

No. 95-1066

**In the UNITED STATES COURT OF APPEALS
for the FEDERAL CIRCUIT**

FESTO CORPORATION,
Plaintiff-Appellee,

v.

SHOKETSU KINZOKU KOGYO KABUSHIKI CO., LTD.
a/k/a SMC CORPORATION, and SMC PNEUMATICS, INC.,
Defendants-Appellants.

On Remand from the United States Supreme Court in No. 00-1543

**BRIEF OF *AMICUS CURAIE*
CONSUMER PROJECT ON TECHNOLOGY**

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November 26, 2002

CERTIFICATE OF INTEREST

Counsel for *amicus curiae* Consumer Project on Technology certifies the following:

1. The full name of every party or amicus represented by me is: Consumer Project on Technology
2. The name of the real party in interest (if the party named in the caption is not the real party in interest) represented by me is: Consumer Project on Technology
3. All parent corporations and any publicly held companies that own 10 percent of the stock of the party or *amicus curiae* represented by me are: None
4. The names of all law firms and the partners or associates that appeared for the party or *amicus* now represented by me in the trial court or are expected to appear in this court are:

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STATEMENT OF INTEREST OF *AMICUS CURIAE*

Amicus curiae Consumer Project on Technology (“CPT”) is a public interest non-profit organization founded by Ralph Nader in 1995. CPT represents the public who are the beneficiaries of the invention of new technologies. CPT’s constituents are harmed whenever intellectual property legal doctrines unnecessarily discourage the invention, development, disclosure, and application of new technologies.*

* No part of this brief was authored by counsel for any party and no party, person, or organization contributed besides *amicus curiae* and its counsel.

ARGUMENT

I. REBUTTAL, LIKE PHE, IS A LEGAL QUESTION.

Question 1 is “[w]hether rebuttal of the presumption of surrender... is a question of law....” The answer is yes. The Supreme Court held that prosecution history estoppel (PHE) is part of a court’s construction of a patent’s claims, which the Court earlier held is a question of law for judges to decide.¹ “[PHE] requires that the claims of a patent be interpreted.... [PHE] is a ‘rule of patent construction’ that ensures that claims are interpreted by reference to those ‘that have been canceled or rejected.’” *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.* (SMC), 122 S.Ct. 1831, 1838 (2002) (citation omitted); *see Festo Corp. v. SMC*, 234 F.3d 558, 585 (Fed. Cir. 2000) (en banc) (“P[HE] is a legal question that is

¹ *See Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 383-91 (1996). “[T]he Court has drawn repeatedly” the distinction between “document interpretation,” upon which claim construction is based, and “product identification,” upon which literal infringement and the doctrine of equivalents are based. The Court noted “the importance of uniformity in the treatment of a given patent as an independent reason to allocate all issues of construction to the court.... Uniformity would... be ill served by submitting issues of document construction to juries.” *Id.* at 390-91. This Court has held that claim construction issues are subject to *de novo* review. *See Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995) (en banc); *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1454-56 (Fed. Cir. 1998) (en banc).

subject to *de novo* review by this court.”).²

In regard to rebuttal, the patentee must demonstrate that “at the time of the amendment one skilled in the art could not reasonably be expected to have drafted a claim that would have literally encompassed the alleged equivalent.” *Festo*, 122 S.Ct. at 1842. To assess rebuttal, judges must perform hypothetical claim construction analysis, which precedes any factual determination regarding infringement. Where rebuttal is not established, jury consideration of equivalents protection is estopped.³ Such “[q]uestions of construction are questions of law for the judge, not questions of fact for the jury.”⁴ The Supreme Court said as much

² If the judge construes the claims to have been narrowed, the amendment or argument necessarily and irrebuttably “relates to patentability” or otherwise “require[s] resort to the estoppel doctrine.” 122 S.Ct. at 1839-40; see *Warner-Jenkinson Co. v. Hilton-Davis Chem. Co.*, 520 U.S. 17, 33 (1997). The “purpose underlying a narrowing amendment” is then relevant, if at all, only to determining the range of equivalents that PHE estops. *Festo*, 122 S.Ct. at 1842; see *Allen Eng. Corp. v. Bartell Indus., Inc.*, 299 F.3d 1336, 1349-50 (Fed. Cir. 2002).

³ *Cf. Wilson Sporting Goods Co. v. David Geoffrey & Assocs.*, 904 F.2d 677, 684 (Fed. Cir. 1990) (hypothetical claim construction analysis to determine if equivalency is foreclosed because the subject matter is unpatentable prior art).

⁴ *Markman*, 517 U.S. at 387 (citation omitted). The Court rejected arguments that jury deliberations were required for subordinate fact-finding. *Id.* at 388-90. This allocation of functions is even more compelling for the questions of legal drafting ability involved here. There is also no relevant history of judges allocating rebuttal questions to juries. Rather, issues once decided by juries but later found to relate to claim construction are now decided by judges. See Karl B. Lutz, *Questions of Fact and Questions of Law in Patent Litigation*, 17 U. Pitt. L.

here: “When the patentee has chosen to narrow a claim, courts may presume the amended text was composed with awareness of this rule and that the territory surrendered is not an equivalent of the [narrowed] territory claimed.” *Festo*, 122 S.Ct. at 1842 (emphasis added).

II. REBUTTAL IS OBJECTIVE AND LIMITED TO CLAIMABLE EQUIVALENTS.

A. Rebuttal Is Determined Solely By Reference To Objective Evidence.

1. “Drafting Skill In The Art” Is Objective And Typically Resolved By Intrinsic Evidence.

Question 2 is “[w]hat factors are encompassed by the criteria set forth by the” rebuttal standard. The answer is only those factors relating to the objective claim drafting abilities of skilled artisans at the relevant time. Whenever a claim element has been narrowed for any reason, PHE presumptively bars infringement by the equivalent at issue. *See Festo*, 122 S.Ct. at 1839-42. To rebut PHE, the patentee must show that “at the time of the amendment one skilled in the art could not reasonably be expected to have drafted a claim that would have literally encompassed the alleged equivalent.” *Id.* at 1842 (emphasis added).

Rev. 623, 635-36 (1956).

Like Congress in regard to nonobviousness determinations,⁵ the Supreme Court adopted an objective standard -- a hypothetical skilled artisan's claim drafting ability.⁶ The patentee's (or lawyer's) subjective intentions, beliefs, or capabilities are wholly irrelevant to skill in the art.⁷ Judges should not evaluate the patentee's choice of language, intentions, or understanding.⁸ Instead, judges should evaluate only whether the skilled artisan reasonably could not have claimed more broadly.

A skilled artisan could have claimed more broadly whenever language to claim the equivalent at issue was generally available. The test is not what the skilled artisan "would" or "should" have claimed, and thus does not involve assessment of the artisan's motivations to claim more broadly. Judges should

⁵ See 35 USC § 103(a); *Graham v. John Deere Co.*, 383 U.S. 1, 12 -19 (1966); *Crown Operations Int'l., Ltd. v. Solutia Inc.*, 289 F.3d 1367, 1375 (Fed. Cir. 2002) (obviousness is a legal question based on objective facts, including skill in the art).

⁶ See *Pharmacia & Upjohn Co. v. Mylan Pharms., Inc.*, 170 F.3d 1373, 1377 & n.2 (Fed. Cir. 1999) (PHE is an objective standard, whether viewed by a "reasonable competitor" or "one skilled in the art").

⁷ See *Stewart-Warner Corp. v. City of Pontiac*, 767 F.2d 1563, 1570 (Fed. Cir. 1985) (addressing nonobviousness).

⁸ Cf. *Markman*, 52 F.3d at 985 (subjective intentions regarding claim scope are accorded little or no weight when construing patentee's words, unless documented in the record).

presume the artisan could claim more broadly, and patentees must prove the artisan “reasonably could not.” Further, the artisan is treated as having exhaustive knowledge of prior art and other available knowledge, and the ability to create its own language.⁹ If language was generally available or creatable, the patentee should have claimed more broadly and equivalents protection is estopped.¹⁰

This objective question of legal drafting ability will normally be answered (in the affirmative, precluding rebuttal) by reviewing words used in the patent, prior art of record, and statements in the prosecution history. Extrinsic evidence is needed only when intrinsic evidence does not provide sufficient terminology for drafting the relevant, hypothetical claim.¹¹ Then, the only relevant evidence -- which could be obtained during the “Markman hearing” -- would relate to the

⁹ See, e.g., *id.* at 979-80; *Crown Operations*, 289 F.3d at 1376.

¹⁰ This is consistent with patent prosecution and claiming history. Since the 1870 Patent Act, Congress has placed the burden on patentees to claim broadly or thereby impliedly disclaim to the public any additional, disclosed, patentable subject matter. See 35 USC §112, ¶2; *Miller v. Bridgeport Brass Co.*, 104 U.S. 350, 352 (1881); *Johnson & Johnson Assoc. Inc. v. R.E. Service Co.*, 285 F.3d 1046, 1053-55 (Fed. Cir. 2002) (en banc).

¹¹ The record provides prima facie evidence of language available to skilled artisans at the relevant time. It provides no evidence or inferences regarding the absence of alternative drafting language.

skilled artisan's knowledge of additional claim terminology generally available.¹²

2. Objective Criteria Are Required To Determine The Scope of Disclaimer, And Rebuttal Is Limited To Equivalents That Have Not Been Literally Disclaimed.

PHE enforces the scope of disclaimer created by a narrowing amendment or argument.

When... the patentee... narrowed the claim... “[the patentee] recognized and emphasized the difference between the two phrases[and proclaimed his abandonment of all that is embraced in that difference]... and [t]he difference which [the patentee] thus disclaimed must be regarded as material.”... “[PHE] preclud[es] a patentee from regaining, through litigation, coverage of subject matter relinquished during prosecution of the application for the patent.”¹³

PHE originated to bar reclaiming through reissuance of patents formally disclaimed subject matter. It developed to bar reclaiming through litigation (literally or as non-literal equivalents) of subject matter implicitly disclaimed

¹² The public lacks access to subjective knowledge of the testifying experts, which might vary across trials of the same patent. The Supreme Court eschewed such uncertainty. *Markman*, 517 U.S. at 390-91.

¹³ *Festo*, 122 S.Ct. at 1838-39 (language restored from *Exhibit Supply Co. v. Ace Patents Corp.* 315 U.S. 126 , 136-137 (1942), emphasis added and citation omitted); see *Cybor*, 138 F.3d at 1458 (judge determines whether prosecution statements disclaim subject matter so that “the district court [would] err in instructing the jury in a manner which would permit it to consider... equivalency....”).

during prosecution.¹⁴ When assessing PHE, “limitations and provisos, imposed by the inventor,... must be strictly construed against the inventor and in favor of the public, and looked upon as in the nature of disclaimers.”¹⁵

To properly construe the scope of PHE disclaimer, subjective evidence of patentee intentions should not be considered.¹⁶ Otherwise, “[t]he public [would] be deprived of rights supposed to belong to it, without being clearly told what it is that limits these rights.”¹⁷ The public has access only to information available to skilled artisans, and uncertainty over patent scope causes severe innovation, public welfare, and competition harms. These harms have been noted by the Supreme Court and articulated by Amicus Curiae.¹⁸

¹⁴ See *Leggett v. Avery*, 101 U.S. 256 (1879); *Fay v. Cordesman*, 109 U.S. 408 (1883); *Shepard v. Carrigan*, 116 U.S. 593 (1886); *Hubbell v. United States*, 179 U.S. 77 (1900); *Weber Elec. Co. v. E.H. Freeman Elec. Co.*, 256 U.S. 668 (1921); *Smith v. Magic City Kennel Club*, 282 U.S. 784 (1931)).

¹⁵ *Sargent v. Hall Safe & Lock Co.*, 114 U.S. 63, 86 (1885).

¹⁶ See *Festo*, 234 F.3d at 576-77, 586; *Insituform Techs., Inc. v. Cat Contracting, Inc.*, 99 F.3d 1098, 1107-08 (Fed. Cir. 1996); *Haynes Int’l., Inc. v. Jessop Steel Co.*, 8 F.3d 1573, 1578 (Fed. Cir. 1993).

¹⁷ *Markman*, 517 U.S. at 390 (citation omitted).

¹⁸ See *Festo*, 122 S.Ct. at 1837; *Markman*, 517 U.S. at 390; Brief of The Consumer Project on Technology as Amicus Curiae in Support of Respondents, *Festo Corp. v. SMC*, 122 S.Ct. 1838 (2002) (No. 00-1543) (available at <http://www.wcl.american.edu/ipclinic/projects.cfm> (last visited Nov. 11, 2002)) (uncertainty discourages sequential innovation, increases prices, and limits

Further, by narrowing a claim the patentee: (1) disclaims the entire literal scope between the original and narrowed claim; and (2) creates a rebuttable presumption of disclaiming equivalents. If the equivalent at issue falls within the literal scope of the original claim, it is irrebuttably disclaimed and PHE applies. The patentee cannot resort to the rebuttable presumption.¹⁹ Stated differently, “the patentee cannot assert that he lacked the words to describe the subject matter in question,” which is a necessary predicate for applying the doctrine of equivalents. *Festo*, 122 S.Ct. at 1839.²⁰

Rebuttal of PHE is possible, therefore, only for equivalents that are not within the literal scope of the original claim. The Supreme Court provided two examples that meet this standard. The equivalent was “unforeseeable at the time of the application” in a way that precluded it being claimed. The “amendment... bear[s] no more than a tangential relation to the equivalent in question.” *Id.* at _____ alternatives and access).

¹⁹ See John W. Schlicher, *The Law, History, and Policy of Prosecution History Estoppel in Patent Actions in the U.S. Supreme Court – Implications for Festo (Part I)*, 84 J. Pat. & Trademark Off. Soc’y 581, 599 (2002) (“If the accused device would have been within the scope of the original claim.... [t]he Court did not... consider whether the accused device was the... equivalent....”).

²⁰ In such cases, rebuttal is precluded without regard to validity of the original claim. The broader subject matter is disclaimed, whether the claims are narrowed “to obtain the patent or to protect its validity” from later challenge. *Id.* (emphasis added).

1842. Neither can be met if the original claim reads on the equivalent.

B. Rebuttal Can Be Established Only If The Hypothetical Claim Properly Would Have Issued.

The doctrine of equivalents “is premised on language’s inability to capture the essence of innovation.” *Id.* at 1839. In contrast, PHE is premised on the patentee’s claiming of less than was objectively, reasonably possible. *See id.* at 1842. The question for PHE rebuttal thus is not whether “later-developed... technology... should be deemed within the scope of the [hypothetical] claims to avoid the pirating of an invention.”²¹ The question is whether the hypothetical claim that encompasses such later-developed technology properly would have issued.²² No patentee is entitled to retrospectively claim what the patentee did not invent, disclose, or enable for public use.²³

²¹ *Pennwalt Corp. v. Durand-Wayland, Inc.*, 833 F.2d 931, 938 (Fed. Cir. 1987) (en banc).

²² *See SmithKline Beecham Corp. v. Excel Pharmaceuticals, Inc.*, 214 F.Supp.2d 581, 591 & n.23 (E.D. Va. 2002) (original claim covered equivalent; court did not reach whether hypothetical claim within artisan’s drafting ability would properly issue); *cf. Wilson Sporting Goods*, 904 F.2d at 684 (prior art).

²³ *See, e.g., Grant v. Raymond*, 31 U.S. 218, 246-48 (1832); *O’Reilly v. Morse*, 56 U.S. 62, 113 (1853); *Durel Corp. v. Osram Sylvania, Inc.*, 256 F.3d 1298, 1306-07 (Fed. Cir. 2001); *Rengo Co. v. Molins Mach. Co.*, 657 F.2d 535, 551 (3d Cir. 1981).

The Supreme Court's standard thus requires application of PHE when the hypothetical claim would supercede applicable statutory requirements on claiming. *See* 35 USC §112, ¶¶1,2. There can be no objective excuse for failing to claim the equivalent at issue, if including it would have rendered the claim invalid. Judges should therefore apply the written description, enablement, and other statutory requirements to any hypothetical claims "drafted" for purposes of rebutting PHE.

Conclusion

This Court has the ability and responsibility to make the rebuttal standard simple for the public and certain for federal courts to apply. Foreign jurisdictions will voluntarily (or due to political pressure) model the American patent system. Thus, the Court should require judges to objectively determine the existence and extent of any rebuttal of PHE.

Respectfully submitted,

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November 26, 2002

CERTIFICATE OF COMPLIANCE

Pursuant to Rule 32(a)(7)(C) of the Federal Rules of Appellate Procedure, I certify that the foregoing Brief of Amicus Curaie of Consumer Project on Technology complies with the type volume limitations of Rule 29(d) of the U.S. Court of Appeals for the Federal Circuit and this Court's September 20, 2002 Order. I further certify that the body of this brief -- not including the cover, table of contents, table of authorities, and certificates -- contains 2,500 words as determined by Corel WordPerfect 8, including the statement of interest, headings, footnotes, quotations, signature and date.

Dated: November 26, 2002

Joshua D. Sarnoff

CERTIFICATE OF SERVICE

I certify that I caused one original and 30 copies of the foregoing Brief of Amicus Curaie Consumer Project on Technology to be sent by Federal Express for filing this 26th Day of November, 2002 to:

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