
Discussing Patents and Published Patent Applications in the World Wide Web 2.0

By Andrew T. Spence and John P. Zimmer

The World Wide Web has evolved from a system where most users access content published by a select few, to a system where many users are able to not only publish their own content but also share comments on content published by others. This is one of the hallmarks of the so-called “Web 2.0,” which includes such technologies as social-networking sites, blogs and wikis. Social networking sites such as Facebook and Twitter generally permit users to communicate and share information in online communities of users with common interests. Blogs are Web sites that similarly permit users to communicate and share information. Blogs, however, are typically maintained by individuals who provide regular (usually dated) entries of information. Blogs often permit users to add comments to those entries. Many online articles in fact also include sections permitting users to provide comments. And wikis (including most-famously Wikipedia) are generally collaborative Web sites that enable users with access to the sites to add or modify site content.

Patent-Focused Discussions

The evolution of the World Wide Web has not been lost on the patent community. Users often take advantage of Web 2.0 technologies to discuss not only patent law generally, but also to discuss particular patents and pending, often published, patent applications. A number of years ago, several projects utilizing Web 2.0 technologies came online to specifically promote patent-focused discussions including those related to issued patents or pending patent applications. These projects included the

Peer-to-Patent program, PatentFizz, WikiPatents, and PatentDebate. Other online services such as Article One Partners and, formerly, BountyQuest promote the discovery of prior art that may impact the validity of issued patents, but otherwise do not permit users an open forum to discuss the prior art or issued patents.

Peer-to-Patent Projects

The Peer-to-Patent project has been perhaps the most successful patent focused project to rely on Web 2.0 technologies. The project was an initiative of the New York Law School whose goal was to demonstrate that “citizen-experts” could improve the patent system in the United States by identifying and commenting on prior art pertinent to the examination of patent applications pending at the U.S. Patent and Trademark Office (PTO or Office). Under the program, the PTO opened select, published patent applications to a registered community of volunteers who submitted, reviewed and commented on prior art pertinent to the respective applications. The community then selected the most pertinent prior art, which the project forwarded to examiners of the applications along with the relevant commentary. In cooperation with the PTO, the Peer-to-Patent project completed two pilots, the first from 2007-2009 and the second from 2010-2011. The project recently closed purportedly as having accomplished its goal. Specifically, the project claims that the new third-party submission provisions of the recently enacted America Invents Act are the result of its success.

Projects such as the Peer-to-Patent program came online to promote the open discovery and discussion of prior art that their advocates touted as strengthening the examination process. On the other hand, critics generally charged that the general public would lack motivation to spend the time to

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participate in such projects, absent a vested interest in invalidating a patent or preventing a patent from issuing, or without some other compensation. In the years since introduction of many of these patent-focused projects, their participation level has waned and many projects have gone offline. This decline probably indicates that the critics were correct, even if the advocates were also correct in their assessment of their programs' potential benefits to the patent system.

Patent Infringement Lawsuits

Despite the decline of patent-specific projects, open patent-focused discussions continue. For example, the recent proliferation of patent infringement lawsuits between highly-visible companies such as Apple, Samsung, Facebook and Yahoo, have brought a deluge of online articles, as well as social-networking and blog posts on topic. There are even a number of blogs specifically devoted to patent-focused discussions. The blog Patently Apple, for example, specifically discusses Apple's patents and pending applications, and its posts are often picked up by other news sites such as CNET. These discussions also often instigate even further discussion.

Legal Questions

Aside from the relative merits and challenges of such discussions, there are a number of legal questions that arise from not only open patent-focused discussion regarding a patent or pending application, but also the open discovery and discussion of prior art pertinent to a patent or pending application. These questions become even more pronounced when one who discovers or comments on the prior art is an inventor of a related patent or application, or is an employee of the patent or patent application's owner or of the owner's competitor. Relevant legal questions include those regarding willful infringement, inequitable conduct, and claim construction.

Willful Infringement

Perhaps the most important of these questions from an economic perspective is willful infringement. Under U.S. patent law, one found guilty of infringing the patent of another may be subject to payment of monetary damages. This award of damages is typically based on a reasonable royalty

for use of the patented invention. But courts have discretion to enhance the award up to treble damages upon a finding of "willful infringement." For a number of years, courts found willful infringement when an infringer had actual notice of a patent and failed to satisfy an affirmative duty to exercise due care to assess whether they infringed the patent.

In 2007, in *In re Seagate*,¹ the United States Court of Appeals for the Federal Circuit (the Federal Circuit) abandoned the affirmative duty in favor of a heightened standard for willful infringement. According to the court, willful infringement has both an objective component and a subjective component. That is, willful infringement first requires an objectively defined risk that the infringer's actions constituted infringement of a valid patent, and second requires proof that the infringer knew or should have known of the risk.

In view of the standard for willful infringement, one might ask whether an accused infringer's participation in an online discussion regarding a patent or pending application may evidence that the accused infringer knew or should have known of an objectively-defined risk of infringement. In 2006, those behind the Peer-to-Patent project published a memorandum addressing the topic as it applied to the project. Their memorandum concluded that participants should not be subject to liability for willful infringement by virtue of their submitting, reading, commenting on or ranking/rating prior art pertinent to a pending application.² According to the memorandum, one cannot infringe (and thus willfully infringe) a pending application,³ and provisional rights that may attach to a published application do not qualify for enhanced damages.⁴

As pointed out in the Peer-to-Patent memorandum, participation in a discussion regarding a pending application will likely not subject one to liability for willful infringement of that application. One must ask whether the same can be said of any pertinent prior art patents that are drawn out of the discussion. Volunteers of the Peer-to-Patent project not only read pending applications, they also submitted and commented on pertinent prior art that presumably in at least some instances included prior art patents. Likewise, it is plausible that an article, or blog or social-networking post may include or instigate a discussion that draws out pertinent prior

art patents. Potential infringers of those prior art patents who otherwise face an objectively defined risk of infringement of those patents may have difficulty denying that they knew or should have known about the risk of infringement.

Similarly, a potential infringer involved in an online discussion that is focused on a specific patent may have even further difficulty claiming lack of knowledge of the patent or risk of its infringement. In *Softview LLC v. Apple Inc.*,⁵ a district court recently considered the implication of an online report discussing a patent to the issue of willful infringement. In 2010, plaintiff Softview filed a patent infringement action against Apple and AT&T Mobility, and a number of online news outlets published reports of the litigation and patent in suit. Softview later added a number of other defendants including Kyocera, and charged all of the defendants with willful infringement. Softview alleged that Kyocera became aware of the patent through the media publicity around its initial lawsuit, reasoning that the publicity created a reasonable inference that Kyocera became aware of the patent through the publicity. The court disagreed and found that the media publicity did not, by itself, plausibly suggest that Kyocera knew or should have known of the patent.

According to the district court's rationale in *Softview*, online discussion regarding a patent does not itself create an inference that a potential infringer is aware of not only the discussion, but the patent itself. What if the potential infringer participates in the discussion? It seems likely that the participation would provide the requisite nexus between the discussion and potential infringer to satisfy the knowledge requirement of willful infringement.

Inequitable Conduct

Another potential issue raised for inventors and patent owners by Web 2.0 technologies is inequitable conduct. An applicant for a U.S. patent is held to a standard of candor and good faith dealing with the PTO. This standard is provided in both existing case law, and the rules of practice before the Office.⁶ According to case law, failure to uphold the standard may give rise to a charge of inequitable conduct in defense of patent infringement, which may result in a court rendering an entire patent unenforceable.

Inequitable conduct has been interpreted to include both a materiality requirement and an intent requirement. Inequitable conduct may result from an affirmative misrepresentation of a material fact, failure to disclose material information (most notably prior art), or submission of false material information, together with the intent to deceive.⁷ For a number of years, at least in the case of failure to disclose material information, the materiality requirement began to subsume the intent requirement, as in many instances intent could be inferred from materiality. In some instances, in fact, inequitable conduct could be proven by the failure of an applicant to disclose a known, highly material reference, without showing any specific intent on the part of the applicant to withhold it.

In 2011, in *Therasense, Inc. v. Becton, Dickinson and Co.*,⁸ the Federal Circuit decided to reign in the defense of inequitable conduct, and the PTO followed with a proposed, corresponding revision to its rules.⁹ In *Therasense*, the court held that inequitable conduct requires "but-for" materiality, where information is material if the PTO would not have allowed a claim had the information been known to the Office. And in the context of a failure to disclose material information, the intent requirement of inequitable conduct requires a deliberate decision on the part of the applicant to withhold the material information. In other words, the information must be known, its materiality must be known, and the applicant must deliberately withhold the information from the PTO.

One might ask what the standard of candor and good faith dealing requires of an individual who participates in or follows an online discussion regarding a patent or pending application with which the individual is associated. The standard has traditionally only applied to pending applications since it relates to dealings with the PTO, and in fact the PTO rules on the standard are limited to patent applications including pending claims. For a pending application, therefore, it seems clear that a participant has an affirmative duty to disclose all material information that arises during the discussion. In such instances, the participant likely has actual knowledge of the information as well as its materiality by virtue of their participation in the discussion. However, under *Therasense*, it would still have to be proven that the participant deliberately

withheld the information from the PTO to establish a claim of inequitable conduct.

A more complex, yet plausible scenario is one in which an individual who is associated with a pending application does not participate in an online discussion regarding the application, but is instead merely aware of the discussion. In this scenario, the individual may or may not be aware that the discussion involves pertinent information that rises to the level of being material. However, an individual who observes a discussion may be considered similar to an active participant and perhaps in an even better position to judge the materiality of information that arises during the observed discussion.

What happens if an individual associated with an application neither participates in nor observes a discussion but is aware of the discussion's existence? Does the individual have any duty to discover information arising from the discussion, assess its materiality and disclose any information considered material?

Generally, an individual has no duty to search for material information, and thus, no duty to disclose information of which the individual is unaware, even if the individual reasonably should be aware of the information.¹⁰ However, in *FMC Corp. v. Hennessy Indus.*, the Federal Circuit held that "one should not be able to cultivate ignorance, or disregard numerous warnings that material information or prior art may exist, merely to avoid actual knowledge of that information or prior art."¹¹ In *Brasseler, U.S.A. I, L.P. v. Stryker Sales Corp.*, the court further found that an individual may have a duty to inquire when the individual has sufficient information to suggest the existence of specific information the materiality of which may be reasonably ascertained, although the "mere possibility that material information may exist" does not suffice to give rise to the duty.¹²

There may be a tension between the general proposition that an applicant has no duty to search for material information and the holdings of *FMC Corp.* and *Brasseler*. Overall, it seems unlikely that the individual in this case has a duty to inquire into a discussion regarding a relevant application on the possibility that the discussion reveals material information, particularly under the heightened standard for materiality under *Therasense*. Nevertheless, in some instances a court may very well have a

reasoned basis to conclude otherwise, particularly in high-profile cases.

Claim Construction

Even if an individual's use of Web 2.0 technologies does not result in willful infringement or inequitable conduct, their public statements can still dramatically affect the value and enforceability of a patent through claim construction during litigation. Because the claims of a patent determine the so-called "metes and bounds" of the legal rights of the patent owner, their precise meaning is often hotly contested. A specific interpretation of a claim term can in some instances remove an accused infringer's commercial product from the scope of the patent owner's rights or render an entire claim unenforceable by the patent owner against the accused infringer or anyone else. Therefore, the meaning of claim terms is frequently a threshold issue in the enforcement or licensing of an issued patent.

Ever since the Supreme Court's landmark decision in *Markman v. Westview Instruments*,¹³ claim construction has been considered a matter of law for resolution by the judge rather than a jury. Courts have substantial discretion regarding when to construe disputed claim terms, but claim construction often takes place relatively early in the proceedings through a so-called "*Markman* hearing." It is not uncommon for the results of a *Markman* hearing to determine the outcome of the entire lawsuit, and many cases are settled or dismissed soon after a *Markman* decision is reached. Accordingly, *Markman* hearings generally resemble full trials in terms of their duration, scope of evidence presented, and cost to the litigants. Further, because the amount of money at stake in patent litigation is usually high, litigants typically spare no expense in gathering evidence that may prove critical for claim construction. It is by no means inconceivable that even obscure online statements made by an inventor or an agent of the patent owner will be discovered by the parties. Statements made on prominent online forums or as part of a project such as the Peer-to-Patent program are perhaps even more likely to come to light during litigation.

Moreover, the use of such statements in claim construction is permitted in at least some instances. Under the Federal Circuit's *en banc* decision in *Phillips v. AWH Corp.*, so-called "intrinsic evidence"

is accorded far more weight in claim construction than is “extrinsic evidence.”¹⁴ However, the use of extrinsic evidence is condoned as well, even if the intrinsic evidence alone is enough to construe the claims.¹⁵ Case law simply requires that all the evidence, including extrinsic evidence, be accorded appropriate weight under the circumstances.¹⁶

Under *Phillips*, intrinsic evidence includes the specification of the patent document itself and the prosecution history of the patent, where the prosecution history can include the written record between the patent applicant and the patent office leading up to issuance of the patent and, in some cases, one or more related patents. Extrinsic evidence includes everything else. Common sources of extrinsic evidence include expert testimony, treatises and dictionaries. Extrinsic evidence can also include statements made by an inventor or patent owner outside of patent prosecution or litigation. For example, in *ASM America, Inc. v. Genus, Inc.*, the court considered statements made by an inventor in his laboratory notebook and slides he used to teach a class on atomic layer deposition. The court considered these statements as extrinsic evidence relevant to whether the inventor drew a distinction in his mind between “evacuation” and “purging.”¹⁷ Similarly, it was not inappropriate for the court in *Netword, LLC v. Centraal Corp.* to construe the claims in light of a recorded conversation between an inventor and his patent attorney during preparation of the patent application, since no attorney-client privilege was invoked to shield the communication from introduction into evidence.¹⁸

In view of the foregoing, it is entirely possible that any relevant online statements made by an inventor, patent owner, or an agent or employee of a patent owner about a patent or patent application will be discovered and admitted into evidence as part of claim construction. Once such statements are heard, it may be difficult to “unring the bell” in the mind of the judge. Indeed, one must wonder whether the court’s view of the intrinsic evidence could be shaped by knowledge of a party’s extrinsic statements. In addition, insofar as extrinsic statements made by an applicant are inconsistent with statements made on the record, the evidence could also provide grounds for a finding of intent to deceive the PTO.

Conclusion

Web 2.0 technologies and their attendant “crowd-sourcing” capabilities offer great promise to the United States patent system, particularly for the identification of the most pertinent prior art. However, the proliferation of opportunities for unmonitored and unauthorized online speech by inventors and other interested parties may also pose challenges and pitfalls for the unwary.

Notes

1. 497 F.3d 1360, 1371 (Fed. Cir. 2007).
2. Yeen C. Tham, *Willful Infringement* (Sept. 11, 2006), available at <http://dotank.nyls.edu/communitypatent/willfulinfringement.pdf>.
3. *Id.*, relying on *Hoover Group, Inc. v. Custom Metalcraft, Inc.*, 66 F.3d 299, 304 (Fed. Cir. 1995), and *GAF Bldg. Materials Corp. v. Elk Corp.*, 90 F.3d 479, 483 (Fed. Cir. 1996), and *State Indus., Inc. v. A.O. Smith Corp.*, 751 F.2d 1226 (Fed. Cir. 1985).
4. 35 U.S.C. §§ 154, 284.
5. 2012 U.S. Dist. LEXIS 104677 (D. Del. Jul. 26, 2012).
6. 37 C.F.R. § 1.56(a) (2008).
7. *PerSpective Biosystems, Inc., v. Pharmacia Biotech, Inc.*, 225 F.3d 1315, 1318 (Fed. Cir. 2000).
8. 649 F.3d 1276 (Fed. Cir. 2011).
9. Revision of the Materiality to Patentability Standard for the Duty to Disclose Information in Patent Applications, 76 Fed. Reg. 43631 (Jul. 21, 2011).
10. *Am. Hoist & Derrick Co. v. Sowa & Sons, Inc.*, 725 F.2d 1350, 1362 (Fed. Cir. 1984); and see *Nordberg, Inc. v. Telsmith, Inc.*, 82 F.3d 394, 397 (Fed. Cir. 1996).
11. 836 F.2d 521, 526 n.6 (Fed. Cir. 1987).
12. *Brasseler, U.S.A. I, L.P. v. Stryker Corp.*, Sales 267 F.3d 1370, 1382 (Fed. Cir. 2001) (“The mere possibility that material information may exist will not suffice to give rise to a duty to inquire; sufficient information must be presented to the attorney to suggest the existence of specific information the materiality of which may be ascertained with reasonable inquiry.”); and *id.* at 1383 (“Thus, no duty to inquire arises unless counsel is on notice of the likelihood that specific, relevant, material information exists and should be disclosed.”).
13. 517 U.S. 370 (1996).
14. 415 F.3d 1303, 1317 (Fed. Cir. 2005) (*en banc*).
15. *Id.*
16. See, e.g., *Datamize LLC v. Plumtree Software, Inc.*, 417 F.3d 1342, 1348 (Fed. Cir. 2005) (“And while ‘we have emphasized the importance of intrinsic evidence in claim construction, we have also authorized district courts to rely on extrinsic evidence,’ such as expert

testimony. In construing claims, ‘what matters is for the court to attach the appropriate weight to be assigned to those sources in light of the statutes and policies that inform patent law.’”) (citing *Phillips*) (internal citations omitted); and *Spansion, Inc. v. Int’l Trade Comm’n*, 629 F.3d 1331, 1344 (Fed. Cir. 2010) (“While claim

construction primarily relies on intrinsic evidence, extrinsic evidence, such as expert testimony, may also be used when given the appropriate weight by the trial court.”) (citing *Datamize*).

17. 401 F.3d 1340, 1347 (Fed. Cir. 2005).

18. 242 F.3d 1347, 1355 (Fed. Cir. 2001).

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