent application at issue, then section 135(b)(2) would not apply, but 135(b)(1)—which is the issued patent 1-year bar—would still apply.

Uncertainties and Burdens

The publication bar creates uncertainties as well as new burdens on entities that rely on patents to protect their intellectual assets. One uncertainty is evaluating whether or not a claim is "the same or substantially the same subject matter" as a claim filed on a published patent application. Another is whether or not published PCT patent applications designating the United States–including those published in a language other than English–are published patent applications under 35 U.S.C. § 135(b)(2). Also, left uncertain is whether or not the publication bar applies to issued U.S. patents with claims that are so changed from the filed application claims that they are not the same as or substantially similar to the corresponding published patent application claims.

A burden imposed by the publication bar is the time and effort required to monitor published U.S. and PCT patent applications. Another burden may be additional efforts to accelerate the preparation and filing of patent applications covering new technologies in order to avoid the publication bar.

What Is "The Same or Substantially The Same Subject Matter"?

The publication bar prohibits a patent applicant from provoking an interference against a published patent application unless the later filed patent application includes claims that are "the same or substantially the same subject matter" as the published patent application, and such claims are made part of the application within a year from the publication date of the earlier filed patent application. 35 U.S.C. § 135(b)(2). The term "substantially the same subject matter" was recently interpreted by the Federal Circuit to mean that the copied claim cannot differ in a "material limitation." *In re Berger,* 279 F.3d 975, 98 (Fed. Cir. 2002). This standard is easily met where a later filed patent application is amended within the statutory one-year period to include a copied claim from an earlier published patent application. However, it may be more difficult to prove that a claim is substantially the same as an earlier filed claim when the published patent application is not discovered and there is no opportunity to amend the application claim to conform to the earlier filed claim. In this scenario, the later patent Applicant can use only on the claims present in the application at the end of the one-year period as the basis of provoking an interference. In such a situation the proof that the pending claims in the later application cover "the same or substantially the same subject matter" as the earlier published patent could be difficult.

Published PCT Patent Applications

It is the position of the USPTO that 35 U.S.C. § 135(b)(2) encompasses pub-

lished PCT patent applications that designate the United States. Therefore, unless interpreted differently by the courts, the publication bar is applicable to PCT applications designating the United States regardless of the application language. As a result, U.S. patent applicants who are concerned about foreign competitor's patents must now scrutinize and potentially translate published PCT applications.

Moreover, many PCT applications designating the United States are never perfected in the United States. PCT patent applications are published eighteen months after the earliest claimed filing date and twelve months before a U.S. national phase filing must be perfected. Thus, the applicant of a U.S. patent application filed after the PCT application is published will not know if the published PCT application has been perfected in the United States before the one-year grace period for including the same or substantially the same claims in a later filed application expires. This places the later patent applicant in the difficult position of deciding whether or not to add potentially interfering claims into a patent application before knowing whether there will be an U.S. patent application against which to provoke an interference against.

Forced Prosecution of Potentially Interfering Claims

The publication bar has the insidious effect of forcing a later filed patent applicant to provoke an interference by adding unexpected claims to an application and then to prosecute the added claims. This could require the applicant to amend the new claims in a manner that creates an undesirable prosecution history estoppel. Moreover, in the case of a published PCT application, it could place the applicant in a position of prosecuting the added claims and then learning that the published PCT application was never perfected in the United States.

These hardships can be ameliorated by including claims that are the same as or substantially similar to claims of an earlier published patent application in a separate continuing or continuation-in-part (CIP) application filed within one year of the publication date of the potentially offending patent application strictly for the purpose of provoking an interference. This strategy allows the later patent applicant to prosecute the contiunuation or CIP application claims separately from the parent application claims. The later applicant can then simply abandon the continuation or CIP application if the offending PCT application is not perfected in the United States or if the earlier filed claims are amended esufficiently to render an interference no longer meaningful. The filing of a continuation or CIP application may not, however, eliminate all issues of prosecution history estoppel *vis-à-vis* the parent application.

Advantages of the New Interference Bar

There are advantages to the publication bar. When a U.S. patent application is published, the patent applicant can be fairly certain that patent applications filed in the U.S. more than one year after their patent application is published cannot be used as a basis for provoking an interference against the earlier published patent application. While this is not an insubstantial advantage, the advantage may not outweigh the burden placed on patent applicants to monitor the claims of published U.S. and PCT patent applications

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The new publication bar reinforces the concept that there are advantages in being the first to file—and now publish—patent applications. Those who are tardy in filing for patent protection, and those who ignore applications filed by their competitors may find themselves out of the game by being statutorily barred from proving—in an interference—that they are entitled to a patent because they were the first to invent a claimed invention.

The New Statutory Interference Bar: Should You Monitor Competitors' Published Patents?

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and evaluate the published applications for potentially interfering subject matter.

Efforts to Rescind the Publication Bar

The publication bar is generally viewed as being unfair to patent applicants because they are forced to add potentially interfering claims into a patent application before the patentability of those claims is determined by the U.S. Patent Office. This is especially troublesome where the claims that are patented are not the same or even substantially similar to the claims that were filed with the published application. The language of the statute suggests that a claim can still be inserted into an application to provoke and interference once a patent is granted so long as the added claim and the issued patent claims are not the same as or substantially similar to a claim of the originally filed and published patent application. It is not certain that the statute will be interpreted in this way, however. These uncertainties with the publication bar and its application demonstrate that its usefulness may be limited while its application could be unfair to later patent Applicants.

Efforts are now underway to eliminate the publication bar. However, these efforts will take time. A strategic plan issued by the U.S. Patent and Trademark Office for eliminating the publication bar indicates that, under a best case scenario, the statutory provision may not be eliminated before early 2008 – four years from now.

Protecting Your Inventions

The steps you can take to minimize the impact of the publication bar on patent applications are generally the same steps that are taken to protect quickly evolving and highly valuable technology. You can take offensive measures to limit your competitors' ability to provoke interferences based on your patent applications and defensive measures to ensure that your competitors do not catch you off guard.

One offensive tactic is to obtain an early priority date for each new invention. This can be achieved by filing provisional applications covering new inventions at an early stage in their development. The USPTO publishes patent applications eighteen months from the earliest date to which an applicatn claims priority. 35 U.S.C. § 122(b)(1)(A). Thus, by filing a provisional application covering a new invention early in its development, an applicant can establish an early invention filing date, and the corresponding U.S. and/or PCT patent application publication date will be calculated from the provisional application filing date.

Another offensive step to consider is to request early publication of a patent applications under 37 CFR § 1.219. Such requests must include a $300.00 publication fee. Publication might also be accelerated further by filing patent applications electronically.

A defensive measure to consider is to monitor published U.S. and PCT patent applications. Alternatively, for each new U.S. patent application that you file (whether it be a provisional or utility application) you should consider performing a search of U.S. and PCT patent applications published within the prior year to determine whether or not any closely related published patent applications exist that may merit further investigation. Another strategy might be to search and analyze published U.S. and PCT applications on a regular basis (*E.g.*, once a month for example). Web sites exist that can translate foreign language applications or claims cheaply, or in some cases, at no cost.

The new publication bar reinforces the concept that there are advantages to being the first to file—and now publish—patent applications. Those who are tardy in filing for patent protection, and those who ignore applications filed by their competitors may find themselves out of the game by being statutorily barred from proving—in an interference—that they are entitled to a patent because they were the first to invent a claimed invention.

Blair Hughes has extensive experience in advising clients about intellectual property matters and in particular, patent issues. Mr. Hughes has considerable experience in preparing U.S. and foreign patent applications and litigating U.S. patents in wide ranging technologies such as circuit board and IC manufacturing, environmental sciences, and medical, chemical, and biological technologies. He advises clients about patent validity, infringement, licensing, and invention patentability issues, and he represents clients in patent reexamination proceedings. Recently, Mr. Hughes has represented clients in U.S. district court in patent infringement matters involving electronic garage door openers and stem cell collection technologies. He also has experience patent appeals and writs of mandamus to the Federal Circuit Court of Appeals and to the Supreme Court.

hughes@mbhb.com

Watch for details in the next issue of snippets.
For more information please contact:
Alison J. Baldwin 312 935 2369 baldwin@mbhb.com

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Caveat Sender: What Else Is Attached to Your E-Mail? Part 1

Not just in high-tech fields but in many others as well, e-mail has become a required, if not preferred, method of communication. Law is no exception. As clients demand fast and efficient methods of communicating with their attorneys, e-mail is no longer just a convenience for attorneys but a necessity. Many attorneys routinely rely on e-mail to send documents to their clients. It provides something that overnight mail, couriers and even facsimiles cannot provide—nearly instantaneous delivery of original quality documents.

The same reasons that make e-mail a convenient method for exchanging documents with clients also make it a convenient method for exchanging documents in adversarial settings. For example, e-mail can be used to provide draft documents to opposing counsel in litigation (e.g., draft protective orders, draft settlements agreements, etc.) or to provide drafts of contracts, licenses or other agreements during negotiations. The receiving party can make their changes and then e-mail the revised document back to the original party for approval or additional revisions. This method of negotiating the final text of documents can significantly reduce the time and cost expended by both sides.

In-house attorneys can also benefit from e-mailing documents as they work alongside outside counsel or as they handle matters on their own. Attorneys are not the only ones that might use e-mail to send documents in adversarial situations. Business persons might use e-mail to send confidential bids or price lists to potential customers, to send draft contacts to suppliers or clients, to send draft joint venture or other agreements to competitors or to send a variety of other confidential documents. Simply attaching documents to e-mails, however, is fraught with danger as the documents often contain much more information than just the underlying text. But just what additional information do these documents include and are there consequences to providing this additional information?

Metadata is generally understood as "data about data" and is often used to refer to this extra information embedded into files. The particular metadata embedded into a document depends on the particular format used to store that document. A basic Microsoft Word™ document contains the most metadata when compared to other common documents formats such as RTF (rich text format) and PDF (portable document format). For example, a Word document typically includes metadata that specifies the various authors who edited the document, when the document was created, when the document was last modified, the total editing time for the document, and the template used to create this document.

A Word document can also include other more insidious metadata. For example, it includes a revision log listing the last ten edits to the document. The revision log typically identifies who made each of the edits. It also identifies the particular location where the document was saved—thereby allowing one to determine on whose computers the document is stored and whether it was ever copied to a floppy disk. In addition, the document might also include hidden text tracking all the changes to previous versions of the documents and comments inserted by the various authors of the document. In fact, in post-1997 versions of Word™,

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Metadata That Might Be in a Word Document

- Names of people who edited the document
- Date and time the document was created
- Date and time the document was last modified
- Total editing time for the document
- A revision log listing the past ten edits to the document and where the revisions were saved
- Text of previous versions of the document
- Text from other documents open when this document was saved

Excel™ and PowerPoint™, a saved file can include fragments of data from other files that were deleted or opened while a user was editing the saved file. That is, a Word document can include portions of text from other unrelated files a user happened to have opened at the same time on the user's desktop.

Some of this metadata is easily accessible through Word's user interface, such as through the properties tab on the file menu. Other metadata is only available through low-level binary file editors; however, these types of file editors are readily available on the Internet. Thus, any computer savvy person can download one of these file editors and access all the metadata available in a particular Word document without much effort or difficulty. Just what could be the consequences of sending this metadata along with a Word document and how could it be exploited by an adversary?

These issues are not just faced by attorneys. In another example, a salesperson submits a bid to sell a variety of products to Company A. Rather than creating the bid from scratch, the salesperson simply revises a bid previously submitted to Company B. After adding and removing products included in the bid and also revising the prices of the products included in the bid, it is then forwarded to Company A as a Word document. A studious employee at Company A then decides to examine the metadata in the Word document and recovers the previous version of the document—including the products and prices in the bid previously submitted to Company B. Company A is understandably upset to learn that Company B is obtaining lower prices on certain products. Of course, Company B is also upset when it eventually learns that the list of the products it buys and the prices it buys them at was supplied to its competitor, Company A.

Are bad public relations just hypothetical problems? Not to the British government. In February 2003, the British Prime Minister's office released its dossier on Iraq. It was, in part, used to justify the subsequent military action against Iraq. The dossier was released by posting it as a Word document on 10 Downing Street's website. It was not long before the metadata in the Word document was thoroughly examined. The document's revision log clearly identified four different employees who edited the document. The names of the employees were in turn used to identify the different departments within the Prime Minister's office involved in preparing the dossier. The revision log also revealed that one of these individuals copied the dossier to a floppy disk.

The British Parliament subsequently held hearings on the dossier. Thanks to the revision log and the other metadata in the Word file, the British Parliament knew exactly who to thoroughly question about the preparation of the dossier. The questioning also demanded an explanation for why the file was copied to a floppy disk and who eventually received the floppy disk. This no doubt made for some very uncomfortable times for those identified through the metadata as well as a highly embarrassing incident for the British Prime Minister's office. As a result, the British Government has now begun posting files in PDF format rather than in Word format.

Does PDF actually provide increased protection against revealing potentially damaging metadata, how does PDF compare with RTF and other common document formats, and what other steps can be taken to prevent the release of metadata? We will explore these issues in Part II.

Brian R. Harris primarily concentrates his practice in obtaining patent protection for clients in the areas of electronics and computers. Additionally, Mr. Harris has participated in intellectual property litigation and has prepared opinions concerning the validity and infringement of patents. He has also represented clients in contract and licensing matters. Mr. Harris has patent procurement experience in a diverse range of fields including computer networks, telecommunications, computer software, databases, analog and digital systems, semiconductor devices, fabrication, and business methods.

harris@mgbh.com

mbhb News: Conversion to LLP Form of Partnership

The Illinois Supreme Court recently changed the rules of practice in Illinois so as to permit law firms to adopt a limited liability partnership structure. The partners of McDonnell Boehnen Hulbert & Berghoff ("MBHB") have elected to convert our partnership into this new structure and, hereinafter, to engage in the practice of law as a limited liability partnership ("LLP"). We have completed the necessary state and court filings, such that the conversion to LLP structure has already taken place.

For years, Illinois was the only state in the U.S. which restricted lawyers from engaging in the practice of law as an LLP. However, the LLP business organization was available to and widely adopted by other service professionals in Illinois and by lawyers in every other state. The pertinent rules in Illinois were changed as of July 1, 2003, so as to permit Illinois lawyers to practice law as an LLP, while at the same time mandating minimum insurance protections for clients above and beyond those required in many states.

Like a corporation, an LLP is responsible for its obligations, and the liability of the partners is generally limited to their invested capital for general claims against the LLP and for professional claims where a particular partner was directly involved in the professional services in question. MBHB LLP will continue to be responsible for the services of all MBHB attorneys and employees.

* * *

For further information on our change to McDonnell Boehnen Hulbert & Berghoff LLP, please contact either Daniel Boehnen or Leif Sigmond at 312-913-0001.

* * *

Dated: March 1, 2004

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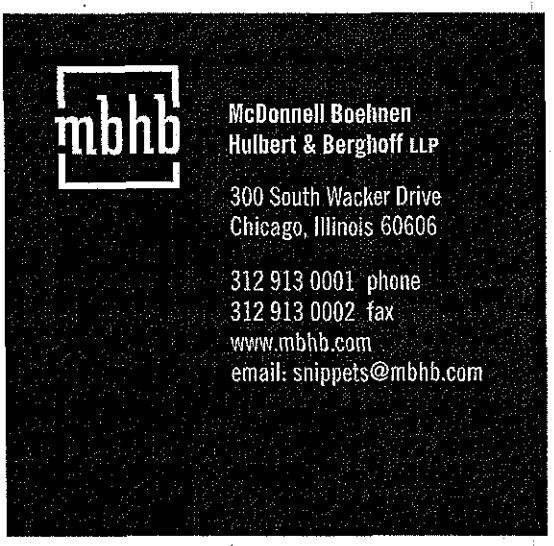
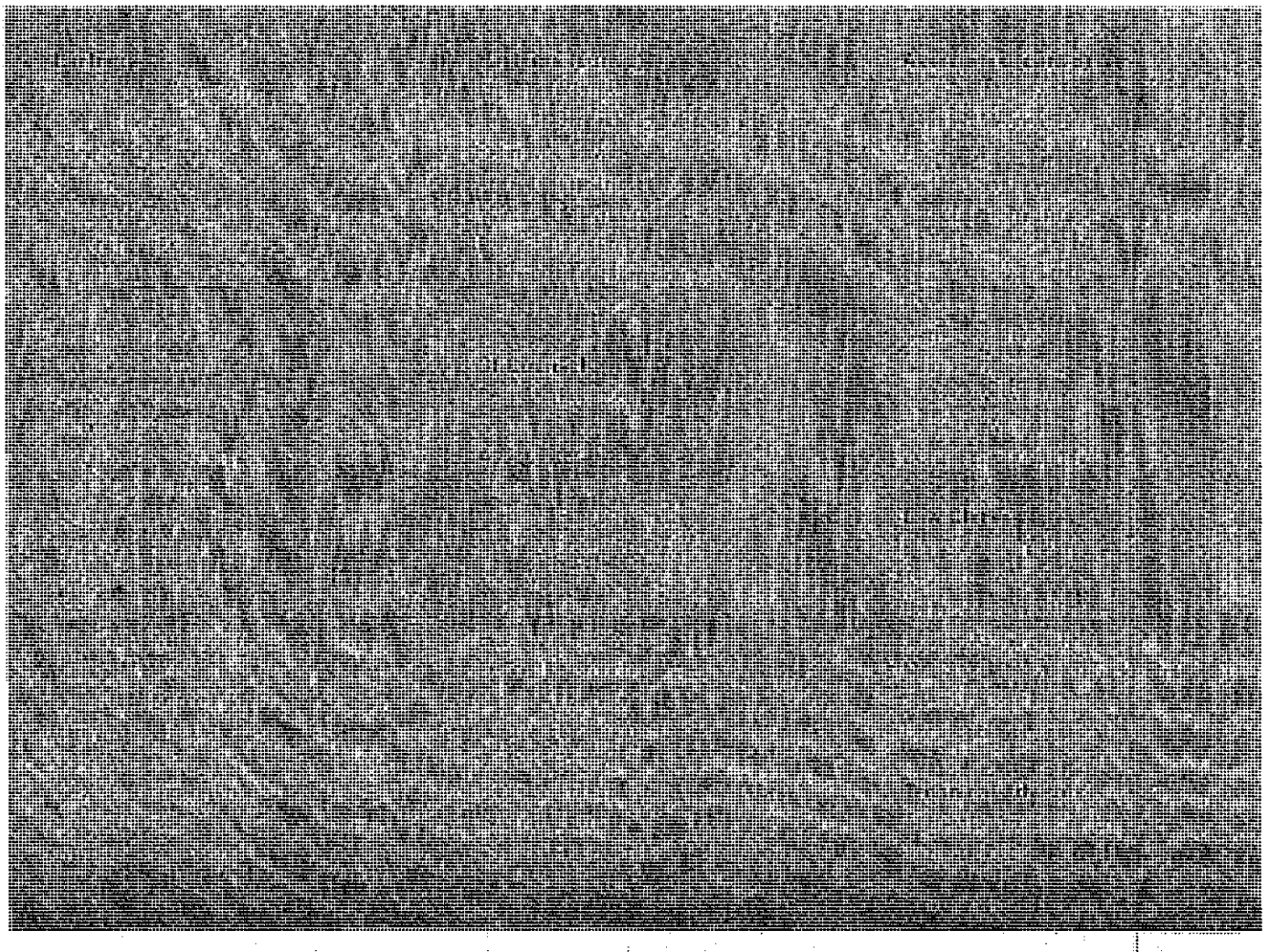


McDonnell Boehnen Hulbert & Berghoff *recognizes the ever-increasing importance of intellectual property. That is why our mission is to enhance the value of our clients' businesses by creating and defending their intellectual property assets. We have built our reputation guiding our clients through the complex web of legal and technical issues that profoundly affect these assets. We are keenly aware of the trust placed in us by our clients – Fortune 100 corporations, universities, individuals, and start-up companies – and we always remain focused on their ultimate business goals.*

With offices in Chicago and Washington state, MBHB provides comprehensive legal services to obtain and enforce our clients' intellectual property rights, from navigating patent office procedures to litigating complex infringement actions. However, we don't merely procure rights and litigate cases; we craft winning strategies that achieve our clients' business objectives.

Our entrepreneurial spirit, combined with the wealth of our legal experience and technological expertise, permits McDonnell Boehnen Hulbert & Berghoff to achieve success for our clients.



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Review of Developments in Intellectual Property Law

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