OCPLA NEWSLETTER

Orange County Patent Law Association

www.ocpla.org

April 2009

THURSDAY, MAY 21, 2009 LUNCHEON

Our May luncheon will feature ***Intellectual Property and the Gaming Industry: Perspectives and Tips***, presented by Eric Abott, Patent Counsel, Shuffle Master Inc. Las Vegas, and Rob Ziems, Ziems, P.C. (a Professional Corporation), Las Vegas. The luncheon will be held at the Sports Club/LA Orange County. Please register online by close-of-business Monday, May 18, 2009. We look forward to seeing you there!

Thanks to everyone who attended a very informative talk from The Honorable James V. Selna, *Five Ways to Be A More Effective IP Litigator*.

Registration and payment for OCPLA luncheons must be made online ONLY at www.ocpla.org. Payment must be made at the time of registration using a credit card or a PayPal account.

PLEASE RSVP ON TIME FOR MONTHLY LUNCHES

To ensure adequate seating at our monthly luncheons and to reduce the likelihood of rate increases, please register no later than close-of-business on the Monday preceding the luncheon. Your efforts to register within this timeline are greatly appreciated by the host facility and the OCPLA board.

APRIL/MAY BOARD MEETINGS

The April OCPLA board meeting was conducted April 16 at the Sports Club/LA Orange County prior to the April luncheon. The May board meeting will be conducted May 21, 2009 at 11:00 AM, prior to the May luncheon. Members who wish to present items for the Board's consideration should contact our president, TJ Singh, at tjsingh@koslaw.com to have their items placed on the agenda, and to verify the time and location of the meeting.

2009 OCPLA MEMBERSHIP RENEWAL

Membership for 2009 is now available online only. Payment must be made at the time of registration using a credit card or a PayPal account. Go to www.ocpla.org and use the "Membership App" link on the left column. If you have any questions regarding 2009 membership applications or renewals, please contact Tom Dao at tdao@koslaw.com.

NEW MEMBERS

We have received a number of new members – we will post them in next month's newsletter, and thanks for your patience!

Please encourage your colleagues to renew their OCPLA membership or to join as new members!

2009 LAIPLA SPRING SEMINAR

Please the flyer at the end of this newsletter for the **2009 LAIPLA Spring Seminar**. The Seminar will be held June 12-14, 2009 at Lake Arrowhead Resort & Spa.

INTERNET SIGHTINGS

BY JIM HAWES

This column highlights some of the more notable recent internet notices, newsletters and blogs dealing with IP prosecution issues. It may be a distillation by the editor of the submitted IS column. The full IS column, with compilations of some of the sources such as Hal Wegner's newsletter, is now up and available at www.internetsightings.com. Check it out.

Hal Wegner's newsletter – a lot of great stuff – Contact: hwegner@foley.com

- The 3/3/09 newsletter discusses Hal's current top ten cases on appeal list. See also his e-mail on 3/5, 3/7, 3/8, 3/9, 3/11, 3/26, and 3/28.
- A second 3/3/09 e-mail discusses the just-introduced Conyer's Patent Reform Bill.
- The 3/12/09 e-mail reports the *Natures Remedies* CAFC decision in which a § 102 rejection was affirmed based on prior art of limited availability submitted to Danish medicinal regulatory authorities. More info is given in the Pat-O posting for 3/13/09.
- Another 3/12/09 e-mail discusses the "flourishing" IP programs at four DC law schools.
- The 3/18/09 e-mail discusses the *Larson* CAFC decision and a request by one panel member for the court to resolve the inequitable conduct conflicting standards. See also Pat-O for 3/19/09 and 3/24/09.
- The 3/20/09 newsletter reports the *Tafas* CAFC decision affirming the DCED Va. decision that the PTO lacked authority to implement new rules concerning continuation applications, etc. (but rules limiting claims are OK). See also the Pat-O posting on 3/20.
- The 3/24/09 e-mail reports the *ClearValue* CAFC decision nailing patent counsel for suppressing critical test results from the PTO.
- Another 3/24/09 offering discusses the *Golden Hour* CAFC decision holding a patent (found by a jury to be infringed) to be unenforceable due to withholding from the PTO a brochure describing prior art.
- For those who like to watch sausage made, Hal's 3/25/09 email summarizes the various efforts in Congress to amend the patent laws. He predicts that a bill will be passed by August '09.
- The 3/26/09 e-mail discusses the *Clock Spring* CAFC decision, § 102(b), and experimental use (which Hal points out is not applicable most anywhere else in the world).

Patently-O – a blog written by Dennis Crouch – www.patentlyo.com.

- The 3/2/09 blog discusses nine BPAI February decisions based on § 101 and *Bilski*.
- The 3/4/09 e-mail discusses the changes proposed in the various recently-introduced patent reform bills.
- Another 3/4 /09 email reprints the PTO's guidance memo to examiners re *Bilski* issues.
- If you are considering an *inter partes* reexamination filing, you should check the 3/9/09 blog and the reference it cites.
- Another 3/9/09 posting says that Prior Smart for a small fee will monitor and report activities in any patent file open to the public. If you are having PAIR problems, here's the answer.
- The 3/10/09 e-mail includes a thorough discussion of hot topics in US patent reexamination by Rob Sterne.
- The 3/18/09 blog discusses the *ICU Medical* CAFC decision, focusing on the written description requirement.
- The 3/19/09 posting discusses the *Crown Pkg.* CAFC decision, especially the gradual restriction of the doctrine of equivalents over recent decades, and the requirements for proper marking of a patented article.

- The 3/24/09 e-mail reports that patent filings (and the PTO's budget?) are down 16% so far in 2009 (which the PTO later said was wrong).
- If you would like to see how your fellow patent attorneys respond to a client who thinks he's been overcharged for a simple mechanical patent application, check out Dennis' posting on 3/25/09.
- The 3/26/09 posting presents an excellent memo to inventors about how to keep the cost of a patent application down.
- The 3/29/09 e-mail notes that improper revival of an application may be on its way to becoming a defense to patent infringement.

Carl Oppedahl – e-mail of IP practice matters: carl@oppedahl.com.

- The 3/16/09 e-mail reports a new PCT forms manager is available from WIPO.
- The 3/29/09 posting notes that various countries change from and to daylight savings time on different dates, so time differences between countries will change while this is happening.

IP law 360 – a newsletter covering all IP, but focusing mainly on litigation – web address: www.iplaw360.com

- The 3/10/09 newsletter opines that patent portfolios can pull companies out of a "financial rut" if used effectively.
- The 3/11/09 email relays a WIPO report that 2008 was a record year for trademark application filings.
- The 3/12/09 issue reports that the EU's trademark office is flush with cash, and expects to reduce fees by 40% shortly.

Daily Dose of IP – a grab-bag of various IP matters by Mark Reichel – www.dailydoseofip.com.

- The 3/3/09 dose reports that the PTO is again seeking nominees for the National Medal of Technology. See the PTO website for forms etc.
- The 3/5/09 dose reports that the EPO has announced various changes in its electronic filing procedures. For more info, check the EPO website.
- The 3/18/09 bag reports that the PTO has received "a significant number" of international applications choosing an ISA not competent to review the claimed invention – e.g. a business method (EPO and IP Aust. won't search such claims).

Cal Bar IP Section – alerts when appropriate – www.calbar.org/ipsection

- The 3/6/09 eBulletin of the IP section discusses the proposed Patent Reform Act of 2009, and invites comments.

AIPLA Direct – a newsletter issued from time to time http://www.aipla.org/Content/ContentGroups/About_AIPLA1/AIPLA_Reports/AIPLA_Reports_TOC.htm

- A reminder – the Association's Spring Meeting this year will occur in San Diego at the Hotel Coronado on May 13-15. Sign up now.
- If you are interested in the currently pending bills in Congress to revise the patent laws, the Association has a number of committees actively engaged in reviewing and comparing various aspects of the bills. If you are not interested, you should be.

PTO notices – www.uspto.gov/main/newsandnotices

- The PTO and others are sponsoring a day long Design Day series of events at the PTO on 4/6/09.
- From time to time the PTO holds a customer partnership meeting. One will be held at the AIPLA Spring Meeting on 6/2/09. Notes and materials about it are available from AIPLA.

EPO notices – www.epo.org

- On 3/26/09 the EPO announced amendments limiting opportunities to file divisional patent applications.

Copyright Office News http://www.copyright.gov/newsnet/past_issues.html#2007

- On 3/27/09 the Office announced adoption of amendments relating to Notices of Termination.
- On 3/30/09 the Office announced that it seeks comments by 4/21 about certain changes to its practices regarding public availability of records.

Other Stuff –

- Maintenance fee issues are discussed at www.latepatents.net.
- LSI is sponsoring a conference concerning Copyright Counseling, Management and Litigation on 4/23-24/09 in Seattle.
- Linex Legal reports that New Zealand has instituted some changes to its patent practices.
- LSI is sponsoring an Open Source Software seminar in San Francisco on 6/8/09.
- For those BPAI watchers among us, check bpaiwatchdog.blogspot.com.
- The IP Watchdog recently pointed out that patent application allowances by the PTO have fallen from 70% to a recent low of 42%. No wonder you're having trouble.
- A new Fair Pay Act prohibits discriminatory compensation etc. and may pose problems for law firms.
- LSI is offering a Patent Enforcement and Early Stage Litigation workshop in SF on 6/19/09.

For more information about any of the patent topics mentioned, consult *Patent Application Practice* published by West and updated twice a year.

RECENT IP CASES

BY IRFAN LATEEF
KNOBBE, MARTENS, OLSON & BEAR

♦ In *Monolithic Power Systems, Inc. v. O2 Micro International Ltd.*, Nos. 2008-1128 & -1136, the Federal Circuit affirmed the district court's appointment of an independent expert under Federal Rule of Evidence 706.

Plaintiff MPS sought declaratory judgment against the defendant, patentee O2 Micro. The district court, frustrated with the technical complexity of the patent, entertained appointing an independent expert under Federal Rule of Evidence 706. Despite O2 Micro's objection to the appointment of an independent expert, the district court ordered the parties to confer about possible candidates. An independent expert, Dr. Santi, was then chosen by agreement of the parties, and the court instructed the jury as to Dr. Santi's role. Dr. Santi opined that one of the asserted claims was obvious, and that the same claim was infringed under the doctrine of equivalents. After a trial, the jury found all the claims obvious and two claims infringed under the doctrine of equivalents. O2 Micro appealed.

While the Federal Circuit was troubled by the "predicaments inherent in court appointment of an independent expert," it applied Ninth Circuit law which gives district courts wide latitude to make appointments and affirmed the district court. Specifically, the Federal Circuit rejected O2 Micro's argument that the appointment violated its Seventh Amendment right to trial by jury. The trial court had followed proper procedures under Rule 706, provided Dr. Santi with ample preparation time, and made him available for depositions by both parties. Furthermore, the trial court's instructions regarding Dr. Santi were proper because the jury was instructed not to give Dr. Santi's opinion greater weight due to his independent status. The Federal Circuit found no abuse of discretion in Dr. Santi's appointment.

♦ In *Nartron Corp. v. Schukra U.S.A., Inc.*, No. 2008-1363, the Federal Circuit reversed the district court's grant of summary judgment. The Federal Circuit concluded that the patentee's complaint should not have been dismissed for failure to join an alleged co-inventor to the lawsuit.

Schukra supplies automobile manufacturers with lumbar support systems for automobile seats. Schukra contracted with Nartron and Borg Indak to provide various components

for the automobile seats. Nartron sued Borg Indak for contributory infringement of its patent relating to a vehicle seat control system that provides massage capability.

Borg Indak moved to dismiss the complaint on the grounds that a Schukra employee was a co-inventor of Claim 11 but had not been joined in the lawsuit. The Federal Circuit disagreed, explaining that the Schukra employee was not a co-inventor because his contribution was part of the existing prior art relating to automobile seats, and was thus insignificant. The Federal Circuit looked to the specification, which explained that an “extender” was a part of the background of the invention, and which provided little additional detail. The court also explained that co-inventorship of a dependent claim should be evaluated in light of all the claims from which it depends, as it is not a claim to the added feature alone.

♦ In *In re Ferguson*, No. 2007-1232, the Federal Circuit affirmed a Board of Patent Appeals and Interferences decision rejecting a patent application directed to a paradigm for marketing software under 35 U.S.C. § 101.

The Examiner rejected all the claims under 35 U.S.C. §§ 102, 103 and 122. On appeal, the Board rejected all the claims under 35 U.S.C. § 101. The Board asserted that the claimed subject matter was ineligible as it did “not expressly or implicitly require performance of any of the steps by a machine.”

The Federal Circuit applied the “machine-or-transformation test” discussed in *In re Bilski*. Finding that the claims neither 1) were tied to a particular machine or apparatus, nor 2) transformed a particular article into a different state or thing, the court determined that these claims were directed to ineligible subject matter. Accordingly, the court affirmed the Board’s rejection under § 101.

The court rejected the applicants’ argument that a company was a “machine,” as it is not a “concrete thing, consisting of parts, or of certain devices and combination of devices.” Rather the court found the claims were directed to a “paradigmatic abstract idea” and therefore comprised ineligible subject matter. Accordingly, the Board’s rejection under § 101 was affirmed.

Judge Newman would have preferred to more narrowly construe the application of the machine-or-transformation test so as to preserve the significance of the *State Street Bank* decision and accordingly would have rejected the present case under 35 U.S.C. § 103 rather than § 101.

♦ In *ICU Medical, Inc. v. Alaris Medical Systems, Inc.*, No. 2008-1077, the Federal Circuit affirmed the district court’s grant of partial summary judgment of noninfringement, grant of summary judgment of invalidity, and award of attorney fees and Rule 11 sanctions.

ICU sued Alaris for infringing four patents related to valves used in medical intravenous setups. The district court granted partial summary judgment of noninfringement based on its construction of the claim term “spike” to require pointed and piercing features. The Federal Circuit affirmed based on the description of the “spike” in the specification and lack of support in the intrinsic or extrinsic evidence for a broader construction.

The Federal Circuit also affirmed summary judgment of the invalidity of claims not requiring a spike and claims reciting a “tube” in lieu of a spike for lack of written description support. In addition, the Federal Circuit affirmed the district court’s award of attorney fees based on ICU’s objectively baseless and bad faith assertion of the spike claims as well as its temporary restraining order and preliminary injunction request, reasoning that ICU did not show that any of the district court’s bases for the award were clearly erroneous. Finally, the Federal Circuit affirmed the district court’s grant of Rule 11 sanctions and its determination that no monetary compensation was due for the Rule 11 violations, as the Rule 11 monetary award was “subsumed” by the award of attorney fees.

♦ In *Crown Packaging Technology, Inc. v. Rexam Beverage Can Co.*, Nos. 2008-1284 & -1340, the Federal Circuit reversed and remanded both the district court's summary

judgment of non-infringement by Rexam and the district court's summary judgment dismissing Rexam's counterclaim of infringement against Crown.

Crown's asserted patent involves metal cans used to store beverages. The asserted claim is directed to a can end that seals the top of the can after it is filled. The asserted claim recites a bead used to seal the can end. Rexam's can end uses a fold to seal the can.

With regard to the motion for summary judgment of noninfringement, both parties disputed only one issue: whether there were material issues of fact regarding the function of the bead. Crown's expert stated that the Rexam can end infringed the asserted claim under the doctrine of equivalents and that the bead had only one function. Rexam argued that that bead had two additional functions. Because Crown did not specifically address the additional functions argument in its opposition brief, the district court granted the motion for summary judgment. The Federal Circuit vacated, stating that Crown's evidence that the bead had only one function was in direct contrast with Rexam's view that the bead performed multiple functions and was enough to create a material issue of fact.

With regard to the dismissal of Rexam's counterclaim of infringement of its own patent, the district court found that: (1) Rexam had not marked its products with the patent number, and (2) Rexam's patent had expired by the time Rexam filed its counterclaim, which was the only notice of infringement. Therefore, the distict court concluded that Rexam was not entitled to damages for infringement pursuant to 35 U.S.C. § 287(a). The Federal Circuit observed, however, that while Rexam's patent included both method and apparatus claims, Rexam asserted only method claims against Crown. Consequently, the Federal Circuit held that the marking requirement of 35 U.S.C. § 287(a) did not apply. The Federal Circuit reversed the grant of summary judgment dismissing the counterclaim for infringement.

♦ In *Larson Manufacturing Co. of South Dakota, Inc. v. Aluminart Products, Ltd.*, Nos. 2008-1096 & -1174, the Federal Circuit vacated the district court's finding of inequitable conduct and the resulting judgment in favor of Aluminart and remanded on the issue of Larson's deceptive intent.

Larson sued Aluminart for infringing its patent relating to storm doors with retractable screen features. At trial, Aluminart contended that Larson had engaged in inequitable conduct during a reexamination of the patent by withholding several material references with deceptive intent. The district court agreed that the withheld references were material and inferred deceptive intent from the circumstances.

In establishing a finding of inequitable conduct, both materiality and intent to deceive must be established by clear and convincing evidence. The Federal Circuit clarified that nondisclosure of material references on its own does not satisfy the deceptive intent element. Circumstantial evidence may be used to establish deceptive intent only if it is clear and convincing evidence, which means it must be the single most reasonable inference that can be drawn from the evidence.

In this case, the Federal Circuit stated that the district court should additionally take into consideration any good-faith actions by Larson related to reexamination of the patent. Even if the district court is satisfied that a threshold level of intent is established by the evidence, the district court must then balance the materiality and intent elements in order to determine whether the patent should be held unenforceable.

♦ In *Henkel Corp. v. The Procter & Gamble Co.*, No. 2008-1447, the Federal Circuit affirmed a Board of Patent Appeals and Interferences decision awarding priority of invention to Procter and Gamble ("P&G") as supported by substantial evidence.

This is the second appeal in this case. The first appeal vacated the Board's denial of Henkel's motion for priority and remanded for further proceedings. On remand, the

Board held that P&G proved by at least a preponderance of the evidence that it made, and at least one inventor appreciated, an embodiment within the scope of the claim at issue. The Board relied upon a record of invention, an inventor declaration, and a corroborating monthly report as evidence of reduction to practice.

Whether an invention is reduced to practice is a question of law based on underlying questions of fact. The Federal Circuit reviews the Board’s conclusions of law de novo, and the Board’s underlying factual findings for substantial evidence. On appeal, Henkel only challenged the Board’s interpretation of the corroborating evidence, however, confining the review to whether the Board’s determination was supported by substantial evidence.

Despite recognition that the interpretation of the corroborating evidence was a “very close call,” the substantial evidence standard compelled affirmance because the Board’s interpretation of the evidence was reasonable and supported.

♦ In *Tafas v. Doll* (formerly *Tafas v. Dudas*), No. 2008-1352, the Federal Circuit affirmed-in-part, vacated-in-part, and remanded the district court's summary judgment ruling that blocked the implementation of new U.S. Patent and Trademark Office (USPTO) rules restricting numbers of continuation applications, requests for continued examination (RCEs), and claim counts.

With respect to continuation applications, new Rule 78 would have required an applicant seeking more than two continuation applications or continuation-in-part applications to file a petition "showing that the amendment, argument, or evidence sought to be entered could not have been submitted during the prosecution of the prior-filed application." An applicant who failed to make that showing would be denied the benefit of the prior application. The Federal Circuit affirmed the district court's conclusion that Rule 78 was inconsistent with 35 U.S.C. § 120, which states that continuations "shall have the same effect, as to such invention, as though filed on the date of the prior application."

With respect to RCEs, new Rule 114 would require an applicant seeking any RCE beyond the first to make the same showing as required by Rule 78, discussed above. The Federal Circuit vacated the district court's conclusion that Rule 114 conflicted with the Patent Act (35 U.S.C.). The Federal Circuit concluded that under the USPTO's interpretation of § 132(a), a patentee's right to "reexamination" is distinct from the "continued examination" afforded by the RCE procedure. Section 120 does not provide any right to RCEs.

With respect to claim counts, new Rules 75 and 265 would require an applicant seeking more than 5 independent claims or 25 total claims to file an examination support document (ESD) which includes a pre-examination prior art search, a list of the most relevant references and limitations disclosed by each reference, an explanation of how each independent claim is patentable over the submitted references, and an analysis of how each limitation of the claims is disclosed and enabled by the specification. The district court held the ESD requirement violated §§ 102, 103, 112, and 131. The Federal Circuit vacated, noting that the ESD requirement does not limit the number of claims an applicant can pursue and "does not alter the ultimate burdens of the examiner or applicant during examination."

The Federal Circuit found the new rules to be procedural rather than substantive because they did not "foreclose effective opportunity to make one’s case on the merits" and present patent applications for examination. Applications submitted in compliance would be "given all of the benefits provided by the Patent Act." The Federal Circuit noted that the USPTO is entitled to *Chevron* deference in its interpretation of "statutory provisions that relate to the exercise of delegated authority."

Rader's dissent would have affirmed the district court.

♦ In *E-Pass Technologies, Inc. v. 3Com Corp.*, Nos. 2008-1144, -1145, -1146, -1470, -1471, & -1472, the Federal Circuit granted defendant PalmSource's motion for

sanctions and held plaintiff E-Pass's appeal frivolous with respect to PalmSource.

E-Pass filed three patent infringement actions, one of them against defendant PalmSource. The district court merged the three suits together and thereafter granted summary judgment of non-infringement for all defendants. Following entry of the judgment, the district court separately analyzed each of the three suits filed and deemed each of them exceptional. All defendants were awarded attorney's fees, and E-Pass subsequently appealed.

The Federal Circuit held that E-Pass's appeal was frivolous for two reasons. First, E-Pass failed to specifically challenge any finding of the district court with respect to PalmSource. Second, E-Pass significantly misrepresented the record and the law to the appellate court. The Federal Circuit awarded attorney's fees for the appeal to PalmSource. The Federal Circuit also considered the attorney who signed E-Pass's briefs to be equally responsible and held the attorney jointly and severally liable.

In the dissent, Judge Bryson argued that although the appeal should be dismissed, sanctions should not be imposed. Bryson stated that the appeal of certain attorney's fees is reasonable and that even though E-Pass's conduct fell short of the Federal Circuit's standards, the shortfall was not so egregious as to call for the imposition of sanctions.

♦ In *Clearvalue, Inc. v. Pearl River Plymers, Inc.*, Nos. 2007-1487 & 2008-1176, the Federal Circuit affirmed the district court's finding of sanctionable conduct by the plaintiffs and award of attorney's fees to the defendants under Rules 26 and 37. The Federal Circuit reversed the district court, however, with respect to an order striking the plaintiff's pleadings and an award of additional fees and costs under the use of the district court's inherent powers. The matter was remanded for adjudication of the reinstated causes of action.

Plaintiffs ClearValue and Haase sued Defendant Pearl River Polymers for infringing a patent relating to water purification. The plaintiffs possessed test results tending to show that the defendant's products did not infringe the patent. The plaintiffs disclosed the test results to an expert witness but did not produce the results to the defendant. The district court found that because these test results had been disclosed to the expert witness, privilege was waived. Consequently, the test results should have been produced to the defendants. After a hearing and having considered other facts, the district court applied the *Batson* test and found that both the plaintiffs and their attorney had acted in bad faith. The court then imposed the "ultimate sanction" on the plaintiffs for failing to produce these documents, striking the plaintiff's pleadings, entering judgment against the plaintiffs, awarding attorney fees to the defendant, and sanctioning the plaintiffs and their attorney. The plaintiffs and their sanctioned attorney appealed the decision.

On appeal, the Federal Circuit applied Fifth Circuit law and reviewed the sanctions for abuse of discretion. It found that the district court did not err in finding that the failure to disclose was not harmless and affirmed the district court's finding of sanctionable conduct. While also affirming the amount of the attorney fees awarded under Rules 26 and 37, the Federal Circuit found that there was an abuse of discretion in imposing joint and several liability on the attorney with respect to the fees, because his ability to pay was not considered. Having considered several related Fifth Circuit discovery violation cases, the Federal Circuit found that although sanctionable conduct was present in this case, the conduct was not egregious enough to warrant dismissal. Lastly, the Federal Circuit reversed the district court's award of additional attorney fees and costs based on the district court's use of its "inherent powers," holding that Rule 37 squarely addresses this issue and that the use of inherent powers has a high threshold. The case was remanded to the district court for adjudication of the reinstated causes of action.

♦ In *In re Gleave*, No. 2008-1453, the Federal Circuit affirmed a decision of the Board of Patent Appeals and Interferences that found pending claims unpatentable under 35 U.S.C. § 102.

Gleave filed a patent application related to bispecific antisense oligodeoxynucleotides that inhibit IGFBP-2 and IGFBP-5. Bispecific oligos can bind to mRNAs transcribed from two distinct genes and simultaneously prevent the formation of proteins encoded by the two genes. The patent examiner rejected composition claims directed to antisense oligodeoxynucleotides "complimentary to a portion of a gene encoding human IGFBP-2 . . . and IGFBP-5" as anticipated by a PCT application to Wraight that listed every 15-base-long sense oligodeoxynucleotide in the IGFBP-2 gene.

The Board found that to anticipate the claim, the reference only had to describe an oligo of sufficient length that was complimentary to both IGFBP-2 and -5. Wraight did that by listing the entire IGFBP-2 gene sequence.

On appeal to the Federal Circuit, Gleave argued that Wraight did not describe any particular individual antisense species or its properties and gave no guidance on how to make particular selections of segments of the gene. However, the Federal Circuit held that because Gleave's claims were to compositions of matter, the reference anticipates so long as one of skill in the art would know how to make the relevant sequences disclosed in Wraight. One of skill can make any known oligo sequence. The Federal Circuit concluded that "Gleave's contribution, at best, is 'finding a use for the compound, not discovering the compound itself.'"

♦ In *Clock Spring, L.P. v. Wrapmaster, Inc.*, No. 2008-1332, the Federal Circuit affirmed the district court's grant of summary judgment of invalidity.

The plaintiff's patent is directed to methods of repairing a pipe. In the district court, Defendant Wrapmaster argued that the patent was invalid under 35 U.S.C. § 103 for obviousness. The defendant further argued that the patent was invalid under 35 U.S.C. § 102(b) due to a public demonstration of the invention before the critical date. Plaintiff Clock Spring contended that the demonstration was not a public use because (1) not all elements of the claimed invention were performed and (2) the use tested the durability of the repaired pipe and was, therefore, experimental. The district court found that Clock Spring had raised a fact question about whether the use was experimental but concluded the patent was obvious.

Affirming the invalidity of the patent based on public use, the Federal Circuit found that all elements of an independent claim were performed during the demonstration. A use may be experimental only if it (1) tests claimed features or (2) determines whether an invention will work for its intended purpose. The use is not experimental unless it is "for purposes of the filing of a patent application." In this case, the results of the durability test were not known until after the application was filed. The Federal Circuit found that the durability testing was for acceptance by regulators and the pipeline industry and not for purposes of filing a patent application.

♦ In *Aycock Engineering, Inc. v. Airflite, Inc.*, No. 2008-1154, the Federal Circuit affirmed a Trademark Trial and Appeal Board decision canceling a service mark registration for failure to meet the "use in commerce" requirement.

In 1970 Aycock filed for the service mark AIRFLITE. Aycock planned to provide intermediary communication between charter flight providers and potential passengers, to reduce costs for small groups that do not fill an entire plane. Prior to filing, Aycock used the mark in advertisements to air taxi operators and entered into contracts with some of the operators. The service was never advertised to the general public and no flights were arranged.

The registration described the services as "arranging for individual reservations for flights on aiplanes." The Board interpreted this to require more than just arranging the network of air taxi operators, but also activity with potential passengers.

The "use in commerce" requirement in effect at filing required that the service be actually rendered prior to filing. Because Applicant Aycock had only offered services to

operators and not to potential passengers, the Board found the use requirement not satisfied.

The Federal Circuit affirmed the Board's finding. The court also noted that the same result would apply under current law.

In the dissent, Judge Newman argued that the definition of the services should be construed to support the registration, when it is reasonable to do so. Accordingly, the arranging of the operators would be sufficient under a correct interpretation.

♦ In *Cordis Corp. v. Boston Scientific Corp.*, Nos. 2008-1003 & -1072, the Federal Circuit affirmed the district court's judgment of infringement of Plaintiff Cordis's patents and affirmed the district court's judgment of infringement of Defendant and Counterclaimant Boston Scientific's patent.

Cordis and Boston Scientific own patents related to intravascular stents. Each company asserted its patents against the other's products. At trial, a jury upheld the validity of the claims of two patents owned by Cordis and found infringement of the asserted claims by Boston Scientific. Furthermore, the jury upheld the validity of the patent claim asserted by Boston Scientific and found infringement by Cordis.

First, the Federal Circuit addressed Cordis's arguments and found no errors committed by the district court. The Federal Circuit upheld the district court's construction of the claim asserted by Boston Scientific and the jury's findings of non-obviousness and infringement by Cordis.

Second, the Federal Circuit rejected Boston Scientific's arguments. The Federal Circuit upheld the district court's determination that several monographs prepared and distributed in the 1980s by the inventor of one of Cordis's patents to university and hospital colleagues and two commercial entities were not printed publications under 35 U.S.C. § 102(b) because there was clear evidence of expectation that the disclosures would remain confidential. Accordingly, the Federal Circuit upheld the jury's findings of Cordis's patents' claims as valid, not anticipated, and infringed by Boston Scientific.

OCPLA BOARD OF DIRECTORS

BOARD OF DIRECTORS – PHONE/E-MAIL

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OCPLA NEWSLETTER
Orange County Patent Law Association

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The OCPLA reserves the right to determine which, if any, submitted articles will appear in this Newsletter.

We hope that the Newsletter is helpful, informative, entertaining and interesting. Comments, ideas, announcements, proposed articles, suggestions and any other communications concerning the content, form or other aspect of this newsletter may be directed to:

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SERVICES, ANNOUNCEMENTS, WANT ADS

Orange County company looking for solo practitioner or small firm to do occasional patent prosecution work in medical/polymer arts. Please send resume or firm description to darzint@yahoo.com"

SUBLEASE OFFICE SPACE IN IRVINE SPECTRUM, 1893 SF

- 2 offices and 3 secretarial cubicles available in new Class A building (groundfloor)
- Flexible lease terms
- Fabulous high image location
- Conference room, employee breakroom and storage area
- Open layout
- Free surface parking
- Easy 5 & 405 freeway access

For more information, contact us via email: lease8911@gmail.com

Contract Patent Drafting Opportunity
Vista IP Law Group LLP
Irvine, CA

Vista IP Law Group is seeking a contract patent attorney or patent agent to draft and prosecute patent applications, mostly in medical device field. Must have PTO Registration, and at least 1 year of drafting experience. Prefer ME or EE.

Vista IP has offices in Irvine, Fullerton, San Jose, and Saratoga. For more information visit our website at www.viplawgroup.com.

Applicants should email PDF resume and cover letter to Neal Cohen at nmc@viplawgroup.com. Subject line should include Applicant's name and "OCPLA AD 0409."

Patent Attorney Position

The Intellectual Property Division of Canon U.S.A., Inc. has an opening for an in-house Patent Attorney. This position acts as legal counsel to the IP Division and maintains company patent applications, trade secrets, trademarks, copyrights, licensing and research agreements. Primarily, the Patent Attorney will be responsible for preparing legal opinions, analysis of patents, and reviewing and drafting significant corporate documentation. Other responsibilities include evaluation of validity of competitor patents and potential infringements that require recommendation and study.

Minimum Requirements

This position requires a JD degree plus 3 years of prior patent/IP experience in the area of electrical engineering, chemistry or physics, and you must be registered with the U.S. Patent and Trademark Office. The ideal candidate will demonstrate strong written and verbal communication skills with technical depth and patent expertise.

About the Company

Canon U.S.A., Inc. is an industry leader in consumer, business-to-business, and industrial imaging solutions. The company offers a comprehensive line of imaging solutions and products for our customers from individual consumers to large corporate enterprises. Canon is listed as one of Fortune's Most Admired Companies in America and is rated #35 on the BusinessWeek list of 'Top 100 Brands.' Its parent company, Canon Inc. (NYSE: CA) is a top patent holder of technology, ranking second overall in the U.S. in 2005, with global revenues of $31.8 billion. For more information, visit www.usa.canon.com

If interested, please send resume to Paul Amante, Jr. at pamante@cusa.canon.com

Patent Attorney/Patent Agent

Klein, O'Neill & Singh, LLP is a cutting edge Intellectual Property law firm with offices in Irvine and San Jose, CA. Our mission is to provide top-quality service for our clients, and our employees share that vision. Klein, O'Neill & Singh offers a collegial and creative work environment, with excellent compensation and benefits.

Our Irvine Office has an opening for a Patent Attorney or Patent Agent with an electronics background to join our growing practice. The ideal candidate will have a Bachelor's degree in Electrical Engineering, Computer Science, or Physics; 1-5 years of patent prosecution experience (including experience in electronics); and excellent written and oral communication skills. As a boutique firm, we can customize a package for the right candidate. Please submit resume, transcripts, writing sample, and references for consideration to: info@koslaw.com. For more information about our firm, please visit our website: www.koslaw.com.

AN INVITATION TO ATTEND

STATEWIDE INTELLECTUAL PROPERTY EVENT

LAKE ARROWHEAD RESORT & SPA
JUNE 12-14, 2009

MULTIPLE EDUCATIONAL INSTITUTIONS AND ORGANIZATIONS PARTICIPATING INCLUDING:

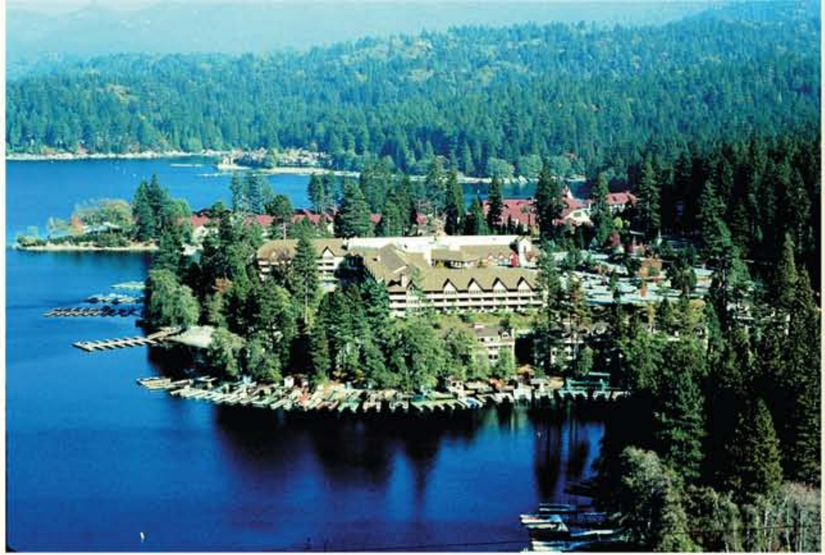
LAIPLA
Los Angeles Intellectual Property Law Association

LOS ANGELES INTELLECTUAL PROPERTY LAW ASSOCIATION • THE INTELLECTUAL PROPERTY LAW SECTION OF THE STATE BAR OF CALIFORNIA • ORANGE COUNTY PATENT LAW ASSOCIATION • VENTURA COUNTY BAR ASSOCIATION, IP SECTION • SILICON VALLEY INTELLECTUAL PROPERTY LAW ASSOCIATION • SAN DIEGO INTELLECTUAL PROPERTY LAW ASSOCIATION • CALIFORNIA WESTERN SCHOOL OF LAW • CHAPMAN LAW SCHOOL • LOYOLA LAW SCHOOL • PEPPERDINE SCHOOL OF LAW • SOUTHWESTERN LAW SCHOOL • UNIVERSITY OF CALIFORNIA IRVINE SCHOOL OF LAW • UNIVERSITY OF CALIFORNIA LOS ANGELES SCHOOL OF LAW • UCLA JOURNAL OF LAW AND TECHNOLOGY • UNIVERSITY OF SOUTHERN CALIFORNIA GOULD SCHOOL OF LAW • UNIVERSITY OF SAN DIEGO SCHOOL OF LAW • WHITTIER LAW SCHOOL

LAKE ARROWHEAD RESORT & SPA

JUNE 12-14, 2009

SPRING SEMINAR 2009



PROGRAM TO INCLUDE:

PATENT TRACK
TRADEMARK TRACK

PROPOSED TOPICS TO INCLUDE:

- Mock Opening and Closing with prominent practitioners and Judge
- Patent Prosecution Appeal Process and Trends of the Board of Patent Appeals/Federal Circuit
- Anatomy of an International Trade Commission Proceeding
- Emerging Trends in Patent Litigation
- In-House Counsel Perspectives on Patent Portfolio Development, Strategy, and Selection of Outside Counsel
- Opposition Practice
- IP Licensing

ADDITIONAL BENEFITS:

- Multiple networking opportunities throughout the weekend
- Friday Evening Reception
- Saturday Evening Reception and Dinner Event
- Exhibit Area with multiple service providers, sponsors and firms
- Sponsorship opportunities available

WATCH FOR UPCOMING ANNOUNCEMENTS!

FOR FURTHER INFORMATION OR A SPONSORSHIP PACKAGE CONTACT THE LAIPLA OFFICE AT 1-626-974-5429 OR VIA EMAIL TO LAIPLAOFFICE@AOL.COM OR VISIT OUR WEBSITE WWW.LAIPLA.ORG

MARK YOUR CALENDAR TODAY TO JOIN US JUNE 12-14, 2009. FOR ROOM RESERVATIONS CALL LAKE ARROWHEAD RESORT DIRECTLY AT (909) 336-1511 AND MENTION LAIPLA SPRING SEMINAR.