

BULLETIN

August/September 2003

NYIPLA 2003 - 2004 CALENDAR

Friday, September 26, 2003

Continuing Legal Education Program

Place: Cornell Club

Time: 12:00 p.m. – 2:30 p.m.

Topic: Maximizing the Potential of Visual Communications for IP Attorneys

October 3 – 4, 2003

The Fordham University Program Jointly Presented By: AIPPI, U.S., The ABA Section of Intellectual Property Law, The American Bar Association Section of International Law and Practice, The New York Intellectual Property Law Association.

Place: Fordham University School of Law

Time: Friday, October 3rd – 8:30 a.m. – 5:15 p.m.

Saturday, October 4th – 8:30 a.m. – 1:10 p.m.

Topic: Trying an IP Infringement Case in Foreign Countries – Five Mini-Trials

(CLE credit for this program is not provided by the NYIPLA. Inquiries regarding CLE credit should be directed to the ABA.)

Wednesday, October 15, 2003

Continuing Legal Education Program

Place: Cornell Club

Time: 12:00 p.m. – 2:00 p.m.

Topic: European Trademarks: Strategy in a Changing Landscape

Friday, November 21, 2003

One-Day Fall CLE Program

Place: Yale Club

Time: 9:00 a.m. – 5:00 p.m.

Friday, March 26, 2004

82nd Annual Dinner in Honor of the Federal Judiciary

Place: The Waldorf-Astoria, New York

April 22, 2004

20th Annual Joint Patent Practice Seminar

Place: New York Hilton

Time: 9:00 a.m. – 5:00 p.m.

**Please check our web-site for further information as details become available: www.NYIPLA.org*

The “Disclosed But Unclaimed” Limitation of the Doctrine of Equivalents

By Mark J. Abate and Michael J. Pospis¹

The doctrine of equivalents is almost as old as the United States patent system itself. It traces its lineage back to a time before claims were required in patents, when the test for infringement was one of substantial equivalence. Most modern commentators point to *Winans v. Denmead*, 56 U.S. (15 How.) 330 (1853), as the origin of the modern doctrine of equivalents. See Chisum, Patents, § 18.02[1], at p. 18-14. Reaffirmed by the Supreme Court in *Graver Tank & Mfg. Co., Inc. v. Linde Air Prods. Co.*, 339 U.S. 605 (1950) and more recently in *Warner-Jenkinson v. Hilton Davis Chem. Corp.*, 520 U.S. 17 (1997), the doctrine of equivalents has been steadily woven into the fabric of patent law over the course of 150 years.

With that kind of history, one might expect the doctrine of equivalents to be settled law. However, recent legal limitations on the doctrine of equivalents may undermine that expectation. See, e.g., *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.*, 535 U.S. 722, 737-38 (2002); *Johnson & Johnston Associates, Inc. v. R.E. Service Co., Inc.*, 285 F.3d 1046 (Fed. Cir. March 28, 2002) (*en banc*). These limitations are important because, being legal in nature, they can curtail what is ordinarily a fact-sensitive inquiry into equivalents. This increases the opportunity for a summary judgment of noninfringement and a commensurate abrogation of the need for a trial. See *Warner-Jenkinson*, 520 U.S. at 39, n.8. This also has the effect of increasing the importance of the court's claim construction ruling. See *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995) (*en banc*), *aff'd*, 517 U.S. 370 (1996).

In reaffirming the vitality of the doctrine of equivalents, the Supreme Court observed that limiting enforcement of exclusive patent rights to literal infringement might “encourage ... unscrupulous copyist[s] to make unimportant

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and insubstantial changes and substitutions in the patent which, though adding nothing, would be enough ... [to evade] the reach of law." Graver Tank, 339 U.S. at 607.

The doctrine is grounded in the principle that "one may not practice a fraud on a patent." *Id.* at 608. Two tests have been applied to determine whether there is infringement under the doctrine of equivalents. Under the classical "function-way-result" test, "a patentee may invoke th[e] doctrine [of equivalents] to proceed against the producer of a device 'if it performs substantially the same function in substantially the same way to obtain the same result.'" *Id.* (citation omitted). In Hilton Davis Chem. Co. v. Warner-Jenkinson Co., 62 F.3d 1512 (Fed. Cir. 1995) (*en banc*), *rev'd*, 520 U.S. 17 (1997), the Federal Circuit held that the application of the doctrine of equivalents turns on the "substantiality of the differences" between the claimed and accused products. 62 F.3d at 1518. The Court stated that while the Graver Tank function-way-result test is one approach to show insubstantial differences, it is not the only way to do so. *Id.* The Supreme Court subsequently declined to expressly adopt one particular "linguistic framework" for determining equivalence, stating instead that equivalence should be determined by application of a test that fits the particular facts of a given case. Warner-Jenkinson, 520 U.S. at 40.

In Warner-Jenkinson, the Supreme Court explicitly declined the petitioner's invitation to "speak the death of th[e] doctrine [of equivalents]." *Id.* at 21. However, the Court did express the concern that: "the doctrine of equivalents, as it has come to be applied since Graver Tank, has taken on a life of its own, unbounded by the patent

claims. There can be no denying that the doctrine of equivalents, when applied broadly, conflicts with the definitional and public-notice functions of the statutory claiming requirement."

Warner-Jenkinson, 520 U.S. at 28-29. The Court expressly contemplated the enforcement of legal limitations on the doctrine of equivalents as one way to avoid this problem. *Id.* at 39, n.8.

One such legal limitation of the doctrine of equivalents is the "disclosed but unclaimed" limitation of Johnson & Johnston. The Johnson & Johnston court undertook to resolve a conflict in Federal Circuit case law on this point most poignantly illustrated by Maxwell v. J. Baker, Inc., 86 F.3d 1098 (Fed. Cir. 1996) and YBM Magnex, Inc. v. Int'l Trade Comm'n, 145 F.3d 1317 (Fed. Cir. 1998).

In Maxwell, the patent claimed a system for attaching mated pairs of shoes. The accused products used an alternative system which was disclosed in the patent but not claimed. Maxwell, 86 F.3d at 1106. At trial, a jury rendered a verdict of infringement under the doctrine of equivalents, and the district court denied J. Baker's motion for JMOL based on its finding that substantial evidence supported the jury's finding of equivalent infringement. *Id.* The Federal Circuit reversed, reasoning that the "well-established rule that subject matter disclosed but not claimed ... is dedicated to the public ... applies equally to prevent a finding of infringement under the doctrine of equivalents." *Id.* at 1106-07. The

Court continued:

By failing to claim these alternatives, the Patent and Trademark Office was deprived of the opportunity to consider whether these alternatives were patentable. A person of ordinary skill ... reading the specification and prosecution history, and interpreting the claims, would conclude that Maxwell, by failing to claim the alternate shoe attachment systems ... dedicated the use of such systems to the public. Id. at 1108.

In YBM Magnex, the patent claimed a magnet alloy having 6,000-35,000 ppm of oxygen, yet disclosed an oxygen content below the claimed range. The allegedly infringing magnets possessed an oxygen content of 5,450-6000 ppm oxygen. *Id.* at 1319. The case arose from the patentee's attempt to enforce a consent order barring the importation and sale of infringing magnets. During the pendency of the enforcement proceeding, the Federal Circuit decided Maxwell. The three accused infringers subsequently argued that Maxwell operated to bar application of the doctrine of equivalents to those magnets whose oxygen content was in the range between 5,450 and 6,000 ppm, because this range was disclosed but not claimed in the patent. YBM Magnex, 145 F.3d at 1319. The ITC, relying on Maxwell, held

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that magnet alloys with oxygen content below 6,000 ppm can not infringe the patent by application of the doctrine. *Id.* at 1320. The Federal Circuit reversed the determination of the ITC. *Id.* at 1322. The Court stated that there was no "blanket rule that everything disclosed but not claimed is barred from access to the doctrine of equivalents, whatever the facts, circumstances, and evidence." *Id.* at 1320. The Court then distinguished *Maxwell*:

Maxwell disclosed two distinct alternative ways in which pairs of shoes are attached for sale, and claimed only one of them. Both embodiments were fully described in the patent. The court in its opinion observed that by this action Maxwell avoided examination of the unclaimed alternative, which was distinct from the claimed alternative.

Id. In *YBM Magnex*, the claim limitation at issue included a chemical range. Thus, unlike the patent in *Maxwell* which disclosed two distinct embodiments, the patent in *YBM Magnex* claimed a continuous range, and disclosed a chemical composition outside the claimed range. Furthermore, unlike in *Maxwell*, the range embodied in the accused products (5,450-6000 ppm oxygen) was not explicitly disclosed in the patent at issue. Rather, the Federal Circuit in *YBM Magnex* reversed an ITC decision that any magnet alloy with oxygen content below 6000 ppm oxygen (i.e. below the lower limit of the claimed range) could not infringe under the doctrine of equivalents in light of *Maxwell*. *YBM Magnex*, 145 F.3d at 1320.

In *Johnson & Johnston Assocs. Inc. v. R.E. Service Co.* (Fed. Cir. 2002) (*en banc*), the Federal Circuit sat *en banc* to resolve the conflict in its precedent represented by the *Maxwell* and *YBM Magnex* cases.¹ The patent claimed a printed circuit board having a substrate

sheet of aluminum and disclosed that while "aluminum is ... the preferred material ... other metals, such as stainless steel ... may be used." *Id.* at 1050. The accused product used a substrate sheet of steel. *Id.* A jury rendered a verdict of infringement under the doctrine of equivalents. *Id.* at 1051. The Federal Circuit reversed the jury verdict, expressly adopting *Maxwell* and overruling *YBM Magnex*. *Id.* at 1055. The Court held that as a matter of law, subject matter that is disclosed but not claimed is dedicated to the public and does not infringe under the doctrine of equivalents. *Id.* at 1054. The Court reasoned:

[W]hen a patent drafter discloses but declines to claim subject matter, as in this case, this action dedicates that unclaimed subject matter to the public. Application of the doctrine of equivalents to recapture subject matter deliberately left unclaimed would "conflict with the primacy of the claims in defining the scope of the patentee's exclusive right."

Moreover, a patentee cannot narrowly claim an invention to avoid prosecution scrutiny by the PTO, and then, after patent issuance, use the doctrine of equivalents to establish infringement because the specification discloses equivalents ... By enforcing the Maxwell rule, the courts avoid the problem of extending the coverage of an exclusive right to encompass more than that properly examined by the PTO. *Id.* at 1054-55.

This limitation on the doctrine of equivalents is important in both litigating and prosecuting patents. It can be a potent defense to the doctrine of equivalents in litigation. It can bolster one's chances for summary judgment by removing the doctrine of equivalents from consideration by the judge or jury. In prosecuting patents, at a minimum, a patent disclosure should

be reviewed after allowance, but before issuance, to determine if any important embodiments are disclosed in the patent specification and left unclaimed. If so, a continuation application can be filed to claim the alternative embodiments.²

Because no petition for a writ of certiorari was filed in the *Johnson & Johnston* case, an interesting question is what the Supreme Court would do if faced with this issue. In *YBM Magnex*, the Federal Circuit noted that in *Graver Tank*, the district court relied on the disclosure of the asserted equivalent in the specification as supporting equivalency, and that the Supreme Court "sustained this conclusion against the Court's dissenters who argued that 'what is not specifically claimed is dedicated to the public.'" *YBM Magnex*, 145 F.3d at 1320-21. However, in *Johnson & Johnston*, the Federal Circuit noted that "[t]he [Supreme] Court's holding [in *Graver Tank*] and the history of [that case] show that the patentee had not dedicated unclaimed subject matter to the public. In fact, the patentee had claimed the 'equivalent' subject matter, even if the Court eventually held the relevant claims too broad." *Johnson & Johnston*, 285 F.3d at 1053. By way of clarification, in *Graver Tank*, two claims were arguably broad enough to encompass the asserted equivalent. *Johnson & Johnston*, 285 F.3d at 1053, n.1. However, those claims were held invalid in litigation. See *Graver Tank & Mfg. Co., Inc. v. Linde Air Prods. Co.*, 336 U.S. 271, 276-77 (1949) (*Graver I*). The Supreme Court subsequently held that the claims surviving the invalidity challenge were infringed under the doctrine of equivalents. *Graver Tank*, 339 U.S. at 608-10 (*Graver II*).

Recent experience in the Supreme Court with the prosecution history

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estoppel limitation on the doctrine of equivalents may be enlightening. In *Festo*, the Supreme Court rejected the Federal Circuit's holding that prosecution history estoppel is a complete bar to a finding of equivalent infringement of a claim element narrowed via amendment. *Festo*, 535 U.S. at 737. The Court rejected a complete bar because such a bar "resorts to the very literalism the [doctrine of

equivalents] was designed to overcome." *Id.* at 738 (citations omitted). Rather, the Supreme Court created a presumption which could be rebutted by showing that the equivalent was not surrendered by an amendment because the equivalent was not foreseeable at the time, the amendment bears a tangential relation to the equivalent at issue or for some other reason. *Id.* at 740-41. Because *Johnson*

& *Johnston* was decided by the Federal Circuit two months before the Supreme Court decided *Festo*, the Federal Circuit did not have the Supreme Court's views at the time it handed down *Johnson & Johnston*. If the Supreme Court does not agree with the disclosed but unclaimed limitation created in *Johnson & Johnston*, there may be another rebuttable presumption in our future.

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² See also *Sage Prods., Inc. v. Devon Indus.*, 126 F.3d 1420, 1425 (Fed. Cir. 1997) ("It is the patentee who must bear the cost of its failure to seek protection for this foreseeable alteration of its claimed structure."); *Moore U.S.A., Inc. v. Standard Register Co.*, 229 F.3d 1091, 1107 (Fed. Cir. 2000) ("Having fully disclosed two distinct embodiments ... Moore is not entitled to enforce the unclaimed embodiment as an equivalent of the one that was claimed."); *Uniroyal, Inc. v. Rudkin-Wiley Corp.*, 939 F.2d 1540, 1543-44 (Fed. Cir. 1991) (affirming a finding of equivalent infringement where the accused device utilized an unclaimed dimensional configuration that was described in the specification as effective, although not optimal); *Modine Mfg. Co. v. United States Int'l Trade Comm.*, 75 F.3d 1545, 1555-56 (Fed. Cir. 1996) (contemplating application of the doctrine of equivalents, on remand, to an unclaimed element disclosed by the patent in suit and the applications on which it was based).

³ The patentee in *Johnson & Johnston* subsequently filed two continuation applications literally claiming the use of steel as the substrate, which ultimately issued as U.S. Patent Nos. 5,725,937 and 5,674,596. *Id.* at 1055, n.2.

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