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Strategic Assertions: Evading the Patent Marking Requirement

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**Strategic Assertions: Evading the Patent Marking
Requirement**

Christina Sharkey



Strategic Assertions: Evading the Patent Marking Requirement

By Christina Sharkey*

Failing to mark patented articles as such could limit damages in an infringement suit. But the current state of marking law includes a meaningless distinction between marking requirements for patented articles and marking requirements for articles that are associated with patented methods. This differential treatment creates loopholes for avoiding the consequences of non-marking and degrades the policy objective of requiring marking—providing notice. Congress should act to ensure that patent owners cannot skirt their duty to the public by selecting to associate an inventive article with method patents or claims. Although similar critique has been issued in the past, the continued use of loopholes and conflicting precedent render the issue pertinent today. This Comment surveys the relevant interpretations of the marking statute, the loopholing techniques available to creative patentees, and advocates for a change in the law.

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I. INTRODUCTION

¶1 The superfluous distinction that federal courts have drawn between marking requirements for patented articles and marking requirements for articles that are associated with patented methods has been improperly perpetuated and continues to thwart the policy objectives of the Patent Marking Statute.¹ That statute—which requires patentees who make, sell, or offer to sell patented articles within the United States to mark those articles with their associated patent numbers²—superficially disregards the need for patentees who make, sell, or offer to sell articles associated with their patented processes to mark. This left the determination of whether a patentee holding a method claim that is associated with an article must mark the article to the courts.

¶2 Regrettably, the common law doctrine promulgated in place of clear statutory language leaves the patent-marking requirements for these types of patentees largely in their own hands. The case law dictates that the inquiry into whether or not a patentee must mark is, confusingly, independent of the type of patented invention at issue and dependent on the way in which the patentee chooses to claim that invention within its patent or what claims of infringement the patentee brings to court in litigation.³ This doctrine has led to exhaustive degradation of the policies that the statute was originally created to enhance.⁴

¶3 The Patent Marking Statute, 35 U.S.C. § 287(a), does not explicitly require patentees of method claims associated with a product to mark. Congress has had multiple opportunities to modify the statute in order to include marking requirements for articles that are associated with patented methods, the most recent being the America Invents Act,⁵ yet has failed to do so. The legislature has thus failed to clarify for the courts that a distinction between patented articles and patented processes associated with articles for the purposes of the marking requirement has no policy motivation. Furthermore, legislative inaction fails to address the fact that promulgation of the courts' doctrine makes way for strategic loopholing.

¶4 Although these shortcomings have been addressed in the past,⁶ conversations surrounding this issue have remained stagnant as of late, in spite of the fact that the negative byproducts of this rule continue to be relevant to today's patent prosecution and litigation. The problems with this doctrine remain unsolved and continue to frustrate consumer protection by giving patentees a means to argue that their reckless disregard of

¹ 35 U.S.C. § 287(a) (2006).

² *Id.*

³ *See, e.g.,* Bandag, Inc. v. Gerrard Tire Co., 704 F.2d 1578, 1581 (Fed. Cir. 1983) (holding that the notice requirement of 35 U.S.C. § 287(a) does not apply where the patent is directed to a process); Hanson v. Alpine Valley Ski Area, Inc., 718 F.2d 1075, 1082–83 (Fed. Cir. 1983) (holding that if only process claims are asserted in an infringement suit, the patentee may recover pre-marking damages, even if the claimed product was not proven to be sufficiently marked).

⁴ *See infra* Part III. Policy of the Rule.

⁵ *Cf.* Peter E. Heuser & Johnathan E. Mansfield, *Reinventing Patent Law: The America Invents Act Changes the Rules*, OR. STATE BAR BULL., Nov. 2011, at 38, 40 (chronicling the changes the latest legislative patent reform, the America Invents Act, will produce).

⁶ *See, e.g.,* Krista S. Jacobsen, Comment, *Methods, Marking, and Messiness: Revisiting the Federal Circuit's Rule That Product Marking is not Required Where a Patent is Directed to a Method*, 13 INTELL. PROP. L. BULL. 107 (2009); James M. Markarian, *Can the Marking Requirements for a Patented Article Be Circumvented by Obtaining a Process Patent?*, 79 J. PAT. & TRADEMARK OFF. SOC'Y 365 (1997).

the Patent Marking Statute requires no penalty.⁷ The few attempts at pushback by courts have not illustrated a successful remedy.⁸ For these reasons, the need for resolution is now greater than ever. Legislative action in the form of an amendment to 35 U.S.C. § 287(a) remains the only feasible solution to this problem. Without such action, patentees will continue to draft patent claims and plead patent infringement in ways that subvert the principles that drove the creation of the patent marking requirement.⁹

This Comment takes the position that the evolution of the current patent marking requirement was misguided and has resulted in anti-consumer policies by bestowing on the patentee the power to selectively mark. Part II of this Comment discusses the relevant legislation and recognizes the inadequacy of 35 U.S.C. § 287(a) and its downstream effects. Part III describes the policy goals of the statute. Part IV chronicles the multiple methods by which patentees can deliberately circumvent patent marking requirements and notes the cases that have enforced the existence of those evasions. Part V portrays one particularly unseemly illustration of a patentee's justification for exclusion from the damages-limiting consequences of § 287(a) prompted by the current system of regulation. Part VI of this Comment gives due credit to the few courts that have tried to return marking requirement law to a position that reflects the policy objectives that the statute was originally created to further. Part VII concludes by noting that those courts have not only been few but also unsuccessful in their efforts, and, therefore, the only viable solution to this prolonged quandary is the interference of the legislature.

II. THE PATENT MARKING STATUTE, ITS INADEQUACIES, AND *WINE RAILWAY*

Initially, the United States patent system required no marking at all. The public at large was required to take notice of the patent by mere public record of the patent.¹⁰ Later, via the Patent Act of 1842, the system began imposing a marking requirement on patentees.¹¹ Today, the relevant statutory language of 35 U.S.C. § 287(a) provides:

Patentees, and persons making, offering for sale, or selling within the United States any patented article for or under them, or importing any patented article

⁷ See, e.g., Mformation Technologies, Inc.'s Opposition to RIM's Motion for Partial Summary Judgment to Limit Pre-Suit Damages at 2–5, Mformation Techs., Inc. v. Research in Motion Ltd., 830 F. Supp. 2d 815 (N.D. Cal. 2011) (No. C 08-04990 JW), ECF No. 581 (arguing that the plaintiff need not have marked the patented article associated with the process claims at issue in order to recover damages accrued prior to providing notice of infringement to the defendant).

⁸ See, e.g., Am. Med. Sys., Inc. v. Med. Eng'g Corp., 6 F.3d 1523, 1538–39 (Fed. Cir. 1993); Honeywell Int'l Inc. v. Hamilton Sundstrand Corp., No. Civ.A. 99-309 GMS, 2001 WL 66345, at *3 (D. Del. Jan. 4, 2001); Soverain Software LLC v. Amazon.com, Inc., 383 F. Supp. 2d 904, 908–09 (E.D. Tex. 2005).

⁹ See *Wine Ry. Appliance Co. v. Enter. Ry. Equip. Co.*, 297 U.S. 387, 397–98 (1936) (noting that the history of the marking requirement reveals its purpose: requiring that marks be put on patented articles “for the information of the public” in order to “provid[e] protection against deception by unmarked patented articles”); *Nike, Inc. v. Wal-Mart Stores, Inc.*, 138 F.3d 1437, 1443 (Fed. Cir. 1998) (referencing the marking statute's three related purposes: “helping to avoid innocent infringement,” “encouraging patentees to give notice to the public that the article is patented,” and “aiding the public to identify whether an article is patented”).

¹⁰ Carl Oppedahl, *Patent Marking of Systems*, 11 SANTA CLARA COMPUTER & HIGH TECH. L.J. 205, 209–10 (1995) (“The earliest patent statutes imposed no duty on a patent owner to mark articles.”).

¹¹ *Id.* at 210.

into the United States, may give notice to the public that the same is patented, either by fixing thereon the word “patent” or the abbreviation “pat.,” together with the number of the patent, . . . or when, from the character of the article, this can not be done, by fixing to it, or to the package wherein one or more of them is contained, a label containing a like notice. In the event of failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice. Filing of an action for infringement shall constitute such notice.¹²

¶7 The language of the current marking statute remains largely the same as it did in 1842, with only one major modification. Instead of charging patent owners a fine should they fail to mark, as was mandated by the Patent Act of 1842, the Patent Act of 1861 required patentees who failed to mark to forfeit their right to infringement damages that accrued prior to conveyance of actual notice to the infringer.¹³ The rule thereby provides, instead of a sanction, a very alluring carrot—in the form of infringement damages accrued since the outset of infringement—for those patent owners who elect to mark in accordance with the statute. Furthermore, notice is presumed when the patentee has marked in accordance with the statute. Therefore, if the patent holder is not found in violation of the statute, the patentee can recover for all past infringement so long as infringement is proven.¹⁴ Considering the potential size of patent damages awards, it is not hard to see why patentees prefer to comply with the statute.

¶8 Although unrelated to this Comment, it is interesting that the Leahy–Smith America Invents Act, passed into law in 2011, added a means for patent owners to comply with the statute easily and inexpensively by allowing for virtual marking.¹⁵ That Act allows the patent owner to provide an Internet address that associates the patented article with its patent number, rather than providing the patent number on the article itself.¹⁶ This option is particularly useful when multiple patents are associated with the same product. A website can inexpensively include patent numbers for all pending patents associated with the product and obviate the need to constantly update products with new patent numbers.¹⁷

¶9 Although the statutory language is popularly thought to apply the marking requirement only to article patent owners, the language could be construed as ambiguous with respect to whether method patent owners must mark. In *Wine Railway Appliance*

¹² 35 U.S.C. § 287(a) (2006).

¹³ See Oppedahl, *supra* note 10, at 210 (recounting that the Act eliminated “the fine for failure to mark and instead establish[ed] a rule much like today’s rule, where failure to mark relieves an infringer of liability for conduct prior to the date of actual notice”).

¹⁴ See Preston Moore & Jackie Nakamura, *The United States Patent Marking and Notice Statute*, 22 AIPLA Q.J. 85, 95 (1994) (“Notice is not required for recovery of pre-filing damages if the patentee or its authorized users have complied with the marking statute.”).

¹⁵ Leahy–Smith America Invents Act, Pub. L. No. 112-29, § 16(a), 125 Stat. 284, 328–29 (2011).

¹⁶ *Id.*

¹⁷ See Corey McCaffrey, Note, *The Virtues of Virtual Marking in Patent Reform*, 105 NW. U. L. REV. 367, 369 (2011) (describing that “the major advantage of virtual marking is that it untangles marking from the manufacturing process,” precluding the need for patentees to invest in physically changing a mark through manufacturing by allowing for virtual compliance).

Co. v. Enterprise Railway Equipment Co.,¹⁸ the respondent argued that the statute requires *all* patentees, regardless of whether their patent identified an article or process, to give notice, either by marking or by providing actual notice.¹⁹ The Supreme Court declined to accept the respondent’s proposed interpretation that the phrase in the marking statute “making or vending any patented article” provided a subset of persons regulated by the statute, rather than a qualification of the statute’s previously referenced “patentees,” overruling the circuit court’s holding that the statute “requires that notice be given by all patentees . . . and also, by all persons making or vending the patented article.”²⁰ By holding that, for purposes of the statute, “patentees” referred only to those patent owners who make or vend patented articles, the Court deregulated method patent owners.²¹

¶10

The Court based this decision on the unjustifiably impractical result of requiring method patent owners to provide actual notice to every potential infringer.²² Because of the physical impossibility of marking a patented process, *Wine Railway* held § 287(a) does not act to limit infringement damages of a patent containing only method claims.²³ The Court considered that if the respondent’s position were accepted, the statute would impose “a duty to the public impossible of performance when no article is made or vended by [the patentee].”²⁴ And without a patentee’s ability to meet the insurmountable burden of providing notice to every potential infringer, method patent infringement would ensue without consequence since no damages would accrue under the terms of the statute. The Court reasoned that “[i]f respondent’s position is correct, process patents and patents under which nothing has been manufactured may be secretly infringed with impunity, notwithstanding injury to owners guilty of no neglect.”²⁵ The Supreme Court thereby ruled with finality that “making or vending any patented article” qualifies “patentees” in the marking statute, as opposed to providing another subset of regulated individuals in addition to all patentees.²⁶ Thus, the Court supplied the answer to any

¹⁸ 297 U.S. 387 (1936).

¹⁹ *See id.* at 394–95 (The respondent’s rejected argument submitted that the statute “requires a patentee or patent owner, whether or not he makes or vends [a patented article], to give notice . . . as therein specified.”).

²⁰ *Id.* at 397–98 (the Circuit Court of Appeal’s holding required “the patentee or his assignee who does not make or vend the article to give notice of the patent and limit[ed] the recovery for infringement thereof to damages sustained thereafter”).

²¹ At the time of the *Wine Railway* decision, the marking statute provided: “[i]t shall be the duty of all patentees, and their assigns and legal representatives, and of all persons making or vending any patented article for or under them, to give sufficient notice to the public that the same is patented.” *Id.* at 392. By holding that “patentees” was qualified by “persons making or vending any patented article,” the Supreme Court created an exception to the marking requirement for method patent owners.

²² *Id.* at 395 (noting that “[p]enalty for failure implies opportunity to perform” and that the requirement of a visible mark would be impossible to perform unless “given in connection with some fabricated article”).

²³ *Id.* at 395–98 (“Under the interpretation which we accept, [the statute] provides protection against deception by unmarked patented articles, and requires nothing unreasonable of patentees.”).

²⁴ *Id.* at 395.

²⁵ *Id.* at 394–95.

²⁶ With respect to this provision in the current statutory language, “persons making, offering for sale, or selling with the United States any patented article for or under them, or importing any patented article into the United States” qualifies “patentees” under the Court’s reasoning. 35 U.S.C. § 287(a) (2006).

ambiguity in the language of the statute by making clear that the marking statute is applicable only to patentees who make or sell patented products in the United States.²⁷

¶11 Although the Court's interpretation seems reasonable, *Wine Railway* failed to consider what the proper interpretation of the statute would be if a court were faced with a patentee whose method patents were embodied by a perfectly markable article. *Wine Railway*'s shortcoming is therefore identical to the inadequacy of the statute itself. If that hypothetical had been considered in the dicta of the case, the policies driving the statute²⁸ would have surely compelled the interpretation that "patentees" did, indeed, include both method and article patent owners. So long as it would not be impracticable to mark, a patentee should do so. Although it is intuitive to hold that patentees whose patented processes have no associated articles are not required to mark, it does not follow that those who own the rights to patented processes that are embodied by articles should be included in the exception provided to non-producing method patent owners by *Wine Railway*.

III. POLICY OF THE RULE

¶12 The *Wine Railway* decision went further than stating simple conclusions when it referenced the policy concerns at issue in the enforcement of the marking requirement.²⁹ The decision noted that the Court's interpretation "provides protection against deception by unmarked patented articles, and requires nothing unreasonable of patentees."³⁰ These policy considerations have been considered more thoroughly by other courts as well.

¶13 The delicate balance between ensuring that patentees are not overburdened by the marking requirement and protecting consumers from innocent infringement is exemplified by the following language from the *Nike v. Wal-Mart* case: "[t]he marking statute serves three related purposes: 1) helping to avoid innocent infringement; 2) encouraging patentees to give notice to the public that the article is patented; and 3) aiding the public to identify whether an article is patented."³¹ Therefore, as a whole, "[t]he purpose of [the] statute is to encourage patent owners to mark their patented products . . . in order to give constructive notice to the public of the existence of the patent and to prevent innocent infringement."³²

²⁷ *Wine Ry.*, 297 U.S. at 398 (holding that the Act does not require a patentee "who did not produce to give actual notice to an infringer before damages could be recovered"); *see also* Moore & Nakamura, *supra* note 14, at 88 ("The limitation on damages . . . applies only to patent owners who have either used the patent in manufacture and sold patented products in the United States or authorized others to do so. . . . Because one cannot mark a patented process, section 287(a) does not limit damages for infringement of a patent containing only method or process claims.").

²⁸ *See Wine Ry.*, 297 U.S. at 398 (citing protection for the public against deception by unmarked patented articles as the policy rational behind the statute); *Nike, Inc. v. Wal-Mart Stores, Inc.*, 138 F.3d 1437, 1443 (Fed. Cir. 1998) (referencing the marking statute's three related purposes: "helping to avoid innocent infringement," "encouraging patentees to give notice to the public that the article is patented," and "aiding the public to identify whether an article is patented"); *infra* Part III. Policy of the Rule.

²⁹ *See Wine Ry.*, 297 U.S. at 398 ("Under the interpretation which we accept, [the statute] provides protection against deception by unmarked patented articles . . ."); *id.* at 397 (The statute reveals "the purpose to require that marks be put on patented articles for the information of the public.").

³⁰ *Id.* at 398.

³¹ *Nike*, 138 F.3d at 1443 (citations omitted).

³² Moore & Nakamura, *supra* note 14, at 87.

¶14 The first policy consideration cited by the Federal Circuit in *Nike v. Wal-Mart*, helping to avoid innocent infringement, is of great importance.³³ The statute’s creation was driven by concern for the rights of the consumer.³⁴ The statute eliminates the consumers’ burden of discovering whether a product is patented by requiring the patentee, the party that can more easily supply notice and prevent innocent infringement, to mark. The statute makes it the duty of the patentee to give sufficient notice to the public that the patent exists. This notice is achievable, as laid out by the statute, in one of two ways: marking or providing actual notice.³⁵

¶15 The second policy consideration appreciated by *Nike*, encouraging patentees to give notice to the public that the article is patented,³⁶ references incentives. As explained by one district court, “[t]he purpose of this provision is to give patentees the proper incentive to mark their products and thus place the world on notice of the existence of the patent.”³⁷ As discussed in Part II, the incentive is created by the potential to recover damages accrued prior to giving actual notice of infringement.

¶16 The third and final policy consideration of *Nike*, aiding the public to identify whether an article is patented,³⁸ considers the wellbeing of the purchaser. As the Supreme Court explained in *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*,³⁹ “[t]he notice requirement . . . provides a ready means of discerning the status of the intellectual property embodied in an article of manufacture or design. The public may rely upon the lack of notice in exploiting shapes and designs accessible to all.”⁴⁰ This policy consideration takes into account the possibility that, without such notice, patentees would be requesting damages in bad faith. As the Federal Circuit explained, “[h]aving sold the product unmarked, [the patentee] could hardly maintain entitlement to damages for its use by a purchaser uninformed that such use would violate [the] patent.”⁴¹

¶17 These related policy concerns, though all seemingly restricted to article patentees by the statute and the case law, are equally applicable and pertinent to patentees of methods embodied by an article. *Wine Railway* based its holding on the impossibility of performance if patentees were required to mark patented intangible processes. However, such a concern is obviated where a patented method is embodied by an article. Requiring a patentee whose patents contain methods that are embodied by an article to mark that article with the method patent number is no more burdensome than requiring a patentee to mark their article with its corresponding article patent number. “If it is not

³³ *Nike*, 138 F.3d at 1443.

³⁴ *Wine Ry.*, 297 U.S. at 397 (analyzing the legislative history of the statute and finding that it reveals the “purpose to require that marks be put on patented articles for the information of the public”).

³⁵ See 35 U.S.C. § 287(a) (2006).

³⁶ *Nike*, 138 F.3d at 1443.

³⁷ *Laitram Corp. v. Hewlett-Packard Co.*, 806 F. Supp. 1294, 1296 (E.D. La. 1992) (citing *Bandag, Inc. v. Gerrard Tire Co.*, 704 F.2d 1578, 1581 (Fed. Cir. 1983)); see also *Amsted Indus., Inc. v. Buckeye Steel Castings Co.*, 24 F.3d 178, 185 (Fed. Cir. 1994) (quoting *Am. Med. Sys., Inc. v. Med. Eng’g Corp.*, 6 F.3d 1523, 1538 (Fed. Cir. 1993)) (referencing the purpose of the statute: “to encourage the patentee to give notice to the public of the patent”).

³⁸ *Nike*, 138 F.3d at 1443.

³⁹ 489 U.S. 141 (1989).

⁴⁰ *Id.* at 162. Cf. *Amsted Indus.*, 24 F.3d at 185 (defining the statute’s policy goal as “notifying the public concerning the patent status of items in commerce”).

⁴¹ *Devices for Med., Inc. v. Boehl*, 822 F.2d 1062, 1066 (Fed. Cir. 1987).

unreasonable to require a patent holder to mark a tangible product claimed as an apparatus, it is likewise not unreasonable to require the patent holder to mark that same tangible product made using a patented method, or used according to a patented method.”⁴²

¶18 Arguably even less burdensome is the marking requirement’s imposition where a product embodies article and process claims claimed within the same patent. The public should be informed of the existence of the patent under the marking requirement of § 287(a). Marking the article with the patent number containing both apparatus and method claims would be no more of an unreasonable burden than marking an article with the patent number of a patent containing only apparatus claims. Furthermore, the same positive policy implications flow from applying the marking requirement to this subset of patentees.

¶19 Unfortunately, *Wine Railway*’s progeny and Congress have avoided discussion of the obvious incongruity within the rule, refusing to consider the policy considerations’ degradation where treatment of a patentee of a patented method embodied by an article differs from that of a patentee of purely a patented article.⁴³ Therefore, the illogical result of *Wine Railway*’s explicit limitation of the statute to patentees who make or sell any patented article and § 287(a)’s lack of language related to patentees of method patents remains.

¶20 Because manufacturing unmarked articles is less costly than manufacturing articles marked with their associated patent numbers, owners of method patents have learned how to reap the benefits of this omission. Maintaining this futile distinction provides multiple means for circumventing the marking provisions.⁴⁴ A patentee who adopts any of these available schemes can sue on their method patents and claim that marking was not required with either their article or method patent numbers because a process patent is at issue in the case. This strategy allows the patentee litigant to claim damages accrued prior to giving actual notice.⁴⁵ Although this result seems absurd, it remains the current state of marking law.

IV. THE LOOPHOLES

¶21 Three possible means of circumventing the marking requirement are created by the current state of the law: (1) patent only the method used to produce the article or the method that the article must use to function;⁴⁶ (2) patent both the method used to produce the article, or the method the article uses to function and the article itself, but patent them

⁴² Jacobsen, *supra* note 6, at 127–28.

⁴³ See, e.g., *State Contracting & Eng’g Corp. v. Condotte Am., Inc.*, 346 F.3d 1057, 1074 (Fed. Cir. 2003) (holding that the marking statute does not require a court to examine a patent containing only method claims to see if something could have been marked in order to assess whether the notice provision applies); *Hanson v. Alpine Valley Ski Area, Inc.*, 718 F.2d 1075, 1082–83 (Fed. Cir. 1983) (holding that if only process claims are asserted in an infringement suit, then the patentee may recover pre-marking damages, even if the claimed product was not proven to be sufficiently marked).

⁴⁴ See *infra* Part IV. The Loopholes.

⁴⁵ *Id.*

⁴⁶ See Jacobsen, *supra* note 6, at 125–26 (explaining that the Federal Circuit’s rule incentivizes patent applicants to draft only method claims so that they can avoid marking their products without implicating the damages-limiting consequences of § 287).

separately and claim only infringement of the method patent;⁴⁷ or (3) patent the method used to produce the article, or the method the article uses to function and the article itself, within different claims of the same patent and assert infringement of only the method claims of that patent.⁴⁸

A. *Patenting Only the Method*

¶22 Patenting only the processes used to produce an article or the processes that an article must use to function is the safest of the loophole techniques for those patentees who wish to avoid the costs associated with marking while remaining entitled to damages that accrued prior to giving actual notice. “The Federal Circuit’s rule . . . encourages patent applicants to draft only method claims in a patent application so they can manufacture unmarked products, put those products into the stream of commerce, and then circumvent § 287(a) when they sue infringers.”⁴⁹

¶23 The Federal Circuit, in *State Contracting & Engineering Corp. v. Condotte America, Inc.*,⁵⁰ explicitly held that the marking statute does not require a court to examine “a patent containing only method claims . . . to see if something could have been marked in order to assess whether the notice provision applies.”⁵¹ Because the court will not undertake any inquiry into the literal ability of the patentee to mark the invention, patentees face no obstacles where they strategically claim only methods in their patent and then sue for infringement, all the while bypassing the marking requirement even where markable articles embody the patented method at issue.

B. *Separate Patents*

¶24 Because the Federal Circuit has explicitly held that the notice requirement of the statute does not apply where the patent is directed to a process or method,⁵² another possibility for circumvention exists where the inventor is willing to patent the method and the article through the filing of separate patents and then to bring only claims of infringement of the method patent to court. Considering the general interpretation of the statute that “[i]f the patent only contains process claims, then no duty to mark will likely

⁴⁷ See *id.* at 126 (discussing the patentee’s ability to file two separate patent applications, one for the apparatus and one for the method, in order to avoid § 287).

⁴⁸ See, e.g., *Hanson v. Alpine Valley Ski Area, Inc.*, 718 F.2d 1075, 1082–83 (Fed. Cir. 1983) (holding that if only process claims are asserted in an infringement suit—regardless of whether the patent included an apparatus claim—the patentee may recover pre-marking damages, even if the claimed product was not proven to be sufficiently marked).

⁴⁹ See *Jacobsen*, *supra* note 6, at 125–26.

⁵⁰ 346 F.3d 1057 (Fed. Cir. 2003).

⁵¹ *Id.* at 1074 (citing *Hanson*, 718 F.2d at 1083).

⁵² See, e.g., *ActiveVideo Networks, Inc. v. Verizon Commc’ns, Inc.*, 694 F.3d 1312, 1333–34 (Fed. Cir. 2012) (rejecting defendant’s argument that “the long standing rule that marking is not required for patents with only method claims should not apply if the patentee has also asserted other patents that contain apparatus claims embodying the same invention” because the “the law is clear that the notice provisions of § 287 do not apply where the patent is directed to a process or method” (internal indicators omitted) (quoting *Fujitsu Ltd. v. Netgear Inc.*, 620 F.3d 1321, 1332 (Fed. Cir. 2010))); *Bandag, Inc. v. Gerrard Tire Co.*, 704 F.2d 1578, 1581 (Fed. Cir. 1983) (holding that the notice requirement of 35 U.S.C. § 287(a) does not apply where the patent is directed to a process).

arise, and therefore the failure to mark will not likely preclude damages,⁵³ logic directs that a patentee could avoid marking by separating process and product claims into separate patents. Again, the fact that the Federal Circuit has refused to create a rule that requires the use of the patent to be considered in order to ascertain whether there is something tangible to mark facilitates the furtherance of this technique.

¶25 Not only does this loophole provide a means for patentees to act in complete violation of the policy considerations cited in *Nike*, it also encourages another negative policy result by unnecessarily wasting the USPTO's time. The use of this loophole increases patent filing by encouraging patentees to file not one but two patent applications because the patentee's invention encompasses a method embodied by an article. This is an exceptionally unfortunate repercussion considering both the USPTO's backlog and the vast number of non-futile applications at the USPTO that are worthy of review. The total number of patent applications filed with the USPTO in 2012 was 576,763.⁵⁴ "The office is stretched to the limit, struggling to provide timely examinations despite an ever-increasing backlog . . . [T]he USPTO production line is incapable of keeping up with the overwhelming input of applications."⁵⁵ It follows that courts should not promote adding frivolous reasons for potential patentees to file more than one application when claims could more adequately be represented within one patent.

C. *Patent the Method and the Article Within Different Claims of a Single Patent Application but Assert Only Infringement of Method Claims*

¶26 The most worrisome of the potential loopholes available to patentees who wish to skirt the requirements of marking is that of strategically asserting infringement of only method claims even though the patent at issue contains both method and article claims. "Under the present case law, when infringement of both article and process claims from a single patent is alleged, marking the article with the patent number is a precondition for collection of pre-litigation damages."⁵⁶ However, so long as infringement of the article patent is not asserted, the courts do not require marking.⁵⁷ This loophole produces the most controversy because it seems to be the closest to the dividing line between patentees that are required to mark and those that are not required to mark.

¶27 In *Hanson v. Alpine Valley Ski Area, Inc.*, decided in 1983 on appeal from a district court's adoption of a magistrate's report on the issue of damages, the Federal Circuit

⁵³ 4 ROBERT A. MATTHEWS, ANNOTATED PATENT DIGEST § 30:157 (2005); see also *State Contracting & Eng'g Corp.*, 346 F.3d at 1074 (citing *Hanson*, 718 F.2d at 1083) (reasoning that the marking statute does not require a court to examine a patent containing only method claims to see if something could have been marked in order to assess whether the notice provision applies).

⁵⁴ U.S. Patent Statistics Chart Calendar Years 1963–2012, U.S. PAT. & TRADEMARK OFF., http://www.uspto.gov/web/offices/ac/ido/oeip/taf/us_stat.htm (last modified June 7, 2013).

⁵⁵ Warren K. Mabey, Jr., *Deconstructing the Patent Application Backlog . . . A Story of Prolonged Pendency, PCT Pandemonium & Patent Pending Pirates*, 92 J. PAT. & TRADEMARK OFF. SOC'Y 208, 217 (2010).

⁵⁶ Markarian, *supra* note 6, at 370.

⁵⁷ See *Hanson v. Alpine Valley Ski Area, Inc.*, 718 F.2d 1075, 1082–83 (Fed. Cir. 1983) (noting that "[The appellant] states that [the respondent's] patent also includes apparatus claims. The only claims that were found infringed in this case . . . are drawn to 'the method of forming, distributing, and depositing snow upon a surface'" in rejecting the appellant's argument that the respondent was precluded from recovering actual damages prior to notice of the infringement suit due to failure to mark its machines) (internal indicators omitted) (citing *Hanson v. Alpine Valley Ski Area, Inc.*, 611 F.2d 156, 158 (6th Cir. 1979)).

ruled that if only process claims are asserted in an infringement suit, the patentee may recover pre-marking damages even if the claimed product was not proven to be sufficiently marked.⁵⁸ The product in that case was a tangible item that could be used to practice the claimed process and was thus perfectly capable of being marked.⁵⁹ Although the patent included seven claims, five of which were method claims and two of which were apparatus claims,⁶⁰ the patentee had asserted that the defendant infringed only the method claims.⁶¹ The method claims disclosed methods “of forming, distributing, and depositing snow.”⁶²

¶28 Before the damages issue was raised at the Federal Circuit, the district court’s determination of patent validity and infringement was appealed to the Sixth Circuit. The Sixth Circuit affirmed the district court’s ruling that three of the patent’s method claims were valid and infringed.⁶³ The district court then determined an accounting of the patentee’s damages in accordance with a magistrate’s recommendation.⁶⁴ That judgment was appealed to the Federal Circuit.⁶⁵ The Federal Circuit determined that the patentee, regardless of his failure to mark, was permitted to recover damages that accrued prior to marking because the suit involved only patented processes.⁶⁶ This ruling therefore confirmed the possibility of avoiding the damages-limiting consequences of not marking so long as the patentee forgoes alleging infringement of article claims, instead asserting infringement of only method claims.

¶29 In 1993, the Federal Circuit refined the marking rule in *Devices for Medicine, Inc. v. Boehl*.⁶⁷ The plaintiff patentee argued that the district court’s jury instruction was faulty because it failed to clarify that “notice is not required when the patent contains method claims.”⁶⁸ The court held that the determination of whether to allow pre-marking damages recovery for a patentee that fails to mark hinges on the allegations brought by the patentee. Where the patentee alleges infringement of only process claims, no duty to mark arises. Where a patentee alleges infringement of both process and article claims, a duty to mark arises.⁶⁹ Because the plaintiff patentee alleged infringement of both its apparatus and method claims, it could not recover damages accrued prior to providing actual notice to the alleged infringer.⁷⁰

⁵⁸ *Hanson*, 718 F.2d at 1082–83.

⁵⁹ *See id.* at 1076.

⁶⁰ U.S. Patent No. 2,968,164 (filed Feb. 24, 1958) (issued Jan. 17, 1961).

⁶¹ In *Hanson v. Alpine Valley Ski Area, Inc.*, No. 3260, 1977 U.S. Dist. LEXIS 15855, at *2 (E.D. Mich. May 17, 1977), the district court noted that it sought to determine whether the defendant infringed claims 1, 2, or 6 of the ‘165 Patent. All three of these claims are method claims. *See* ‘164 Patent col.5, 6.

⁶² *Hanson*, 1977 U.S. Dist. LEXIS 15855, at *2. (referring to the patent’s method claims as disclosing a method of making snow known as “airless” snowmaking); *see* ‘164 Patent col. 5, 6.

⁶³ *Hanson v. Alpine Valley Ski Area, Inc.*, 611 F.2d 156, 161–62 (6th Cir. 1979).

⁶⁴ *Hanson v. Alpine Valley Ski Area, Inc.*, No. 3260, 1981 U.S. Dist. LEXIS 17789 (E.D. Mich. Feb. 13, 1981).

⁶⁵ *Hanson v. Alpine Valley Ski Area, Inc.*, 718 F.2d 1075, 1076 (Fed. Cir. 1983).

⁶⁶ *Id.* at 1082–83.

⁶⁷ 822 F.2d 1062 (Fed. Cir. 1987).

⁶⁸ *Id.* at 1066 (citations omitted).

⁶⁹ *Id.* (noting the importance of the distinction between cases where only method claims are asserted to have been infringed and cases where the plaintiff alleges infringement of apparatus and method claims).

⁷⁰ *Id.* (“In *Bandag*, and in *Hanson*, this court specifically noted a distinction between cases in which only

¶30 *Devices for Medicine* also signaled a distinction between asserting infringement of a patented method that embodies the use of a product and a patented method that embodies the process of making a product.⁷¹ The court explained, “[h]aving sold the product unmarked, [plaintiff] could hardly maintain entitlement to damages for its *use* by a purchaser uninformed that such *use* would violate [plaintiff’s] method patent.”⁷² Perhaps the Federal Circuit wished to opine that not requiring patentees of methods that are embodied by the use of an article to mark is a futile and policy-deprecating decision. However, if this were the true meaning of the dictum, it seems a meaningless distinction to require only patentees of methods embodied by the use of an article to mark but not patentees of methods embodied by the process of production of the article. The burden of marking, the main consideration of *Wine Railway*, would be just as great in either of these situations, and the desirable policy of putting consumers on notice is implicated in either case.

¶31 The Federal Circuit continues to follow the rule of *Hanson* and *Devices for Medicine*, always noting that it is the fact that the patentee only asserted infringement of process claims that is at issue, not whether there was an article that could have feasibly been marked with the method patent number.⁷³ Therefore, with the least amount of forethought, a patentee now has the ability to patent both articles and methods within the same patent and refuse to mark the article with the patent number without risking any loss of damages because no form of notice is required. So long as the patentee asserts infringement of strictly the method claims within the patent, case law will allow a patentee to recover all damages accrued prior to providing actual notice to the alleged infringer once infringement of those claims is found.

V. AN ILLUSTRATION OF THE EXPLOITATION OF THE FEDERAL CIRCUIT’S RULE

¶32 The policies that drove the creation of the marking statute⁷⁴ are not served by the current system of patent marking regulation. Tying the marking requirement to determinations made by the patentee, either at the time of filing a patent application or the time of bringing suit, instead of looking to the reasons for and feasibility of marking, allows patentees to selectively avoid the consequences that the statute sought to impose for the purpose of protecting consumers. Advancement of the chosen superficial delineation between patentees required to mark and those not required to mark has led to

method claims are asserted to have been infringed and cases like the present case, where DFM alleged infringement of all its apparatus and method claims.”).

⁷¹ See 1 JOHN GLADSTONE MILLS ET AL., PATENT LAW FUNDAMENTALS § 2:22 (2nd ed. 2002) (noting that in *Devices for Med.* the Federal Circuit acknowledged disparate treatment of patents aimed at a method of *using* an article and those aimed at a method of *making* an article but that such a superfluous distinction has since been seemingly repudiated by *American Medical Systems, Inc. v. Medical Engineering Corp.*, 6 F.3d 1523, 1538 (Fed. Cir. 1993)).

⁷² *Devices for Med.*, 822 F.2d at 1066 (emphasis added).

⁷³ See, e.g., *Crown Packaging Tech., Inc. v. Rexam Beverage Can Co.*, 559 F.3d 1308, 1317 (Fed. Cir. 2009) (holding that because “the patentee only asserted method claims despite the fact that the patent contained both method and apparatus claims,” the patent marking requirement did not apply).

⁷⁴ See *supra* Part III. Policy of the Rule.

litigation techniques that degrade the rights of consumers to adequate notice of the existence of the patent from the patentee.⁷⁵

¶33 *Mformation Techs., Inc. v. Research in Motion Ltd.*⁷⁶ paints this picture explicitly and represents an example of the way in which patentees think they can evade the patent marking requirement and deny the statute its policy-driven consequences against them. In *Mformation Techs.*, decided in 2011, the plaintiff patentee attempted to avoid the defendant’s claim that damages should be limited in accordance with the marking statute.⁷⁷ That claim was brought in a motion to limit plaintiff’s potential damages and arose because the article at issue in the suit was not marked with the article patent number or the process patent number.⁷⁸ The plaintiff originally asserted both article and method patents in the litigation;⁷⁹ however, the plaintiff’s apparatus claims were held invalid by the district court before it reached the question of whether or not the plaintiff’s damages would be limited for failure to mark.⁸⁰ Therefore, the plaintiff, enforcing a patent including both article and method claims, argued that Federal Circuit precedent exempted the plaintiff from coverage under the marking statute.

¶34 The district court’s decision on the issue of whether infringement damages would be limited to the time after the plaintiff gave actual affirmative notice to the defendant rested on the *Hanson* decision.⁸¹ The court reiterated the current state of the law by noting that marking requirements do not apply if a patent contains both apparatus and method claims but “only method claims have been asserted against the defendant.”⁸² Conversely, “if a plaintiff chooses to assert both apparatus and method claims under a patent, damages prior to actual notice are available only if the apparatuses have been marked.”⁸³ Because the plaintiff in *Mformation* originally asserted infringement of both apparatus and method claims of the patent against the defendant, the fact that the court had already held all of the apparatus infringement claims invalid, and only the method infringement claims remained at issue, did not excuse the plaintiff from § 287(a)’s marking requirement.⁸⁴

¶35 The district court’s holding supports the notion that the current state of marking law is not an inquiry into what claims are eventually found infringed, but which claims are

⁷⁵ See, e.g., *Mformation Techs., Inc. v. Research in Motion Ltd.*, 830 F. Supp. 2d 815, 837–38 (N.D. Cal. 2011) (“Plaintiff asserted both the apparatus and method claims of [the patent] against Defendants. Plaintiff also concedes that it could have marked the apparatuses claimed Plaintiff contends, however, that since the Court has already held all of its apparatus claims invalid, and only the method claims remain at issue, the marking requirements of § 287(a) should not apply.”).

⁷⁶ 830 F. Supp. 2d 815.

⁷⁷ See *id.* at 836–37.

⁷⁸ *Id.* at 836.

⁷⁹ *Mformation Techs., Inc. v. Research in Motion Ltd.*, No. C 08-04990 JW, 2012 WL 1142537 (Mar. 29, 2012) (“Plaintiff asserted both the apparatus and the method claims of [the patent] against Defendants.” (citing Damages Motion, Ex. 1, *Mformation Tech., Inc.’s Disclosure of Asserted Claims and Infringement Contentions*, No. 545-1)).

⁸⁰ 830 F. Supp. 2d at 836–38.

⁸¹ *Id.* at 837.

⁸² *Id.*

⁸³ *Id.*

⁸⁴ *Id.* at 838 (“Thus, in *Crown Packaging* the Federal Circuit clearly stated that the applicability of § 287(a) turns on which claims were asserted. Therefore, as Plaintiff asserted both apparatus claims and method claims in this litigation, the Court finds that the marking requirements of § 287(a) are applicable.”).

initially asserted in litigation.⁸⁵ But more importantly, and dishearteningly, it reinforced the canon that the key to whether a plaintiff patentee will have been required to mark their allegedly infringed product is truly in his or her own hands at the start of the litigation.

¶36 The plaintiff in *Mformation* questioned the distinction drawn by the Federal Circuit between claims asserted at the start of litigation and those that continue past the summary judgment stage:

There is no doubt that, had Mformation explicitly asserted that it would only ever pursue method claims in its original complaint and in early discovery, Mformation would be entitled to damages from the date the '917 Patent issued. It would make little sense to tie the marking requirements of § 287 to a mechanical rule applied as early as the pleading stage and only when the infringing party files and wins a dispositive motion.⁸⁶

Thus, the plaintiff in *Mformation* recognized that tying the marking requirement to the claims asserted by a patentee in pleading infringement is senseless. However, it is no more intuitive to hinge the applicability of the marking requirement on whether article or method patents will be at issue post-summary judgment, as Mformation urged. The only meaningful way to define the statute in light of the reason for its creation is to require its applicability whenever there exists a product that embodies a process or article patent claim, regardless of what claims are asserted in pleadings and which eventually make it to the courtroom.

¶37 The statute gave Mformation the opportunity to argue over senseless timing details, and case law encouraged this interpretation. Until these loopholing techniques are unavailable to circumvent the patent marking requirement, plaintiffs like Mformation will continue to argue that marking requirements should not apply to them due to their choice of asserted claims and developments in the course of litigation. For now, they can claim they are entitled to damages accrued prior to providing actual or constructive notice to infringers.

VI. FUTILE PUSHBACK

¶38 Some courts have attempted to modify the common law to reflect the policy-driven definition of when the marking requirement should apply, as opposed to the fabricated dividing line that currently pervades the case law.⁸⁷ In *American Medical Systems, Inc. v. Medical Engineering Corp.*, the Federal Circuit negatively commented on its own system of selectively applying the marking requirement based on the nature of the patentee's

⁸⁵ *Hanson v. Alpine Valley Ski Area*, 718 F.2d 1075, 1083 (Fed. Cir. 1983) (holding that § 287(a) does not apply even where a patent contains both apparatus and method claims if only method claims have been asserted against the defendant); *Crown Packaging Tech., Inc. v. Rexam Beverage Can Co.*, 559 F.3d 1308, 1316 (Fed. Cir. 2009) (holding that § 287(a) does not apply where no apparatus claim is asserted).

⁸⁶ Brief for Mformation at 5, *Mformation Techs., Inc. v. Research in Motion Ltd.*, 830 F. Supp. 2d. 815 (N.D. Cal. 2011) (No. 08-cv-04990 JW), ECF No. 581 (internal citations omitted).

⁸⁷ *See, e.g., Am. Med. Sys., Inc. v. Med. Eng'g Corp.*, 6 F.3d 1523, 1538–39 (Fed. Cir. 1993); *Soverain Software LLC v. Amazon.com, Inc.*, 383 F. Supp. 2d 904, 908–09 (E.D. Tex. 2005); *Honeywell Int'l, Inc v. Hamilton Sunstrand Corp.*, No. Civ.A 99-309 GMS, 2001 WL 66345, at *2–3 (D. Del. Jan. 4, 2001).

asserted claims.⁸⁸ The court’s reasoning gives credence to the policy concerns driving the statute and the arguments in this Comment.

The reason that the marking statute does not apply to method claims is that, ordinarily, where the patent claims are directed to only a method or process there is nothing to mark. Where the patent contains both apparatus and method claims, however, to the extent that there is a tangible item to mark by which notice of the asserted method claims can be given, a party is obliged to do so if it intends to avail itself of the constructive notice provisions of section 287(a).⁸⁹

By noting the importance of whether there is a “tangible item to mark,” this language appears incongruous with the Federal Circuit’s proposal in *State Contracting* that the marking statute does not require a court to examine a patent containing only method claims to see if something could have been marked in order to assess whether the notice provision applies.⁹⁰ However, by conditioning the case’s resolution on the fact that the patent at issue contained both method and apparatus claims, the holding does little to confront the *State Contracting* loophole available to patentees whose patents claim only methods.

¶39 Those who argue that *American Medical Systems* is not inconsistent with *Hanson* and its progeny⁹¹ do so on the basis that, in *Hanson*, the patentee only asserted infringement of the process claims of its patent, even though the patent had two apparatus claims.⁹² Distinguishably, in *American Medical Systems*, the patentee asserted infringement of both method and apparatus claims in the litigation.⁹³ However, this logic fails to identify why the court in *American Medical Systems* prefaced its holding with the policy rationale of the marking statute, “to encourage the patentee to give notice to the public of the patent.”⁹⁴ Of course, the policy applies equally well to a patent containing only method claims that is embodied by a product as it does to those patents that contain both article and method patent claims. The Federal Circuit’s holding that the patentee is obliged to mark the tangible item should apply in those circumstances as well.

¶40 *Honeywell International Inc. v. Hamilton Sundstrand Corp.* represents a similar departure from the unfortunate course of courts’ interpretation of § 287(a).⁹⁵ In that case, the plaintiff argued that because the relevant process and apparatus claims were embodied in separate patents, it was not required to mark in order to recoup damages for infringement of the method patent that accrued prior to giving actual notice.⁹⁶ The court cited *American Medical Systems* and the purpose of the statute in holding that, because

⁸⁸ *Am. Med. Sys.*, 6 F.3d at 1538–39.

⁸⁹ *Id.*

⁹⁰ *State Contracting & Eng’g Corp. v. Condotte Am., Inc.*, 346 F.3d 1057, 1074 (Fed. Cir. 2003).

⁹¹ See MATTHEWS, *supra* note 53.

⁹² See *Hanson v. Alpine Valley Ski Area, Inc.*, No. 3260, 1977 U.S. Dist. LEXIS 15855, at *2 (E.D. Mich. May 17, 1977).

⁹³ *Am. Med. Sys.*, 6 F.3d at 1539.

⁹⁴ *Id.* at 1538.

⁹⁵ *Honeywell Int’l Inc. v. Hamilton Sundstrand Corp.*, No. Civ.A. 99–309 GMS, 2001 WL 66345, at *3–4 (D. Del. Jan. 4, 2001) (the court was “not persuaded” by the plaintiff’s argument that because it only asserted method claims, which existed in a separate patent from its article claims, it was not required to mark).

⁹⁶ *Id.* at *3.

there “is something to mark,” the plaintiff could not recover pre-notice damages, in spite of the fact that the patent at issue contained only method claims.⁹⁷ The decision represents further signaling of an attempt to revert to the policy-driven definition of when the marking requirement should apply.

¶41 In *Soverain Software LLC v. Amazon.com, Inc.*, the issue was whether a patentee should be required to mark a website that was associated with method claims in order to recoup damages accrued prior to giving actual notice to the alleged infringer.⁹⁸ The plaintiff, Soverain, alleged infringement of three patents, all of which contained both method and apparatus claims.⁹⁹ Amazon contended that Soverain could not recover damages accrued prior to giving actual notice of infringement because Soverain failed to mark an associated website with the relevant method patents’ numbers.¹⁰⁰

¶42 The court noted, in conformance with the *American Medical Systems* decision, that ordinarily the marking statute does not apply to method claims because there is typically nothing tangible to mark; however, the court explained that where there is a tangible item that can be marked, it must be marked with the method patent number in order to comply with the marking statute.¹⁰¹ Soverain argued that the marking requirement did not apply here because the patent was directed to a process. The court declined to accept Soverain’s argument because all of the asserted patents included both apparatus and method claims.¹⁰² Furthermore, Amazon produced evidence that a website could be marked—specifically, by submitting screen shots of websites that included patent notices—and rightly persuaded the court that a website is a “tangible item” for the purposes of applying the *American Medical Systems* holding.¹⁰³ The court found that *Nike*’s policy considerations would not be served by adopting plaintiff’s argument that a website need not be marked with its associated patent numbers.¹⁰⁴

¶43 These encouraging strides forward have been limited in scope. The Federal Circuit continues to tie its holdings to whether the patents asserted, as allegedly infringed, included both method and apparatus claims.¹⁰⁵ Furthermore, the court declined to address the loopholes available to patentees who file separate patents for their method and apparatus claims with the USPTO and patentees who only patent their methods.¹⁰⁶ Although decidedly moving in the right direction, cases have been few and unsuccessful in facilitating any significant change in marking law. *Hanson*’s rule of requiring marking based on the patentee’s assertions in litigation remains the doctrinal requirement.

⁹⁷ *Id.* at *4.

⁹⁸ *Soverain Software LLC v. Amazon.com, Inc.*, 383 F. Supp. 2d 904–07 (E.D. Tex. 2005).

⁹⁹ *Id.* at 906, 909 (“All of the patents-in-suit contain both method and apparatus claims.”).

¹⁰⁰ *Id.* at 909.

¹⁰¹ *Id.*

¹⁰² *Id.*

¹⁰³ *Id.*

¹⁰⁴ *Id.* (explaining that the plaintiff’s argument “contradicts the purposes of the marking requirement—avoiding innocent infringement, encouraging patentees to give notice to the public that the item is patented, and aiding the public in identifying patented articles”).

¹⁰⁵ *Id.*

¹⁰⁶ *See supra* Part IV. The Loopholes.

VII. CONCLUSION

¶44 The current state of statutory and common law regulation in the field of patent marking is too ambiguous with respect to patentees of method claims where those claims are embodied by an article, patented or not. The alluring loopholes created for potential patentee plaintiffs continue to promote the use of litigation tactics that seek to avoid § 287's limitation of damages by cleverly avoiding the consequences of the marking requirement through patenting only methods, patenting methods and articles in separate patents, or refusing to assert infringement of article claims within the infringement action. Worse yet is that allegedly infringed patentees like Mformation think that they can claim exclusion to the patent marking statute's damages-limiting consequences through no action or inaction of their own but rather through the legal action of a counterparty or the court.¹⁰⁷

¶45 Some courts have attempted to remedy this escalating trend by creating a more meaningful marking requirement.¹⁰⁸ Those courts have demonstrated a desire to credit the policies behind the statute by challenging the existence of the loopholes discussed herein. Unfortunately, those attempts have not been successful in closing the loopholes. The policy-demolishing rule remains: patentees can selectively mark so long as they are aware of the strategic litigation tactics that will prevent them from being barred from recovery of damages accrued prior to giving the alleged infringer actual notice. The all-too-obvious solution to this relevant problem is to amend § 287 so that the marking requirement cannot be avoided simply because one's article, patented or not, utilizes, in any way, shape, or form, one's patented method. Because previous common law initiatives have been ineffective, Congress will be forced to take a stand on the issue if it wishes to credit the policies behind the marking requirement considered in *Nike*.

¶46 The distinction between a non-producing entity with nothing tangible to mark and a producer of an article associated with process patents, as described by *Wine Railway*, makes logical sense. But for the purposes of the marking requirement, this distinction between method and apparatus claims loses relevance when applied to patented articles that do not embody method patents and patented methods that are embodied by an article, patented or not. This dividing line between patentees that are required to mark and those that are not should never have been promulgated because it fails to consider the reasons for the marking requirement in the first place. The current rule must be changed if marking law is ever to again reflect the policies desired in the creation of the statute. It must be made clear, preferably legislatively, that method patents are not exempt from 35 U.S.C. § 287(a).

¶47 “A more reasonable rule—and one that would better serve the objectives of the marking statute and the patent system—would be that section 287(a) applies whenever a patent holder manufactures a product that embodies a patented invention, however that

¹⁰⁷ See *Mformation Techs., Inc. v. Research in Motion Ltd.*, 830 F. Supp. 2d 815, 837–38 (N.D. Cal. 2011) (“Plaintiff asserted both the apparatus and the method claims of [the patent] against Defendants. Plaintiff also concedes that it could have marked the apparatuses claimed . . . Plaintiff contends, however, that since the Court has already held all of its apparatus claims invalid, and only the method claims remain at issue, the marking requirements of § 287(a) should not apply.”).

¹⁰⁸ See, e.g., *Am Med. Sys., Inc. v. Med. Eng'g Corp.*, 6 F.3d 1523 (Fed. Cir. 1993); *Soverain*, 383 F. Supp. 908–09; *Honeywell Int'l Inc. v. Hamilton Sundstrand Corp.*, No. Civ.A. 99–309 GMS, 2001 WL 66345 (D. Del. Jan. 4, 2001); see also *supra* Part VI. Futile Pushback.

invention is claimed.”¹⁰⁹ The concern expressed by the court in *State Contracting* that courts have “not previously held that a patent containing only method claims is examined to see if something could have been marked in order to assess whether the notice provision applies”¹¹⁰ should be abandoned for the much preferable protection of consumers via the requirement that tangible products be marked with any patent number associated with an invention those products embody.

¹⁰⁹ Jacobsen, *supra* note 6, at 129.

¹¹⁰ *State Contracting & Eng’g Corp. v. Condotte Am., Inc.*, 346 F.3d 1057, 1074 (Fed. Cir. 2003) (citing *Hanson v. Alpine Valley Ski Area, Inc.*, 718 F.2d 1075, 1083 (Fed. Cir. 1983)).