

Inequitable Conduct: One Thing Less to Worry About, One More Thing to Consider

MARCH 2013

This article was co-authored by Gino Cheng and originally appeared in the Spring 2013 issue of New Matter.

I. Introduction

In the United States, a patent applicant owes a duty of candor and good faith to the Patent Office.^[1] This duty may be breached when the applicant fails to disclose known relevant prior art references prior to the issuance of its patent. Where inequitable conduct is found, every claim in the offending patent is rendered unenforceable, a consequence which often has been characterized as “the ‘atomic bomb’ of patent law.”^[2] This inequitable conduct doctrine, of which defendants in patent litigation have frequently availed themselves, has undergone considerable change recently.

In 2011, the Federal Circuit discarded the well established sliding-scale standard for proving inequitable conduct in its en banc *Therasense* decision.^[3] While opining on how omitting prior art references may breach the applicant’s duty of candor during patent prosecution, the Federal Circuit held that a competitor must separately prove by clear and convincing evidence that both: (i) the patentee had the specific intent to deceive the Patent Office by deliberately withholding a prior art reference; and (ii) the reference was “but-for” material, meaning that the patent would not have issued but for the withheld disclosure.^[4] The *Therasense* Court further parsed the first element, that the patentee had the specific intent to deceive, into three requirements: namely, proving that “the applicant knew of the reference, knew that it was material, and made a deliberate decision to withhold it.”^[5]

In 2012, in the *1st Media, LLC v. Electronic Arts, Inc.* case,^[6] the Federal Circuit affirmed the new test for inequitable conduct set by *Therasense*.^[7] The court, however, did not decide the potential materiality of the omitted reference^[8] or the applicant’s knowledge of materiality.^[9] Instead, the court reversed the finding of inequitable conduct because the appellees failed to prove that the patentee deliberately withheld the reference,^[10] a deficiency in proving the third prong of the specific intent element.^[11]

District courts have taken a similar approach in summarily dismissing inequitable conduct claims for lack of proof of deceptive intent in the wake of *Therasense*, even prior to the *1st Media* holding. In particular, where the applicant has proffered some basis for believing that the omitted reference was merely cumulative, courts have routinely

granted summary judgment in the patentee's favor based on the intent inquiry alone, sometimes foregoing entirely the dense and heavily fact-driven analyses of (i) the materiality of the omitted reference's contents and (ii) its cumulative nature in light of other references that were disclosed.

These courts varied in how strictly they adhered to the new *Therasense* framework. Yet, despite their different approaches, they reached the same result. This begs the question of how each court managed to reach the same conclusion – that no reasonable jury could have found a specific intent to deceive the Patent Office even when reading all the evidence in the light most favorable to the competitor.

II. Comparison Of District Court Cases Granting Patentee's Motions For Summary Judgment For A Finding Of No Inequitable Conduct Based On Lack Of Deceptive Intent

In each of the following post-*Therasense* cases, the court granted summary judgment in favor of the patentee/movant, reasoning that the competitor could not prevail on its inequitable conduct defense, despite (i) having drawn all reasonable inferences in favor of the competitor, the non-movant,^[12] and (ii) being cognizant of the genuine factual disputes^[13] regarding materiality and/or cumulateness.^[14]

A. Court Analyzed and Found the Allegedly Withheld Reference Was Not Material, without Rendering a Finding on Cumulateness

In *Remediation Products, Inc. v. Adventus Americas, Inc.*,^[15] the dispute centered around whether the inventor of the asserted patent ("the '213 Patent"), Dr. Gillham, specifically intended to withhold the Japanese-language article by Senzaki during the patent's prosecution.^[16] Having previously conducted a substantive analysis regarding the materiality of the Senzaki reference as part of its denial of a preceding summary judgment motion for a finding of invalidity based on obviousness,^[17] the *Remediation Products* court could short-circuit redoing the same analysis in its inequitable conduct opinion.^[18]

As part of the specific intent inquiry, the court found that the competitor had satisfied the first prong, that Dr. Gillham knew of the Senzaki reference,^[19] but had failed to prove the second and third prongs.^[20] Although the opinion does not subsequently specify which undisputed facts precluded the competitor from proving the second and third prongs, we can connect the facts with the intermediate conclusions relatively easily. Dr. Gillham's access to, at best, partial English translations^[21] militated against satisfying the second prong (the knowledge that the Senzaki reference was but-for material). By process of elimination, we are left with Dr. Gillham's belief, justified or not, that the Senzaki reference was duplicative of the disclosed Sweeny reference^[22] which precluded the opposing side from showing the requisite third and final prong (the deliberate decision to withhold the Senzaki reference).

Interestingly, although the patentee raised the defense of cumulateness^[23] or the belief thereof,^[24] the court avoided determining whether the Senzaki reference was cumulative over the disclosed Sweeny reference, nonetheless dismissing the inequitable conduct claim as a matter of law.^[25]

B. Court Analyzed and Found the Allegedly Withheld Reference Was Cumulative, Without Rendering a Finding on Materiality

Taking the opposite route, two other courts determined that the omitted references at issue were cumulative of other disclosure. The courts reached their conclusions, however, without analyzing the but-for materiality of the respective references.

For example, in *BASF Corp. v. Aristo, Inc.*,^[26] the competitor alleged that the applicant deliberately withheld disclosing the prior art '034 patent to the Patent Office while the asserted patent ("the '210 patent") was being prosecuted.^[27] Instead, the application discussed in detail a third patent ("the '563 patent"), which was further the subject of the patent examiner's rejection.^[28] Similar to the inventor in *Remediation Products*, the prosecuting attorney in *BASF Corp.* believed the '034 patent was duplicative of the '563 patent.^[29]

The *BASF Corp.* court reasoned that the competitor correctly characterized the material substance of the '034 patent's disclosure. However, the court found that the '563 patent's disclosure already contained the '034 patent's teachings.^[30] Notably, the court did not opine on the materiality of the '034 patent apart from cumulateness^[31] and did not compare the teachings of the '034 patent against the '210 patent's claims on an element-by-element basis. Further, the court did not indicate whether the competitor had failed to prove the second or third prong of the deceptive intent element.

The *MeadWestvaco Corp. v. Rexam PLC* opinion^[32] shares the structure of the *BASF Corp.* opinion. The issue in *MeadWestvaco* was whether two references – a 2002 presentation describing the properties of a certain fluoropolymer, EFEP, and a one page chart – were cumulative of the seven other documents relating to EFEP's features disclosed by the patentee.^[33] The court answered the question in the affirmative,^[34] without opining on the materiality of the two non-disclosed items as compared to the claims of the asserted patent.

Instead, the *MeadWestvaco Corp.* court compared the two references to the seven disclosed ones and found the former to be cumulative.^[35] Again, without parsing its rationale and without specifying which of the three prongs was wanting, the court rejected the inference of deception, reasoning that "(1) the law states otherwise, and (2) the information was duplicative."^[36] Even though it recited the three-prong test,^[37] the court did not expressly correlate the operative facts to the respective missing prongs.

After plotting the three courts' respective approaches in Table 1, *infra*, one sees the following: When the court undertakes a materiality analysis (comparing the prior art against the claim) but forgoes the cumulateness analysis, it can nonetheless find the lack of deceptive intent for failure to prove either the second or third prong of the intent element, where the applicant believed the omitted reference to have been cumulative, *à la Remediation Products*. Conversely, the court may reach the same conclusion by solely analyzing cumulateness (comparing the omitted art with the disclosed art), *in lieu* of an element-by-element analysis of the withheld art in view of the asserted claims, *à la BASF Corp.* and *MeadWestvaco Corp.* In the latter scenario, the courts have offered little exposition as to whether cumulateness *per se* defeats a finding of deceptive intent on its second or third prong.

		Yes	No
Materiality	Court Analyzed and Opined on the Materiality of Omitted Reference	<i>Remediation Prods.</i>	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i>
	Court Analyzed and Opined on the Cumulateness of Omitted Reference	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i>	<i>Remediation Prods.</i>
Intent	Court Made a Determination regarding the 2 nd Prong (applicant's knowledge that omitted reference was material)	<i>Remediation Prods.</i>	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i>
	Court Made a Determination regarding the 3 rd Prong (applicant's deliberate decision to withhold the reference)	<i>Remediation Prods.</i>	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i>

Table 1

C. Court Analyzed neither Materiality nor Cumulateness

In another case where the applicant believed the omitted reference was cumulative, *Carl Zeiss Vision Int'l GMBH v. Signet Armorlite, Inc.*,^[38] the court conducted neither an element-by-element materiality analysis^[39] nor a comparison of the withheld art to the disclosed art to evaluate cumulateness, but nonetheless ruled in favor of the

patentee.^[40] Here, too, the court did not explain whether the applicant’s belief that the omitted references were merely cumulative of the disclosed art had negated the second or third prong of the intent element.

Table 2 is an amended chart incorporating *Carl Zeiss Vision*. The results from the bottom half of the table further highlight the missing link between (i) the courts’ dismissals of the unenforceability claims in three of the cases based on lack of sufficient proof of deceptive intent and (ii) the specific prong(s) of the intent element whose absence could have served as the impetus for those decisions.

		Yes	No
Materiality	Court Analyzed and Opined on the Materiality of Omitted Reference	<i>Remediation Prods.</i>	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i> <i>Carl Zeiss Vision</i>
	Court Analyzed and Opined on the Cumulativeness of Omitted Reference	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i>	<i>Remediation Prods.</i> <i>Carl Zeiss Vision</i>
Intent	Court Made a Determination regarding the 2 nd Prong (applicant’s knowledge that omitted reference was material)	<i>Remediation Prods.</i>	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i> <i>Carl Zeiss Vision</i>
	Court Made a Determination regarding the 3 rd Prong (applicant’s deliberate decision to withhold the reference)	<i>Remediation Prods.</i>	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i> <i>Carl Zeiss Vision</i>

Table 2

However, the missing justification may be gleaned from the recent decision in *Fujitsu Ltd. v. Tellabs Operations, Inc.*^[41] There, the parties’ experts had taken opposing views regarding the materiality and cumulativeness of the *Sugaya* and *Desurvire* references^[42] that were allegedly withheld from the Patent Office during the prosecution of the asserted patent (“the ’681 patent”). The court’s opinion did not address whether, why, and how those omitted references were either (a) material to the ’681 patent’s issuance or (b) cumulative over the disclosed ’092 and ’926 patents.^[43] Nonetheless, the court concluded that Tellabs could not prevail on the inequitable conduct claim due to the inventors’^[44] and the prosecuting attorney’s beliefs^[45] that the omitted references were merely cumulative.^[46]

The *Fujitsu Ltd.* court recited the three-prong test for proving specific intent to deceive under *Therasense*^[47] and, although it did not explicitly connect the belief of cumulativeness with any particular prong(s), cited in its analysis another post-*Therasense* case, *Mformation Technologies, Inc. v. Research in Motion Ltd.*:^[48]

The evidence presented by Plaintiff permits the reasonable inference that Schwartz did not consider the Dimech and Geiger references to be material to the ’917 Patent. But if that reasonable inference is drawn, it necessarily leads to the conclusion that Schwartz did not act with the requisite deceitful intent when he failed to disclose the Dimech and Geiger references to the PTO in the prosecution of the ’917 Patent.

Curiously, the facts in *Mformation Techs.* did not broach the subject of cumulativeness.^[49] However, the patentees successfully argued that the competitor failed to prove either the second or third prong of the intent element.^[50] Navigating the new *Therasense* construct, the *Mformation Technologies* court ultimately found that “[d]efendants do not meet their burden of showing that Schwartz: (1) knew that the Dimech and Geiger references were material; and (2) made a deliberate decision to withhold them.”^[51]

By borrowing and adopting the *Mformation Technologies* rationale to reach the same conclusion, the *Fujitsu Ltd.* court implicitly yet tellingly extended *Mformation Technologies*’ heuristic correlation key to cover not only scenarios where the applicant believes the omitted reference to not be material, but also to those where he believes it to be

cumulative. In other words, if a genuine belief of non-materiality of an omitted reference bars the requisite finding of each of the second and third prongs of the intent element, then the belief of cumulateness ought to nullify these same prongs.

Further updating the previous chart, one can now rationalize how courts may dismiss an unenforceability counterclaim without having to devote substantial judicial resources to a fact-heavy and technical investigation regarding the materiality of a reference in relation to the patent or regarding its cumulateness in relation to other references. By indirectly analyzing the second and third prongs, the *Fujitsu Ltd.* decision manages to harmonize the other three district court cases with the same punctilious per-prong analysis conducted in *Remediation Products*, filling in the ellipses in the courts' reasoning and more comfortably justifying their ultimate conclusions about the lack of deceptive intent under the new *Therasense* framework.^[52]

		Yes	No
Materiality	Court Analyzed and Opined on the Materiality of Omitted Reference	<i>Remediation Prods.</i>	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i> <i>Carl Zeiss Vision</i> <i>Fujitsu Ltd.</i>
	Court Analyzed and Opined on the Cumulateness of Omitted Reference	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i>	<i>Remediation Prods.</i> <i>Carl Zeiss Vision</i> <i>Fujitsu Ltd.</i>
Intent	Court Made a Determination regarding the 2 nd Prong (applicant's knowledge that omitted reference was material)	<i>Remediation Prods.</i>	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i> <i>Carl Zeiss Vision</i> <i>Fujitsu Ltd.</i>
	Court Made a Determination regarding the 3 rd Prong (applicant's deliberate decision to withhold the reference)	<i>Remediation Prods.</i>	<i>BASF Corp.</i> <i>MeadWestvaco Corp.</i> <i>Carl Zeiss Vision</i>

Table 3

III. Conclusion

In light of how effective the explanation of cumulateness has been in multiple jurisdictions post-*Therasense*, and in part because of the substantial convenience that this defense affords the court, practitioners would be wise not to ignore this expedient and virtually talismanic aegis for defeating inequitable conduct claims before trial. In parallel with any benefits that advancing a theory of cumulateness may have on dispelling but-for materiality, doing so may also negate the second and/or third prongs of the specific intent element,^[53] either of which would necessitate a dismissal of an inequitable conduct claim as a matter of law.

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[1] See, e.g., *Therasense Inc. v. Becton, Dickinson & Co.*, 649 F.3d 1276, 1304 (Fed. Cir. 2011) (en banc).

[2] See *id.* at 1288.

[3] See *id.* at 1290-91.

[4] The *Therasense* Court did carve out an exception for egregious misconduct, such as filing a false affidavit with the Patent Office, which automatically satisfies the materiality prong. See *Therasense*, 649 F.3d at 1292; *but see* *Network Signatures, Inc. v. State Farm Mutual Auto. Ins. Co.*, No. SACV 11-00982, 2012 WL 2357307, at *7-10 (C.D. Cal. June 13, 2012) (finding that the prosecuting attorney's filing a statement of unintentional delay in the payment of maintenance fees in a petition to the Patent Office to revive an expired patent that was "unmistakably false" nonetheless did not "rise[] to the level of affirmative egregiousness of the cases *Therasense* references ..." but concluding regardless that his conduct satisfied the but-for materiality test); see also Gino Cheng, et al., *Inequitable Conduct: Rethinking 'Egregious Misconduct,'* Law360, Jan. 9, 2013, <http://www.law360.com/articles/402543/> (analyzing the egregious misconduct exception in light of recent Federal Circuit decisions in 2012).

[5] *Therasense*, 649 F.3d at 1290.

[6] See *1st Media, LLC v. Electronic Arts, Inc.*, 694 F.3d 1367, 1372-73 (Fed. Cir. Sept. 13, 2012).

[7] See *id.* at 1372 and 1376-77 (citing *Therasense*, 649 F.3d at 1290-91).

[8] See *1st Media, LLC*, 694 F.3d at 1377 ("Because Appellees cannot prove on this record that either Lewis or Sawyer made a deliberate decision to withhold references from the PTO and because Appellees acknowledged that the record is complete, this court reverses. **We need not decide whether any of the references were but-for material.**") (emphasis added).

[9] See *id.* at 1375 ("We need not decide whether it was clear error for the district court to infer that Lewis and Sawyer knew that the Bush reference was material ...") and 1376 ("Ultimately, for all of the references, the evidence supports only that Lewis and Sawyer (1) knew of the references, (2) may have known they were material (which this court does not reach) ...").

[10] See *id.* at 1377 ("Because Appellees cannot prove on this record that either Lewis or Sawyer made a deliberate decision to withhold references from the PTO and because Appellees acknowledged that the record is complete, this court reverses.>").

[11] See *Therasense*, 649 F.3d at 1290.

[12] See, e.g., *Fujitsu Ltd. v. Tellabs Operations, Inc.*, No. 09-cv-4530, 2012 WL 3133548, at *2 (N.D. Ill. July 31, 2012) ("In performing this analysis, the court views the evidence in the light most favorable to the non-movant.") (citing *Berry v. Chicago Transit Authority*, 618 F.3d 688, 691 (7th Cir. 2010)).

[13] In practice, this is often manifested by opposing expert opinions in the parties' respective validity/invalidity cases regarding how applicable or inapplicable the asserted prior art is, in tandem to the inequitable conduct investigation. See, e.g., *Remediation Products, Inc. v. Adventus Americas, Inc.*, No. 3:07-cv-153, 2011 U.S. Dist. LEXIS 146579, at *25 (W.D. NC Dec. 19, 2011); see also, e.g., *Fujitsu Ltd.*, 2012 WL 3133548, at *2 ("In light of competing expert opinions in this case, the court agrees with Tellabs that 'there is a fact dispute as to whether the Sugaya article ... is cumulative of prior art cited before the USPTO (the '092 Patent) during the prosecution of the '681 Patent.' A factual dispute on this point, however, is not by itself sufficient to withstand summary judgment.") (internal citations omitted).

[14] In some instances the court concurrently denied the competitor's co-pending cross-motion for a finding of inequitable conduct and unenforceability. See, e.g., *Remediation Prods.*, 2011 U.S. Dist. LEXIS 146579, at *25-26; see also, e.g., *Carl Zeiss Vision Int'l GMBH v. Signet Armorlite, Inc.*, No. 07-cv-0894, 2011 U.S. Dist. LEXIS 146159, at *24-25 (S.D. Cal. Dec. 19, 2011).

[15] *Remediation Prods.*, 2011 U.S. Dist. LEXIS 146579 at *25.

[16] See *id.* at *21.

[17] See *id.* at *25.

[18] Granted, the previous materiality analysis would have had limited use in deciding the materiality requirement of the inequitable conduct claim in the summary judgment context, because factual disputes about the materiality had prevented the court from finding obviousness as a matter of law. See *id.* ("These same issues of fact prevent the Court from finding, as a matter of law, that the PTO would not have granted the patent had it been provided the Senzaki or McMurtry references.>").

[19] Dr. Gillham had cited the same reference multiple times. See *id.* at *26. Even then, however, there was some question as to how much and which portions of the Senzaki reference Dr. Gillham had available to him in English. *Id.* at *27 ("[Dr. Gillham] provided it to his Japanese-speaking graduate student to translate for him, but the student did not translate the reference in full. ... The student then wrote out sections of it. ... Plaintiff has not shown which sections the student provided Dr. Gillham.>").

[20] See *id.* at *26 ("But Plaintiff has failed to present clear and convincing evidence that Dr. Gillham knew these references were material or that he made a deliberate decision to withhold them.>").

[21] See *id.* at *27.

[22] See *id.* at *28-29.

[23] See *id.* at *21 (“Defendants argue that Senzaki and McMurtry were not material ...”).

[24] The court appeared to place particular weight on how the evidence consistently showed that Dr. Gillham believed the Senzaki reference to have been cumulative, regardless of whether or not it actually was. See *id.* at *30 (“Dr. Gillham has been nothing but consistent in his statements that Senzaki is duplicative of Sweeny.”).

[25] Both the factual scenario and analytic route that the *Remediation Prods.* court subsequently took mirror that in *Imura Int’l USA, Inc. v. HR Tech., Inc.*, No. 08-2220 (D. Kan. April 24, 2012), albeit the latter was in the context of Fed. R. Civ. P. 52 with the benefit of findings from trial. In *Imura*, the court conducted a materiality analysis as part of the competitor’s obviousness claim and determined that the White Paper that the inventor allegedly withheld was not but-for material. See *Imura Int’l*, No. 08-2220, slip op. at 6-8, 10-13 (D. Kan. April 24, 2012). Its reasoning was that the paper contained background information that was incorporated into the application itself; that the discussed features were neither claimed as the novelty of the invention nor seemed relevant to the examiner’s reason for allowing the claims; and the examiner probably would not have rejected the claims for obviousness under heightened pre-KSR standards in light of the paper. See *id.* at 6-8 and 11-12. The court did not separately conduct a determination of cumulateness, even though cumulateness formed a basis for the inventor’s defense of non-disclosure. See *id.* at 4-6, 8-9, and 13-14. Having found the White Paper was not material, the court nonetheless proceeded with the specific intent to deceive inquiry, finding that even though the inventor knew of the White Paper, he did not know that it was material. See *id.* at 13-14 (“Thus, the Court concludes that Vita Craft failed to show, even to a lower preponderance standard, that Mr. Clothier knew that the White Paper was material.”). Accordingly the court’s analysis confirmed that the competitor had succeeded on proving the first but not the second of the three requisite prongs. See *id.*

[26] *BASF Corp. v. Aristo, Inc.*, No. 2:07-cv-22, 2012 WL 1933700 (N.D. Ind. May 29, 2012).

[27] See *id.* at *16.

[28] See *id.* at *16-17.

[29] See *id.* at *19 (“Conversely, Kipnes testified that he didn’t believe that the ’034 Patent would have provided any more information than the ’563 Patent.”). The other prosecuting attorney, Mr. Negins, could not remember one way or another why the ’034 Patent was not disclosed to the Patent Office. See *id.*

[30] See *id.* at *17 (“Assuming that Aristo is correct that the ’034 Patent teaches the use of excess slurry—and that is far from certain—disclosure of the ’034 Patent would have been cumulative information ...”).

[31] See *id.* at *17 (“Assuming that Aristo is correct that the ’034 Patent teaches the use of excess slurry—**and that is far from certain**—disclosure of the ’034 Patent would have been cumulative information ...”) (emphasis added) and *18 (“Such conjecture is a far cry from the ‘but-for’ evidence necessary to show that the ’034 Patent was material.”); see also, e.g., *id.* at *18 (“I’m not convinced that the article makes that conclusion, but even assuming that the updraw and draw-down methods are interchangeable, the ’034 Patent is cumulative.”).

In other words, the court declined to determine what exactly the ’034 patent taught, but summarily dismissed the inequitable conduct claim based on both the ’034 patent’s apparently cumulative nature in view of the ’563 patent and the lack of evidence proving that either prosecuting attorney intentionally withheld the ’034 patent. See, e.g., *id.* at *18 (“As Aristo’s evidence shows only that the ’563 Patent was cumulative of the ’034 Patent, I’m wholly unconvinced that the ’034 Patent was material to the examiner’s acceptance of the ’210 Patent. In any event, even if I were to conclude that a ’034 Patent reference was material, the undisputed facts don’t indicate an intent to deceive.”).

[32] *MeadWestvaco Corp. v. Rexam PLC*, 809 F. Supp. 2d 463, 476-77 (E.D. Va. Aug. 18, 2011).

[33] See *id.* at 476-77.

[34] See *id.* at 476.

[35] See *id.* at 477 (“First, the Court dismisses Rexam’s argument that the two non-disclosed items were critical because Plaintiffs disclosed no less than seven documents disclosing the transparency capabilities of EFEP ...”).

[36] *Id.* at 477.

[37] See *id.* at 476 (“The accused infringer must prove that (1) the applicant knew of the withheld reference, (2) the applicant knew that the reference was material, and (3) made a deliberate decision to withhold the information.”) (citation omitted).

[38] *Carl Zeiss Vision Int’l GMBH*, 2011 U.S. Dist. LEXIS 146159, at *24-25.

[39] Although the opinion briefly summarizes each of the omitted references (see *id.* at *13-14), it does not contain a substantive, comparative analysis to determine but-for materiality as related to the asserted claims.

[40] See *id.* at *22 (“Under these circumstances, Zeiss asserts the GB ’620 Patent was cumulative to the art already before the examiner, therefore evidence of specific intent to deceive the PTO is lacking.”) and *23 (“Zeiss again argues there are equally reasonable inferences to be drawn from this evidence, namely that the individuals did not disclose the ’191 Patent because they believed it was cumulative to the art already before the examiner.”).

Here, there were multiple allegations of inequitable conduct, one being the failure to cite the GB ’620 patent during the prosecution of the asserted ’713 patent, despite having disclosed the ’503 patent, where the ’503 patent cites and explicitly discusses the GB ’620 patent. See *id.* at *21.

Another allegation was that the applicants intentionally withheld the ’191 patent. *But see id.* at *22-23 (“Given the totality of the art that was cited in the ’713 Patent, there is more than one reasonable inference that may be drawn from the failure to disclose the ’191 Patent to the examiner.”).

[41] See *Fujitsu Ltd.*, 2012 WL 3133548, at *2.

[42] See *id.* (“In light of competing expert opinions in this case, the court agrees with Tellabs that ‘there is a fact dispute as to whether the *Sugaya* article ... is cumulative of prior art cited before the USPTO (the ’092 Patent) during the prosecution of the ’681 Patent.”) and *4 (“Again, the court agrees with Tellabs that ‘there is a fact dispute over whether the *Desurvire* reference was material and not cumulative of other references before the examiner.”).

[43] See *id.* at *3 (*Fujitsu Ltd.* argued that the *Sugaya* reference was cumulative of the disclosed ’092 patent) and *4 (*Fujitsu Ltd.* argued that the *Desurvire* reference was cumulative of each the ’092 and ’926 patents).

[44] See *id.* at *3 (the court recognizing that one could reasonably infer that “the inventors believed (perhaps erroneously) that the *Sugaya* reference was cumulative of Patent ’092 ...”).

[45] See *id.* at *4 (the court recognizing that one could reasonably infer that the prosecuting attorney, “Mr. Kravetz, believed (perhaps erroneously) that the *Desurvire* reference ‘was cumulative over the ’092 and ’926 Patents ...”).

[46] The issue was appropriate for summary judgment despite dueling expert opinions on the technology, because “[a] factual dispute on this point ... is not by itself sufficient to withstand summary judgment. Even if Tellabs prevails in proving that the *Sugaya* reference was not cumulative, and that the *Sugaya* reference was material to the examination of the ’681 Patent, Tellabs must still prove that Fujitsu Limited acted with the specific intent to deceive the PTO.” *Id.* at *2.

[47] See *id.* at *1 (citing *Therasense*, 649 F.3d at 1290).

[48] *Mformation Techs., Inc. v. Research in Motion Ltd.*, 830 F. Supp. 2d 815, 830-831 (N.D. Cal. Dec. 19, 2011).

[49] Rather, the parties were disputing materiality. See *Mformation Techs.*, 830 F.Supp. 2d at 830. The court managed to dismiss the inequitable conduct claim without reaching the issue of materiality by tackling first the intent requirement, drawing the inference that the patentees might not have considered the two omitted references to be material to the asserted ’917 patent. See *id.*. The patentees argued that although the two references were cited in a related application, its continuation-in-part, (thus meeting the first prong) the second application was not directed to a different technology and the two references were not discussed or relied upon by the examiner during the prosecution of the second application. See *id.*

[50] See *id.* at 830-31.

[51] *Id.* at 830.

[52] Subsequent to the *Fujitsu Ltd.* decision in the Northern District of Illinois, the Southern District of California took an approach opposite of that in *Remediation Prods.* by evaluating the cumulateness of the withheld disclosure but not its materiality in view of the claims. Yet it proceeded to make determinations about the second and third prongs of the intent inquiry *à la Remediation Prods.* See *KFx Medical Corp. v. Arthrex, Inc.*, No. 11-cv-1698, slip op. at 6-7 (S.D. Cal. Oct. 15, 2012) (finding insufficient proof of applicant’s intent to deceive where he disclosed a prior art article to the USPTO but not all of the details of his conversation with its author). Interestingly, like *Fujitsu Ltd.*, the *KFx* opinion also cites to *Mformation Techs.* See *id.* at 7. Although the *KFx* opinion does not take as minimalist an approach as the *Fujitsu Ltd.* opinion did by not evaluating either materiality or cumulateness, *KFx* serves to confirm that cumulateness negates the second and third prongs of the intent element. See *id.* at 6 (“Mr. Scott does not dispute he knew this information while the application for the ’311 Patent was pending, but there is insufficient evidence he knew this information was material or that he made a deliberate decision to withhold it.”) and 7 (“As discussed above, the evidence also allows for an inference that Mr. Scott did not believe the information was material because it was cumulative to information that was available to the examiner.”).

[53] The applicant knew that the omitted reference was material and made a deliberate decision to withhold it from the Patent Office. See *Therasense*, 649 F.3d at 1290.

10+ Min Read

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