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**ETHICS AT THE USPTO AND
A BIT ABOUT SECTION 285**

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PART 1: SOME PROSECUTION ISSUES

A. Languid Prosecution.

Patent prosecution takes time. About that there is no doubt, and there likewise is no doubt that often delays are simply part of the process. But practitioners have an obligation to competently and diligently advance prosecution, consistent with their client's objectives and the USPTO rules and regulations.

Delays in prosecution can, in extraordinary circumstances, lead to unenforceability of a patent due to prosecution laches. This is a rare instance, however: of the 8,000,000 patents, the Supreme Court and Federal Circuit have found about five unenforceable for this reason.

The elements of prosecution laches, when asserted in litigation, are an unreasonable and undue delay in prosecution and prejudice to the accused infringer.¹ Similarly, the USPTO has also authorized examiners to reject claims due to prosecution laches, but only under similar narrow circumstances. Specifically, the MPEP provides:

The Federal Circuit affirmed a rejection of claims in a patent application on the ground that applicant had forfeited his right to a patent under the doctrine of prosecution history laches *for unreasonable and undue delay in prosecution*. In re Bogese, 303 F.3d 1362, 1369, 64 USPQ2d 1448, 1453 (Fed. Cir. 2002) (Applicant “filed twelve continuation applications over an eight-year period and did not substantively advance prosecution when required and given an opportunity to do so by the PTO.”). While there are no firm guidelines for determining when laches is triggered, *it applies only in egregious cases of unreasonable and unexplained delay in prosecution. For example, where there are “multiple examples of repetitive filings that demonstrate a pattern of unjustified delayed prosecution,”* laches may be triggered. Symbol Tech. Inc. v. Lemelson Med., Educ., & Research Found., 422 F.3d 1378, 1385, 76 USPQ2d 1354, 1360 (Fed. Cir. 2005) (Court discussed difference between legitimate reasons for refiling patent applications and refilings for the business purpose of delaying the issuance of previously allowed claims.). An examiner should obtain approval from the TC Director before making a rejection on the grounds of prosecution history laches.²

A review of the MPEP provision and the cases cited there demonstrate that it will be rare indeed that a patent is found unenforceable due to prosecution laches.

¹ See Cancer Research Tehn. Ltd. v. Barr Labs., Inc., 625 F.3d 724, 728 (Fed. Cir. 2010); In re Bogese, 303 F.3d 1362, 1369, 64 USPQ2d 1448, 1453 (Fed. Cir. 2002); Symbol Tech. Inc. v. Lemelson Med., Educ., &

² MPEP § 2190 (emph. added). See also *Ex Parte* Riddle, 2011 WL 861732 (Bd. Pat. App & Interf. March 10, 2011).

But delay can harm clients in other ways. For example, a client can lose valuable front-end patent term, lose overall term, be left without assets necessary to obtain financing, and simply spend more money than it should. These concerns – not prosecution laches – should drive practitioners’ focus since those harms are far more likely to occur than 5 (or so) in 8 million.

Again, some delays are inherent in the process, and some delays are attributable to things beyond the practitioner’s control, such as the client’s inability to provide necessary disclosure or test data. But a practitioner should not unnecessarily request extensions, and certainly should not bill the client when the extension is sought to accommodate the practitioner’s personal or business needs, not those of the client.

B. Disclosure: Inequitable Conduct is Not the Primary Concern.

Since *Therasense*, inequitable conduct claims have been harder to plead, let alone prove. Without the sliding scale and with the requirements of but-for materiality (or “affirmative egregious misconduct”) and specific intent to deceive being the single most reasonable inference, the likelihood of a patent being ultimately held to be unenforceable for inequitable conduct have grown small.

But withholding art or making misrepresentations can harm clients in many more likely ways. For example, a patentee seeking to enforce a patent through a licensing regime may face a party who will raise the costs of enforcing the patent, and overcoming inequitable conduct, as a basis to reduce the license fee. That leverage is further exacerbated post-*Octane*, with the threat of fee shifting.

C. Failing to Get Assignments and Clarify Client Identity in Joint Representation Scenarios

It is of course imperative that practitioners identify who is an inventor, and ensure that each inventor, and only inventors, are named on the application. The risk, of course, is invalidity of the patent or the need to correct inventorship later.

It is also critical that practitioners obtain assignments from each putative inventor to the appropriate entity. One common and recurring problem occurs when two parties have come to the practitioner with the idea of forming a partnership (or some other entity) to exploit a potential patent. Typically, one person is the “idea person” and the other is the “money person.” Typically, at the start of this sort of representation, the practitioner and everyone believes that happiness will remain forever.

Too often to ignore, though, is the fact that this is not the case. Parties in these circumstances have fallings out. It is important for practitioners to ensure at the outset that the parties understand who is, and is not, the practitioners’ client(s), and to ensure that assignments are obtained to the appropriate entity.

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