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# PATENTING IN THE U.S. ESSENTIALS OF THE US PATENT LAW

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« ГАЛОПОМ ПО АМЕРИКАНСКОМУ  
ПАТЕНТНОМУ ПРАВУ »

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# PRESENTATION OVERVIEW

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## CHAPTERS

**Overview of the U.S. Patent System**

**The US Patent System: Different from the Rest of the World and in a Constant State of "Development"**

**US Patent Practice**

**US Patent Litigation**

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# OVERVIEW OF THE U.S. PATENT SYSTEM

# OVERVIEW OF THE U.S. PATENT SYSTEM

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## Common law-based

- Role of precedent: binding court decisions
- As a result, US patent practice is "reactive"

## Geared towards litigation

- Person of ordinary skill in the art (POSITA) vs. Judge vs. Jury

## "Administered" by lawyers and not necessarily "technical" persons

- Not all lawyers/judges/jurors involved in patent disputes have a technical training

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**THE U.S. PATENT  
SYSTEM: DIFFERENT  
FROM THE REST OF  
THE WORLD AND IN  
A CONSTANT STATE  
OF “DEVELOPMENT”**

# THE U.S. PATENT SYSTEM

## BASED ON BOTH LEGISLATIVE CHANGES AND CASE LAW DEVELOPMENTS

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- U.S. patent law is codified (U.S. Code: Title 35 – Patents)
- However, case law shapes and sometimes **changes** how the codified law is applied, especially in new contexts (e.g., software patents)
  - Recent broad statutory reform: *America Invents Act* (2011)
  - Recent case law developments: *Alice Corp. v. CLS Bank*, 134 S.Ct. 2347 (2014); *Int'l Ass'n for Molecular Pathology v. Myriad Genetics, Inc.*, 133 S.Ct. 2107 (2013); *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 32 S.Ct. 1289 (2012)



# THE U.S. PATENT SYSTEM

## TRANSITION FROM A "FIRST TO INVENT" SYSTEM TO A "FIRST TO FILE" SYSTEM (AIA)

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- The U.S. patent system was based on the first to invent system until March 13, 2013;
- The inventor who first conceived of the invention and then diligently reduced it to practice (by filing a patent application or actually practicing the invention, is considered the first inventor and is entitled to patent protection as of the date of conception;
- The U.S. switched to a first to file system with the implementation of the third phase of the American Invents Act (AIA) on March 16, 2013, joining the vast majority of countries in adopting this system;
- In a first-to-file system, the right to the grant of a patent for a given invention lies with the first person to file a patent application for protection of that invention, regardless of the date of actual invention.

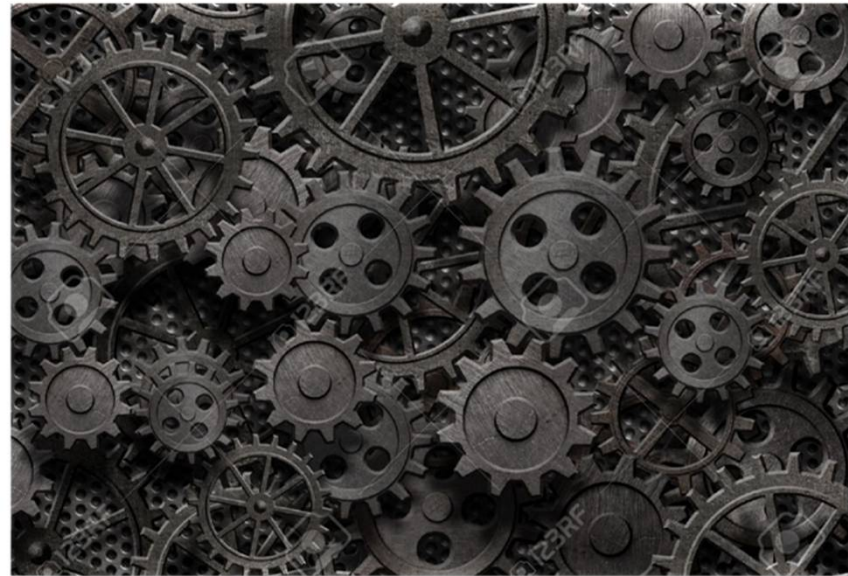
# THE U.S. PATENT SYSTEM

## THE STATUTE (35 U.S.C. § 101)

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**The Statute (35 U.S.C. § 101) authorizes patents for:**

- Machines
- Compositions of Matter
- Articles of Manufacture
- Processes





# THE U.S. PATENT SYSTEM

## RECENT U.S. SUPREME COURT DECISIONS: FOCUS ON SUBJECT MATTER & OBVIOUSNESS

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### BUSINESS METHODS/IT PATENTS after

- *Alice Corp. v. CLS Bank*, 134 S.Ct. 2347 (2014)

### DNA after

- *Int'l Ass'n for Molecular Pathology v. Myriad Genetics, Inc.*, 133 S.Ct. 2107 (2013)

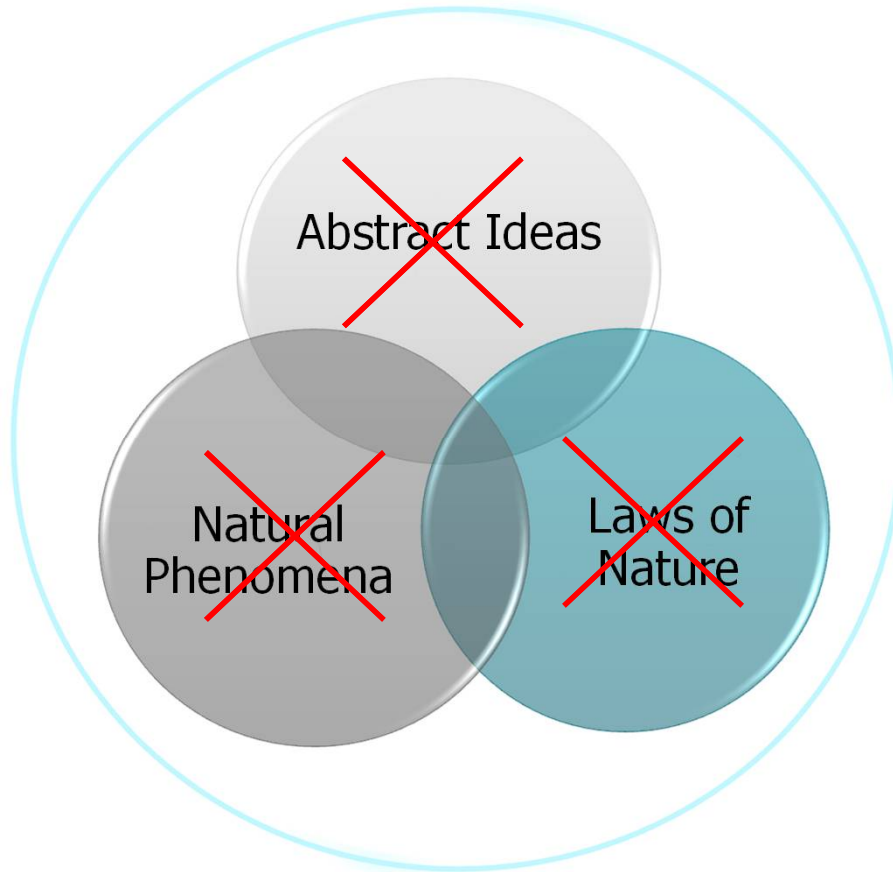
### DIAGNOSTIC METHODS after

- *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 32 S.Ct. 1289 (2012)

# THE U.S. PATENT SYSTEM

## EXCLUSIONS TO PATENTABILITY

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*"I know well the difficulty of drawing a line between the things which are worth to the public the embarrassment of an exclusive patent, and those which are not."*

—  
*Thomas Jefferson, 1813*

# THE U.S. PATENT SYSTEM

## HISTORICAL EVOLUTION OF THE APPLICATION OF THESE EXCLUSIONS TO SOFTWARE

	<u>NOT PATENTABLE:</u>	<u>PATENTABLE :</u>
<u>Supreme Court</u>	<ul style="list-style-type: none"> <li>- <u>Benson</u>: “process to convert binary-coded decimal numerals into pure binary code”</li> <li>- <u>Flook</u>: “monitor conditions of catalytic conversion in petrochemical and oil-refining”</li> <li>- <u>Bilski</u>: “hedging risk”</li> <li>- <u>Alice</u>: “intermediated settlement”</li> </ul>	<ul style="list-style-type: none"> <li>- <u>Dierh</u>: “process applying a mathematical algorithm to cure rubber”</li> </ul>
<u>Federal Circuit Court</u>	<ul style="list-style-type: none"> <li>- <u>buySAFE</u>: “creating a contractual relationship”</li> <li>- <u>Planet Bingo</u>: “managing a game of bingo”</li> <li>- <u>Ultramercial</u>: “using advertising as an exchange or currency”</li> </ul>	<ul style="list-style-type: none"> <li>- <u>DDR Holding</u>: “generating webpages”</li> <li>- <u>Enfish</u>: “database software designed as a “self-referential table”</li> <li>- <u>McRo</u>: “automatically animating lip synchronization and facial expression of animated characters”</li> </ul>

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# U.S. PATENT PRACTICE



# THE U.S. PATENT SYSTEM

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Grace period

Filing in the US – US first filed, convention priority filing, PCT national phase filing, PCT Continuation practice, PCT continuation in part

“Internal priority”

Provisional patent applications

# U.S. PATENT PRACTICE

## PROVISIONAL VS. NON-PROVISIONAL APPLICATIONS

Provisional	Non-provisional
<ul style="list-style-type: none"><li>• A provisional application is an application filed with the United States Patent and Trademark Office (USPTO) to establish an <u>early filing date</u></li><li>• A provisional application will not issue as a patent unless the applicant files a non-provisional patent application <u>within 1 year</u> of filing the provisional application</li><li>• A provisional application includes a specification (i.e., a description, and drawing(s)), but <u>does not require</u> formal patent claims, inventor's oaths/declarations or any information disclosure statement (IDS)</li><li>• The USPTO <u>filing fee</u> for a provisional application is significantly <u>lower</u> than for a regular application as no examination of the patentability of the application occurs</li><li>• A provisional application is not published</li></ul>	<ul style="list-style-type: none"><li>• In addition to the filing requirements for a provisional application, a non-provisional application must contain <u>at least one claim</u> and is to be <u>examined</u> for patentability</li><li>• A non-provisional application may claim <u>priority</u> to an earlier filed application (which is not possible with provisional applications)</li><li>• The <u>filing fee</u> for a non-provisional application is significantly <u>higher</u> than for a provisional application</li></ul>

# U.S. PATENT PRACTICE

## STRATEGIES FOR DRAFTING PROVISIONAL PATENT APPLICATIONS

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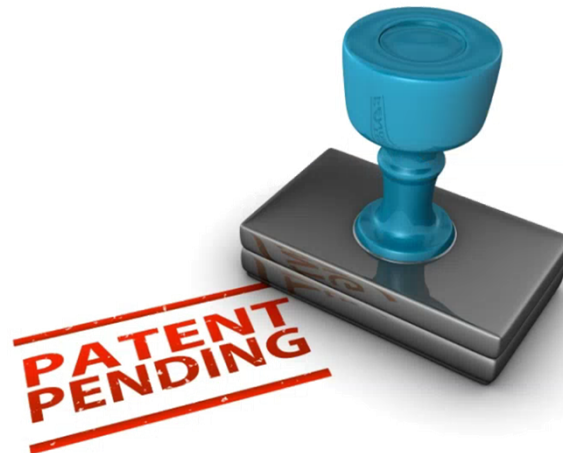
- Provisional patent application needs to provide adequate support for the future non-provisional patent application in order to support a valid priority claim;
- If used, provisional application should be drafted as if it were non-provisional – full description, drawings and claims;
- Particularly useful where further developments within the first year are expected;
- Russian Law requires patent applications directed to inventions made in Russia to be filed first in Russia.

# U.S. PATENT PRACTICE

## CONTINUATIONS

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- Filed by an applicant who wants to pursue additional claims to an invention disclosed in an earlier application, i.e., the “parent” application, that remains pending;
- Uses the same specification, claims priority to the filing date of the parent & shares at least one inventor with the parent;
- Useful when, e.g., some claims have been allowed and others were rejected by an examiner.





# U.S. PATENT PRACTICE

## CONTINUATIONS-IN-PART

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- Filed by an applicant who wishes to add subject matter not disclosed in the parent, but repeats a substantial portion of the parent's specification;
- Shares at least one inventor with the parent;
- Used to claim enhancements developed after the parent was filed;
- Claims to the additional subject matter are only entitled to the filing date of the CIP.

# U.S. PATENT PRACTICE

## DESCRIPTION

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**The U.S. has a particular approach to background, summary and description sections (to be considered when drafting the priority case)**

- Drafting the background while minimizing characterization of the prior art and “building up” of a need for an improvement
- Providing multiple “non-limiting” embodiments of the invention / technology
  - **Avoiding single-embodiment descriptions**
- Avoiding patent profanities, such as “must have”, “preferable”, “most optimal” and the like
- If drafted in Russian, being mindful of differences in the language structure (such as use of passive voice, etc.)
- Be careful when talking about advantages

# U.S. PATENT PRACTICE

## DESCRIPTION

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### Description Requirements

- The patent specification must "contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same" (35 U.S.C. 112(1))

### Description for computer implemented inventions:

- ***Williamson v. Citrix Online, LLC***, 792 F.3d 1339 (Fed. Cir. June 16, 2015) (en banc), *superseding* 770 F.3d 1371 (Fed. Cir. 2014)

# U.S. PATENT PRACTICE

## BEST MODE REQUIREMENT

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- The disclosure in the patent must contain the inventor's "best mode" of making or practicing the invention
- The purpose of the "best mode" requirement is to ensure full disclosure, such that the inventor may not "disclose only what he knows to be his second-best embodiment, retaining the best for himself" (*In re Nelson*, 280 F.2d 172, 184 (CCPA 1960))
- Pre-AIA: failure to disclose the "best mode" was a means of invalidating claims
- Post-AIA: "best mode" must still be disclosed but the ability to enforce this requirement has been all but eliminated
- Generally not found in other national patent jurisdictions

# U.S. PATENT PRACTICE

## CLAIMS

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### U.S. claims

- Point style claiming vs. fence style claiming
- Two part form claims vs. one part claims
- Multiple claims in a single category (apparatus, method, computer readable medium)
- Claim differentiation – “cascading” dependent claims

### Single entity rule

- In *Muniauction, Inc. v. Thomson Corp.* (Fed Cir. 2008), the Federal Circuit held that direct infringement of a claimed method requires that a single entity performs every step of the claim
- Requirement is satisfied if steps are performed by multiple parties provided that a single party exercises "control or direction" over entire process

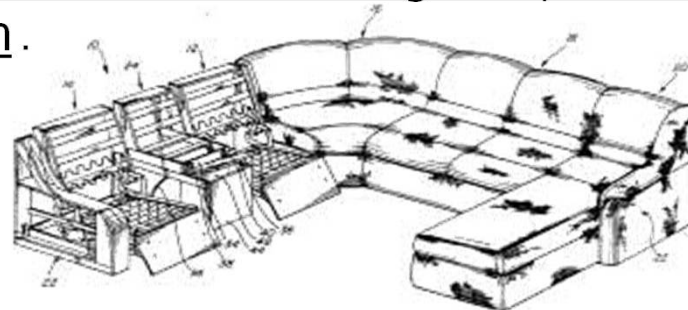
# U.S. PATENT PRACTICE

## THE GENTRY GALLERY, INC. V. THE BERKLINE CORP

(134 F.3d 1473 (Fed. Cir. 1998))

### A sectional sofa comprising:

- a pair of reclining seats disposed in parallel relationship with one another in a double reclining seat sectional sofa section being without an arm at one end,
- each of said reclining seats having a backrest and seat cushions and movable between upright and reclined positions,
- a fixed console disposed in the double reclining seat sofa section between the pair of reclining seats and with the console and reclining seats together comprising a unitary structure,
- said console including an armrest portion for each of the reclining seats; said arm rests remaining fixed when the reclining seats move from one to another of their positions,
- and a pair of control means, one for each reclining seat; mounted on the double reclining seat sofa section.

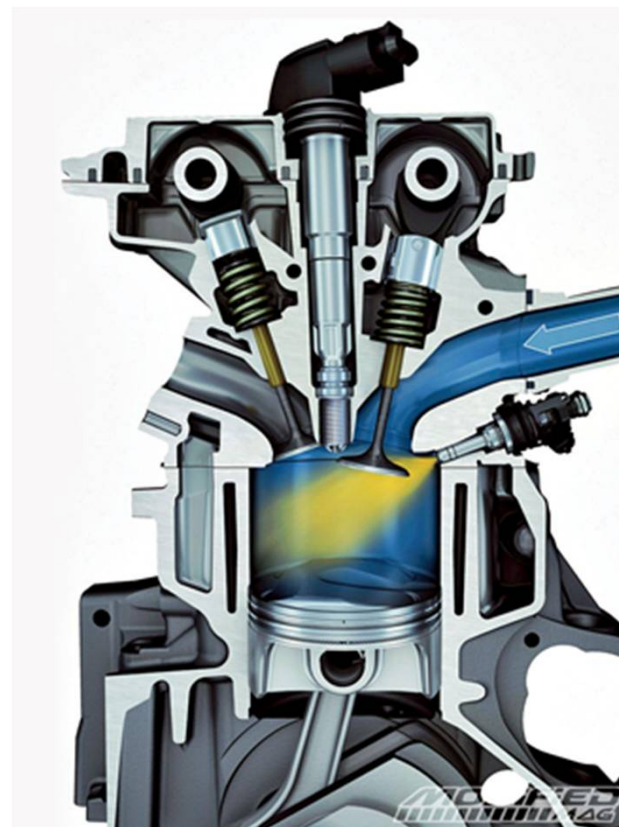


# U.S. PATENT PRACTICE

## HONEYWELL V. ITT INDUSTRIES

(452 F.3d 1312 (Fed. Cir. 2006))

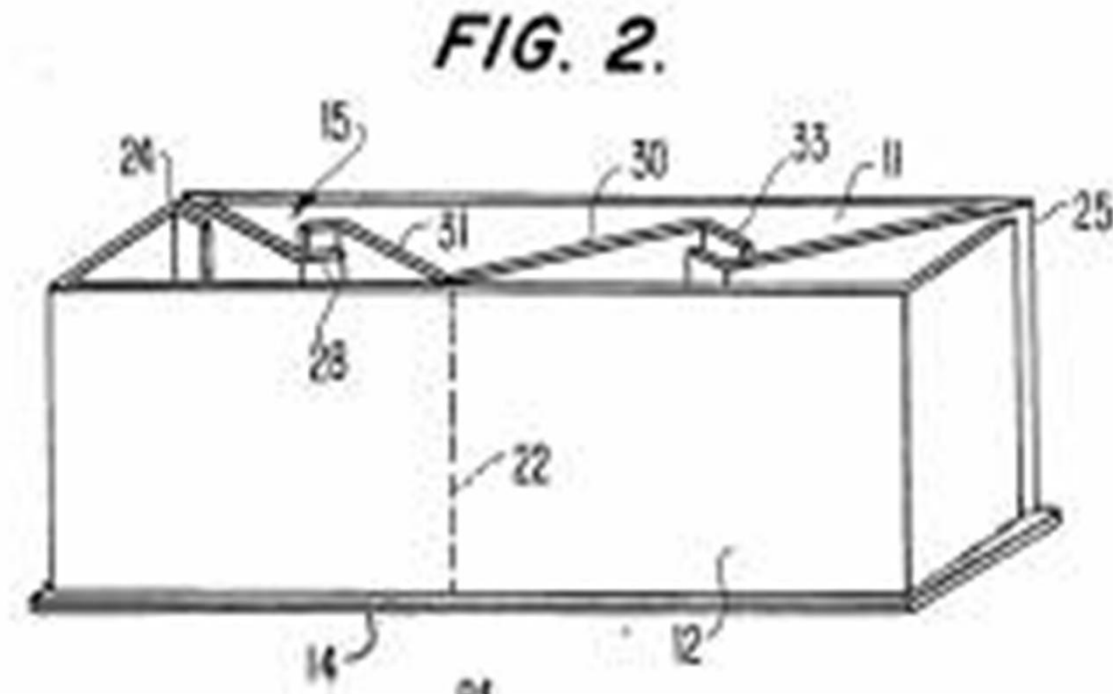
- The court interpreted the “fuel injection system component” as being limited to a “fuel filter” based upon a written description that referred to the fuel filter as the “**present invention**” on at least four occasions.
- “The public is entitled to take the patentee at his word and the word was that the invention is a **fuel filter**”.



# U.S. PATENT PRACTICE

## PHILIPS V. AWH CORP.

(415 F.3d 1303 (Fed. Cir. 2005))





# U.S. PATENT PRACTICE

## CLAIM CONSTRUCTION

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- “Means plus function”
- **35 USC 112 (f)**  
*ELEMENT IN CLAIM FOR A COMBINATION.—An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.*
- “Means for fastening” is not the same as “fastener” as far as claim construction is concerned
- Richard A. **Williamson** v. Citrix Online, LLC (Fed. Circ. 2015)
  - What is sufficient structure for software patents?

# U.S. PATENT PRACTICE

## DOCTRINE OF EQUIVALENTS (DOE)

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- Legal rule recognized by U.S. courts
- A means by which a patentee may raise a claim of infringement even though each and every element of the patented invention is not identically present in the allegedly infringing product
- The purpose of the DOE is to prevent an infringer from stealing the benefit of a patented invention by changing only minor or insubstantial details of the claimed invention while retaining the same functionality
- The essential inquiry in determining equivalency is whether the accused product or process contains elements identical or *equivalent* to each claimed element of the patented invention
- In the U.S., the DOE is applied to individual claim limitations – not the invention as a whole
- **File Wrapper Estoppel, a.k.a. “Festo”**
  - Amendments and arguments made in prosecution

# U.S. PATENT PRACTICE

## INFORMATION DISCLOSURE STATEMENTS (IDS)

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- Duty on all applicants to submit all relevant background art or information to the USPTO during patent prosecution
- Applies to any information that may be relevant to patentability of the applicant's invention
- If a patent applicant knowingly or intentionally fails to submit prior art to the USPTO, then any patent that later issues from the patent application may be declared unenforceable
- Duty applies to applicant, inventor and even any patent attorney or legal staff representing the applicant or inventor
- Translation of foreign prior art: consider "strategic" searching of the English language prior art

# U.S. PATENT PRACTICE

## DOCTRINE OF INEQUITABLE CONDUCT

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- A patent applicant engages in inequitable conduct when he or she breaches the applicant's duty of candor and good faith to the USPTO when applying for a patent
- Examples of inequitable conduct include: (a) failure to submit material prior art known to the applicant; (b) failure to explain references in a foreign language or submit pre-existing full or partial translations of the references; (c) misstatements of fact; and (d) mis-description of inventorship



# U.S. PATENT PRACTICE

## DOCTRINE OF INEQUITABLE CONDUCT:

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*Therasense, Inc. v. Becton, Dickinson and Co* (Fed. Cir. May 25, 2011)  
(en banc)

- In *Therasense*, the Federal Circuit Court of Appeals, sitting *en banc*, restricted the doctrine of inequitable conduct by changing the standard for materiality and clarifying the requirements for finding intent to deceive
- The party alleging unenforceability must prove a specific intent to deceive the USPTO by clear and convincing evidence and the decision to deceive the USPTO must be knowing and deliberate

### Post-Therasense decisions

- *Intellect Wireless, Inc. v. HTC Corp.*, No. 2012-1658, slip op.(Fed. Cir. Oct. 9, 2013)

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# U.S. PATENT LITIGATION



# U.S. PATENT LITIGATION



- **Court**: Cases are initiated in a U.S. District Court. Appeals are filed to the Court of Appeals of the Federal Circuit.
- **Juries**: Most US patent trials include juries. The jury may decide any factual issue of the case not reserved to the judge. The judge decides pure issues of law or equity.
- **Markman Hearing**: The court may at some point during the case schedule a court hearing, called a “Markman hearing,” to determine the meaning of the patent terms.
- **Patent “trolls”**: Patent trolls are notorious in U.S. patent litigation. These are entities that generally do not create or invent anything but are rather in the business of litigation (or threatening litigation) by buying up patents from companies and using the patents to sue other companies.

# U.S. PATENT LITIGATION

## PATENT LITIGATION IN THE U.S. IS...

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### LENGTHY

- 3-5 years from filing of the complaint to final judgment in a trial court  
1-2 years for Appeals

### COMPLEX

- After an initial pleadings stage, discovery begins, and lasts for months or even years. Discovery can involve massive exchanges of documents, interrogatories, expert reports and depositions. After discovery, a case typically moves into periods for requests for judgment without a trial, final pretrial, trial, and post-trial motions. Following this stage, the actual trial may begin

### WILLFUL INFRINGEMENT

- Treble damages (up to)



# U.S. PATENT LITIGATION

## PATENT LITIGATION IN THE U.S. IS...

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### COSTLY

- The cost of US patent litigation is often in the multi-million dollar range due to the length and complexity of the issues.

### UNPREDICTABLE

- The complexity of the issues in patent cases may lead to unpredictable results from judges and juries. Juries, in particular, can be unpredictable as they can be swayed by emotion.

### INTRUSIVE

- Sensitive financial records, strategic plans, and research and development activities may have to be disclosed during discovery

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# THANK YOU СПАСИБО

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