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EDUCATION, SERVICE, COMMUNITY

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President's Message

By Donna Meuth, Eisai Inc.

After a long winter, we can now enjoy the New England summer. The past few months have been a very special and busy time for the Boston Patent Law Association. We were very pleased to host the Annual Dinner in Honor of the Federal Judiciary on June 20, on The Odyssey for a cruise around Boston Harbor. This year David McGillivray received our Public Service Award. David is Race Director of the BAA Boston Marathon, a Philanthropist, Motivations Speaker, Accomplished Athlete and Founder of DMSE, Inc. I was honored to give him our Award and also enjoyed his speech. The Boston Marathon has always been a cherished event here in New England and especially now in view of past events as well as the outstanding success of this year's running. We were also excited to have entertainment



President Donna Meuth

during our Dinner by Overboard, a local *A Cappella* group that has received many accolades, including having been nominated for 10 Contemporary *A Cappella* Recording Awards and 18 *A Cappella* Community Awards in the last three years, and an impressive win at the competitive Boston Regional Harmony Sweepstakes Festival. We had a beautiful June night and many members were able to attend this wonderful and entertaining event.

Thank you to all members who participated in our survey regarding

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Dear BPLA Members:

We are pleased to present our first digital-only version of the BPLA Newsletter. With this edition, we begin a trend of focusing on a particular theme or area of the law. In this edition, we focus on the new post-grant review procedures in the USPTO, such as inter partes review and covered business methods review. If you would like to see an upcoming edition focus on a particular area of the law, let us know at Vice-President@bpla.org.

Early Results of Post Grant Proceedings

David Cavanaugh
WilmerHale

It is almost three years since President Obama signed the patent reform legislation, the America Invents Act (“AIA”). Hailed as a rare piece of consensus legislation out of Congress, the AIA made many changes to the patent laws. Among the most significant changes is the creation of a trial-like procedure at the USPTO that allows parties to adjudicate the validity of patent claims. Two of the proceedings, *Inter Partes* Review (“IPR”) and a transitional procedure for Covered Business Method (“CBM”) review, have been available since September 16, 2012. The patent community is now starting to have a picture of the proceeding at the Patent Office and the results of the proceeding. This article provides a brief review of the proceedings and the results of the proceedings.

As of May 1, 2014, there have been 1139 IPR petitions and 161 CBM petitions.¹ According to PTO rules, the Patent Trial and Appeal Board (“Board”) must make a decision on institution within six months from the petition filing date. Additionally, the AIA statute requires that the Board enter a final written decision within one year from the decision on institution. Similar to the reexamination, during the IPR or CBM process, Patent Owners are permitted to file a motion to amend claims in which they can amend

claims and seek a determination that the amended claims are patentable. One important difference from reexamination procedures is that the statute permits settlement of the IPR and CBM procedures while settlement was not possible for reexamination.

Institution of IPR and CBM Trials

The results from the first 20 months of experience with the proceedings are accumulating. Of the IPR petitions filed for each proceeding,

According to the statistics from the Board, a petition filed in an IPR or a CBM stands a good chance of being instituted on at least one challenged claim.

576 IPRs have reached a decision on institution and 457 trials have been instituted.² 107 IPR petitions have been denied. Of the 74 CBMs that have reached a decision on institution, 58 trials have been instituted and 15 have been denied. For both CBMs and IPRs, the Board is deciding to institute a trial slightly less than 80 percent of time. Thus, according to the statistics from the Board, a petition filed in an IPR or a CBM stands a good chance of being instituted on at least one challenged claim.

The AIA statute also provides a process for joining multiple parties in a single trial for determination of the validity of the challenged

claims.³ Many patent disputes involve a patent owner asserting one or more patents against multiple defendants. Some petitioners have requested to join previously filed IPRs or CBMs on the same patent, though not all requests for joinder are granted. There have only been 12 joinders permitted in IPRs and only one CBM joinder.⁴ Generally, a motion for joinder filed early, with the same challenged claims, the same ground of unpatentability and using the same references is more likely to be granted than a request with even small differences between the petitions sought to be joined. Accordingly, while the number of multi-defendant patent suits are high, the early number of joinders indicate that defendants are generally not seeking to invalidate the asserted claims together.

IPR Petitions Terminated

The Board also published the number of IPR petitions terminated and how they were disposed.⁵ There have been 205 petitions terminated as of May 1, 2014. This represents less than one quarter of the petitions that have been filed and is a small fraction of the patents which are issued every year. In the 205 petitions that have been terminated, there are 7,095 claims.⁶ Accordingly, the information below regarding the disposition of how the 205 petitions terminated with the 7,095 claims should be viewed as important *early* data. The Board's disposition of petitions may change with changing

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trends of the usage of the IPR process over time.

IPR Trials Not Instituted

Of the 205 petitions that have been terminated, there are 68 petitions for which the Board did not institute trial. While not specified in the materials published by the Board, the possibility of a termination before institution can occur in three ways: The patent owner may have disclaimed the challenged claims after the petition was filed;⁷ the patent owner may have settled with the petitioner in a manner in which the Board approves of termination;⁸ and, finally, the Board may have denied the grounds of unpatentability sought by the petition.⁹

In most IPR petitions that have been filed, fewer than all the claims of the patent are challenged as unpatentable. For the trials not instituted, 974 claims have not been instituted. In addition to challenged claims which have had all requested grounds denied, these 974 claims include claims for which the patent owner requested adverse judgment and circumstances when the patent owner and petitioner were able to enter into a pre-institution settlement.

IPR Trials Instituted

In the balance of the 205 petitions, or 137 petitions, the Board has instituted trial. Even after the decision on institution, parties can still settle the proceeding. Of the petitions that proceeded to trial,

92 have been settled, dismissed, or there has been a request for adverse judgment. Once the Trial is instituted, the Board may proceed to a final written decision even though the parties settle. The early view was that the Board was more inclined to proceed to a final written decision when the settlement occurred earlier in a proceeding.¹⁰ Recently, the Board has indicated a receptivity to terminating an IPR even when a settlement occurs after all the merits briefing is completed.¹¹ A patent owner can disclaim claims at any time during the proceeding after institution of trial.¹²

Results of Final Written Decisions

Only 45 of the 137 trials instituted have proceeded to a final written decision.¹³ Thus, less than one quarter of the terminated petitions and less than 5 percent of the total petitions filed have proceeded to a final written decision. Even so, statistics about final written decisions are an important consideration – it is the culmination of a year-long trial process with significant merits briefing. It is also the Board's analysis of the record which would be the subject of an appeal at the Court of Appeals for the Federal Circuit. Accordingly, while the number of final written decisions are few, they provide a good early indicator of how the Board will dispose of challenged claims which are not otherwise terminated in the proceeding.

All instituted claims have been found to be unpatentable in 26 of the final written decisions entered thus far.¹⁴

Additionally, 12 of the final written decisions have had at least some of the instituted claims determined to be unpatentable.¹⁵ Seven trials yielded a final written decision where none of the instituted claims were found to be unpatentable.¹⁶

Looking at the particular number of challenged claims, there have been 1900 challenged claims instituted (in

The first 20 months of the IPR process has demonstrated early and wide adoption rate for the PTO process to invalidate patents.

137 of the 205 petitions which have been terminated to date). Perhaps surprisingly, only 467 claims have been found unpatentable in the 38 petitions with final written decisions.¹⁷ This represents one quarter of the claims instituted for petitions which have terminated. Another 417 instituted claims have been cancelled or disclaimed by the patent owner (i.e., not by the Board) after the decision on institution. There have been 144 instituted claims found patentable by the Board and 872 instituted claims remain patentable because of settlement or other disposition.¹⁸

Thus - based on the 205 petitions that have been terminated, the Board has found only a quarter of the claims unpatentable--roughly the same number as were cancelled

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or disclaimed by the patent owner. Half of the claims in the terminated petitions survived the challenge because the parties settled and less than 10% have been adjudicated as patentable by the Board.

Observations on Early Results

The first 20 months of the IPR process has demonstrated early and wide adoption rate for the PTO process to invalidate patents. This is in contrast to the inter partes reexamination where there were fewer than two dozen filed in the first three years.

The Board appears to be maintaining the time frame for the IPRs – a decision on institution generally within six months and one year from decision on institution to a final written decision.¹⁹

The Board appears to recognize the that the petitions can be disposed in many ways – from disclaiming claims to parties settling the dispute(s) related to the challenged claims.

The Board appears to be striving for a balanced approach that can provide all parties confidence that the process of determining validity is fair and just – that some claims will be cancelled and others will be found patentable based on the merits of each case.

Patent owners can consider settlement of disputed claims as a strategy to emerge from the proceeding with patentable claims.



**NEW ENGLAND
REVOLUTION**

Saturday, July 26
Revolution vs. Columbus Crew
Gillette Stadium
6:00 p.m. Pre-game meal, 7:30 – Game kickoff

BPLA Night with the Revolution

bpla
BOSTON PATENT LAW ASSOCIATION

Join us on July 26 at Gillette Stadium for a night of food, friends, and soccer!

Before the soccer game, enjoy our Kickoff Cookout pre-game meal that is included with your ticket. The Revs Kickoff Cookout is a great place to relax and enjoy time with friends, family, and colleagues.

After the meal, you will take your seats for the match in the **special upgraded midfield location** reserved exclusively for BPLA Night!

After the game we will bring the group down on the field for photo opportunities in the goal!

Click the link below to order tickets online and use our easy print-at-home feature and pay \$0 in fees.

Tickets only \$54! (\$83 retail value), to order go to
www.revolutionsoccer.net/BPLA
Use promo code: **BPLA**

 

Statistically, it is the most likely way that claims will survive an IPR proceeding as patentable. Not provided in the statistics provided by the Board, because it would be impossible, is a determination of how many of the instituted claims that the PTO found to be patentable include additional arguments that a petitioner/defendant would be able to use in a

later proceeding in the district court.

Conclusion

The early adoption of the IPR and CBM processes at the PTO are clear indications that the AIA was appropriately responding to the marketplace in providing a participative process at the PTO

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our summer event. Based upon the results of the survey, we have decided to try a different summer outing this year. Many of the comments expressed a desire for an event where it would be easier to socialize with other members and that is more family friendly. Please join us on July 26 at 6:00 for BPLA at the New England Revolution at Gillette Stadium in Foxboro, MA. We will have a pre-game barbeque, watch the game and then have the opportunity to go out onto the field for the kids to run around and picture taking on the turf. Registration is now available on the BPLA website at www.bpla.org.

It was a very busy and productive spring for the BPLA and its many committees. Thank you to all those members who have contributed their time and talent to organize and conduct events and also to those members who have attended them. As you can see from the descriptions below, the events have been numerous and diverse, as well as thought provoking and extremely useful in our work for our clients and companies.

I'd like to extend a special thanks to Amelia Baur and Rebecca McNeill for their work in organizing the "Hot Topics in European and US Patent Law" program in April that was co-sponsored by BPLA and Broad Institute. We had a terrific turnout with over one hundred members registered. We heard about pressing issues in both the US and Europe,

and were able to compare and contrast them. The seminar had a great panel of speakers, with a nice mix of BPLA members, European counsel and representatives of the European Patent Office. Thank you as well to our sponsors, Edwards Wildman, Finnegan and Foley Hoag. Their kind contributions allowed us to offer this program to our members at no charge.

The Biotech and Computer Law

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to challenge the validity of issued claims. The PTO appears to be taking the charter seriously and engaging in the procedure – a process as unfamiliar to them as

Case Clubs continued to meet, discussing cases of particular interest in their respective disciplines. These meetings are a wonderful opportunity for members to have a chance to present cases that affect our daily work, and be able to learn from each other. Attendance has been strong and I hope that more continue to take advantage of these monthly meetings.

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many practitioners – with care and sensitivity. Over the next 20 months the patent community will continue to participate in and evaluate the proceedings, time will tell if the early adoption will lead to a long-standing stable process at the PTO.

- 1 The AIA Trial Roundtable presentation May 14, 2014 ("Trial Roundtable") releasing Board statistics current as of May 1, 2014. Available at http://www.uspto.gov/ip/boards/bpai/ptab_aia_trial_roundtables_2014.jsp.
- 2 Trial Roundtable, slide 26. These results are from early filers in the procedure and is important information about how the procedure is being received, they are not necessarily indicative of long term trends.
- 3 AIA 35 U.S.C. 315(c) and 325(c). Joinder must be requested within one month of a decision on institution of the petition with which joinder is sought.
- 4 The total number of joinders is 25, including the base cases and one base case had two petitions joined. Trial Roundtable, slide 26.
- 5 Roundtable, slide 8. The Board has not yet provided similar statistics for CBMs. Accordingly, the balance of the article addresses only IPRs.
- 6 *Id.*, slide 9.
- 7 See, e.g., IPR2013-00620, -00621.
- 8 See, e.g., IPR2013-00603, -00604.

- 9 See, e.g., IPR2013-00054.
- 10 Order regarding proceeding to FWD.
- 11 See e.g., IPR2013-00184, -00185, -00186, -00187, -00188 and -00189.
- 12 See e.g., IPR2013-00605.
- 13 Roundtable, slide 9.
- 14 *Id.*, slide 8.
- 15 *Id.*
- 16 *Id.*
- 17 *Id.*, slide 9.
- 18 *Id.*
- 19 The rule provides the patent owner may file a preliminary response within three months and then once the patent owner files (or waives) the preliminary response, the Board has three months to act on the petition. Thus in the aggregate it is generally 6 months from filing the petition to the decision on institution. This author is unaware of any final written decision that has been entered more than a year after the decision on institution.

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The International and Foreign Practice Committee and Corporate (In-House) Practice Committee jointly sponsored a program on "Efforts on International Harmonization of Patent Laws." The panel for this program discussed a historical overview of harmonization initiatives as well as what the future may hold. The panel included members of the Tegernsee Group, which was formed to carry forward discussions on key issues related to substantive patent law harmonization, and includes representatives from Patent Offices of Denmark, France, Germany, Japan, the United Kingdom, and the United States.

The Licensing Committee held a program to discuss issues relating to due diligences - "Deal Valuation: Hear From a Panel of In-house and Outside Experts on Strategies for Assessing the Value of a Deal." The panel provided a useful discussion relating to the intricate issues seen in evaluating patent portfolios to support business development opportunities for our clients and companies.

The Litigation Committee also held a recent meeting, with an opportunity for BPLA members to discuss recent developments significant to patent litigators, and solicit ideas for seminars and other committee activities. It was great to have this opportunity for members to discuss hot topics in the patent litigation

field. I'm sure they now have many ideas for future seminars and look forward to these in the future.

The Business & Marketplace Committee had an event on "Portfolio Monetization." This program provided a discussion on portfolio monetization from different perspectives using a hypothetical example to enlighten the audience regarding best practices and the use of available technology in these deals.

Finally, the PTO Practice Committee held a Roundtable Discussion on the USPTO Examination Guidelines for Determining Subject Matter Eligibility. The Guidelines provide the USPTO's view of how to apply recent court decisions relating to subject matter eligibility under

***Congratulations to Pro Bono
Committee Co-Chairs Chelsea
Loughran and Rex Huang for
establishing a USPTO
pro bono program***

35 U.S.C. § 101 to patent prosecution before the Office. The meeting was held to gather members' views relating to these guidelines for the Committee to consider for possible submission of written comments to the USPTO. It is exciting to see the membership involved in important issues and to have the BPLA view expressed and considered by the USPTO. The BPLA will consider submitting formal comments by the July 31, 2014,

deadline based on the community's feedback gathered at this event.

The PTO Practice Committee has been very active in responding to the USPTO's requests for comments. In April, the Committee led by Co-Chairs Nicole Palmer and Emily Whelan, prepared and submitted comments regarding the USPTO's Proposed Changes to Require Identification of Attributable Owner. The Comments identified issues relating to the USPTO proposal, and provided helpful alternative suggestions and advice to the USPTO. The Comments are posted on the BPLA website and in the newsletter, and I hope that you have a chance to review them and congratulate the committee on a job well done.

I'd also like to congratulate the Pro Bono Committee, led by co-chairs Chelsea Loughran and Rex Huang, on their success in establishing a Boston-based USPTO Patent Pro Bono Program. This program is a collaborative effort between the Boston Patent Law Association and the Arts & Business Council of Greater Boston/Volunteer Lawyers for the Arts and has been up and running and matching pro bono eligible inventors with volunteer patent attorneys in the Greater Boston Area for the past several months. The program has successfully referred a number of applicant/inventors to interested volunteer attorneys and we are continuing to recruit additional attorneys to take cases. We also

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Dead End: Appeal of PTAB Decisions to Grant or Deny IPR Petitions

Erik Paul Belt

Partner, McCarter English, LLP

In three precedential orders issued the same day, April 24, 2014, the Court of Appeals for the Federal Circuit ruled that parties may not immediately appeal a Patent Trial and Appeal Board (“PTAB”) decision to institute or not institute an *inter partes* review. The Federal Circuit’s clear message is, in essence, “deal with it.” If you are a petitioner and your petition was denied, then you have no further recourse. The PTAB’s decision is the end of the line. If you are a patent owner and had an IPR instituted against you, they you must defend your patent in the IPR proceeding and wait until the Board issues a final written decision on the merits before appealing the institution decision. And even then, the Federal Circuit may consider only the merits (e.g., whether the prior art anticipates or obviates the patent claims) and not the institution of the proceedings itself.

In the first case, *St. Jude Med., Cardiology Div., Inc. v. Volcano Corp.*, No. 2014-1183, 2014 WL 1623676 (Fed. Cir., Apr. 24, 2014), the Federal Circuit granted a motion to dismiss an appeal from the PTAB’s decision to deny an IPR petition. *St. Jude* had petitioned for *inter partes* review more than one year after being served with a counterclaim alleging infringement of the patent at issue. The PTAB

denied the petition as barred under the one-year time limit of 35 U.S.C. § 315(b). *St. Jude* appealed, arguing that the petition was not time barred, and *Volcano* moved to dismiss, arguing that the Federal Circuit lacked appellate jurisdiction. In dismissing the appeal, the Federal

if you are a petitioner and your petitioner was denied then you have no further recourse.

Circuit first examined the relevant statutory framework and relied in particular on two provisions. First, 35 U.S.C. § 314(d), which is entitled “No Appeal,” provides that “[t]he determination by the [PTAB] to institute an *inter partes* review under this section shall be final and nonappealable.” Second, the only PTAB decision that is appealable is the final written decision on the merits of the IPR. See 35 U.S.C. § 319. The Federal Circuit then speculated that § 314(d) “may well preclude all review by any route” but did not decide the issue. In other words, the court left open to another day whether, for example, an aggrieved patent owner could appeal the institution of an IPR after the final written decision issued.

In the second case, *In re Dominion Dealer Solutions, LLC*, Misc. Dkt. No. 109, 2014 WL 1673823 (Fed. Cir., Apr. 24, 2014), the Federal Circuit denied a petition for writ of mandamus directing the PTAB to institute the IPR. In that case, the PTAB determined that the petitioner had failed to show a reasonable likelihood of prevailing with respect to at least one claim of the challenged patent. Relying on its discussion of the relevant statutory framework in *St. Jude* and the very high threshold for proving entitlement to mandamus relief, the court again concluded that it is precluded from hearing any appeals of decisions to grant or deny IPR petitions.

In the third case, *In re the Procter & Gamble Co.*, Misc. Dkt. No. 121, 2014 WL 1664223 (Fed. Cir., Apr. 24, 2014), the court denied a patent owner’s petition for mandamus relief seeking to vacate the PTAB’s decision to institute an IPR. The court explained that forcing a patent owner to participate in an IPR and defend its patent was not the type of irreparable harm or hardship that would possibly trigger mandamus relief. Again, the court left open for another day whether other avenues of appeal, including challenge in a

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To Predict How the Board Will Decide Issues in Inter Partes Review Proceedings, Look to Prior Board Decisions in Contested Cases

By: Michael T. Siekman, Shareholder, and Chelsea A. Loughran, Associate, Wolf Greenfield & Sacks, P.C.

As we gain more experience with the *inter partes* review (IPR) proceedings under the America Invents Act, patent practitioners are rightly watching Patent Trial and Appeal Board (Board) rulings for clues as to how these new proceedings will be handled by the Administrative Patent Judges (APJs) of the Board's Trial Section. What many within the patent bar may not know is that the answers already exist . . . in the form of a large body of case law and years of Board experience in other contested cases. (The Board of Patent Appeals and Interferences [BPAI] was renamed the Patent Trial and Appeal Board (PTAB) under the America Invents Act.) As discussed below, a review of Board decisions in IPRs reveals that the Board is deciding issues in IPRs just as those with years of practice trying cases before the Board predicted.

In reality, this should not come as a surprise. The Board thoroughly overhauled its rules and procedures for contested cases (almost exclusively interferences) in 2004 with the express purpose of providing a "test bed for cancellation proceedings." And, in creating the Trial Rules that govern IPRs, the Board expressly mirrored those contested cases rules. Indeed,

that rulemaking contains myriad references to the Board's experience with contested cases as justification for adopting highly similar rules for IPRs. This similarity in IPR rulemaking was unsurprising given that it was driven by APJ Michael Tierney, who serves as the Lead APJ of the Trial Section of the Board, which handled contested cases and now handles IPRs as well.

Appeal of PTAB Decisions to Grant or Deny IPR Petitions.

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district court, would be possible. But given the combined message of the three cases, such an appeal would be unlikely.

Indeed, in at least two cases, disappointed patent owners appealed directly to a district court seeking to upend PTAB decisions instituting IPR proceedings. One was the *Dominion Dealer Solutions* case, discussed above. In that case, the district court dismissed the litigation, relying largely on § 314(d)'s broad prohibition against appeals of institution decisions. See *Dominion Dealer Solutions, LLC v. Lee*, no. 3:13-cv-699 (E.D. Va., Apr. 18, 2014). Likewise, in *Versata Dev. Corp. v. Rea*, No. 1-13-cv-328, slip op., (E.D. Va., Aug. 7, 2013), the district court came to the same

As would be expected, the Trial Section APJs are applying the same standards to IPRs that they apply in contested cases—even when those standards are not set forth in the IPR Trial Rules or Trial Practice Guide. Just as with district court litigation, companies anticipating involvement in IPRs should consider their counsel's familiarity with contested case proceedings, especially since

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conclusion, holding that it lacked subject matter jurisdiction and, at the very least, judicial review of an interlocutory decision (i.e., a decision to institute an IPR) is premature and must wait until the PTAB's final written decision on the merits.

The clear message from all of these cases is that if a petitioner strikes out at the PTAB, there is no further recourse. The PTAB's decision to deny the petition is final and nonappealable. Further, a disappointed patent owner must first defend its patent in the IPR. Perhaps the patent owner could challenge the institution of the IPR (e.g., arguing that it was time barred) during the appeal from the final written decision. The Federal Circuit, however, appears to be skeptical of such challenges.

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such experience implicates a large body of authorities the Board is likely to consider, most of which would be unknown to those new to trial practice before the Board.

Discovery Practice

Discovery practice is one of the most misunderstood aspects of IPRs. This litigation-like overlay (as compared to *inter partes* reexamination) prompted many to suggest there would be robust discovery necessitating litigation-experienced counsel. As predicted by those with experience trying cases before the Board, however, the Trial Section APJs have applied the “interest of justice” standard for obtaining “additional discovery” in an IPR just as narrowly as they have applied the same standard in interferences. Most importantly, the party requesting discovery “should already be in possession of evidence tending to show beyond speculation that in fact something useful will be uncovered.” *Garmin Int’l, Inc. v. Cuozzo Speed Tech. LLC*, IPR2012-00001 (Paper 26), at 6 (P.T.A.B. March 5, 2013).

This standard mirrors the standard the Trial Section applies in contested cases. See *Sernyk v. Debonte*, 72 U.S.P.Q.2d 1355, 1361 (B.P.A.I. 2004) (“If the basis upon which discovery or testimony is made is speculative, discovery or testimony may not be appropriate . . . , [b]ut, if a party can reasonably establish that its opponent or some third-party can

supply a missing link to make out a *prima facie* case, then discovery or testimony may be appropriate”); Standing Order at ¶ 150.2 (additional discovery “requires specific bases for expecting that the discovery will be productive”). Indeed, in *Garmin*, the Board repeated for IPRs its characterization from the Standing Order for contested cases that the scope of discovery is “significantly different” from the scope of discovery generally available under the Federal Rules of Civil Procedure. Compare *Garmin*, at 5, with Standing Order at ¶ 150.2.

Litigators expecting broad discovery in IPRs have been surprised. In denying additional discovery, the Board repeatedly cites both the one-year time limit for IPRs and the more general provision that the Trial

The trial Section APJs are applying the same standards to IPRs that they applied to the old interference and re-exam procedures.

Rules are to be construed to secure the “just, speedy, and inexpensive” resolution of IPRs. This mirrors the Board’s repeated citation to the analogous two-year goal and the identical “just, speedy, and inexpensive” rule of construction for contested cases. While these time considerations may seem to take on inordinate weight to litigators, the Board was clear from the beginning that the legislative history

required that additional discovery be restricted to limited situations justified by special circumstances and that the Board was expected to be conservative in granting such discovery in light of these time constraints. Trial Rules, 77 Fed. Reg. 48612, 48636-37 (August 14, 2012). The Board continually relies upon this same legislative history in its decisions denying discovery requests.

Not only were those with experience trying cases before the Board able to predict how the Board would treat discovery in IPRs, they are, today, aware of a vast body of authorities that will influence how the Board treats discovery disputes (and other issues) in IPRs in the future. For example, a large body of Board case law is quickly developing that is not reported in official reporters. The Board posts “Representative Orders, Decisions, and Notices” for IPRs, but those only scratch the surface. However, this has long been standard practice in contested cases where the Board posts precedential and informative opinions. While several electronic services have arisen to enable searching and following of decisions in IPRs, no such services followed decisions in contested cases well. For those cases, counsel could only become familiar with this body of case law through years of experience.

In addition, the Board has repeatedly relied upon a few favored sources of secondary authorities, particularly

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articles published by USPTO personnel in the *Journal of the Patent and Trademark Office Society*. The “interests of justice” standard to obtain additional discovery is a perfect example. The *Sernyk* case cited above to illustrate the origin of the *Garmin* factors in prior Board jurisprudence relies heavily upon *Tropix, Inc. v. Lumigen, Inc.*, 53 U.S.P.Q.2d 2018, 2020 (B.P.A.I. 2002). *Tropix* in turn cites a JPOS article by Senior APJ McKelvey as the primary support for the proposition that discovery before the Board under the “interests of justice” standard is not the same as discovery before a federal district court under the Federal Rules of Civil Procedure, and it provides real and hypothetical examples illustrating application of that standard. *Tropix*, 53 U.S.P.Q.2d at 2020-21 (citing “Discovery Before The Board of Patent Interferences,” 58 J. Pat. Office Soc’y 186 (1976)). Counsel with experience trying cases before the Board will know to look to these authorities during discovery disputes, just as the Trial Section APJ’s will be familiar with seeing them cited.

Cross-Examination by Deposition

A central aspect of IPRs is the nature of its trial: direct testimony comes in by declaration (submitted as an exhibit), and cross-examination (and redirect) comes in by deposition (also submitted as an exhibit). But the nature of that cross-examination is markedly different from both Rule 30 depositions and trial witness

cross-examinations. The Board has long imposed unique prohibitions on counsel for both sides in contested cases in the form of the cross examination guidelines. S.O. at 69-72. Those guidelines strictly prohibit many activities that are common in depositions taken in district court litigation, but the Board is quite willing to enforce these unusually restrictive prohibitions strictly. In *Pevarello v. Lan*, 85 U.S.P.Q.2d 1771 (B.P.A.I. 2007), the Trial Section issued an opinion of an expanded panel to provide the patent bar with clarification as to what actions fell within and outside of the cross examination guidelines. Although the expanded panel remanded to the merits panel for action based on its opinion rather than taking action itself, its highly critical language leaves no doubt that it strongly disapproved of the actions of counsel for both parties. Counsel are prohibited from stipulating to or making blanket objections; arguing the basis for objections rather than just making the objection and addressing it with a new question, if necessary; making any statements that suggest the answer, or stopping an answer, to the witness; repeatedly arguing a disputed issue throughout a deposition rather than contacting the APJ by telephone to resolve the issue; and inquiring into how the declaration was prepared. *Id.* at 1773-80.

The Board reproduced the substance of its contested cases cross examination guidelines in the Testimony Guidelines included in

the Trial Practice Guide. 77 Fed. Reg. 48756, 48772-73 (August 14, 2012). Nonetheless, the seriousness with which the Board takes these guidelines—not to mention their strict interpretation as articulated in *Pevarello*—is likely under-appreciated by those not experienced with trials before the Board. The Board has already enforced its guidelines in one IPR, ordering counsel to refrain from instructing a witness not to answer questions unless counsel first receives Board authorization to do so. *Corning Inc. v. DSM IP Assets B.V.*, IPR2013-00043-53 (Paper 31), at 2 (P.T.A.B. July 8, 2013). Counsel with experience trying cases before the Board will be familiar with the guidelines and the Board’s strict interpretation of them.

Amending Claims

Another largely misunderstood aspect of IPRs is the ability of a patent owner to amend claims. While misunderstandings on discovery and depositions noted above stemmed from importing expectations from district court litigation, misunderstandings about the ability to amend claims come from importing expectations from *inter partes* reexamination. The Board’s IPR decisions regarding the ability of a patent owner to amend claims have created significant unrest among those who thought the procedures would be analogous to *inter partes* reexamination. But they are unsurprising to those with experience trying cases before the Board

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This issue gets to the core of the similarities between the Board's procedures for interferences and IPRs; they are both motion-based trials providing an opportunity to amend claims to address an asserted ground of unpatentability. 37 C.F.R. § 42.121 and the Trial Practice Guide provide detailed requirements on what must be included in such a motion to amend, but they do not explicitly specify that the motion must explain how the proposed amendment distinguishes the claim over the prior art. As a result, several attorneys unfamiliar with trial practice before the Board

have filed motions that do not sufficiently distinguish over the prior art. The Board has dismissed those motions as failing to meet the movant's burden. See, e.g., *Idle Free Systems, Inc. v. Bergstrom, Inc.*, IPR2012-027, Paper 26 (P.T.A.B. June 11, 2013); *Avaya Inc. v. Network-1 Security Solutions, Inc.*, IPR2013-00071 (Paper 38), at 2 (P.T.A.B. July 22, 2013); *Medline Indus. V. Paul Hartmann AG*, IPR013-00173, Paper 22 (P.T.A.B. July 25, 2013).

Those unfamiliar with trial practice before the Board have found two aspects of decisions denying motions to amend surprising. First, the Board relies upon the general

requirement in 37 C.F.R. § 42.20(c) that the movant bear the burden of proof in demonstrating that the proposed claim amendment distinguishes over the prior art. *Idle Free*, (Paper 26) at 7 (P.T.A.B. June 11, 2013). Second, the Board requires the movant to establish patentability over both prior art of record and prior art not of record but known to the patent owner. *Id.* Neither rationale, however, was surprising to those familiar with trial practice before the Board; they originate in prior Board jurisprudence.

The Board has long taken the view that mere compliance with

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Invented Here! 2014

Upcoming Honoree Recognition Event in September



2013 Invented Here! Honorees
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The *Invented Here!* submissions are in! Once again, we had a tremendous turn-out from a large diversity of science and engineering categories. Thank you to everyone who is participating as a nominator or member of the BPLA Selection Committee. Your contribution makes this program work!

The selection process for honoring issued patents and top inventions has begun and will continue throughout the summer. In September, recently issued patents and published patent applications will be honored at a recognition event. Details will be announced shortly. We look forward to a strong attendance by the BPLA membership to celebrate our innovation community and recognize a few outstanding members.

Invented Here! is a recognition event that honors New England's newest and most innovative technologies. By celebrating these innovators, their inventions, and the stories behind them, the program advances the BPLA's mission of providing educational programs by informing the public of these great innovations.

For more information
Go to www.bpla.org > Meetings & Events > Invented Here!



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procedural requirements of a motion does not satisfy the substantive requirements of movant's burden of proof. *Hillman v. Shyamala*, 55 U.S.P.Q.2d 1220, 1221-22 (B.P.A.I. 2000) (rejecting argument that compliance with rule enumerating requirements for specific motion was sufficient as "simply wrong" because "the movant has the burden of proof" and it "would be impossible to list all of the substantive requirements for each kind of motion specifically and exhaustively."); Standing Order at ¶ 208 ("Motions must, however, also be substantively sufficient. Thus, even perfect compliance with this guidance does not assure that a movant will satisfy its burden of proof"). And the Board has long taken the view in contested cases that a party proposing amended claims needs to establish in its motion the patentability of its proposed claim over the prior art of record, as well as the prior art known to it, even going so far as to acknowledge that this "may require a negative proof." SO ¶ 208.1. Indeed, in the 2004 rulemaking creating the contested cases rules, the Board specifically rejected the same criticisms as have been leveled at these IPR decisions regarding the need to establish patentability over prior art that is not even of record and the effective requirement of proving a negative. 69 Fed. Reg. 49959, 49995 at col. 1-2 (Aug. 12, 2004).

The predictions of those experienced trying cases before the Board regarding the requirement that a patent owner show the patentability of proposed amended claims over **both** the prior art of record and any other prior art known to the patent owner have been realized, to the surprise of many.

Submission Length

37 C.F.R. § 42.24 sets detailed page limits for petitions, responses, motions, oppositions, and replies. The Board set those limits based on its experience with similar page limits in contested cases, and it considered those page limits to be "a significant factor" in explaining the shorter pendency of contested cases than of *inter partes* reexaminations. 77 Fed. Reg. 48612, 48658, col. 2 (Aug. 14, 2012). Indeed, the Board explained that contested cases were subject to lengthy and unacceptable delays in the early 1990s before the Board introduced page limits. *Id.* at col. 3.

Here too, the misunderstanding of those lacking experience trying cases before the Board has resulted in predictable rejections by the Board. For example, in *Innolux Corp. v. Semiconductor Energy Lab., Co., Ltd.*, IPR2013-00066-68 (Paper 24), at 3 (P.T.A.B. July 18, 2013) the Board denied a patent owner's request for additional pages in which to lay out its motion to amend claims. Citing the motives behind the IPR rules, including the desire to conduct such proceedings in a "just, speedy and inexpensive" manner, the Board refused to allow

the patent owner to (1) deviate from the required double-spaced formatting, (2) incorporate material by reference, or (3) enlarge the page limit for its motions to amend claims. *Id.* at 3-5. Reasoning that a single claim per motion to amend would likely suffice given the patent owner's apparent desire to add a number of claims, the Board referred the patent owner to an *ex parte* reexamination (or reissue) if it truly needed additional space to argue its desired amendments. *Id.* at 5.

While those who have been litigating patent cases in federal district court (where motions to enlarge page limits are not uncommon and often granted) may read the Board's decision in *Innolux* as surprisingly stringent, it was not surprising to those with experience trying cases before the Board. In addition to the Board's historical perspective discussed in the IPR rulemaking, the Board has long taken its page limits quite seriously. Indeed, the Board has repeatedly warned practitioners not to circumvent page limits by incorporating arguments from elsewhere, such as a declaration. See, e.g., *Leveen v. Edwards*, 57 U.S.P.Q.2d 1406, 1412 (B.P.A.I. 2000) (per curiam, precedential) ("through incorporation by reference, an attorney can avoid page limits applicable to motions"); see also Standing Order ¶ 106.2 ("Incorporation of arguments by reference amounts to a self-help increase in the length of the brief and a pointless imposition on the Board's time.") The Board has

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stricken and refused to consider portions of improperly formatted papers that would have exceeded the page limits if they had been properly formatted with the correct font size and line spacing, even where the formatting errors were credited as inadvertent. See *Adimab v. Dyax, Int.*, No. 105,809 (Paper 250), at 2 (B.P.A.I. Feb. 27, 2012).

As expected by those experienced trying cases before the Board, the Board is taking its rules on page limits in IPRs seriously, and those limits will rarely be waived.

Replies

37 C.F.R. § 42.23 provides that a reply must only respond to arguments raised in the opposition (or patent owner response), and the rulemaking makes clear that this restriction applies to supporting evidence as well. 77 Fed. Reg. 48612, 48620, col. 2 (Aug. 14, 2012) (“Reply evidence, however, must be responsive and not merely new evidence that could have been presented earlier to support the movant’s motion.”) While that may not be surprising, the Trial Practice Guide gives a flavor of how seriously the Board takes this prohibition against late-filed arguments and evidence. A “reply that raises a new issue or belatedly presents evidence will not be considered and may be returned.” 77 Fed. Reg. 48756, 48767, col. 2 (Aug. 14, 2012). Thus, the improper argument or evidence will result in the entire reply being ignored, not just the portions

The BPLA regrets the passing of our colleague John W. Rooney, PhD.



An active member of the BPLA, John was admitted to the Massachusetts State Bar and the U.S. District Court, District of Massachusetts, and was registered with the U.S. Patent and Trademark Office as a U.S. Patent Attorney. He held degrees from University of California, Berkeley (B.A., Molecular Biology) and Harvard University (Ph.D., Genetics).

Contributions can be made to a fund in support of his widow at the following website:

<http://www.gofundme.com/7896qw>

Condolence cards can be mailed to
Jill Silos-Rooney
21 Byron Street
Bradford, MA 01835

relying upon improper argument or evidence.

This aspect of the Trial Practice Guide may not be fully appreciated by those who do not have experience trying cases before the Board or the benefit of knowing the long history of the Board’s views in this area. The Board has long condemned what it characterizes as such sandbagging. See 69 Fed. Reg. 49959, 49995, col. 2 (Aug. 12, 2004) (“sandbagging an opponent is never acceptable”); *Rabbanni v. Notomi*, 2008 WL 2259956, at *4 (B.P.A.I. January 25, 2008). The Board even specifically addressed this issue in an opinion by an expanded panel that serves as binding precedent of the Trial

Section on this issue. *Winter v. Fujita*, 53 U.S.P.Q.2d 1234, 1235 nn. 1, 2 (B.P.A.I. 1999). The Board summarized its ongoing concern about inappropriate replies going back to rulemaking in 1984, including past proposals by the Board that required authorization from the presiding APJ before filing any reply. *Id.* at 1250. The Trial Section then announced, “we will strictly enforce the reply brief practice as of the date this opinion is published, after which, noncompliant replies will be struck and returned.” *Id.*

Those without experience trying cases before the Board are unlikely to appreciate the depths of the Trial Section’s long-held concern

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about the potential for a petitioner or movant to sandbag an opponent by withholding arguments and evidence until the reply stage, when an opponent has no opportunity to respond.

Motions Lists

37 C.F.R. § 42.21(a) provides for a notice of basis for relief, which must “include sufficient detail to place the Board and each opponent on notice of the precise relief requested.” The Trial Practice Guide makes clear that the contemplated notice will generally be a motions list, but it does not provide any further details as to the required content of the motions list. 77 Fed. Reg. 48756, 48765, col. 3 (Aug. 14, 2012). Those with experience trying cases before the Board are very familiar with motions lists, which the Trial Section introduced in the late 1990s as a tool to help APJs manage contested cases. To others, this element of IPRs will be quite foreign.

In *CRS Advanced Tech., Inc. v. Frontline Tech., Inc.*, CBM2012-00005 (Paper 31), at 2 (P.T.A.B. Feb. 13, 2013), the Board noted (to its surprise) that, rather than submit a list of motions as expected, each party filed the motion itself, arguing for its requested relief rather than seeking authorization to file the *proposed* motion. One such improper listing included six pages of facts and argument in support of the ultimate motion—fully ignoring the requirement to seek and gain

authorization to file such a motion. *Id.* at 2. Had counsel for either party been experienced with trying cases before the Board, they would have understood what was required for this well-known procedural tool. Indeed, the contested cases rulemaking makes clear that a motions list “is not a substitute for a motion.” 69 Fed. Reg. at 49993, col. 3 (Aug. 12, 2004).

Disqualification

37 C.F.R. § 42.10(c) provides for disqualifying counsel, but the rulemaking expressly declines to adopt specific procedures for disqualification proceedings. 77 Fed. Reg. 48612, 48630, col. 1 (Aug. 14, 2012). Given the number of IPRs involved in concurrent litigation, the number of IPRs serving as a predicate to litigation, and the inclination of some companies to use separate firms for litigation and IPRs, disqualification issues are likely to arise. Indeed, the Board has already considered one such motion, deciding it was premature in light of potential developments in the concurrent district court litigation. *ScentAir Tech., Inc. v. Prolitec, Inc.*, IPR2013-00179 (Paper 9), at 4-5 (P.T.A.B. April 16, 2013).

How would the Board decide such a motion, if ripe? Again, the Board has already decided this issue in a contested case. In that case, the Board again turned to an article that a USPTO employee published in the *Journal of the Patent and Trademark Office Society* as providing guidance on how two

disqualification proceedings would be conducted procedurally and substantively. *Anderson v. Eppstein*, Int. No. 103,708 (Paper 334) (B.P.A.I. July 16, 1998) (stating that “Attorney Disqualification Cases in the USPTO”, 62 JPOS 625 (1980), “would serve as a guide for these [disqualification] proceedings.”) Substantively, a resulting decision makes clear that the Board will be very reluctant to disqualify counsel: “the moving party bears a heavy burden of proving facts showing that disqualification is necessary.” *Anderson v. Eppstein*, 59 U.S.P.Q.2d 1280, 1285 (B.P.A.I. 2001).

Counsel without experience trying cases before the Board are not likely to be aware of these decisions, the high standard they have applied for disqualification, or the JPOS articles providing guidance on the procedures the Board has followed for disqualification proceedings.

Conclusion

Early signs indicate that the new IPR proceedings will be an extremely attractive alternative (or complement) to district court litigation, and practitioners and clients are smartly gathering all available data on how to most effectively and efficiently navigate the Board’s expectations for IPR practice. However, given early Board decisions, it certainly appears that such expectations will align with those set years ago for contested cases. Practitioners with experience trying such cases before the Board are well-positioned to apply such experience advantageously for their IPR clients.

SUMMER PROJECT -- EARLY NOTICE**The Deadline For Submissions Is September 30Th 2014**

Writing Competition

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Boston Patent Law Association

1st Prize: \$1000

2nd Prize: \$500

The BPLA is once again holding its annual Writing Competition! Law students are encouraged to submit papers on a subject relating to intellectual property law. The requirements for eligibility are outlined below.

Judges will consider the merits of the paper as a contribution to the knowledge respecting intellectual property law and the extent to which it displays original and creative thought or information not previously published or available.

Contest Rules:

- Papers must have been written solely by a student or students either in full-time attendance at a law school (day or evening) within the jurisdiction of the First Federal Judiciary Circuit or prepared in connection with a course at a law school situated in the First Circuit.
- Papers must have been written or published between August 31, 2013 and September 1, 2014.
- Only one paper may be submitted per student in a given year.
- Papers must be submitted to the Boston Patent Law Association on or before September 30, 2014.
- Papers should be no more than the equivalent of ten (10) law review pages including footnotes (30-40 pages typed copy).
- Submission of five (5) copies or a .pdf file is required.
- Submissions must include the submitter's name, current address, current telephone number, law school, and employment information (if applicable).

Please send submissions to:

Michael Bergman, Esq.
Boston Patent Law Association
c/o Bergman & Song LLP
P.O. Box 400198
Cambridge, MA 02140

Phone: 617-625-8870
Fax: 617-625-8880
Email: mbergman@bergmansongllp.com

For updates and access to the papers of previous winners, please see the BPLA website:
<http://www.bpla.org/displaycommon.cfm?an=1&subarticlenbr=49>

Rajarshi Banerjee – BPLA Paper Summary

A unique drug patentability standard that began as a last-minute addition to an Indian legislation is slowly spreading through the developing world, drawing plaudits from global health advocates and generic drug companies and stiff challenges from pharmaceutical innovators and their home countries. India's patentability standard severely restricts the practice of patent layering by drug manufacturers, yet complies with international intellectual property agreements, making it an effective instrument in the hands of countries that seek to limit pharmaceutical patents.

The global response to India's standard ranges from adoption in Asian and Latin American countries to recent, unnoticed efforts by the United States to stem its spread by inserting specific obligations in what will soon be the world's largest trade agreement. Drug manufacturers, poor patients in the developing world, and—just as crucially—the future of global patent protection all have a stake in this ongoing tug-of-war over what was only recently an obscure, peculiar patentability standard.

Patent layering is a contentious practice. Popular among pharmaceutical innovators, it involves patenting multiple aspects of, or increments to, a single drug, so that the last patent expires well after the first. For much of the twentieth century, the practice was



Writing Competition

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At the 2013 Annual Meeting last December, the BPLA announced its annual awards for the BPLA's student writing competition. The winners were as follows:

Rajarshi Banerjee, "The Success of, and Response to, India's Law against Patent Layering" rbanerjee@jd14.law.harvard.edu

Booyong Lim, "The U.S. Court of Appeals for the Federal Circuit's Recent Expanded View of Liability for Induced Infringement under Section 271(b)" booyong_shimlim@vrtx.com

Elliott Williams, "Equitable Discretion and the Patent Owner's Delay" ewilliams@jd14.law.harvard.edu

Congratulations to our winners!

The winning entries can be found on the BPLA website at www.bpla.org. In addition, summaries of the winning papers appear below.

a non-issue in low-income countries and in states with thriving generic drug industries—these states could simply prohibit all pharmaceutical product patents. This is no longer the case. The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) now requires all WTO members to grant such patents, and a web of treaties that implicate patents, including over three thousand international investment agreements, protects foreign drug manufacturers from the expropriation of these patents. Amidst this landscape, India's law against patent layering stands as

a successful model for countries that wish to restrict the practice in a legal environment that makes it increasingly difficult to do so.

This paper demonstrates why the Indian law is successful, and takes stock of the global response to the law, from Novartis' legal battles in Indian courts, to similar laws in the Philippines and Argentina, to a leaked draft of the Trans-Pacific Partnership (TPP)—a massive trade agreement currently under negotiation—that requires signatories to allow exactly what the Indian law prohibits, down to the choice of words.

[Excerpts from]

Equitable Discretion and the Patent Owner's Delay

by Elliott Williams

[Introduction] The doctrine of laches enables a defendant to protect itself from a plaintiff who delays unreasonably and inexcusably in filing its suit. Laches is an equitable doctrine, which means that its form is not fixed because the circumstances under which a defendant can successfully resist the plaintiff's suit are not set out clearly. Determinations of laches rely on the discretion of the trial court and on an amalgamation of whatever facts the court deems relevant. This kind of discretion, like any judicial discretion, creates opportunities for judicial overreaching; and the following account offers such examples from the use of laches in the context of patent law. The problem of overreaching worsens, however, when jurists lack a foundation from which to argue that such-and-such was a proper use of equitable discretion but such-and-so was not. Thinking about the purpose of equitable discretion is the first step to circumscribing its scope. Lay bare the underlying reasons, and one has articulated a principle that defines its limits. This paper begins with a humble description of

the reasons that animate the laches doctrine generally and how those reasons play out in context of patent law. The second and third sections describe two areas where courts have used the label of "laches" in service of other, non-equitable purposes. The conclusion of the paper argues that attention to the proper purpose of laches, although requiring some modifications to the current state of the law, would create a principled limit to the exercise of equitable discretion and still allow room for that discretion to do what it is supposed to do.

[From Section Two] In *Wanlass v. General Electric*, the plaintiff failed to spot "pervasive, open, and notorious activities." Furthermore, the court found that the plaintiff had not fulfilled "his duty to conduct future investigations" even though the plaintiff, had tested General Electric's machines for five years to see if the defendant was infringing. These opinions, particularly *Wanlass*, describe new rights and duties and give reasons for decision that indicate a departure from the concept of equity.

Wanlass makes an effort to connect its holding to the concept of equity. It recites cases that impute knowledge to the plaintiff based on circumstances that create a duty of inquiry. "The party must be diligent and make such inquiry and investigation as the circumstances reasonably suggest." The duty-

of-inquiry line of cases points to circumstances where the plaintiff is aware of facts that strongly suggest infringement but takes no steps to discover whether or not infringement is actually occurring. It is relevant to situations where the patent owners "have remained . . . supine for many years, shutting their eyes to what was going on in the art to which the patent belonged." It is akin to "willful blindness." This doctrine reflects notions of equity because it infers intentional wrongdoing by the ignorant party. . . .

This duty to investigate industry literature and products is analogous to the idea of constructive notice arising from land records. *Wanlass* cites that idea in support of its duty to investigate. There is "a duty to inform oneself of ownership of land in light of readily apparent facts in the public records." The duty means that parties transacting in land are held to possess knowledge of facts available from a reasonable search of the land records, even if they have not made such a search. There are a handful of conceivable justifications for the constructive notice doctrine in land records (e.g., enabling effective transfers of property, incentivizing purchasers always to search the records), but the concept of equity is not high on the list. The comparison—between constructive notice from land records and constructive knowledge from

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1 148 F.3d 1334, 1338 (Fed Cir 1998).
 2 148 F.3d 1334, 1339 (Fed Cir 1998).
 3 *Wanlass*, 148 F.3d at 1338 (citing Potash Co. v. Int'l Minerals & Chem. Corp., 213 F.2d 153, 155 (10th Cir. 1954)).
 4 *Id.* (citing Mosler & Co. v. Lurie, 209 F. 364, 371 (2d Cir. 1913)).
 5 *Wanlass*, 148 F.3d at 1339 (citing Wetzel v. Minnesota Ry. Transfer Co., 169 U.S. 237, 240-41 (1898)).

Euitable Discretion and the Patent Owner's Delay
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activities in an industry—shows how far the reasoning in *Wanlass* has moved from the concept of equity.

[From the Conclusion] Laches is not a dressed-up statute of limitations, nor is its primary purpose to protect the public from burdensome patents or to accelerate repose on claims that seem meritless. Its purpose is to assess the quality of the plaintiff's delay and whether it caused additional harm to the defendant. Ultimately, laches asks whether considerations of justice and mercy, brought to bear on the prior interaction of the parties, provide reasons to limit the plaintiff's right to recover on its otherwise valid claim. As the *Cancer Research* opinion suggests, this foundation is common to all forms of laches, including prosecution laches. Although *Bogese* and *Wanlass* were departures from the common foundation of laches and although the Federal Circuit has treated prosecution laches as a separate thing, reuniting the two doctrines would draw attention to their common purpose. Even more importantly, paying attention to the purpose that animates laches would give jurists a foundation for critiquing misuses of equitable discretion.

The New Lawyers and Law Students Committee
of the
Boston Patent Law Association
is pleased to present

**4th Annual AIPLA New Lawyers Committee/
BPLA New Lawyers & Law Students
Summer Networking Happy Hour**

August 1, 2014 from 6:30 PM to 8:30 PM in Boston
Hyatt Regency Boston
One Avenue De Lafayette, Boston, MA

The Boston Patent Law Association's New Lawyers and Law Students Committee and the American Intellectual Property Law Association's New Lawyers Committee are co-hosting their 4th joint annual informal summer social on Friday, August 1st at The Terrace at Avenue One at the Hyatt Regency in Boston.

This is a great opportunity to wind down your week while catching up with old friends and making some new ones, so please join us and enjoy a summer night out on the terrace.* Drinks and hors d'oeuvres will be provided. See you there!

Please register here. The attendees are encouraged to register by Wednesday July 30th.

Special thanks to Fish & Richardson P.C. for co-sponsoring this event.

Organizers:

Missy Sikorski and Frank Gerratana, AIPLA New Lawyers Committee's Local Networking Subcommittee leadership

Reza Sadr and Michael Carbonello, BPLA's New Lawyers and Law Students Committee leadership

If you have any questions about this event, please contact Reza Sadr (rsadr@pierceatwood.com) or Mike Carbonello (mcarbonello@houstonllp.com).

*If the weather proves uncooperative, the hotel will set us up inside.

The U.S. Court of Appeals for the Federal Circuit's Recent Expanded View of Liability for Induced Infringement under Section 271(b):^{fn}

Akamai Techs., Inc. v. Limelight Networks, Inc. & McKesson Techs., Inc. v. Epic Systems Corp. (Fed. Cir. 2012)

Booyong Shim Lim
Suffolk University Law School Class
2013

On January 10, 2014, the Supreme Court granted certiorari in *Limelight Networks, Inc. v. Akamai Techs., Inc.* (12-786) to revisit the Federal Circuit's *en banc* review in 2012 of *Akamai Techs., Inc. v. Limelight Networks, Inc.* and *McKesson Techs., Inc. v. Epic Systems Corp.* ("*Akamai/Mckesson*") regarding a divided (or joint) infringement matter.¹ Under what is known as the "single entity" doctrine, divided infringement where the claim elements were performed by multiple independent entities is a complete defense against direct infringement under 35 U.S.C. § 271(a).² Divided infringement was also a complete defense to induced infringement under 35 U.S.C. § 271(b) until the Federal Circuit in *Akamai/Mckesson* refused such divided infringement defense and allowed patentees to advance claims based on an inducement theory.³

Prior to *Akamai/Mckesson*, courts had required actual direct infringement as defined by § 271(a) for induced infringement under § 271(b).⁴ Direct infringement under

§ 271(a) in turn requires proof that a single party, either directly or vicariously, commits all the acts necessary to infringe the patent at issue. Thus, prior to *Akamai/Mckesson*, divided infringement was a complete defense against not only direct infringement but also indirect infringement.

In six to five, the *Akamai/Mckesson* court held that liability for induced infringement under §271(b) does not require proof of the existence of direct infringement under §271(a) and that it does not require a single, direct infringer.⁵ According to *Akamai/Mckesson*, there now can be induced infringement on at least method (or process) claims where all the steps of a claimed method were not performed by a single entity, as in the *Akamai*⁶ and *Mckesson*⁷ cases. Although the issue before the court was broadly capturing divided infringement under both § 271(a) and § 271(b), the court did not change the current standard under § 271(a) and instead made this "inducement only" rule.⁸

The *Akamai/Mckesson*'s decision is undoubtedly favorable for method patent holders, irrespective of technology fields, because it may

impose inducement liability to a party who traditionally could raise a divided infringement defense. Although the patent holders still need to overcome the intent prong required under §271(b),⁹ the majority decision certainly makes it easier to enforce their method claims. For example, a patent holder of cloud service claims can benefit greatly from the majority ruling. Similarly, diagnostic claims in life science can now enjoy more value. In particular, the decision provides breathing room to diagnostic or personalized medicine claims which may need more than a diagnosing step to pass the heightened standard of patentable subject matter under § 101 in *Mayo Collaborative Servs. v. Prometheus Labs. Inc.*¹⁰

According to the *Mayo*'s standard, a single step of diagnosis (such as "diagnose the presence of disease X by detecting biomarker Y in a patient's blood) without an additional step of, for example, analyzing or detecting biomarker Y may not pass muster under § 101. Under the reasoning of *Mayo*,¹¹ the correlation between disease X and biomarker Y that is present and naturally

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^{fn} This article was written before the Supreme Court's opinion this past term.

Liability for Induced Infringement Under Section 271(b)

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occurring in patient's blood may be viewed as a law of nature. The diagnosing step and the analyzing/detecting step are generally performed by different entities, and the patent applicant may need to rely on an agency relationship or a contractual obligation between the different entities to meet the "single entity" rule. Bar is relatively high for proving such agency relationship or contractual obligation.¹² Thus, under the pre-*Akamai/Mckesson* standard, a patent applicant would confront a dilemma between the "single entity" rule and § 101 muster. Now under the new *Akamai/Mckesson* standard, a claim capturing multiple entities can enjoy patent protection at least under an induced infringement theory.

On the flip side, however, the *Akamai/Mckesson* decision may increase the likelihood of company's patent infringement liability even if it performs less than all of a patented method claim, and accordingly companies may need a higher degree of due diligence than before. For example, a company who labels new drug Z with personalized medicine instructions (e.g., "test

for detection of biomarker Y and, if present, treat disease X with drug Z") could potentially be liable for inducing infringement even absent of an agency relationship with the clinical laboratory which detects biomarker Y. Liability for induced infringement may now come in if all of the steps of the patented method are performed and the company is viewed as an inducer of the performance.

The *Akamai/Mckesson* decision also relieves claim drafting difficulty in certain fields. Prior to *Akamai/Mckesson*, careful and creative claim drafting to recite only steps or actions performed by a single party was extremely important for method claims. Although Judge Linn asserted that divided infringement can be avoided by creative claim drafting,¹³ drafting a claim reciting only steps (typically one step) performed by a single party may jeopardize claim clarity, or sometimes it is even impossible to do so. While careful and creative claim drafting is still important to preserve direct infringement, the *Akamai/Mckesson* decision certainly reduces the need for a particular variety of claim-drafting creativity.

The *Akamai/Mckesson* decision provides certain clarity to the

divided infringement issue and fills a loophole where different entities perform different steps of a patented method. But it also leaves some questions as to the boundaries of § 271(b) and its interaction with § 271(a), such as: 1) whether the "inducement only" rule is applicable to only method claims; 2) how to calculate damages for induced infringement only while there is no liable direct infringer; and 3) whether the territorial restriction traditionally imposed to induced infringement has been removed by virtue of the court's interpretation of "infringement" under § 271(b) independent from "infringement" under § 271(a).¹⁴

Judge Newman filed a dissent. Judge Linn also filed a separate dissent to which the other three dissenting judges joined. Both dissents harshly criticized the majority for making new policy and being a product of spontaneous judicial creation.¹⁵ It remains to be seen what the Supreme Court's view on the divided infringement issue would be.

1 *Akamai Techs., Inc. v. Limelight Networks, Inc.*, 692 F.3d 1301 (Fed. Cir. 2012) (En Banc).

2 *Warner-Jenkinson Corp. v. Hilton Davis Corp.*, 520 U.S. 17 (1997); *BMC Resources, Inc. v. Paymentech, L.P.*, 498 F.3d 1373 (Fed. Cir. 2007) (overruled by *Akamai*, 692 F.3d at 1308-09); *Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318 (Fed. Cir. 2008).

3 *Akamai*, 692 F.3d 1301.

4 *Global-Tech Appliances, Inc. v. SEB S.A.*, 131 S. Ct. 2060, 2065 (2011); *BMC*, 498 F.3d at 1379-80.

5 *Akamai*, 692 F.3d at 1305.

6 In *Akamai Techs., Inc. v. Limelight Networks, Inc.*, 629 F.3d 1306 (Fed. Cir.

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NOTE: In April the Patent Office Practice Committee submitted the following comments to the USPTO.

Comments on Changes to Require Identification of Attributable Owner

By Email:

AC90.comments@uspto.gov

James Engel, Senior Legal Advisor
United States Patent and Trademark
Office

P.O. Box 1450

Alexandria, VA 22313-1450

April 24, 2014

Re: Comments on Changes to Require Identification of Attributable Owner, in response to requests for comments at 79 Fed. Reg. 4105 (January 24, 2014) (submission deadline extended to April 24, 2014 at 79 Fed. Reg. 9678 (February 20, 2014))

Dear Sir:

The Boston Patent Law Association (BPLA) thanks the United States Patent and Trademark Office (USPTO) for the opportunity to comment on the proposed rules to implement changes to require identification of attributable ownership. The BPLA is an association of intellectual property professionals, providing educational programs and a forum for the exchange of ideas and information concerning patent, trademark, and copyright laws in the Boston area. These comments were prepared with the assistance of the Patent Office Practice Committee of the BPLA. These comments are

submitted by the BPLA solely as its consensus view. They are not necessarily the views of any individual member, any firm, or any client.

We appreciate the USPTO's efforts to further improve the information available to the public regarding patent applications and granted patents, and offer the comments presented below in an attempt to assist the USPTO in these efforts. See 79 Fed. Reg. at 4105-06. Our comments are organized by subject.

I. What Ownership Information Should Be Reported? Section 1.271 Attributable Owner (Real-parties-in-interest for reporting purposes)

Proposed Rule 1.271 defines the entities that will be required to be reported under the procedures set forth in this set of proposed rules. Paragraph (a)(1) would require that assignees be reported. Paragraph (a)(2) would require that entities that would be necessary to join in a lawsuit to have standing to enforce the (resulting) patent be reported ("enforcement entities"). Paragraph (b) would require the ultimate parent entity as defined in 16 C.F.R. § 801.1(a)(3) be reported. Finally,

paragraph (c) would require any entity using various instruments to temporarily divest or delay attributable ownership be reported.

The BPLA supports reporting assignees, as required by paragraph (a)(1), but does not support the requirement for reporting the other entities discussed above because such requirements would unnecessarily burden patentees, applicants, and patent practitioners, without appreciably increasing the useful information provided to the public.

Regarding the paragraph (a)(2) requirement to disclose enforcement entities, standing is one of the more complex areas of the law, and one which is also subject to frequent revision. Moreover, patent practitioners, and patent agents in particular, typically lack extensive knowledge of standing law. If enforcement entities must be disclosed, then practitioners will have to request this information from their clients, who may not have such information readily available. Clients, as well as their licensees, may also be reluctant to have such information disclosed publicly. Furthermore, abandonment, for example, is an overly severe penalty for making an incorrect interpretation

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Comments on Changes to Require Identification of Attributable Owner Continues from Page 21

in this complex area of law. Accordingly, requiring the disclosure of enforcement entities as part of attributable ownership will burden clients, licensees, and practitioners with unnecessary costs and increased uncertainty. Providing the public with access to assignee information for each patent is sufficient to afford a person interested in licensing a patent or addressing a potential infringement issue with a point of contact to begin such a discussion.

As with enforcement entities, the BPLA believes that requiring the reporting of the ultimate parent entity under paragraph (b) unduly burdens patentees, applicants, and practitioners, without corresponding significant benefits to the public. A practitioner may not be aware of a client's full corporate structure, and ordinarily will not be informed when that structure changes. Similarly, clients may not be aware of the need to notify practitioners when such changes occur. Thus, practitioners must continually request updates from their clients, who in turn will be required to inform them of changes in corporate structure, leading to added costs and complexity. Combined with the enforcement entity requirement of paragraph (a)(2), this burden may extend to investigating and reporting a licensee's corporate structure, which as discussed above, licensees and other business partners may be unwilling to provide publicly, thus discouraging patenting and licensing.

The proposed requirement of paragraph (c) is equally onerous because it requires additional research into various instruments and arrangements that typically falls outside the expertise of patent practitioners. As with enforcement entities and ultimate parent entities, clients and licensees may also wish to avoid having to disclose the existence of such arrangements, and the benefits to providing information about all such arrangements to the public is not apparent. Thus, paragraph (c)'s requirements will generate further costs, with a corresponding decrease in investment and patenting activity, without apparent substantial benefit.

Regarding the stated objectives of assisting Examiners in identifying potential double patenting rejections, assignee information will inform most such situations. Furthermore, under Rule 56, applicants and practitioners already have a duty to bring any such information relating to potential double patenting rejections to an Examiner's attention. See 37 C.F.R. § 1.56. If an Examiner requires further information regarding ownership with respect to double patenting or other prior art-related issues, the Examiner may request this information under existing practice. See 37 C.F.R. § 1.78(f). Similarly, if an Examiner believes based on the assignee information provided that there may be a potential conflict of interest in examination or issue with respect to power of attorney, the Examiner may request further information as necessary from the applicant. See *id.*

On the other hand, if an Examiner is entirely unaware that an entity, in which he or she has a financial interest, is an attributable owner under the proposed Rules, then no conflict of interest has arisen that needs to be rectified. Under 5 C.F.R. § 2640.103, an Office employee is "prohibited from participating personally and substantially in an official capacity in any particular matter in which, *to his knowledge*, he or any other person specified in the statute has a financial interest." (Emphasis added.) Identifying other peripheral interests seems more likely, therefore, to create the existence of a conflict where none would have existed in the first place. Identifying additional parties as called for in the proposed Rules would place new burdens on the USPTO to clear any conflicts, and may slow prosecution even further, i.e., more time to review information, clear any conflicts, and if the information changes during prosecution a potential need to transfer. Conflict check using assignee information only seems sufficient and more practical.

Finally, paragraph (e)'s exemption from the definition of "entity" for federal, state, and foreign agencies is potentially problematic. Not only would it undermine the objectives of the proposed rules by exempting from compliance large categories of entities, for example, public state universities, but it would also fail to evenly distribute the burden of disclosure.

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Comments on Changes to Require Identification of Attributable Owner Continues from Page 22

Accordingly, BPLA suggests that proposed Rule 1.271 should be limited to the entities described in paragraph (a)(1) and that paragraphs (a)(2), (b), and (c) should be omitted. While BPLA acknowledges that providing assignee information for each patent provides a benefit to the public, it is unclear what significant additional benefit is afforded by the complex and onerous reporting provisions of paragraphs (a)(2), (b), and (c).

II. When Should Ownership Information Be Reported? Sections 1.273, 1.275, 1.277, 1.381, 1.383, and 1.385

Proposed Rules 1.273, 1.275, 1.277, 1.381, 1.383, and 1.385 define the times at which attributable owners must be reported. During the pendency of an application, proposed Rules 1.273 and 1.277 require disclosing the attributable owner at the time of filing and allowance, respectively, while proposed Rule 1.275 requires disclosing changes in attributable ownership at any other time between these two events. After issuance, proposed Rules 1.381, 1.383, and 1.385 require disclosing attributable ownership information in conjunction with the payment of maintenance fees, proceedings before the Patent Trial and Appeal Board, and supplemental examination and reexamination proceedings, respectively.

The BPLA supports reporting the assignee information at the time of filing and allowance, as required by proposed Rules 1.273 and 1.277, respectively, but does not support the requirement for reporting ownership at other times, because of the increased costs and complexity, as well as the uncertain benefit from such additional reporting.

Filing and allowance are appropriate times to require disclosing attributable ownership information. In the former case, the applicant already has an obligation to provide other details as part of the patent application. Moreover, the Notice of Missing Parts is a natural, pre-existing mechanism to address instances where the applicant omits to supply the assignee information at the time of filing. As for the latter case, a Notice of Allowance is a discrete event that gives the applicant sufficient notice that updated assignee information is required. These proposed requirements would also be in keeping with the existing practice for the timing of recording voluntary assignments. See, e.g., 79 Fed. Reg. at 4115 (noting “[t]he high percentage of patent applicants who currently submit an assignment document for recordation and the relatively low percentage of patent applicants who submit a second assignment document for recordation”).

In contrast, requiring further reporting of attributable ownership at all other times during prosecution under proposed Rule 1.275 would be onerous for applicants and practitioners, because of the added costs and

complexity associated with continuous inquiry to clients, or conversely, notification of practitioners. Under the current rules the real party in interest must be identified in an appeal brief or in a contested case under 37 C.F.R. §41.8(a)(1). Moreover, given that an Examiner would have initial assignment information upon filing in order to inform the examination, and that the patent could not be asserted against third parties until after issuance, this additional disclosure requirement during prosecution would be of minimal benefit in accomplishing the objectives of the proposed Rules.

Similarly, further disclosure of attributable ownership at certain times following issuance, as required by proposed Rules 1.381, 1.383, and 1.385, also appears to provide minimal added benefit, not only given existing voluntary recording practice, but also because of the infrequent timing of maintenance fee payments and post-grant proceedings. The BPLA believes that the requirement under existing practice to identify real parties in interest in post-grant trial proceedings is already sufficient. See 37 C.F.R. § 42.8(a)(2), (a)(3), (b)(1). Likewise, Supplemental Examination also already requires identification of “the owner(s) of the entire right, title, and interest in the patent requested to be examined” and can only be filed by such a party. 37 C.F.R. §§ 1.601(a) and 1.610(b)(9).

Accordingly, the BPLA suggests that the proposed reporting times should

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Comments on Changes to Require Identification of Attributable Owner
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be narrowed to the time of filing (proposed Rule 1.273) and upon a notice of allowance (proposed Rule 1.277) and that Rules 1.275, 1.381, 1.383, and 1.385 should be omitted from the final implementation of the proposal. Such an amendment would limit the burden created by requiring additional reporting times.

III. Enforcement and Correction. Sections 1.273, 1.275, and 1.277

The BPLA believes that abandonment is too severe of a penalty for failing to properly report ownership information. In particular, the BPLA disagrees with any interpretation of the rules under which a party that in good faith attempts to name all attributable owners, but makes a mistake that is not discovered until later, e.g., during infringement litigation, will nevertheless face abandonment of the application or patent under proposed Rule 1.273. Clarification of this point in the rules would be beneficial.

The proposed abandonment penalty may also have negative consequences for the judicial system, despite a central objective of the proposed Rules being the abatement of litigation abuses. A comparison with inequitable conduct is instructive. Because a finding of inequitable conduct leads to the unenforceability of the patent in question, alleged infringers often raise this defense, burdening the courts with the task of evaluating such claims. Moreover, patentees are often pressured into settling even when facing meritless inequitable conduct claims rather than risk unenforceability. The BPLA believes that the proposed abandonment penalty will similarly tax judicial resources by requiring courts to evaluate additional infringement defenses, while unfairly disadvantaging patentees in litigation for what is at most a minor technical issue.

Proposed Rules 1.279 and 1.387 provide a method for correcting a failure to notify the office of a change to the attributable owner, at the pending application stage and after grant, respectively.

Each of these proposed Rules notes that “the failure or error may be excused . . . by a showing of reason for the delay, error, or incompleteness, and the petition fee set forth in 1.17(g).” 79 Fed. Reg. at 4120. The BPLA believes that delay, error, or incompleteness should be excused upon a statement that such delay, error, or incompleteness was unintentional. Otherwise, patentees, applicants, and practitioners will have the added costs and complexity of compiling evidence that could be used to make the showing required by proposed Rules 1.279 and 1.387. Moreover, there will be increased uncertainty as to what kind of evidence the USPTO will consider sufficient to excuse a good faith failure to provide attributable ownership information.

The BPLA also believes that, once corrected, the patent or application should be treated as if the ownership information was originally correctly provided.

As discussed above, BPLA agrees that identification of assignee information should be required (1) at the time of filing, e.g., as part of the Application Data Sheet or requirement pursuant to the Notice to File Missing Parts, which must be completed in order to proceed with prosecution; and (2) with the issue fee payment, which must be submitted in order for the patent to issue. Failure to report assignee information should thus be addressed by the USPTO at these time periods. Inadvertently incomplete or incorrect reporting of assign-

Davies & Monahan, P.C.

Certified Public Accountants

Suzanne M. Monahan, CPA
Kelly A. McLaughlin, CPA
David M. Walsh, CPA

1 Batterymarch Park, Suite 101
Quincy, MA 02169
617-769-9600

www.daviesmonahan.com

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Comments on Changes to Require Identification of Attributable Owner
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ee information should be correctable with a statement that it was made unintentionally, as noted above. Intentionally false or misleading misrepresentations would adversely affect the enforceability of the patent, as provided for under existing law regarding inequitable conduct.

IV. Additional Observations (Economic Costs of Compliance and Legislative Alternatives)

The USPTO has estimated that the cost of compliance will average \$100 per application. See 79 Fed. Reg. at 4116. The BPLA believes that this estimate is too low. The 2013 Report of the Economic Survey published by the American Intellectual Property Law Association (AIPLA) indicates that in 2012, the median fee for legal services associated with paying a routine maintenance fee for a U.S. patent was \$250. See Am. Intellectual Property Law Ass'n, 2013 Report of the Economic Survey 27 (2013).

The BPLA believes it is reasonable to estimate that the average cost of compliance with these rules over the lifetime of an application and patent will at least exceed the \$250 costs associated with each payment of a maintenance fee. When multiplied by the 437,000 annual applications received by the USPTO, see 79 Fed. Reg. at 4115, even a low estimate of the economic effects associated with this rulemaking will annually exceed \$100 million. The BPLA therefore suggests that the USPTO reconsider

the costs of implementing these proposed rules, given the potential negative impact on investment, research and development activities, and the economy as a whole.

As for the White House executive actions calling for new measures to address patent litigation abuses, which the USPTO has identified as a primary driver for the proposed Rules, the BPLA notes that Congress is also considering reforms to address many of these same issues. See H.R. 3309, 113th Cong. (2013). The BPLA suggests that the USPTO consider whether Congress is the more appropriate body to implement such tailored remedies without potential concerns about statutory authority.

President's Message.
Continues from Page 6

look forward to working with several of the law schools and getting local students involved in this program as well. If you would like to join the volunteer panel for the VLA/ BPLA Pro Bono Patent Program and receive information about pro bono patent cases when they become available, please contact one of the co-chairs of the BPLA Pro Bono Committee: Chelsea Loughran at cloughran@wolfgreenfield.com and Rex Huang at Huang@fr.com. For more information on this program, please take a look at the Pro Bono Committee page on the BPLA website.

This edition of the newsletter begins two new and exciting traditions.

V. Conclusion

The BPLA appreciates the opportunity to comment on the USPTO's proposed Changes to Require Identification of Attributable Owner. Thank you in advance for your consideration of our comments.

Sincerely,
Boston Patent Law Association

By: 
BPLA Patent Office Practice Committee Co-Chairs
Emily R. Whelan, Esq.
Nicole A. Palmer, Esq.

This edition marks our conversion to electronic only distribution. In addition, you will note that this edition's featured articles focus on IPR/CBMs. We are beginning a new tradition of having each newsletter with a featured theme. If you'd like to suggest themes for future newsletters, please let us know by emailing vice-president@bpla.org.

I hope to see everyone soon at the many events we have planned. Thank you to our members for your dedication and support for all of our events. Working together, BPLA has had great success, which will be certain to continue in the future.

The following thank you note recognizes the BPLA's contribution to a worthy charity, and we publish it here to thank our members as well.



Ironstone Farm Program Affiliations

- Anne Sullivan Center EIP
- ARC of East Middlesex
- Cambridge-Somerville EIP
- Cape Ann EIP
- Central Middlesex ARC
- Charles River EI
- Eliot Tri City EIP
- Family Support EIP
- Fidelity House
- First EI
- Harbor Area EI
- Haverhill Alternative School
- Lawrence Boys & Girls Club
- Lowell General Hospital
- The Learning Center
- Life Links
- Lucy's Love Bus
- Massachusetts Comm. for the Blind
- Mass. Dept. of Mental Health
- MSPCC
- Melmark New England
- Mystic Valley EIP
- North Shore ARC
- North Shore EIP
- Pentucket Area EI
- Project Beam EI
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- Thorn Boston-Metro EIP
- Till, Inc.
- University of New Hampshire
- Wakefield Public Schools
- Wayside Beaverbrook Counseling

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- Andover High School
- Andover Rotary Club
- Buckingham, Browne and Nichols
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- Greater Lawrence Tech. School
- Greater Lawrence Kiwanis Club
- Innovation Charter School
- Lowell High School
- Merrimack College
- Middlesex Community College
- North Shore Community College
- Northeastern University
- Northern Essex Community College
- Notre Dame Cristo Rey High School
- Phillips Andover Academy
- Salem State College
- University of Massachusetts Lowell

June 16, 2014

Karen E. Crespo
 Patent Secretary
 Finnegan, Henderson, Farabow, Garrett & Dunner, LLP
 Two Seaport Lane, Sixth Floor, Boston, MA 02210

Dear Ms. Crespo,

On behalf of Challenge Unlimited at Ironstone Farm I send heartfelt appreciation for your generous donation of \$1,000 given in honor of Dave McGillivray. Please thank all of the members of the Boston Patent Law Association for this generous contribution!

I also send hearty congratulations to Dave McGillivray for receiving the BPLA Distinguished Public Service Award – with special thanks to him for bringing our cause to the BPLA. Dave has been an amazing mentor, supporter and wonderful friend of Challenge Unlimited on many fronts. He has taught us many lessons - among them to never take "no" for an answer! This gift is especially meaningful to us because it has come in his honor.

Challenge Unlimited serves more than 450 individuals each week, year round, at Ironstone Farm in Andover – with the help of more than 200 volunteers. Children with disabilities receive therapy using the dynamic movement of the horse in an environment that is encouraging – and fun! Programs for people affected by cancer, veterans with PTSD, seniors with memory impairment and teens at risk also use that "magic of the horse to help people in a variety of ways. Gifts such as yours are so important to our ability to provide these programs – please know that your funding will be well used and is much appreciated by everyone here! I invite you and others from BPLA will visit Ironstone Farm – it is the best way to truly understand the real value of your support! Again, thank you!

Sincerely yours,

DeeDee O'Brien

DeeDee O'Brien
 Executive Director

450 Lowell Street • Andover, MA 01810
 978-475-4056 Tel • 978-475-4045 Fax • info@challengeunlimited.org • www.challengeunlimited.org
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Liability for Induced Infringement Under Section 271(b)

Continues from Page 20

- 2010), the alleged infringer Limelight Networks did not perform a “tagging” step required in Akamai’s US 6,108,703, but it rather provided the necessary information to its customers (content providers) so that they could perform the tagging step themselves.
- 7 In *McKesson Techs., Inc. v. Epic Systems Corp.*, 2011 U.S. App. LEXIS 7531, *3-*5 (Fed. Cir. 2011), the alleged infringer Epic Systems developed MyChart software and licensed it to healthcare providers to associate medical records with their patient’s personalized web page, and the healthcare providers performed all the necessary steps required in *McKesson’s* US 6,757,898 except the step of “initiating a communication” to the health providers, which was performed by the patients.
- 8 *Akamai*, 692 F.3d at 1305.
- 9 *Metabolite Labs., Inc. v. Lab. Corp. of America, Inc.*, 370 F.3d 1354, 1365 (Fed. Cir. 2004) (recognizing that, while not expressly stated in the statute, proof of intent is still required to induce infringement); *Golbal-Tech Appliances, Inc. v. SEB S.A.*, 131 S. Ct. 2060, 2065-68 (2011) (finding that the intent prong of contributory and induced infringement under §§ 271 (b) and (c) should be the same).
- 10 132 S. Ct. 1289 (2012).
- 11 *Id.* at 1291, 1296-98.
- 12 See *BMC*, 498 F.3d at 1380-81 (finding that “arms-length” agreements between parties were not enough to meet the “direction or control” test for the single entity doctrine); *Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318, 1329-30 (Fed. Cir. 2008) (stating that the “direction or control” must be “such that every step is attributable to the controlling party” or the “mastermind,” differentiating it from mere arms-length relationship).
- 13 *Akamai*, 692 F.3d at 1349-50.
- 14 See Timothy R. Holbrook, Emory University School of Law Legal Studies Research Paper Series, Research Paper No. 12-227: The Potential Extraterritorial Consequences of *Akamai*, <http://ssrn.com/abstract=2154277>.
- 15 *Akamai*, 692 F.3d at 1320, 1337.

Job Opportunities

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With more than 100 attorneys and offices in ME, NH, MA, NJ and DC, Preti Flaherty is seeking experienced attorneys to grow with us. Our entrepreneurial culture allows you to handle sophisticated matters rivaling those of the nation’s largest firms, while developing your area of expertise. We are seeking attorneys who thrive in a fast-paced environment, enjoy diversity in their work and understand superior client service.

Preti, Flaherty, Beliveau & Pachios, LLP, a diversified regional law firm, has an immediate opening in its Boston office for a partner-level patent attorney with a background in biochemistry or chemistry. A generous percentage-based compensation arrangement is offered, ideal for a seasoned practitioner who desires to develop and grow an existing practice.

The primary responsibilities for this position include preparing and filing patent applications in the US Patent and Trademark

Office and prosecuting domestic and foreign patent applications. Patentability searches and opinions and client counseling on matters of patentability are also integral aspects. The ideal applicant will have experience in drafting infringement and invalidity opinions, as well as performing due diligence investigations. Experience with licensing and technology-based agreements is desired.

To apply, please have five or more years practicing as a patent attorney. A degree in biochemistry or chemistry is required, and a Ph.D. is preferred. The ideal candidate will have substantial experience preparing and prosecuting patent applications involving organic chemistry, biochemistry, polymer chemistry, pharmaceuticals, catalysts and related processes, analytical techniques and devices using or implementing any of the above. Experience prosecuting biotechnology applications is also desirable. Registration to practice before the U.S. Patent and Trademark Office is mandatory; admission to the Massachusetts Bar is preferred.

Candidates should have superior legal writing and computer research skills.

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Continues on Page 28

Job Opportunities*Continues from Page 27***PRETI FLAHERTY, LLP**

Portland, ME

**Intellectual Property Partner –
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The primary responsibilities for this position include preparation and filing of patent applications in the U.S. Patent & Trademark Office and prosecuting domestic and foreign patent applications. Patentability searches and opinions and client counseling on matters of patentability are also integral aspects of the position. The ideal applicant will have experience in drafting infringement and invalidity opinions, as well as performing due diligence investigations. Experience with licensing and technology-based agreements is desired.

To apply, please have five or more years practicing as a patent attorney. A degree in Electrical Engineering or Computer Science is required. The ideal candidate will have work experience in computer science, software, and/or hardware, as well as substantial experience preparing and prosecuting patent applications involving communications, networking, telecommunications systems, and computer systems. Registration to practice before the U.S. Patent and Trademark Office is mandatory;

admission to the Massachusetts Bar is preferred. Candidates should have superior legal writing and computer research skills.

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Job Opportunities*Continues from Page 28*

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Portland, ME

Patent Attorney or Patent Agent

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Jennifer Treuhaft

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One City Center, P.O. Box 9546, Portland, ME 04112-9546

jtreuhaft@preti.com

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activities@bpla.org
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AIPLA MOOT COURT

mootcourt@bpla.org
Elizabeth Burkhard, Holland & Knight
Katherine Moskop, Bingham
McCutchen LLP
Joshua M. Dalton, Bingham
McCutchen LLP

AMICUS

amicus@bpla.org
Erik Paul Belt, McCarter & English, LLP
Robert M. Abrahamsen, Wolf, Greenfield &
Sacks, P.C.

ANTITRUST

antitrust@bpla.org
John W. Pint, Philips Intellectual Property
Benjamin M. Stern, Holland & Knight

BIOTECHNOLOGY

biotechnology@bpla.org
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Konstantin M Linnik, PhD, Nutter
McClennan
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BUSINESS & MARKETPLACE

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Farabow, Garrett & Dunner
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Business Strategy

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computer@bpla.org
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Farabow, Garrett & Dunner, LLP
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COMPUTER LAW

computer@bpla.org
Edmund J. Walsh, Wolf, Greenfield &
Sacks, P.C.
Michael Mattoni, Pierce Atwood LLP

CONTESTED MATTERS

contestedmatters@bpla.org
Amelia Feulner Baur, Ph.D., Finnegan,
Henderson, Farabow, Garrett & Dunner,
L.L.P.
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Farabow, Garrett & Dunner, L.L.P.
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copyright@bpla.org
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Lawrence T. Stanley, Jr., Bingham
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inhouse@bpla.org
William DeVaul, Cubist
Pharmaceuticals Inc.
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ethics@bpla.org
John J. Stickevers, Sunstein Kann Murphy
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INTERNATIONAL AND FOREIGN PRACTICE

international@bpla.org
Elias Domingo, Covidien
Sarah Gates, Lando & Anastasi, LLP
Eric Raciti, Finnegan, Henderson, Farabow,
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LICENSING

licensing@bpla.org
William Worden, Pierce Atwood LLP
Ian Liu, Finnegan, Henderson, Farabow,
Garrett & Dunner, L.L.P.
Michael McGurk, Finnegan, Henderson,
Farabow, Garrett & Dunner, LLP

LITIGATION

litigation@bpla.org
Jacob K. Baron, Holland & Knight
Douglas C. Doscocil, Goodwin Procter LLP

MEDICAL DEVICES

medicaldevices@bpla.org
Scott T. Bluni, Ph.D., Kacvinsky Daisak
Bluni PLLC
Jeremy Bond, Finnegan, Henderson,
Farabow, Garrett & Dunner

NEW LAWYERS AND LAW STUDENTS

newlawyers@bpla.org
Michael Carbonello, Houston & Associates
Reza Sadr, Pierce Atwood LLP

PATENT AGENTS AND TECHNICAL SPECIALISTS

patagents_techspecs@bpla.org
Cristin Berkey, Duane Morris LLP
Natalie Grace, Oblon, Spivak, McClelland,
Maier & Neustadt, L.L.P.
Patent Law
patents@bpla.org
Justin J. Daniels, Proskauer Rose LLP
Nishla Keiser, Finnegan, Henderson,
Farabow, Garrett & Dunner, LLP
Raj Vallabh, Foley Hoag

PATENT OFFICE PRACTICE

patentofficepractice@bpla.org
Emily Whelan, WilmerHale LLP
Nicole Palmer, Lando & Anastasi, LLP

PRO BONO

probono@bpla.org
Rex I. Huang, Fish & Richardson P.C.
Chelsea Loughran, Lando & Anastasi, LLP

TRADE SECRETS LAW

tradesecrets@bpla.org
Russel Beck, Beck Reed Riden LLP
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TRADEMARKS AND UNFAIR COMPETITION

trademarks@bpla.org
John L. Welch, Lando & Anastasi, LLP
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Editor-In-Chief:

Erik Paul Belt.

Contributors:

Erik Paul Belt
David Cavanaugh
Dan Fleisher
Booyong Shim Lim
Chelsea A. Loughran
Donna Meuth
Ian Mullet
Michael T. Siekman
Elliott Williams

Boston Patent Law Association
One Batterymarch Park, Suite 101
Quincy, MA 02169-7454

Letters to the editor, articles and job postings are encouraged.
E-Mail all correspondence to:
vice-president@bpla.org

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 One Batterymarch Park, Suite 101
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Board@bpla.org