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Sharick Naqi



Comment on Provisional Patent Rights

By Sharick Naqi *

I. INTRODUCTION

¶1 Inventors in America long lived with the risk that others could copy and profit off an invention during the interim period when their patent application was pending at the United States Patent and Trademark Office (USPTO). Even after inventors received their patent, they were unable to get compensation for any infringing uses that occurred prior to the patent issue date. With an ever-expanding backlog at the USPTO and the corresponding increase in the time it takes for an application to be examined, this unprotected period potentially cost inventors significant losses. Additionally, contrary to the purpose of patent laws “[t]o promote the Progress of Science and useful Arts,”¹ inventors were incentivized to keep an invention secret from the public until their patent issued.

¶2 In the American Inventors Protection Act of 1999 (AIPA), Congress gave patent applicants provisional rights in their published patent applications under 35 U.S.C. § 154(d).² Prior to the passage of the AIPA in 1999, the Court of Appeals for the Federal Circuit, affirming its earlier decisions, had held that a patentee “may of course obtain damages only for acts of infringement after the issuance of the . . . patent.”³ However, the AIPA provided damages for infringement in the period before a patent applicant is granted a patent.⁴ Provisional rights, also known as pre-issuance royalties, provide a patentee with the prospect of obtaining a reasonable royalty from a third party that infringes a published application claim. This right is provided only if the third party has actual notice of the application and a patent issues from the application with a substantially identical claim.⁵

¶3 The Federal Circuit has not had the opportunity to interpret the “substantially identical” and “actual notice” requirements under § 154(d), but several district courts have done so.⁶ At first glance, the district court rulings appear to be conflicting. However, this Comment explains how the rulings are actually consistent, with each one adding a slightly different layer to the interpretation of § 154(d). Currently, the various

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¹ U.S. CONST. art. I, § 8, cl. 8.

² See 35 U.S.C. § 154(d) (2006).

³ *Welker Bearing Co. v. PHD, Inc.*, 550 F.3d 1090, 1095 (Fed. Cir. 2008) (internal quotation marks omitted).

⁴ *Id.*

⁵ See 35 U.S.C. § 154(d)(1)–(2).

⁶ However, the language found in § 154(d) runs parallel to that found in § 252, which allows a reissued patent to have retrospective power when the reissued claims are “substantially identical” to those in the original patent. See 35 U.S.C. § 252. There are several Federal Circuit cases, decided before Congress passed § 154(d), that provide some guidance for interpreting “substantially identical.”

rulings addressing the actual notice requirement have not only ruled out constructive notice but also indicate that direct notification action by the patentee is not a necessary condition. It is sufficient if the alleged infringer knew about the patent application through other channels. Other rulings indicate that when patentees do take direct actions to notify, they cannot conceal the notification among other documents, although they do not have to point out the infringement of specific claims.

¶4 The cases addressing the substantially identical requirement emphasize that each claim amendment should be evaluated carefully to see if it changes the scope of the claim and that not all claim amendments preclude a finding that claims are substantially identical, even those that are in response to USPTO rejections. These cases suggest that narrowing amendments can preclude a finding that claims are substantially identical, and such an interpretation, when considered in combination with an earlier Federal Circuit decision that arguably expands the definition of narrowing amendments, could severely limit the application of § 154(d). This Comment first explores the different rulings, reconciles them, and suggests that the Federal Circuit should consolidate the rulings from the district courts into one binding decision that will provide greater certainty to litigants. This Comment also explores the potential implications of the suggested decision.

¶5 Although the few district courts that have addressed these issues so far have produced reasonable results, their rulings are not binding. This Comment recommends that the Federal Circuit, when given the chance to review a case where § 154(d) provisional rights are disputed, provide a decision consolidating the reasonable interpretations applied by the various district court rulings up to this point. Otherwise, there is a risk that other district courts may produce undesirable interpretations. Forum shopping is very common in patent cases and infringers might find courts that take the interpretation in a direction that weakens the protection promised to inventors. Such uncertainty about the application of § 154(d) could conflict with Congress's intent to provide protection for inventors and could increase overall litigation costs.

II. PROVISIONAL RIGHTS

¶6 The AIPA requires that the USPTO publish utility patent applications eighteen months after the earliest effective filing date or priority date claimed by an application. Once it is published, the patent application can be viewed in its entirety by anyone who requests to do so.⁷ However, subject to minimal limitations, an applicant may request that the application not be published.⁸ Patent applicants are also allowed to rescind nonpublication requests at any time.⁹

¶7 Before Congress passed the AIPA, damages for patent infringement were generally available only for the time period after a patent's issuance. However, Congress gave patent applicants provisional rights in their published patent applications as an incentive to publish, so that information about new advances could be shared with the public regardless of whether a patent issues from an application.¹⁰ Congress also intended this

⁷ U.S. PATENT & TRADEMARK OFFICE, GENERAL INFORMATION CONCERNING PATENTS 11 (2011), available at http://www.uspto.gov/patents/resources/general_info_concerning_patents.pdf.

⁸ *Id.*

⁹ 35 U.S.C. § 122(b)(2)(B)(ii).

¹⁰ See Patrick J. Birde & Nicholas J. Nowak, 35 U.S.C. § 154(d) Grants Patent Applicants Provisional

to serve as a check on those who may abuse the pre-grant publication system by copying inventions before a patent's issuance.¹¹ After publication, an applicant may assert provisional rights under § 154(d).¹²

¶18 Generally, damages are only available after the USPTO issues a patent to an applicant. Provisional rights are an exception to this general rule under § 154(d). These rights allow a patentee to obtain a reasonable royalty from one who infringed upon the invention as claimed in the published patent application, between the date on which the application was published and the date of the patent's issuance.¹³

III. DEFINING THE REQUIREMENTS FOR PROVISIONAL RIGHTS

¶19 The Court of Appeals for the Federal Circuit has not explicitly addressed the issue of provisional rights, a patentee's right to pre-issuance royalties. This right is established when an infringer has actual notice of the patent application publication and the claims in the issued patent and the published patent publication are substantially identical. The Federal Circuit has not provided clarification with respect to either the actual notice or substantially identical requirements under § 154(d).¹⁴ However, the district courts in *K-TEC, Inc. v. Vita-Mix Corp.*,¹⁵ *First Years, Inc. v. Munchkin, Inc.*,¹⁶ and *Arendi Holding Ltd. v. Microsoft Corp.*,¹⁷ addressed provisional rights stemming from published patent applications and gave some clarification on the actual notice requirement. These cases indicate that constructive notice is not sufficient, but that direct notification by a patentee is sufficient (though not necessary) if the alleged infringer knew about the patent application through other means. Other rulings indicate that when patentees take direct action, they do not have to specifically point out the infringement. However, they cannot conceal the notification among other documents.

¶10 *K-TEC and Pandora Jewelry, LLC v. Chamilia, LLC* also provide some guidance for the substantially identical requirement.¹⁸ This guidance has interesting implications when read in combination with the Federal Circuit's decision in *Honeywell International Inc. v. Hamilton Sundstrand Corp.*¹⁹ The district court cases emphasize that the impact of each claim amendment on the scope of the claim should be carefully evaluated and that not all claim amendments preclude a finding that claims are substantially identical—

Rights in Their Published Patent Applications, KENYON & KENYON INTELL. PROP. L., http://www.kenyon.com/media/~media/Files/Publication%20PDFs/2003-09-01_Rights.ashx (last visited June 5, 2012).

¹¹ *Id.*

¹² U.S. PATENT & TRADEMARK OFFICE, *supra* note 7.

¹³ See 35 U.S.C. § 154(d)(1)–(2) (“[A] patent shall include the right to obtain a reasonable royalty from any person who . . . makes, uses, offers for sale, or sells in the United States the invention as claimed in the published patent application or imports such an invention into the United States; . . . and (B) had actual notice of the published patent application. . . . The right . . . to obtain a reasonable royalty shall not be available under this subsection unless the invention as claimed in the patent is substantially identical to the invention as claimed in the published patent application.”).

¹⁴ See *supra* note 6.

¹⁵ No. 2:06-CV-108-TC, 2010 U.S. Dist. LEXIS 51858, at *1 (D. Utah May 24, 2010).

¹⁶ No. 07-cv-558-bbc, 2008 U.S. Dist. LEXIS 70482, at *5 (W.D. Wis. Sept. 17, 2008).

¹⁷ No. 09-119-JJF-LPS, 2010 U.S. Dist. LEXIS 27020, at *1 (D. Del. Mar. 22, 2010).

¹⁸ See *K-TEC*, 2010 U.S. Dist. LEXIS 51858, at *1; *Pandora Jewelry, LLC v. Chamilia, LLC*, No. CCB-06-600, 2008 WL 3307156, at *9 (D. Md. Aug. 8, 2008).

¹⁹ 370 F.3d 1131 (Fed. Cir. 2004) (en banc).

even those that are in response to USPTO rejections. The district courts further suggest that narrowing amendments can preclude a finding of substantially identical claims. This reasoning, when considered in light of the Federal Circuit's *Honeywell* decision possibly expanding the definition of narrowing amendments, could severely limit the application of § 154(d).

¶11 In *K-TEC*, while considering a motion for summary judgment, the District Court of Utah ruled that recovering pre-issuance reasonable royalties under § 154(d) requires the plaintiff to show that (1) the alleged infringer had actual notice of the patent application and (2) that the claims of the patent application are substantially identical.²⁰ In *Arendi*, the Federal District Court for the District of Delaware laid out requirements similar to those presented in *K-TEC*.²¹ Therefore, the patentee's right to pre-issuance royalties is established when an infringer has actual notice of the patent application publication and the claims in the issued patent and the published patent publication are substantially identical.

A. Defining the "Actual Notice" Requirement

¶12 In *Arendi*, the alleged notice was included among thousands of documents produced in another litigation action between the same parties.²² In *First Years*, the plaintiff had evidence that its counsel sent a letter to the defendant specifically identifying the applications at issue.²³ In *K-TEC*, the patentee had taken no steps to inform the alleged infringer of the patent application, but the alleged infringer was monitoring the application on its own.

1. *Arendi*'s Interpretation of "Actual Notice"

¶13 The plaintiff in *Arendi* filed a patent infringement suit against Microsoft Corp. and Dell Inc. in the District of Delaware for infringement of its patent.²⁴ *Arendi* sought pre-issuance damages by asserting provisional rights under § 154(d).²⁵

¶14 The parties cited the same House Report, each arguing that the legislative history of § 154(d) supported their position.²⁶ The House Report states:

The requirement of actual notice is critical. The mere fact that the published application is included in a commercial database where it might be found is insufficient. The published applicant must give actual notice of the published application to the accused infringer and explain what acts are regarded as giving rise to provisional rights.²⁷

²⁰ 2010 U.S. Dist. LEXIS 51858, at *21–22 (citations omitted).

²¹ *Arendi Holding Ltd. v. Microsoft Corp.*, No. 09-119-JJF-LPS, 2010 U.S. Dist. LEXIS 27020 (D. Del. Mar. 22, 2010).

²² *Id.* at *21.

²³ *First Years, Inc. v. Munchkin, Inc.*, No. 07-cv-558-bbc, 2008 U.S. Dist. LEXIS 70482, at *3 (W.D. Wis. Sept. 17, 2008).

²⁴ *Arendi*, 2010 U.S. Dist. LEXIS 27020, at *2.

²⁵ *Id.*

²⁶ *Id.* at *18–19.

²⁷ H.R. REP. NO. 106-287, pt. 1, at 55 (1999).

In a motion for summary judgment ruling that denied Arendi provisional damages, the court held that the plain language of § 154(d) does not require “that the patent applicant take an affirmative act to provide such notice to the alleged infringer (if the applicant can prove that the alleged infringer came to have actual notice through some other means).”²⁸ Although this would appear to help Arendi’s case at first glance, the court added:

It is not enough that the alleged infringer had information from which it could or should have become aware of the existence of the published patent application . . . “[t]he mere fact that the published application is included in a commercial database where it might be found is insufficient.”²⁹

The *Arendi* court explicitly dismissed the arguments for a direct notification requirement based on legislative history indicating that Congress intended for the patentee to provide notice to the alleged infringer.³⁰ However, under the facts of this case, providing the notice of publication for the application and related documents among thousands of other documents was not enough to establish actual notice.³¹

2. *First Years*’s Interpretation of “Actual Notice”

¶15 *First Years* presented a different scenario from *Arendi*. The plaintiff filed suit in the U.S. District Court for the Western District of Wisconsin against Munchkin, Inc. for patent infringement and sought pre-issuance damages by asserting provisional rights under § 154(d).³² Munchkin filed a motion to dismiss.³³

¶16 Plaintiffs asserted that they had provided actual notice of the published patent application because they had evidence that their counsel sent a letter to Munchkin bringing Munchkin’s attention to the published patent application and indicating that copies of the patent application were included. Munchkin contended that there was inadequate evidence that it had actual notice.³⁴ The defendant argued that if identifying a patent later found to be infringing is not sufficient to be entitled to infringement damages under § 287(a), then simply identifying a patent application should not be sufficient to be entitled to damages under § 154(d).³⁵

¶17 In denying Munchkin’s motion to dismiss the plaintiffs’ claims for pre-issuance damages under § 154(d), the court ruled that, in cases of direct notification by the patentee, notice of the published patent application by calling attention to it in a letter is sufficient under § 154(d).³⁶ The court further stated that, unlike § 287(a), “there is no requirement that a patentee provide notice of the specific manner by which a defendant is believed to be practicing the inventions claimed in a patent application.”³⁷

²⁸ *Arendi*, 2010 U.S. Dist. LEXIS 27020, at *23.

²⁹ *Id.* at *28 (second alteration in original) (quoting H.R. REP. NO. 106-287, at 55).

³⁰ *Id.* at *5.

³¹ *Id.* at *32.

³² *First Years, Inc. v. Munchkin, Inc.*, No. 07-cv-558-bbc, 2008 U.S. Dist. LEXIS 70482 (W.D. Wis. Sept. 17, 2008).

³³ *Id.* at *3.

³⁴ *Id.* at *4.

³⁵ *Id.* at *4–5.

³⁶ *Id.* at *3–5.

³⁷ *Id.* at *5.

3. *K-TEC*'s Interpretation of "Actual Notice"

¶18 The plaintiff in *K-TEC* filed suit against Vita-Mix Corp. for patent infringement and sought pre-issuance damages by asserting provisional rights under § 154(d).³⁸ The defendant argued "that K-TEC [wa]s not entitled to provisional rights because . . . the claims of the [] published application [we]re not substantially identical to the claims of the [issued] patent; and [because] K-TEC ha[d] no evidence of the amount of pre-issuance royalty damages it claim[ed] to have suffered."³⁹ In dismissing Vita-Mix's motion for summary judgment, the court, citing *Arendi*, ruled that "[a]lthough written notice [from patentee to alleged infringer] is certainly sufficient to satisfy the statutory requirement, the court does not read the statute's plain language to be so limited."⁴⁰ It held that a narrow interpretation, requiring the notice to take the form of a direct notification from patentee, was unpersuasive.⁴¹ The court ruled that "[a] reasonable jury could find that [the alleged infringer] was actually aware of the [] publication at some point before the [] patent was issued" based on evidence in the form of e-mails showing that they "monitored the application which matured to the [issued] patent."⁴² Thus, actual notice can be met if the alleged infringer knew of the published application through other means even without any direct involvement of the patentee.

4. Reconciling *Arendi*'s, *First Years*'s, and *K-TEC*'s Interpretations of "Actual Notice"

¶19 In *First Years*, the court ruled that a letter identifying the published application was sufficient for actual notice.⁴³ However, in *Arendi*, the court ruled that simply providing the notice of publication for the application and related documents among thousands of other documents was not enough to establish actual notice.⁴⁴ The *Arendi* court distinguished the case from *First Years* on the ground that, unlike *First Years*, the documents related to the published patent application in *Arendi* were sent with thousands of other documents and the cover letter made no mention of the patent application.⁴⁵ In contrast to *Arendi* and *First Years*, *K-TEC* shows that actual notice can be met even without any direct involvement or any direct action by the patentee.⁴⁶

¶20 Thus, a patentee's direct notification of an alleged infringer has been considered sufficient to establish actual notice when it simply identifies the patent application and calls attention to it but does not identify the specific infringing action. However, simply including a notice of publication of an application (and related documents) along with thousands of other documents without mentioning it in the cover letter was insufficient. The presence of the published application in a commercial database where it may be

³⁸ *K-TEC, Inc. v. Vita-Mix Corp.*, No. 2:06-CV-108-TC, 2010 U.S. Dist. LEXIS 51858, at *4, *20 (D. Utah May 24, 2010).

³⁹ *Id.* at *20–23 (citations omitted) (quoting 35 U.S.C. § 154(d)(1)(B) (2006)).

⁴⁰ *Id.* at *23.

⁴¹ *Id.*

⁴² *Id.* at *24.

⁴³ *First Years, Inc. v. Munchkin, Inc.*, No. 07-cv-558-bbc, 2008 U.S. Dist. LEXIS 70482 (W.D. Wis. Sept. 17, 2008).

⁴⁴ *Arendi Holding Ltd. v. Microsoft Corp.*, No. 09-119-JJF-LPS, 2010 U.S. Dist. LEXIS 27020, at *29–31 (D. Del. Mar. 22, 2010).

⁴⁵ *Id.*

⁴⁶ See *K-TEC*, 2010 U.S. Dist. LEXIS 51858.

found is also insufficient. It is also important to note district courts' interpretations of the differences between actual notice for provisional rights under § 154(d), covering the time period between the publication date and the issue date of a patent and the notice requirement under § 287(a) for damages covering the time period after a patent issues. It is not enough for a patentee to simply identify a patent later found to be infringing to receive damages under § 287(a); the patentee must identify the act of infringement. However, under § 154(d), there is no requirement to specifically identify the infringement; identifying the published application is enough, as long as it is not hidden among thousands of other documents. Notice can be met if the alleged infringer knew of the published application through other means even without any direct involvement of the patentee.

5. Implications of the Actual Notice Requirement for Provisional Rights

¶21 One obvious question that arises after looking at *K-TEC*'s interpretation of actual notice is whether companies should be tracking a competitor's patent portfolio. It has been common practice for companies to track their competitors' patent portfolios to be aware of competing products and any potential for patent infringement disputes. In light of *K-TEC*, one must consider the potential pros and cons of such a decision. Since an action for infringement or provisional rights cannot be brought until the patent issues, this gives people time to redesign around and prepare ahead of time for potential issues with competitors' patents. Therefore, tracking pending patent applications may help in avoiding damages later by taking measures before the patent issues. On the other hand, records that come out during discovery could show that the defendant was aware of the application. Evidence of such tracking can then be used to establish actual notice and get reasonable royalties for the pre-issue period.

¶22 The decision whether to track patent applications is further complicated by the fact that provisional rights depend on the claims being substantially identical in the application and the issued patent. There is no way to predict with certainty which applications will issue as patents with substantially identical claims. Therefore, a patent holder tracking their competitor's patent applications would be assuming the risk of having to pay reasonable royalties for a period before the patent issues, if that application issues as a patent with substantially identical claims and their product reads upon those claims. Although this may seem unduly harsh, it fits with Congress's purpose for providing provisional rights. Congress intended to dissuade people from taking advantage of the patent publication system by making the inventions described in the patent application publications. Anyone whose invention comes within the scope of the claims in the published application would have the incentive to either cease their infringing activity or provide valid prior art to the USPTO so that the application's claims have to be amended.

¶23 Inventors with patent publications also face a difficult decision when deciding whether or not to provide notice of their patent publications to other parties. The obvious advantage is that the patent publication owners would get the chance to collect damages for a longer period of time since they can establish actual notice for provisional rights by giving such notice. However, the disadvantage is that, following publication, the application for patent is no longer held in confidence by the USPTO and anyone may

request access to the entire file history of the application. A competitor can then submit prior art against an issued patent or pending patent application to the USPTO.

¶24 Such submissions can occur in several ways: (1) third-party submissions in patent applications,⁴⁷ (2) protests against published applications,⁴⁸ and (3) citation of prior art in issued patents.⁴⁹ Third-party submissions in patent applications and protests against published applications are the main tools a competitor would use against a published application to either try to get the issuing claims to be no longer substantially identical, or to prevent the patent from issuing altogether, thereby avoiding the reach of § 154(d). However, this could backfire because if a competitor is submitting prior art under 37 C.F.R. § 1.99 or lodging a protest under 37 C.F.R. § 1.291 directed towards a specific application, it is also potential evidence of actual notice of the application.

¶25 From the perspective of the inventor, prior art submissions could have positive or negative effects on the patent application. Although the inventor wants the best patent possible after all prior art is considered, prior art submitted by its competitors may result in amended or narrower claims such that the inventor can no longer get pre-issuance damages because the claims of the issued patent are no longer substantially identical to those in the patent publication. Competitors could strategically turn in prior art to delay the patent application. The prior art submissions may even result in complete denial of a patent. Therefore, inventors must be very careful in deciding when to inform competitors and potential infringers about patent publications. Since third-party submissions in patent applications have to be made within two months of the publication date of a patent application,⁵⁰ it would be advisable for inventors to hold off on providing competitors with information about the published patent application to minimize the chances that they could interfere with the prosecution of that patent application.

B. Defining “Substantially Identical”

¶26 Under § 154(d), even after an infringer has actual notice of the patent application publication, a patentee’s right to pre-issuance royalties is not established unless the claims in the issued patent and the published patent publication are substantially identical. *Pandora* and *K-TEC* clarify how claim amendments factor into the determination of whether patented claims are substantially identical to the ones presented in the published application.

⁴⁷ 37 C.F.R. § 1.99 (2011). These submissions are “[s]ubmissions by the public of patents or publications [made] only [d]uring the pendency of a published application.” Vincent LoTempio, “*Patent Pending*” *Provisional Rights*, LoTempio L. BLOG (Aug. 30, 2010), <http://www.lotemplaw.com/2010/08/articles/patents/patent-pending-provisional-rights/>. They “must be filed within two months from the date of publication of the application (§ 1.215(a)) or prior to the mailing of a notice of allowance (§ 1.311), whichever is earlier.” *Id.*

⁴⁸ 37 C.F.R. § 1.291. These protests may be filed by “[a]ny member of the public, including private persons, corporate entities, and government agencies [i]n a pending patent application [and] [w]ill be matched with [an] application file if [the protest] adequately identifies the patent application.” LoTempio, *supra* note 47. In addition, “[a] protest has to be filed before publication or before a notice of allowance.” *Id.*

⁴⁹ 37 C.F.R. § 1.501. In other words, “[a]ny person, individual, corporate or government entity, real parties in interest, [or] persons without a real interest [m]ay submit patents or publications along with an explanation [h]aving a bearing on the patentability of any claim in a particular patent.” LoTempio, *supra* note 47.

⁵⁰ 37 C.F.R. § 1.99.

1. *Pandora*'s Interpretation of "Substantially Identical"

¶27 In *Pandora*, the plaintiff filed a suit for patent infringement against Chamilia, LLC in the United States District Court for the District of Maryland, claiming that Chamilia's jewelry literally infringed the provisional rights of its patent.⁵¹ The court held that the claims were not substantially identical on the ground that Pandora made a narrowing amendment by substantively amending the scope of a claim to overcome the USPTO's rejection of its patent application. As a result, the court held that "[b]ecause the issued patent was not substantially identical to the published patent application, Pandora ha[d] no provisional rights to assert."⁵² Therefore, according to the *Pandora* ruling, a court must determine whether the scope is the same and not just whether the words are different. However, there are not many situations where changes made to rejected claims to make them allowable would not be substantive changes.

2. *K-TEC*'s Interpretation of "Substantially Identical"

¶28 The plaintiff in *K-TEC* filed suit in the U.S. District Court for the District of Utah against Vita-Mix Corp. for patent infringement and sought pre-issuance damages by asserting provisional rights under § 154(d).⁵³ *K-TEC* was required to show that the claims of Vita-Mix's patent application were substantially identical to those in *K-TEC*'s patent. In dismissing Vita-Mix's motion for summary judgment, the court found the patent prosecution history could support the conclusion that the two sets of claims were substantially similar.⁵⁴ Although there was an amendment made to the patent to secure the patent from the USPTO, which "can preclude a finding that the claims are not [sic] 'substantially similar,' 'there is no per se rule that an amendment to a claim in order to overcome a [US]PTO rejection based on prior art precludes finding provisional rights.'"⁵⁵

3. Reconciling *K-TEC*'s and *Pandora*'s Interpretations of "Substantially Identical"

¶29 Although the holdings are different, the takeaways from *Pandora* and *K-TEC* are the same: Not all amendments to the claims result in a finding that the claims of the published application and issued patent are not substantially identical. Even if the claim amendments are in response to a rejection from the USPTO, they can still leave the claims substantially identical unless the amendment narrows the scope of the claim. Although there are few situations where changes made to rejected claims to make them allowable would not be substantive changes, if the substance of the claims stays the same (i.e., in situations where the claim amendments make the claims more definite or better describe the same feature without narrowing it), they are still substantially identical. Provisional rights are still available as long as the actual notice requirement is also met. Therefore, in light of these two rulings, amendments that simply clarify the scope of the

⁵¹ *Pandora Jewelry, LLC v. Chamilia, LLC*, No. CCB-06-600, 2008 WL 3307156, at *9 (D. Md. Aug. 8, 2008).

⁵² *Id.* at *10.

⁵³ *K-TEC, Inc. v. Vita-Mix Corp.*, No. 2:06-CV-108-TC, 2010 U.S. Dist. LEXIS 51858, at *20–21 (D. Utah May 24, 2010).

⁵⁴ *Id.* at *24.

⁵⁵ *Id.*

claim language do not alter the claims substantially, and each claim amendment must be evaluated carefully to gauge its impact on the scope of the claim.

IV. NARROWING AMENDMENTS AND *HONEYWELL*

¶30 Narrowing amendments can preclude a finding that the claims are substantially identical, whereas amendments that make the claims more definite leave the claims substantially identical. Thus, it is important to understand what kind of amendments would be considered narrowing amendments. Typically, narrowing amendments would require that the claim language be changed such that the new language encompasses less (i.e., a smaller scope) than that of the previous claim. However, in certain situations, amendments that leave some claims with the exact same language as in the original published patent application can still arguably be considered narrowing amendments. This may sound counterintuitive, but the Federal Circuit in an en banc opinion stated that this is the case when dependent claims are written into independent form to get an allowance.⁵⁶

¶31 Judge Newman disagreed with this interpretation in her dissent, stating that “[r]ewriting of a claim in accordance with 35 U.S.C. § 112 ¶ 4 can never be a narrowing amendment, because, by statute, rewriting a dependent claim in independent form does not narrow the claim’s scope. The Court did not purport to overturn that well-respected law.”⁵⁷ One must also keep in mind that the opinion was in the context of prosecution history estoppel, which may later bar the application of the doctrine of equivalents to the limitations contained in the dependent claim.⁵⁸ However, the majority failed to endorse Judge Newman’s position or even address it. Additionally, the majority did specifically define such amendments as “narrowing amendments” and, when considered in conjunction with the *K-TEC* and *Pandora* rulings, the decision could be used to argue that narrowing amendments can preclude a finding that the claims are substantially identical. The court’s failure to address this seemingly obvious conundrum is particularly odd.

¶32 The court in *Honeywell* explained that rewriting a dependent claim in independent form could be a narrowing amendment. It stated that “[a] presumption of surrender therefore arises if rewriting the dependent claims into independent form, along with canceling the original independent claims, constitutes a narrowing amendment.”⁵⁹ Thus, the court stated that rewriting a dependent claim in independent form could be a narrowing amendment (although it was in the context of prosecution history estoppel which may later bar the application of the doctrine of equivalents to the limitations contained in the dependent claim). And the *K-TEC* and *Pandora* rulings indicate that narrowing amendments can preclude a finding that the claims are substantially identical. Combining the reasoning from *Honeywell* with the *K-TEC* and *Pandora* rulings supports the argument that rewriting a dependent claim in independent form could preclude a finding that the claims are substantially similar because the change could be a narrowing amendment. Based on the Federal Circuit’s decision in *Honeywell*, one cannot

⁵⁶ *Honeywell Int’l Inc. v. Hamilton Sundstrand Corp.*, 370 F.3d 1131, 1140 (Fed. Cir. 2004) (en banc).

⁵⁷ *Id.* at 1150 (Newman, J., dissenting).

⁵⁸ *Id.* at 1140 (majority opinion).

⁵⁹ *Id.* at 1141.

automatically assume that claims in the issued patent are substantially similar to those in the published application simply because they are the dependent claims with the exact same language rewritten in independent form.

V. SUGGESTED INTERPRETATIONS FOR THE FEDERAL CIRCUIT

¶33 This Comment recommends that the Federal Circuit consolidate the reasonable interpretations applied by the district courts in the rulings discussed in this Comment. Some may argue that there is no need for the Federal Circuit to provide any guidance because, as seen above, the district courts that have addressed these issues have so far produced reasonable results. However, very few district courts have addressed § 154(d) provisional rights and their rulings are not binding. If the Federal Circuit does not provide binding precedent, there is a risk that other district courts may not be as reasonable in their interpretations. Forum shopping is very common in patent cases and in the absence of binding precedent, infringers could find courts willing to take the interpretation in a different direction and weaken the protection promised to inventors. Such uncertainty about the application of § 154(d) would defeat congressional intent in providing protection to inventors and increase litigation costs.

¶34 For the specific issue raised by *Honeywell* and the overall interpretation of the § 154(d) requirements, this Comment recommends that the Federal Circuit focus on an interpretation that helps achieve Congress's goal of encouraging inventors to publish their applications. Putting dependent claims into independent form is a very common claim amendment. If the claims are no longer substantially identical after such amendments, there would be very few instances where pre-issuance damages will apply and provisional rights will not serve the intended purpose of incentivizing inventors to publish their applications. There would be the potential for widespread misuse of the patent publication system to produce applicants' inventions from the published applications during the period before the patent issues. With the long pendency periods and existing backlog at the USPTO, inventors could be left without protection for a substantial period of time and they may choose to avoid publication so that their applications are kept confidential.

¶35 Therefore, the Federal Circuit should clarify that, for the purpose of determining provisional rights, claims that are still substantially identical after amendment are not to be considered narrowing amendments in situations where a dependent claim in the published application was put into independent form in the issued patent. Additionally, the Federal Circuit should affirm the reasoning from *K-TEC* and *Pandora* that not all claim amendments preclude a finding that claims are substantially identical, even those that are in response to USPTO rejections. The court should emphasize that each claim amendment should be individually evaluated to determine its impact on the scope of the claim.

¶36 With respect to the actual notice requirement, the Federal Circuit should issue an opinion that confirms and combines the reasoning from *K-TEC*, *First Years*, and *Arendi* to create a rule that will provide more certainty for potential litigants. Additionally, such a move would provide binding precedent for the future and would prevent other district courts from expanding or narrowing the impact of § 154(d) according to their whims. The Federal Circuit should not only rule out constructive notice, but also establish that direct notification action by patentee is not a necessary condition. The court should

establish that it is sufficient if the alleged infringer knew about the patent application through other means. The court should also establish requirements for direct notification that are fair to both patentees and potential infringers. Patentees should not have to specifically point out the infringement, but they also should not be able to conceal the notification among other documents.