



OCPLA NEWSLETTER

Orange County Patent Law Association

www.ocpla.org

Vol. 13, No. 9

September 2007

SEPTEMBER 26, 2007 LUNCHEON

Howard Klein of Klein, O'Neill & Singh will speak on the new USPTO rules dealing with, among other things, continuation applications and number of claims per application. Per the previous reminders sent, please register online by September 21, 2007.

OCTOBER BOARD MEETING

The October board meeting will be held on Tuesday, the 9th, at the law firm of Christie, Parker & Hale, LLP. Members who wish to present items for the Board's consideration should contact our president, Greg Hollrigel, to have their items placed on the agenda, and to verify the time and location of the meeting.

ANNUAL ELECTION FOR THE 2008 BOARD OF DIRECTORS

The annual Board of Directors Election will be held during the October 24th luncheon. Please plan to attend to cast your votes. In case you cannot attend, attached is a Proxy Statement Form that you can use to cast your vote or designate the current President, Greg Hollrigel, to vote on your behalf.

PLEASE RSVP ON TIME FOR MONTHLY LUNCHEONS

To reduce the likelihood of additional rate increases associated with last minute

reservations, please RSVP early, i.e., no later than noon on the Friday preceding the meeting, so that we can provide more accurate numbers of luncheon attendees to the hotel. Your effort to register at least five days in advance of the lunches is greatly appreciated by the hotel and the OCPLA Board.

NEW MEMBERS

We are pleased to welcome the following new member(s) to the OCPLA:

Raj Aujla (Agent)

Craig Aronson (Berger Kahn)

Robert Copeland (The Boeing Company)

Brigitte, Phan (Christie, Parker & Hale, LLP)

Tom Streeter (Target Technology Company, LLC)

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

INTERNET SIGHTINGS

BY JIM HAWES

This column highlights some of the more notable recent internet newsletters and blogs dealing with IP prosecution issues. For more info go to the site cited. The sites mentioned are only the ones with

notable stuff this last review period. If your favorite site isn't here, or if you'd like a full listing of the sites reviewed, email Jim at onejehawes@aol.com.

Hal Wegner's newsletter – the best of a lot of great stuff - hwegner@foley.com -

- The 8/5/07 issue reports an average of 7.7 years for reexamination from filing to CAFC decision.
- The 8/8/07 report discusses the Boston Scientific decision of the Fed. Cir. holding that §119(a) priority foreign application must be filed by or for the US applicant.
- Hal's second 8/8/07 report attaches a paper (44 pp.) discussing post-KSR obviousness as applied to biotech and chemical inventions.
- The 8/17/07 issue discusses the On Demand CAFC decision and its holding that one may infringe a patented method even if only part of the method is performed. This topic is also discussed in Hal's 8/18 posting.
- The 8/19/07 newsletter discusses the PTO's hard-line stance against business method patents, as evidenced by 13 cases now before the CAFC.

Patently-O – a blog written by Dennis Crouch – patent@gmail.com

•
Rethink(IP) – a newsletter of recent PTO matters – feedblitz@mail.feedblitz.com -

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

•
The Invent blog – also from feedblitz@mail.feedblitz.com

- The 8/6/07 issue describes the IPLawAdvisor.com new IP Law Daily review that aggregates some 75 IP blog offerings – check it out.
- The 8/9/07 blog relays a PTO request for participants in a complex element study (chem. structures, math data, protein crystal data, etc.)

Daily Dose of IP – a blog by Mark Reichel – www.dailydoseofip.blogspot.com –

- an ongoing series of synopses of recent notable CAFC decisions

Cal Bar IP Section – alerts when appropriate - mitch.wood@calbar.ca.gov

AIPLA Direct – a newsletter issued from time to time – www.aipla.org

* The 8/7/07 issue reports that when congress adjourned for the summer, the patent reform bills in both the House and Senate were ready for floor consideration. The bills (1) eliminate interferences, (2) require publication of ALL applications within 18 mo., (3) provide for post-grant review, (4) reform infringement damages and much more.

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

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TTABlog – a blog written by John Welch – www.TTABlog.com

•
Copyright Office News – copynews@loc.gov -

•
WIPO notices – about the Madrid system posted at www.wipo.int/madrid/en/notices

PDF for lawyers – a tech newsletter for lawyers – feedblitz@mail.feedblitz.com

RECENT IP CASES

BY IRFAN LATEEF
KNOBBE, MARTENS, OLSON & BEAR

In *Safetcare Manufacturing, Inc. v. Tele-Made, Inc., et al.*, Case No. 06-1535, the Federal Circuit affirmed the district court's summary judgment that defendant's bed does not infringe the patent. The patent-at-issue relates to a variable width bariatric modular bed that is particularly suitable for use by obese patients. The limitation at issue is "a plurality of electric motors" that exert "a pushing force on said plurality of deck sections." Based on the written description, the Court concluded that the patentee disclaimed motors that use pulling forces, such as defendant's. Pursuant to the disclaimer, the Court held there could be no literal infringement and that the disavowal precluded application of the doctrine of equivalents.

In *Sony Electronics, Inc., et al. v. Guardian Media Technologies, LTD.*, Case No. 06-1363, the Federal Circuit reversed the district court's dismissal of the declaratory judgment actions. Sony and others brought DJ actions after being in

negotiations with Guardian over Guardian's patents on V-chip technology. The district court dismissed the action, prior to the Supreme Court's decision in *MedImmune*, because of on-going negotiations and the lack of an express threat of suit. The Court held that under *MedImmune* DJ jurisdiction existed because Guardian stated the Plaintiffs' products contained V-chip functionality and demanded royalties.

In *Boston Scientific Scimed, Inc. v. Medtronic Vascular, Inc., et al.*, Case No. 06-1434, the Federal Circuit affirmed the district court's grant of summary judgment affirming the PTO's final decision, which denied Scimed the priority benefit of an earlier-filed European patent application for the subject matter at issue in the interference. At issue on appeal is whether 35 U.S.C. § 119(a) permits an applicant for a United States patent to benefit from the priority of a foreign application previously filed by an entity that was not acting on behalf of the U.S. applicant at the time of filing. The Court held that a foreign application may only form the basis for priority under section 119(a) if that application was filed by either the U.S. applicant himself, or by someone acting on his behalf at the time the foreign application was filed.

In *Nisus Corporation v. Perma-Chink Systems, Inc. v. Teschner*, Case No. 06-1592, the Federal Circuit dismissed for lack of jurisdiction an appeal of the district court's order "adjudging [a prosecuting attorney] guilty of inequitable conduct" and affirming the district court's order denying that attorney's motion to intervene in the underlying infringement action between plaintiff and defendant. The prosecuting attorney alleged that the district court erred in finding that he engaged in inequitable conduct because he served as patent counsel only initially and later turned over to another attorney all the relevant materials in his possession. The Court held that in the absence of some type of formal judicial action directed at the prosecuting attorney, such as an explicit reprimand or the issuance of some mandatory directive, the district court's criticism of an attorney is simply commentary and is not appealable. The Court also held that the district court did not err in denying the motion to intervene because, even if the prosecuting attorney had been permitted to intervene in the proceedings before the district court for purposes of pursuing this appeal, the grant of intervention would not have affected his rights, because the Court would still lack jurisdiction over his appeal.

In *Frazer, et al. v. Schlegel, et al.*, Case No. 06-1154, the Federal Circuit reversed the PTO Board's award of priority to Schlegel in an interference between Frazer's U.S. patent application entitled "Papilloma Virus Vaccine," which claims priority from Australian and Patent Cooperation Treaty applications, and Schlegel's U.S. application entitled "Papillomavirus Vaccine." The Court held that the Board erred in denying Frazer entitlement to the date of the Australia patent application by holding that this application was not a constructive reduction to practice. The Court held that the application enabled a species within the count and met the requirements of Section 112. Thus, the Court reversed the award of priority to Schlegel, and awarded priority to Frazer.

In *In re Seagate Technology, LLC*, Case No. M830, the Federal Court, on writ of mandamus, overruled *Underwater Devices Inc. v. Morrison-Knudsen Co.*, 717 F.2d 1380 (1983) (holding that accused infringers have an affirmative "duty of due care") and clarifying the scope of the attorney-client privilege and work product protection that results when an accused patent infringer asserts an advice of counsel defense to a charge of willful infringement.

The Court held that to establish willful infringement, a patentee must show by clear and convincing evidence that the infringer acted despite an objectively high likelihood that its actions constituted infringement of a valid patent, i.e. objective recklessness. The Court also held that the state of mind of the accused infringer is not relevant to this objective inquiry. The Court also held that, as a general proposition, asserting the advice of counsel defense and disclosing opinions of opinion counsel do not constitute waiver of the attorney-client privilege for communications with trial counsel or work product immunity with respect to trial counsel.

In *Shum v. Intel Corporation, et al.*, Case No. 06-1249, the Federal Court vacated, reversed and remanded a district court dismissal of claims for correction of inventorship pursuant to 35 U.S.C. § 256 and various state law claims, including fraud, fraudulent concealment, breach of fiduciary duty, and unjust enrichment. The Court held that the district court erred in conducting a bench trial on the

inventorship claim prior to a jury trial on state law claims when there were common underlying factual issues. The Court also held that the district court erred in dismissing an unjust enrichment claim on the pleadings.

Under Supreme Court precedent, when legal claims involve factual issues that are common with those upon which the claim to equitable relief is based, the legal claims involved in the action must be determined prior to any final court determination of the equitable claims. The Federal Circuit held that this case involved both equitable and legal claims and the inventorship claim and at least one of the state law claims shared common facts, so the plaintiff was improperly denied a jury trial on the facts underlying his state law claims.

In *Ormco Corporation, et al. v. Align Technology, Inc.*, Case No. 06-1240, the Federal Court affirmed the district court's grant of summary judgment of invalidity and noninfringement of some claims of three patents and reversing the district court's grant of summary judgment of noninfringement and nonenablement as to certain claims of one of those patents. The Ormco patents relate to the computer-aided design and manufacture of custom orthodontic appliances.

With respect to the noninfringement holding, the Federal Circuit found that the district court did not err in construing the claims to require "automatic computer determination of the finish positions of the teeth without human adjustment of the final results" without referencing any specific language in each claim. The Federal Circuit stated that they were not incorporating limitations only found in the specification into the claims, but were instead interpreting the claims in light of the specification. According to the Federal Circuit, the case involved specifications that in all respects tell what the claims mean, and this understanding was further buttressed by statements made during prosecution in order to overcome a rejection over prior art.

In *In Re Trans Texas Holdings Corp.*, Case No. 06-1599, the Federal Court affirmed the PTO Board's decision holding claims pending in a reexamination obvious over the prior art. In reexamination, the patentee argued that the PTO was bound by the claim construction from an earlier

litigation in a Texas district court. Federal Circuit identified four prerequisites to the application of issue preclusion: "(1) identity of the issues in a prior proceeding; (2) the issues were actually litigated; (3) the determination of the issues was necessary to the resulting judgment; and, (4) the party defending against preclusion had a full and fair opportunity to litigate the issues." The Court found that issue preclusion was not warranted in this case because the PTO was not a party to the earlier litigation.

In *Egyptian Goddess, Inc., et al. v. Swisa, Inc., et al.*, Case No. 06-1562, the Federal Court affirmed the district court's grant of summary judgment of noninfringement of a design patent. The design patent covers an "ornamental nail buffer." The Court found that when considering the prior art in the nail buffer field, the difference between the accused design and the patented design cannot be considered minor. Because the alleged infringing product does not appropriate the point of novelty of the claimed design, the Court affirmed the noninfringement finding.

In his dissent, Judge Dyk criticized the majority for departing from the Court's precedent in fashioning a new rule—that a combination of elements cannot constitute a point of novelty in design patent cases unless the combination constitutes a "non-trivial advance" over the prior art.

In *In Re John B. Sullivan, et al.*, Case No. 06-1507, the Federal Court vacated the PTO Board's decision affirming an Examiner's obviousness rejection for failure to give any weight to rebuttal evidence of record. The subject matter of the appeal relates to an antivenom composition used to treat venomous bites from a snake of the *Crotalus* genus, i.e., a rattlesnake. According to applicant, the Board failed to consider three expert declarations on the ground that they only describe the intended use of the composition. Because the references address teaching away and unexpected results, the Court found the Board erred in not considering them at all.

NEWSLETTER VIA EMAIL ONLY

The Newsletter is now being transmitted solely by electronic mail.

If you know of anyone who should be, but is not getting this e-mail distribution, please have them contact Tom Dao at tom.dao@cph.com.

OCPLA POLICY

Although we are open to comments and suggestions, present policy concerning publication of advertisements in this newsletter is as follows: (1) "Positions Wanted," "Positions Available," and other similar ads will be printed free of charge and, unless otherwise requested, will run for two months; (2) Other ads such as word processing, legal support services, and firm announcements will be published for \$15 per issue or \$150 per year (for all 12 issues), payable in advance. We reserve the right to edit each advertisement. Please contact the Newsletter editor to place your ad or with your comments and suggestions.

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OCPLA NEWSLETTER

Orange County Patent Law Association

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

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

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Exp. 07/08

Orange County Patent Law Association

Date: Wednesday, September 26, 2007

Time: 12:00 Noon; Lunch will be served promptly at 12:15 p.m.

Location: Wyndham Garden Hotel
3350 Avenue of the Arts
Costa Mesa, California

Topic: New USPTO Rules on Continuation Practice

Speakers: Howard Klein of Klein, O'Neill & Singh

Cost: \$30 for members, \$15 for students (proof of student status required), and \$35 for non-members

Reservations: Please make reservations by using our online system at www.ocpla.org or by filling out the form below and mailing it with a check to Stacey Halpern at her office address given below. If time is short, please also email Stacey at ocpla@kmob.com or call in your reservation to her at [949-721-7654](tel:949-721-7654).

The Orange County Patent Law Association certifies that this activity has been approved for minimum Continuing Legal Education credit by the State Bar Association of California in the amount of 1.0 hour. The Orange County Patent Law Association certifies that this activity conforms to the standards for approved education activities prescribed by the rules and regulations of the State Bar of California governing Minimum Continuing Legal Education. The Orange County Patent Law Association is a State Bar of California MCLE-approved provider.

Reservation Form

Enclosed is a check for \$_____ payable to ORANGE COUNTY PATENT LAW ASSOCIATION for the OCPLA General Membership luncheon on Wednesday, September 26, 2007 for the following person(s):

This form and check should be mailed to:

Stacey R. Halpern
Knobbe Martens Olson & Bear LLP
2040 Main Street, 14th Floor
Irvine, CA 92614-3641
[949-721-7654](tel:949-721-7654)
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2007 OCPLA MEMBERSHIP APPLICATION/RENEWAL FORM

This is an application for (please check one):

- Membership Renewal**
- New Membership**

Member / Applicant Information:

Name: _____
 Firm/Employer: _____
 Address: _____
 E-mail Address (**required to receive newsletter**): _____
 Telephone No.: _____ Facsimile No.: _____

Professional Information:	Yes	No	
Are you a member of the California bar?	___	___	Bar No. _____
Are you a member of the bar of another state or the District of Columbia?	___	___	Jurisdiction/Bar No. _____
Are you registered to practice before the U.S.P.T.O.?	___	___	Reg. No. _____
Are you a student?	___	___	School: _____

Please circle not more than TWO committees in which you would like to participate:

Annual Seminar	Law Office Management	Membership
Copyright Practice	Legislation	Patent Practice
Federal Courts	MCLE	Trademark Practice
International Practice	Meetings/Programs	Trade Secret/Unfair Competition

Dues Membership Year 2007 (please circle one):		(New Member After 08/01/07)
Regular Membership (attorneys, agents):	\$35.00	\$17.50
Student Membership	\$17.50	\$ 8.75
Associate Membership (other)	\$35.00	\$17.50

New Applicants please complete the following:

I believe I qualify for membership in the Orange County Patent Law Association.

Applicant's Signature: _____ Date: _____
 Printed Name: _____

Send Application to OCPLA P.O. Box 7632 Newport Beach, CA 92658

2007 OCPLA EVENTS SCHEDULE

Date	Location	Speaker/Event	Topic
Sept. 26, 2007	Wyndham Garden Hotel	Howard Klein of Klein, O'Neill & Singh	New USPTO Rules on Continuation Practice
Oct. 24, 2007	Wyndham Garden Hotel	Bill Rooklidge of Howrey LLP	PTO Reform Bill
Nov. 28, 2007	Wyndham Garden Hotel	Ryan Sullivan of Quant Economics, Inc.	Patent Damages
Dec. 12, 2007	Balboa Yacht Club, NB	Holiday Party / Christmas Boat Parade	Celebration
January 23, 2007	Wyndham Garden Hotel	Alex Schlee of Schlee IP International	EP Inventive Step

OCPLA Election of Officers Annual Meeting




**Wyndham Garden Hotel
Wednesday, October 24, 2007
12:00 p.m.**



**All OCPLA Members must submit their vote.
The Officers and Board of Directors up for Election and Re-election for 2008
are:**

- V.P./President Elect TJ Singh
- Secretary Marlene Klein
- C.F.O./Treasurer Tom Dao
- Director Stacey Halpern
- Director Valerie Sarigumba
- Director Alyson Barker

The President for the year 2008 will be **Neal Cohen**



Proxy Statement Form*

I, _____, a member of the Orange County Patent Law Association:

- vote by proxy for the proposed slate of officers listed above for the 2008 term;
- designate Greg Hollrigel or _____ as my proxy at the October 24, 2006 meeting; or
- abstain from voting but submit this proxy for purposes of establishing a quorum only.

This Proxy Statement form should be mailed or faxed to:

Stacey Halpern
Knobbe Martens Olson & Bear LLP
2040 Main Street, 14th Floor Irvine, CA 92614-3641
949-721-7654
949-760-9502 (Fax)
Email: ocpla@kmob.com

*If you are unable to attend the Annual Election Meeting on October 24, 2007, please fill out this proxy statement form prior to the meeting.