What is dispositive is whether the defendant exercised due care after having notice of the patent. Defendants monitored the progress of Nephew's reissue application in the Patent and Trademark Office. The reissue claims were allowed in July 1984. Defendants had notice from that time on that a reissue patent would issue, which it did ten months later on May 14, 1985.

Turning to the evidence of due care, nothing in the court's findings or the record indicates that defendants believed in good faith that they did not infringe or that they took any steps to avoid infringing. The court's Finding of Fact 41 was relied on to support its non-willfulness holding. In pertinent part it states:

> During 1981 Acutek sent a sample of Ensure-It to Smith and Nephew for its evaluation. In January of 1982 Smith and Nephew replied and advised Acutek that the only similarity it found between Ensure-It and OpSite was that it was a polyurethane film but not of the right type. Smith and Nephew further advised that in all other respects the film was different from OpSite and not one that Smith and Nephew wished to use in the marketplace. Further, this communication from Smith and Nephew made no claims of infringement and voiced no objections to Acutek's plans to market the product.

We find it non-supportive, if not misleading, because of these undisputed facts: (1) Nephew was contacted not by Acutek but by an attorney, Gregory B. Wood, who did not reveal that he was representing Acutek; (2) Wood did not identify the "samples" as Ensure-It;* (3) The samples were sent for "evaluation" pursuant to an unsolicited offer "to product the Op-site product for Smith & Nephew in this country," i.e., the United States. We also note that the finding that Newphew "voiced no objections to Acutek's plans to market the product" is clearly erroneous. Wood's letters set forth no such "plans."

The court did not find on these facts, nor could it have found, that defendants reasonably relied on this exchange to decide their product did not infringe. Defendants do not so argue. Their only assertion is that they "reasonably relied upon Smith & Nephew's letter to support their view that Smith & Nephew was not concerned about infringement." This does not bear on whether defendants formed a reasonable belief that they did not infringe, and, in any event, it is attorney argument unsupported in the record.

The court also found:

> Just prior to reissue defendants learned from Gila River who supplied the backing film used in Ensure-It that the backing film resulted in the formation of microscopic holes, and, in effect, thereby advised defendants that the product would not infringe.

On the entire record, this finding does not support the court's ultimate finding of non-willfulness. Thomas F. Gardeski of Gila River wrote Acutek on May 7, 1985, that "the chemical composition and manufacturing method for producing our G11004 medical grade polyurethane would lead to a pin hole characteristic in the film. This can be confirmed by microscopic examination, preferably with a Scanning Electron Microscope (SEM)." Mr. Gardeski testified, however, that he had never seen even a single hole in the film Gila River supplied to Acutek. When Acutek hired Dr. Kumar of Scanning Electron Analysis Laboratories to examine the film using SEM, he reported and testified that while he found "pinholes" on the surface of the film, it was not possible using SEM to determine whether those surface imperfections passed through the film. Defendants' statement that "Deseret put on substantial proof at trial of the existence of holes, and remains convinced to this day that holes exist," is, again, attorney argument unsupported in the record.

Furthermore, there is insufficient evidence to show that defendants formed a good faith belief, at any time, that the '887 Reissue was invalid or unenforceable. In this regard, Parke, Davis obtained a written opinion that Hodgson's original patent was invalid in view of two United Shoe patents. The district court apparently accepted this opinion as competent. We need not state our view on that point because the United Shoe patents were fully considered in the reissue proceeding. Given that fact, this early opinion, standing alone, cannot serve as the basis for a good faith belief that the '887 Reissue was invalid. *Cf. Central Soya Co. v. Geo. A. Hormel & Co.*, 723 F.2d 1573, 1577, 220 USPQ 490, 492 (Fed. Cir. 1983). Finally, Parke, Davis apparently obtained legal advice as to the import of the reissue proceedings. This does not help defendants, however, because they refused, on the ground of attorney-client privilege, to disclose what that advice was.

We are convinced on the record before us that defendants breached their duty of due care. Defendants, with full knowledge that the '887 Reissue would issue, simply continued infringing. We are left with a definite and firm conviction that the district court erred when it found that defendants' infringement was not willful. The court's finding that the infringement was not willful is reversed.

The case is remanded for the court to determine whether an award of increased damages is warranted. *Cf. CPG Products Corp. v. Pegasus Luggage, Inc.*, 776 F.2d 1007, 1015, 227 USPQ 497, 502 (Fed. Cir. 1985).

C. *Section 285 question*

The district court found that this was not an "exceptional" case within the meaning of 35 U.S.C. §285. In view of our holding that defendants' infringement was willful, we vacate the district court's decision that this case was not "exceptional" and remand for the court to reconsider its decision on this point. *Cf. Fromson v. Western Litho Plate and Supply Co.*, 853 F.2d 1568, 1572–73, 7 USPQ2d 1606, 1610–11 (Fed. Cir. 1988); *S.C. Johnson & Son, Inc. v. Carter-Wallace, Inc.*, 781 F.2d 198, 201, 228 USPQ 367, 369 (Fed. Cir. 1986).

D. *Injunction moot*

Whether the court erred in vacating the injunction has been mooted by the expiration of the '887 Reissue patent during the pendency of this appeal.

E. *Other issues*

We have considered numerous arguments on other points but, finding no reversible error with respect thereto, we affirm the district court's decision in all other respects.

Costs

Each party to bear its own costs.

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* Defendants have not identified any record support for the finding that the samples were in fact Ensure-It. The correctness of this finding, however, is not important to our decision.

"Optionally"

Patent and Trademark Office
Board of Patent Appeals and Interferences

Ex parte Cordova

No. 87-0298

Decided December 4, 1987, March 18, 1988, and December 16, 1988
Released March 14, 1989

PATENTS

1. Patent construction — Claims — Indefinite and incomplete (§125.1313)

Term "optionally" in claims for polyester or polyamide fiber coated with alkyd resin denotes that unsaturated aliphatic carboxylic acid may or may not be employed, and does not obfuscate subject matter claimed as invention, and thus rejection of claims based on ambiguity of such term must be reversed.

2. Patentability/Validity — Obviousness — In general (§115.0901)

Patent construction — Claims — In general (§125.1101)

Preambular recitation indicating intended use may impose sufficient structural limitations upon claimed article to differentiate it over prior art, but, in considering applicants' preambular recitations "reinforcing fiber" and "for reinforcing plastic composites," in claims for polyester or polyamide fiber coated with alkyd resin, issue is not whether one having ordinary skill in art would have found use of prior art's coated fibers to reinforce plastic composites to be prima facie obvious, but whether coated fibers disclosed in prior art would be capable of performing reinforcing function if embedded in plastic material, and, since prior art apparently contemplates wide variety of fibers and since coating composition corresponds to that employed by applicants, factual basis exists upon which to reasonably conclude that coated polyester fibers of prior art are capable of reinforcing some plastic material.

3. Patent construction — Claims — Indefinite and incomplete (§125.1313)

Issues arising under 35 USC 112, second paragraph, must be decided on case-by-case basis, and situations may arise in which expressions "such as" and "particularly" render claim indefinite as to whether such expressions introduce exemplary or limiting detail, but use of term "optionally" is akin to expressions such as "up to" and "0 to ..." and would not normally render claims indefinite.

Appeal from rejection of claims (Paul J. Thibodeau, primary examiner).

Application for patent filed by David S. Cordova, David R. Coffin, Stanley D. Lazarus, and Steven A. Young, serial no. 631,978, on July 18, 1984. From final rejection of claims, applicants appeal. Affirmed in part and reversed in part.

William H. Thrower and Virginia S. Andrews, Petersburg, Va., for appellants.

Before Serota, chairman, and Steiner and Skinner, examiners-in-chiefs.

Steiner, examiner-in-chief.

This is an appeal from the final rejection of claims 1 through 4 and 7 through 20. Claims 21 through 31, the only other claims remaining in the application, stand withdrawn pursuant to the provisions of 37 CFR 1.142(b).

The subject matter on appeal is directed to a polyester or polyamide fiber coated with an alkyd resin.

Claim 1 is illustrative and reads as follows:

1. A high tenacity reinforcing fiber selected from the group consisting of polyester, aliphatic polyamide, and combinations thereof, for reinforcing plastic composites, said fiber being coated with a composition comprising an aqueous solution of carboxyl-terminated, oil-free alkyd resin which is the reaction product of at least one aliphatic glycol containing 2 to 12 carbons with a combination of aromatic di- or trifunctional carboxylic acids and, optionally, an unsaturated aliphatic carboxylic acid, said resin having a degree of esterification below the gel point of the resin to enhance stiffness of the fiber for cutting.

The reference relied upon by the examiner is:

Login 4,156,073 May 22, 1979

[1] Claims 1, 3, 7, 8, 11, 12 and 15 through 18 stand rejected under the second paragraph of 35 U.S.C. 112 as indefinite. The examiner contends that the use of the term "optionally" is ambiguous, since it is not clear whether the unsaturated aliphatic carboxylic acid is, in fact, encompassed by the claims. The recitation "optionally" denotes that the unsaturated aliphatic carboxylic acid may or may not be employed. It is not apparent, and the examiner has not explained, why the use of such alternative language fails to particularly point out and distinctly claim the subject matter appellants regard as their invention. It is our opinion that the use of the alternative expression "optionally" in the rejected claims does not obfuscate the subject matter appellants regard as their invention. *Ex parte* Head, 214 USPQ 551 (Bd.App. 1981). The examiner's rejection under the second paragraph of 35 U.S.C. 112 is, therefore, reversed.

All of the appealed claims stand rejected under 35 U.S.C. 103 as unpatentable over Login. This rejection is affirmed.

Login discloses polyester fibers, such as polyethylene terephthalate fibers, having applied thereto an alkyd resin which is the reaction product of components embraced by the appealed claims. We note the various polycarboxylic acids and glycols disclosed by Login correspond to those contemplated by appellants and encompassed by several of the dependent claims. We particularly note that the claims are of sufficient scope to embrace the aromatic carboxylic acid component of Login which contains a -SO_3M grouping.

Since Login contemplates the use of

"many types of synthetic fibers" (column 6, line 54),

it would appear reasonable to conclude that Login embraces or would have suggested fibers satisfying the requirements of various dependent claims such as claims 16 through 20. Furthermore, it would appear reasonable to conclude that the amount of solids pickup satisfies the requirements of dependent claims 7 through 18. The Patent and Trademark Office does not have the requisite facilities to conduct laboratory testing to ascertain the degree of solids pickup in Login's process. However, since the disclosed process is similar to that claimed, and since the function performed by Login's alkyd resin is similar to that of the appealed claims, *i.e.*, increasing adhesion between the filaments [1], it would appear reasonable to conclude that the amount of solids pickup in Login's process satisfies the requirements of the above-noted claims. *In re* King, 801 F.2d 1324, 231 USPQ 136 (Fed. Cir. 1986).

[2] We recognize that under certain circumstances a preambular recitation indicating intended use may impose sufficient structural limitations upon a claimed article to differentiate it over a prior art article. See, for example, Kropa v. Robie, 187 F.2d 150, 88 USPQ 478 (CCPA 1951). In the situation before us, the preambular recitations argued by appellants are "reinforcing fiber" and "for reinforcing plastic composites." The issue which arises is not whether one having ordinary skill in the art would have found it *prima facie* obvious to employ Login's coated fibers to reinforce plastic composites. Rather, the issue which arises is whether the coated fibers disclosed by Login would be capable of performing a reinforcing function if embedded in plastic material. Since Login apparently contemplates a wide variety of fibers and the coating composition corresponds to that employed by appellants, a factual basis exists upon which to reasonably conclude that Login's coated polyester fibers are capable of reinforcing some plastic material.

Appellants, on page 5 of the principal Brief, argues that

> "the presence of the -SO_3M group required in Login *may or may not* have adverse effects on the fiber claimed by appellants. It cannot be known without testing the Login finish. . . . It is *speculated* that the presence of such a group would have adverse effects and would therefore be outside the scope of the claims. (Emphasis supplied.)

In our opinion, the appealed claims are of sufficient scope to encompass Login's alkyd resin which is produced by reacting, *inter alia*, an aromatic carboxylic acid containing a -SO_3M grouping. Appellants' *speculations* do not persuade us otherwise.

Based upon the foregoing, we agree with the examiner's conclusion that one having ordinary skill in the art would have found the claimed invention *prima facie* obvious. As evidence of nonobviousness, appellants refer to the data which appear in Table 1 on page 10 of the specification to demonstrate that a certain type of textile fiber cannot be employed for effective reinforcement of a particular plastic. We have considered this evidence; however, we do not find it persuasive of nonobviousness.

The data suggest that polyethylene terephthalate fibers conventionally employed in the production of textiles are not as suitable for reinforcing certain plastics as other types of polyethylene terephthalate fibers. However, the appealed claims are drawn to coated fibers which are *generally* capable of reinforcing *unspecified* plastic composites. *Cf. In re* Muchmore, 433 F.2d 824, 167 USPQ 681 (CCPA 1970). The evidence does not suggest that the coated fibers disclosed by Login are incapable of reinforcing some plastic material. *Cf. In re* Johnson, 747 F.2d 1456, 223 USPQ 1260 (Fed. Cir. 1984); *In re* De Blauwe, 736 F.2d 699, 222 USPQ 191 (Fed. Cir. 1984); *In re* Fenn, 639 F.2d 762, 208 USPQ 470 (CCPA 1981).

Upon consideration anew of the evidence of obviousness relied upon by the examiner and weighing such evidence of obviousness against the evidence of nonobviousness relied upon by appellants [2], it is our judgment that the evidence of obviousness outweighs the evidence of nonobviousness. We, therefore, agree with the examiner's conclusion that one having ordinary skill in the art would have found the claimed invention as a whole obvious within the meaning of 35 U.S.C. 103.

AFFIRMED

ON REQUEST FOR RECONSIDERATION

March 18, 1988

Appellants request reconsideration of our decision mailed December 4, 1987, in which we affirmed the examiner's rejection of the appealed claims under 35 U.S.C. 103. Appellants point to no error in our affirmance of the examiner's rejection of claims 1, 2 and 19. Appellants, however, seek reconsideration of our affirmance of the examiner's rejection of claims 3, 4, 7 through 18 and 20.

Upon consideration of the arguments advanced, we are persuaded that claims 3, 4, 7 through 18 and 20 exclude the aromatic carboxylic acid component of Login which contains a -SO_3M grouping.

We are not persuaded by the examiner's reasoning that one having ordinary skill in the art would have been motivated to eliminate the aromatic carboxylic acid component of Login which contains a -SO_3M grouping, since that component would appear essential for Login's purposes. *In re* Gordon, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984); *In re* Schulpen, 390 F.2d 1009, 157 USPQ 52 (CCPA 1968).

Accordingly, appellants' request is granted and our decision is hereby modified to the extent that the examiner's rejection of claims 3, 4, 7 through 18 and 20 is *reversed*. Our affirmance of the rejection of claims 1, 2 and 19 is unchanged.

GRANTED

UPON REQUEST FOR RECONSIDERATION

December 16, 1988

The examiner requests reconsideration of our decision mailed December 4, 1987, in which we reversed the rejection of claims 1, 3, 7, 8, 11, 12 and 15 through 18 under the second paragraph of 35 U.S.C. 112 as indefinite. We have reconsidered our decision in light of the arguments now advanced; how-

[1] Appellants' specification reveals that the alkyd resin enhances interfilament coherency. See, for example, page 1, lines 9 through 14.

[2] *In re Johnson, supra.*

ever, we are not persuaded that the examiner's rejection was proper.

It is well settled that the initial burden of establishing a basis for denying patentability to a claimed invention rests upon the examiner. *In re* Fine, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988); *In re* Thorpe, 777 F.2d 695, 227 USPQ 964 (Fed. Cir. 1985); *In re* Piasecki, 745 F.2d 1468, 223 USPQ 785 (Fed. Cir. 1984). In rejecting a claim under the second paragraph of 35 U.S.C. 112, it is incumbent upon the examiner to establish that one having ordinary skill in the art would not have been able to ascertain the scope of protection defined by the claim when read in light of the supporting specification. *In re* Moore, 439 F.2d 1232, 169 USPQ 236 (CCPA 1971); *In re* Hammack, 427 F.2d 1378, 166 USPQ 204 (CCPA 1970). The resolution of this legal question [3] necessarily depends upon the facts of each particular case. Chicago Pneumatic Tool Co. v. Hughes Tool Co., 97 F.2d 945, 38 USPQ 258 (10th Cir. 1938).

In the situation before us, the invention set forth in independent claim 1 is directed to a fiber coated with a composition

> which is the reaction product of at least one aliphatic glycol containing 2 to 12 carbons with a combination of aromatic di- or trifunctional carboxylic acids and, *optionally*, an unsaturated aliphatic carboxylic acid . . . (emphasis supplied).

By its own terms, and when construed in light of the specification (pages 3 through 5), claim 1 encompasses a reaction mixture which contains an unsaturated aliphatic carboxylic acid and a reaction mixture which does not contain an unsaturated aliphatic carboxylic acid. In our opinion, one having ordinary skill in the art would have recognized the scope of protection sought within the meaning of the second paragraph of 35 U.S.C. 112. *In re* Moore, *supra*; *In re Hammack, supra.*

The examiner argues that the term "optionally," as employed in claim 1, is analogous to "such as" and "particularly" when following a broad limitation. The examiner contends that the precise limits of the claims cannot be determined.

[3] As previously mentioned, issues arising under the second paragraph of 35 U.S.C. 112 must be decided on a case-by-case basis. Situations may arise in which the expressions "such as" and "particularly" render a claim indefinite as to whether such expressions introduce exemplary or limiting detail. However, the use of the term "optionally," as employed in claim 1, is akin to expressions such as "up to" and "0 to. . . ." Such alternative language does not normally render claims indefinite under the second paragraph of 35 U.S.C. 112. See *Ex parte* Head, 214 USPQ 551 (Bd.App. 1981). Also of interest is *In re* Fisher, 427 F.2d 833, 166 USPQ 18 (CCPA 1970), wherein it was held that the expression "at least," under the particular facts of that case, did not render the claims indefinite.

In summary, we have no doubt that one having ordinary skill in the art would have recognized that the claims encompass reaction mixtures which have an unsaturated aliphatic carboxylic acid and reaction mixtures which do not have an unsaturated aliphatic carboxylic acid. Such an alternative situation does not run afoul of the second paragraph of 35 U.S.C. 112.

The examiner's request is granted to the extent that we have reconsidered our decision; however, it is denied to the extent that it seeks any modification thereof.

DENIED

[3] Smithkline Diagnostics v. Helena Laboratories, _____ F.2d _____, 8 USPQ2d 1468 (Fed. Cir. 1988).

Court of Appeals, Federal Circuit

AMP Inc. v. Burndy Corp.

Nos. 88-1560, -1561

Decided March 23, 1989

(Unpublished)

PATENTS

1. Infringement — In general (§120.01)

Federal district court's finding of infringement of plaintiff's patent for electrical contact shear pin for insertion in and connection with printed circuit board is not clearly erroneous, nor did court clearly err by finding willful infringement as to defendant's two-legged pin but no willful infringement as to three-legged pin, since finding of willfulness is finding of fact based upon totality of circumstances, and since district court did not fail to consider any relevant circumstances present in case.

2. Patentability/Validity — Obviousness — In general (§115.0901)

Federal district court's failure to fully articulate its obviousness analysis, and its misuse of terms in that analysis, constitute harmless error.

Particular patents — Electrical — Contact pin

4,186,982, Cobaugh and Coller, contact with split portion for engagement with substrate, infringed.

Appeal from the U.S. District Court for the District of Connecticut, Dorsey, J.

AMP Incorporated brought patent infringement action against Burndy Corp. Defendant appeals judgment for plaintiff. Affirmed.

[Editor's Note: The Court of Appeals for the Federal Circuit has designated this opinion as one that "has not been prepared for publication in a printed volume because it does not add significantly to the body of law and is not of widespread legal interest. It is a public record. It is not citable as precedent."]

Before Nies, Newman, and Michel, circuit judges.

Nies, J.

Both parties appeal from the judgment of the United States District Court for the District of Connecticut, *AMP Inc. v. Burndy Corp.*, Civil No. B-82-669, slip op. (D. Conn. July 21, 1988) (Dorsey, J.) (unpublished), in a patent infringement action brought by AMP Incorporated asserting infringement of United States Patent No. 4,186,982 ('982). We *affirm* the district court's judgment in all respects.

OPINION

I. *Infringement*

The '982 patent covers a contact pin, split or sheared to form at least two legs, which is inserted into the plated through hole (PTH) of a printed circuit board (PCB). Before insertion, the legs have a cross-sectional area larger than the PTH diameter. The legs are offset so that as the pin is inserted they slide toward each other, creating a frictional force along their common shear plane. That force joins the elastic, spring-like force generated as the legs are forced together to push against the wall of the PTH. Thus, mechanical and electrical contact between the pin and PCB is maintained.

A. *District Court Did Not "Disregard" the Prosecution History*

Burndy argues that the court clearly erred in finding that its three-legged pins infringe, because the court disregarded certain statements, made early in the prosecution history, which would restrict the number of legs to two. Each independent claim specifies "at least two legs" or a contact "comprising" two legs. As the district court stated, such claim language does not restrict the claimed invention to two legs. *See Water Technologies Corp. v. Calco, Ltd.*, 850 F.2d 660, 666, 7 USPQ2d 1097, 1102 (Fed. Cir. 1988). Moreover, the specification specifically states, "[i]n accordance with a further feature of the invention it will be apparent that the number of legs can exceed two." '982 Spec., col. 4, lines 62–64 To the extent statements made during the earlier phases of the prosecution history might contradict the later prosecution history and the issued specification and claim language, the language of the latter prevails here.

B. *District Court Applied Claim Limitations*

Burndy asserts that its three-legged pins do not meet the claim limitations requiring a decrease in cross-sectional dimension. The court specifically found that this limitation was met. Slip op. at 24. Burndy argues that the court's statement that Burndy's three-legged pins increased in cross-sectional *area* is inconsistent with the court's finding of infringement. We disagree. Cross-sectional *dimension* and cross-sectional *area* are not the same thing.

Similarly, the court fully considered Burndy's argument that its pins avoid infringement because the three legs resist compliance with the PTH by torsional, not sliding frictional, movement and do not have coplanar shear surfaces. *Id.* at 23-24. Evidence in the record, including witness testimony indicating that friction is essential to the three-legged pins and photomicrographs showing sliding engagement and friction in the three-leg pins, supports the findings of the district court. Accordingly, we cannot hold such findings clearly erroneous.

C. *District Court's Analysis Is Not "Incomprehensible"*

Burndy asserts that the court's "entire infringement opinion [is] incomprehensible" because Claims 7 and 51 are identical to Claim 36, yet the court found Claim 36 not infringed and Claims 7 and 51 infringed. We disagree. Although AMP asserted that Claim 36 was infringed, the court simply never ruled on that claim. Moreover, Claims 7, 36, and 51 cannot be "identical" because they are all dependent claims, each depend-

where the feature, more aptly, design, is a mere arbitrary embellishment or form of dress for the goods primarily adopted for purposes of identification and individuality and, hence, unrelated to basic consumer demands in connection with the product, imitation may be forbidden where the requisite showing of secondary meaning is made. Under such circumstances, since effective competition may be undertaken without imitation, the law grants protection.

These criteria require the classification of the designs in question here as functional. Affidavits introduced by Wallace repeat over and over again that *one of the essential selling features of hotel china, if, indeed, not the primary, is the design. The attractiveness and eye appeal of the design sells the china. Moreover, from the standpoint of the purchaser, china satisfies a demand for the aesthetic as well as for the utilitarian, and the design on china is, at least in part, the response to such demand.* The granting of relief in this type of situation would render Wallace immune from the most direct and effective competition with regard to these lines of china. It seems clear that these designs are not merely indicia of source, so that one who copies them can have no real purpose other than to trade on his competitor's reputation. On the contrary, to imitate is to compete in this type of situation. 198 F.2d 343-344 [95 USPQ at 48-49] (emphasis added).

Plaintiff here maintains that the *Pagliero* test has been abrogated in the Second Circuit. Although the Second Circuit has criticized the "important ingredient" test, *see LeSportsac*, 754 F.2d at 77 [225 USPQ at 658], it has clearly asserted that the test is appropriate in situations such as the one before the Court. The *LeSportsac* Court stated:

> "[W]e do not suggest that it [the 'important ingredient' test] cannot be appropriately applied in certain circumstances. The "important ingredient" definition achieved its most quoted formulation in the context of a product, hotel china, the essential feature of which was the aesthetic appeal of its design. *See Pagliero, supra*, 198 F.2d at 343 [95 USPQ at 48]."

754 F.2d at 77-78 [225 USPQ at 658]. *See also I.A. Fratelli Saporiti v. Charles Craig, Ltd.*, 725 F.2d 18, 20 [222 USPQ 754, 756] (2d Cir. 1984) ("[T]he design on hotel china is the principal thing that attracts potential buyers, for it makes the china aesthetically appealing. As an important ingredient in the saleability of the goods, *it is functional and may not be treated as an unregistered trademark.*") (emphasis added).[3]

[2] The documentary evidence before the Court amply demonstrates that the design on the "Basket" is not primarily adopted for the purpose of identification of source. As such, the design is functional and is not protected by the Lanham Act.

C. Counts VI and VII: Common Law Unfair Competition and Trademark Infringement

Counts VI and VII allege unfair competition and dilution of trademark under New York law. "[A] claim for unfair competition under New York law requires proof of a competitor's deliberate use of a non-functional trade dress and likelihood of public confusion. Proof of secondary meaning is not required." *Morex S.P.A v. Design Institute America, Inc.*, 779 F.2d 799, 801 [228 USPQ 372, 373-74] (2d Cir. 1985). Where the record establishes that a design is functional, the Court's inquiry may cease. *See, e.g., Damn I'm Good, Inc. v. Sakowitz, Inc.*, 514 F.Supp. 1357 [212 USPQ 684] (S.D.N.Y. 1981).

[3] This Court's research indicates that the question of whether a design is functional under New York law is governed by the same standards as the functionality issue under federal law *See, e.g., Gemveto Jewelry Co. v. Jeff Cooper, Inc.*, 613 F.Supp. 1052, 1061-62 [227 USPQ 623, 628-29] (S.D.N.Y. 1985) (citing *Pagliero* in footnote), *vacated on other grounds*, 800 F.2d 256 [230 USPQ 876] (Fed. Cir. 1986); *Sakowitz*, 514 F. Supp. at 1360-63 [212 USPQ at 687-89]; *LeSportsac, Inc. v. Dockside Research, Inc.*, 478 F.Supp. 602, 606 [205 USPQ 1055, 1060] (S.D.N.Y. 1979). Accordingly, because the design in hotel china is functional as a matter of law, *see LeSportsac, Inc., v. K Mart Corp.*, 754 F.2d 71, 78 [225 USPQ 654, 659] (2d Cir. 1985), plaintiff's state law claims must be dismissed.

[3] The Court is mindful that the embattled *Pagliero* formulation of functionality has engendered considerable confusion in the Second Circuit. Nevertheless, it appears that *Pagliero* remains the law regarding hotel china.

The *Charles Craig* case clearly acknowledges the applicability of *Pagliero* to hotel china. Judge Weinfeld buttressed this point in *Gemveto Jewelry Co. v. Jeff Cooper, Inc.*, 613 F.Supp. 1052, 1061 [227 USPQ 623, 628] (S.D.N.Y. 1985), *vacated on other grounds*, 800 F.2d 256 [230 USPQ 876] (Fed. Cir. 1986). While sharply limiting the "important ingredient" test's applicability, the *LeSportsac* Court clearly acknowledged the test's viability concerning china. *See* 754 F.2d at 78 [225 USPQ 658-59].

In *Morex S.P.A. v. Design Institute America, Inc.*, 779 F.2d 799, 801 [228 USPQ 372, 373-74] (2d Cir. 1985), in a case not involving china, the Second Circuit Court of Appeals ventured that *LeSportsac* "implicitly rejected" the "important ingredient" test. Finally, in *Stormy Clime Ltd. v. ProGroup, Inc.*, 809 F.2d 971, 977 [1 USPQ2d 2026, 2030] (2d Cir. 1987), that Court tempered its assessment of *LeSportsac's* impact on the "important ingredient" test, stating that *LeSportsac* merely "limited" the applicability of the "important ingriedient" test. This Court then is compelled to accept the "important ingredient" test's continued vitality regarding china.

CONCLUSION

For the reasons set forth above, defendant's motion for summary judgment dismissing Counts III, V, VI, VII is granted. Summary judgment is denied as to Count I. Plaintiff is directed to file a supplemental complaint within twenty (20) days of this Opinion and Order. Defendant is to answer the supplemental complaint by March 17, 1989. Any remaining discovery shall be completed by May 17, 1989.

The parties are to be ready for trial June 19, 1989 and to make their pre-trial submissions in accordance with the Court's pre-trial requirements as forwarded herewith.

SO ORDERED.

Patent and Trademark Office
Board of Patent Appeals and Interferences

Ex Parte Wu

No. 87-0509

Released March 17, 1989

PATENTS

1. Patent construction — Claims — Indefinite and incomplete (§125.1313)

Phrase "optionally containing a polyamine," in application claim for method for using particular composition to inhibit corrosion on metal surfaces, does not warrant rejection under 35 USC 112, since composition set forth in claims can consist of first three components recited or can include polyamine as fourth component, and therefore claims are not indefinite due to inclusion of optionally claimed component.

2. Patentability/Validity — Obviousness — Combining references (§115.0905)

Claimed method for inhibiting corrosion on metal surfaces using composition consisting of epoxy resin, petroleum sulfonate, and hydrocarbon diluent are obvious in view of four prior patents, since incorporation of petroleum sulfonate, desirable qualities of which were established in secondary references, in composition of primary reference would have been prima facie obvious, since primary reference clearly suggests presence of hydrocarbon extenders or diluents, since it would have been obvious to omit polybasic acid salts of primary reference where, as in claims at issue, function attributed to such salts is neither desired nor required, since, although composition and process of primary reference are disclosed to be particularly suitable for treating surfaces in contact with fresh water, it would have been obvious to one of ordinary skill to adapt such coatings to other environments requiring corrosion protection, and since no evidence exists that other prima facie obvious processes suggested in references are less effective than claimed method.

3. Patent construction — Claims — Indefinite and incomplete (§125.1313)

Phrase "optionally containing a polyamine," in application claims describing method for using particular composition to inhibit corrosion on metal surfaces, does not warrant rejection under 35 USC 112 despite prior Board of Patent Appeals and Interferences decisions finding that phrase "such as" renders claims indefinite, since term "optionally" is more analogous to accepted expressions "not more than" and "up to," and does not create doubt arising from use of "such as," which raises question as to whether feature introduced by language is either merely exemplary of claim or required feature of claim.

Appeal from final rejection of claims (John C. Bleutge, primary examiner; R. Sellers, examiner).

Patent application of Yulin Wu, serial no. 749,366, filed June 27, 1985, which is division of serial no. 298,444, filed Sept. 1, 1981. From final rejection of claims 1-4, 6, 7, and 14-19, applicant appeals. Rejection on ground of obviousness affirmed; examiner's request for reconsideration of that portion of decision reversing examiner's rejection for indefiniteness under 35 USC 112 denied.

E. T. Kittleman, Jack E. Phillips, and Williams, Phillips & Umphlett, Bartlesville, Okla., for appellant.

Before Seidleck, Tarring, and W. Smith, examiners.

Tarring, examiner-in-chief.

This is an appeal from the examiner's final rejection of claims 1 through 4, 6, 7 and 14 through 19. The only remaining claims, claims 8 through 13, have been withdrawn as being directed to the nonelected invention under 37 CFR 1.142.

The application is directed to a process for using a particular composition to inhibit corrosion on a metal surface.

Claim 1 is illustrative:

1. A method for decreasing corrosion rate on a metal surface by contacting the metal surface with a composition consisting of an epoxy resin, a petroleum sulfonate and a hydrocarbon diluent optionally containing a polyamine.

This application is a division of Serial No. 298,444, wherein the examiner's rejection of composition claims was affirmed by the Board in Appeal No. 674-24.

The examiner has cited the following patents as evidence of obviousness under 35 USC 103:

Westlund, Jr. et al. (Westlund)	2,843,548	Jul. 15, 1958
Murdock	3,427,190	Feb. 11, 1969
Pilla	4,157,991	Jun. 12, 1979
Green (Canadian Patent)	611,572	Dec. 27, 1960

Two rejections are before us:

(a) Claims 1 through 4, 6, 7 and 14 through 19 stand rejected under 35 USC 112, second paragraph, as being indefinite; and

(b) Claims 1 through 4, 6, 7 and 14 through 19 stand rejected under 35 USC 103 as being unpatentable over Murdock in view of Pilla, Westlund and the Canadian Patent.

We have carefully considered the respective positions of the examiner and the appellant, as well as the evidence of record, in reaching our decision that the rejection under 35 USC 112 shall be reversed while the rejection under 35 USC 103 shall be sustained.

[1] The rejection under 35 USC 112 is based on the examiner's contention that the term "optionally" in claim 1 does not clearly indicate whether the polyamine is intended to be a part of the composition. We have no difficulty determining the scope of claim 1 as drafted. The composition set forth in the claim can consist of the first three components recited or it can include a polyamine as a fourth component. We therefore do not consider the claims to be indefinite as a result of the claimed optional component.

[2] We are convinced that it would have been obvious, in view of the various teachings of the secondary references, to include petroleum sulfonate in the anti-corrosion compositions taught by Murdock. The secondary references establish that petroleum sulfonates are recognized in the art as corrosion inhibitors (Pilla), rust inhibiting materials (Westlund) and surface active agents which promote the solubility of corrosion inhibiting additives in petroleum hydrocarbons (Canadian Patent). Inasmuch as these recognized properties are clearly complimentary to the anti-corrosion purposes of Murdock's composition and method, the incorporation of petroleum sulfonates in Murdock's composition with the expectation of thereby achieving improvement in the properties recognized to be attributable to the additive would have been *prima facie* obvious.

We note appellant's argument that the Murdock composition does not contain a hydrocarbon diluent. Murdock clearly suggests the presence of hydrocarbon extenders (or diluents) at column 10, lines 68 through 73.

Appellant's claims exclude the presence of Murdock's salts of polybasic acids in the composition defined as "consisting of" the listed components. We agree with the examiner that it would have been obvious to omit Murdock's polybasic acid salts when the function attributed to these salts is not desired or required. Murdock teaches that these salts are beneficial when the composition is employed in contact with fresh water (column 3, lines 4 through 7). Omission of the salt component in preparing compositions to be used to provide corrosion resistance to metals in environments which do not encounter fresh water would have been obvious.

We also note appellant's argument that Murdock does not teach reducing corrosion in environments containing high temperatures and/or high pressures. While Murdock's composition and process are disclosed to be particularly suitable for treating surfaces in contact with fresh water, we are convinced that one of ordinary skill would recognize the general applicability of the anti-corrosion coatings taught therein. It would have been obvious to adopt these coatings to whatever environments exist at the sites where corrosion protection is required. Accordingly, it would have been obvious to adopt and apply Murdock's anti-corrosion compositions in the temperature and pressure environments set forth in claims 6 and 7. We note Murdock teaches that his process can be used in any type of structure including reaction vessels and well jackets (column 12, lines 72-75).

The fact that all of the references are directed to treating metals with compositions to impart corrosion resistance provides an adequate commonality of interest between the four references, as well as appellant's field of endeavor, to suggest the pertinence of the teachings of each of the references to appellant's problem. We do not agree with appellant that the rejection is based on impermissible hindsight. While, as appellant suggests, the references might suggest that other compositions might also serve to solve appellant's problem, we note that the present specification teaches numerous modifications of the composition which are outside of the scope of the present claims and apparently provide at least equivalent results to the process claimed (page 7, lines 4 through 9; page 8, lines 16 through 33). Accordingly, we see no reason, based on this record, to conclude that appellant's process works where other *prima facie* obvious processes fail.

For the reasons given above as well as those expressed by the examiner in his Answer, the examiner's decision is affirmed.

AFFIRMED.

37 CFR 1.136(a) does not apply to the times for taking any subsequent action in connection with this appeal.

UPON REQUEST FOR RECONSIDERATION

December 22, 1988

The examiner has requested reconsideration of that part of our decision, mailed February 29, 1988, wherein we reversed the rejection of claims 1 through 4, 6, 7 and 14 through 19 under the second paragraph of 35 USC 112. Neither the examiner nor the appellant have requested reconsideration of that portion of our decision wherein we affirmed a rejection under 35 USC 103 over stated prior art. We have reconsidered our reversal of the rejection under 35 USC 112 in view the examiner's request, however, we decline to modify our position in any respect.

In rejecting a claim under the second paragraph of 35 USC 112, it is incumbent on the examiner to establish that one of ordinary skill in the pertinent art, when reading the claims in light of the supporting specification, would not have been able to ascertain with a reasonable degree of precision and particularity the particular area set out and circumscribed by the claims. *In re Moore*, 439 F.2d 1232, 169 USPQ 236 (CCPA 1971); *In re Hammack*, 427 F.2d 1378, 166 USPQ 204 (CCPA 1970). The determination of such issues necessarily depends on the facts of each particular case or application *Chicago Pneumatic Tool Co. v. Hughes Tool Co.*, 97 F.2d 945, 38 USPQ 258 (10th Cir. 1938).

In our original decision we found

> We have no difficulty determining the scope of claim 1 as drafted. The compositions set forth in the claim can consist of the first three components recited or it can include a polyamine as a fourth component.

This determination followed from the rationale of *In re Moore*, *supra* and *In re Hammack*, *supra*.

[3] The examiner bases his request on the prior decisions *Ex parte Steigerwald*, 131 USPQ 74 (BdApls 1961) and *Ex parte Grundy* 63 Ms.D. 219 (BdApls), wherein the term "such as" was found to render the claims indefinite. We do not consider the term "optionally" to always result in the same degree of variability or indefiniteness as might result from the use of the phrase "such as". As indicated previously, each case must be decided on its own facts. In this case, the term "optionally" clearly indicates that the polyamine may, or may not, be present as a fourth component in the, otherwise, three component composition. Claims often include the accepted expressions "up to", "0 to . . %", "not more than", which are recognized to indicate the possible, but not required, presence of a component. See *Ex parte Head*, 214 USPQ 551 (Bd.App.1981). The use of the term "optional" in the present circumstances is more analogous to the noted accepted expressions than it is to the use of the phrase "such as" in the cases relied on by the examiner. The use of the term "such as" can render a claim indefinite by raising a question or doubt as to whether the feature introduced by such language is (a) merely exemplary of the remainder of the claim, and therefore not required, or (b) a required feature of the claim. We see no similar question or doubt arising from the present use of the term "optionally."

We note the examiner's argument that

> Since the term "consisting of" closes the claim to all other ingredients *not specifically recited*, the polyamine would be ex-

cluded by the claim using the language "consisting of an epoxy resin, a petroleum sulfonate and a hydrocarbon diluent. . ." (emphasis added)

This argument apparently relies on ignoring the fact that the polyamine *is specifically recited* as being an optional component.

The examiner's argument continues

> Therefore the additional language "optionally containing a polyamine" renders the claim indefinite since it is not known what further limitations, if any, would be imposed on the claim by the use of said language. If no further limitations are imposed the language is superfluous and confusing.

Whatever confusion exists in this matter is not attributable to the words of the claim. It seems that the argument is premised on the fact that the claim means one thing if the "optionally. . ." phrase is ignored, and might mean something else if the phrase is considered. We know of no basis for interpreting the claim by ignoring the specific words used in the claim. We therefore see no rational basis for the examiner's finding that confusion would result should such an unwarranted method of claim interpretation be followed.

We note that the request for reconsideration does not provide any basis for modifying our stated understanding of the meaning of the criticized claim language. We, therefore, see no reason to modify our position as expressed in our original decision and as quoted, *supra*.

The request is granted to the extent that we have reviewed our original decision, however, it is denied to the extent that it seeks modification thereof.

DENIED

Patent and Trademark Office
Trademark Trial and Appeal Board

Century 21 Real Estate Corp. v. Century Life of America

Opposition No. 75,090

Decided January 17, 1989
Released March 16, 1989

TRADEMARKS AND UNFAIR TRADE PRACTICES

1. Registration and its effects — Federal registration — Procedure, form, and content — Specimens (§315.0303.02)

Practice and procedure in U.S. Patent and Trademark Office — Interpartes PTO proceedings — Opposition and cancellation — Rules and rules practice (§325.0305.05)

Unacceptable specimens, per se, do not constitute ground for opposition, since purpose of specimens is to show mark as it is actually used in order to determine whether it is being used as trademark or service mark, and since examining attorney's objections to specimens during examination are not actually to acceptability of specimens themselves but involve whether specimens show trademark use of matter for which registration is sought.

Opposition proceeding no. 75,090, between Century 21 Real Estate Corp. and Century Life of America d/b/a Century Companies of America and Century Life of America. On opposer's request for reconsideration of decision denying its motion for summary judgment and on four motions by opposer. Motion for reconsideration is denied, motion to amend notice of opposition is granted, request to extend discovery period is granted, trial dates are reset, and opposer is given time to respond to applicant's second set of interrogatories and first request for production.

Michael A. Grow, and Ward, Lazarus & Grow, Washington, D.C., for Century 21 Real Estate Corp.

Richard Bushnell, and Trexler, Bushnell, Giangiorgi & Blackstone, Chicago, Ill., for Century Life of America.

Before Sams, Rooney, and Seeherman, members.

By the board.

This case now comes up on the following:
Opposer's request for reconsideration of the Board's June 29, 1988 decision denying opposer's motion for summary judgment;
Opposer's motion to amend its notice of opposition;
Opposer's motion for leave to take additional discovery;

Opposer's motion to extend the time for the commencement of its testimony period; and
Opposer's motion to extend its time to respond to applicant's second set of interrogatories and first request for production.
Applicant has opposed the request for reconsideration and the various motions.

Turning first to the request for reconsideration, opposer's motion sought summary judgment on the ground that applicant failed to submit with its application proper specimens evidencing valid service mark use. The motion was denied because the insufficiency of specimens is not a ground for sustaining an opposition:

> The sufficiency of the specimens submitted with an application is a technical question which is within the province of the Examining Attorney to determine, and it is not within the function of this Board to supervise the Examining Attorney. See Granny's Submarine Sandwiches v. Granny's Kitchen Inc., 199 USPQ 564, 567 (TTAB 1978); Hyde Park Footwear Co., Inc. v. Hampshire-Designers, Inc., 197 USPQ 639, 642 (TTAB 1977. Even assuming applicant's specimens do not show service mark use but only trade name use, the applicant should not be penalized by the Examining Attorney's error in judgment, since any problem with the specimens might have been corrected had the Examining Attorney made a request for new specimens. See Granny's Submarine Sandwiches v. Granny's Kitchen, Inc., supra.

It is this ruling from which opposer requests reconsideration, arguing inter alia that the cited cases do not prohibit the Board from overruling the decision of the Examining Attorney when clear error was committed. In particular, opposer points to the following language in Granny's Submarine Sandwiches:

> We have previously stated that it is not the Board's function to review the work of the Examiner. We are not going to substitute our judgment for that of the Examiner, on the same facts that were before the Examiner, unless we are convinced that clear error was committed.

199 USPQ at 567.

We have carefully considered opposer's arguments, but we are not convinced that our decision was in error.

[1] While the Board is not bound by the decision of the Examining Attorney, in that the mere acceptance of specimens by the Examining Attorney does not mandate a finding by us that service mark usage was made, it is not the adequacy of the specimens, but the underlying question of service mark usage which would constitute a proper ground for opposition.

The reason why unacceptable specimens, per se, should not be a ground for opposition becomes apparent when one considers the purpose of specimens. The specimens are to show the mark as it is actually used (Section 1 of the Trademark Act, 15 U.S.C. 1051; Trademark Rules 2.56–58), so that it can be determined whether the matter for which registration is sought is being used as a trademark or service mark. Objections to the specimens made by the Examining Attorney during examination are not actually to the acceptability of the specimens themselves, but are that the specimens do not show trademark use of the matter for which registration is sought. Thus, in the present case, even assuming, arguendo, that applicant's specimens are unacceptable, if the Examining Attorney had refused registration based on them it would have been because they did not show that applicant's mark was being used as a service mark, and the ground for refusal would have been, not the insufficiency of the specimens, but that the matter did not function as a mark.

Moreover, fairness dictates that the ex parte question of the sufficiency of the specimens not be the basis for sustaining an opposition. If, as was pointed out in our June 29, 1988 decision, the Examining Attorney had objected to the specimens during the examination of the application, the applicant would have had an opportunity to submit acceptable substitute specimens. Again assuming, arguendo, that applicant's specimens are unacceptable, it would be unfair to penalize applicant for not submitting substitute specimens when that requirement was never made by the Examining Attorney. Accordingly, for both legal and equitable reasons, we reaffirm our prior decision that unacceptable specimens are not a proper ground for opposition, and deny the request for reconsideration on this basis.

Turning now to opposer's motion to amend the notice of opposition, opposer seeks to add the allegation that applicant did not use its mark as a service mark in commerce prior to the filing of its application. The failure to make service mark use (as opposed to a failure of the specimens to show such use) is a proper ground for opposition, and in view of the nature of the allegation and the stage in which the proceeding is, applicant would not suffer any prejudice by our granting the motion. Applicant's argument that the proposed allegation does not provide a ground for opposition (because the Examining Attorney had previously accepted the speci-