

# A SUMMARY OF PATENT LAW FOR THE GENERAL PRACTITIONER

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## INTRODUCTION

Most lawyers will at one time or another during their careers encounter clients seeking advice relating to patents. While a general practitioner will usually consult a patent attorney in these situations, he can provide his client a valuable service if he has a general understanding of patent law principles. This understanding will enable him to gather important information at the initial interview, and will also equip him to advise the client as to initial steps to be taken to preserve the inventor's rights. Perhaps more valuable than knowing what to do is knowing what not to do. Many hidden dangers lurk in patent law, and a course of action which may initially seem harmless can ultimately have disastrous results for the inventor or patent owner.

This Article will deal with several areas of patent law deemed to be of interest to the general practitioner. It begins with an explanation of what a patent is and what rights are granted under it. Following this is a discussion of the differences between patents, trademarks, and copyrights, as these three types of protection for intellectual property are often confused by the public. Next is a general description of the procedure for obtaining a patent, including an explanation of the invention standards which must be met before a patent is granted. The Article will conclude with an analysis of the various problems encountered in exploiting and enforcing a patent.

## I. WHAT IS A PATENT?

A United States patent is a grant from the United States government of the right to exclude others from making, using or selling a particular invention throughout the United States.<sup>1</sup> It is a monopoly which runs for a specified period of time and is not renewable.<sup>2</sup> A patent is not a grant of the right to practice the invention. On the contrary, many patents are granted in a field already covered by prior basic patents and cannot be prac-

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<sup>1</sup> [Every patent shall contain a short title of the invention and a grant to the patentee, his heirs or assigns, for the term of seventeen years, of the right to exclude others from making, using, or selling the invention throughout the United States, referring to the specification for the particulars thereof. A copy of the specification and drawings shall be annexed to the patent and be a part thereof.] 35 U.S.C. § 154 (1964).

<sup>2</sup> All patents are granted for a period of 17 years with the exception of design patents which may run for periods of three years and six months, or for seven years, or for fourteen years, depending upon the fee the applicant elects to pay. 35 U.S.C. §§ 154, 173 (1964).

ticed unless by license under these basic patents.<sup>3</sup>

Patent rights are created by statute,<sup>4</sup> and there are no natural or common-law rights to the monopoly of an invention.<sup>5</sup> In order to prevent others from practicing his invention, an inventor must either obtain a patent or keep his invention secret from the public.<sup>6</sup>

The authority for Congress to enact the patent laws is found in the United States Constitution,<sup>7</sup> which sets forth the policy of promoting the progress of science and the useful arts. Much has been written and said as to how patents accomplish this policy objective. One theory is that a patent is like a contract between the public and the inventor. The inventor makes a full disclosure of the invention in his application, and in return for this disclosure the United States government grants him a limited monopoly in his invention for a term of years.<sup>8</sup> Another less widely accepted theory is that the patent is a reward for the inventor's creative endeavors.<sup>9</sup> Perhaps the most practical theory is that patents encourage individuals and corporations to invest large funds in research projects with the expectation that they can use the patent monopoly to recoup their expenses and make a profit.<sup>10</sup> Without the patent monopoly they are at the mercy of copying competitors who do not have research expenses to recover. Patents thus permit the patent owner to prevent others from using his invention while he amortizes his research expenditures over sales made during the term of the patent. Whatever the correct theory may be, there are few who argue that the patent system has not contributed greatly to the scientific, industrial and technological growth in the United States during the last two centuries.<sup>11</sup>

Patentable subject matter, as enumerated in the United States patent statute,<sup>12</sup> embraces processes,<sup>13</sup> machines,<sup>14</sup> manufactures,<sup>15</sup> compositions of mat-

<sup>3</sup> *Little Mule Corp. v. The Lug All Co.*, 254 F.2d 268 (5th Cir. 1958).

<sup>4</sup> 35 U.S.C. (1964).

<sup>5</sup> In discussing the nature of an inventor's rights in his invention Thomas Jefferson wrote:

Inventions then cannot, in nature, be a subject of property. Society may give an exclusive right to the profits arising from them, as an encouragement to men to pursue ideas which may produce utility, but this may or may not be done according to the will and convenience of the society, without claim or complaint from anybody.

VI WRITINGS OF THOMAS JEFFERSON (Washington ed. 1814) 180.

<sup>6</sup> Under general principles of the law of trade secrets a person will be liable for the tort of wrongfully appropriating or divulging a trade secret. A cause of action for this type of conduct generally requires the following elements to be proven: (1) The idea must have been maintained in secret by the plaintiff; (2) It must not have been an idea which was already in the public domain; and (3) It must have been appropriated by violation of a confidential relationship or by other wrongful means. *Smith v. Dravo Corp.*, 203 F.2d 369 (7th Cir. 1953).

<sup>7</sup> "The Congress shall have Power . . . to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries. . . ." U.S. CONST. art. I, § 8, cl. 8.

<sup>8</sup> 1 W. ROBINSON, LAW OF PATENTS § 20 (1890).

<sup>9</sup> *Id.*

<sup>10</sup> 1 W. ROBINSON, LAW OF PATENTS § 36 (1890).

<sup>11</sup> A. SMITH, PATENT LAW 29 (1964).

<sup>12</sup> "Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain

ter,<sup>16</sup> or any new and useful improvements thereof.<sup>17</sup> Plant patents may also be granted for cultivated sports, mutants, hybrids, and newly found seedlings which are asexually reproducible and which are not tuberpropagated plants or plants found in an uncultivated state.<sup>18</sup> A third type of patent, the design patent, may be granted for any new, original and ornamental design for an article of manufacture.<sup>19</sup>

Some things are not proper subject matter for patents. The discovery of a law of nature or a scientific principle cannot in and of itself form the basis of a patent.<sup>20</sup> This does not mean, however, that a patent cannot be obtained on some practical machine or method embodying a newly-discovered scientific principle.<sup>21</sup> Abstract ideas or theories are also improper subject matter for a patent.<sup>22</sup> It is the structure, method or means by which the idea or theory is put into effect that is patentable.<sup>23</sup> For example, a system for doing business is not the proper subject matter for a patent, and has been held to be

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a patent therefor, subject to the conditions and requirements of this title." 35 U.S.C. § 101 (1964).

<sup>18</sup> [A process is a mode of treatment of certain materials to produce a given result. It is an act, or series of acts, performed upon the subject-matter to be transformed and reduced to a different state or thing . . . . The process requires that certain things should be done with certain substances and in certain order, but the tools to be used in doing this may be of secondary consequence.] *Cochrane v. Deener*, 94 U.S. 780, 788 (1876).

<sup>14</sup> "A machine is not a principle or an idea." *Burr v. Duryee*, 68 U.S. (1 Well.) 531, 570 (1864). But "The term machine includes every mechanical device or combination of mechanical powers and devices to perform some function and produce a certain effect or result." *Corning v. Burden*, 56 U.S. (15 How.) 252, 267 (1853).

<sup>15</sup> The term "manufacture" embraces whatever is made by the art or industry of man, but does not include processes, machines and compositions of matter. *Johnson v. Johnston*, 60 F. 618, 620 (C.C.W.D. Pa. 1894). The patentability of an article of manufacture is not affected by the fact that such an article can be produced on machines previously in use. *Lamb Knit Goods Co. v. Lamb Glove & Mitten Co.*, 120 F. 267 (6th Cir. 1902). Furthermore, a person who has invented a new process in the arts, whereby a new article of manufacture is produced, may separately claim and patent both the process and the manufacture. *Merrill v. Yeomans*, 17 F. Cas. 113 (No. 9,472) (C.C.D. Mass. 1874); *aff'd* 94 U.S. 568 (1877).

<sup>16</sup> The phrase "composition of matter" as used in the patent statutes, covers all composite products whether they are the result of chemical union, or of mechanical mixture, or whether they be gases, fluids, powders or solids.

<sup>17</sup> A patentable improvement may lie in the addition to, the simplification of, or variance in an existing process, machine, manufacture or composition of matter. *Herman v. Youngstown Car Mfg. Co.*, 191 F. 579 (6th Cir. 1911).

<sup>18</sup> 35 U.S.C. § 161 (1964).

<sup>19</sup> 35 U.S.C. § 171 (1964). A design patent entitles the owner to exclude others from making, using, or selling devices having the same appearance of the patented design. It does not protect functional aspects of the design but only the appearance thereof. *Mazer v. Stein*, 347 U.S. 201 (1954).

<sup>20</sup> *O'Reilly v. Morse*, 56 U.S. (15 How.) 62 (1853); *Armour Pharmaceutical Co. v. Richardson-Merrell, Inc.*, 396 F.2d 70 (3d Cir. 1968); *Morton v. New York Eye Infirmary*, 17 F. Cas. 879 (No. 9,865) (C.C.S.D.N.Y. 1862).

<sup>21</sup> The principle or essence of an invention, however, when taken by itself, is no more patentable than the principle or force which it proposes to employ. Like that, it is but an abstraction, resting in theory alone, and not an operative means. Until reduced to practice it is not a complete invention, nor does it stand on any higher ground of legal merit than the discovery of an existing natural power. *I W. ROBINSON, LAW OF PATENTS* § 140 (1890).

<sup>22</sup> *Measuregraph Co. v. Grand Rapids Show Case Co.*, 29 F.2d 263, 275 (8th Cir. 1928); *Guthrie v. Curlett*, 10 F.2d 725 (2d Cir. 1926).

<sup>23</sup> *Measuregraph Co. v. Grand Rapids Show Case Co.*, 29 F.2d 263, 275 (8th Cir. 1928).

outside the meaning of an "art" or process.<sup>24</sup>

## II. DIFFERENCES BETWEEN PATENTS, TRADEMARKS AND COPYRIGHTS

Many people are uncertain of the differences between patents, trademarks and copyrights. All three are forms of intellectual property, but there the similarity ends. They are dissimilar in origin, subject matter, rights created and length of term.

Unlike a patent which has only statutory origin,<sup>25</sup> a copyright may be either statutory<sup>26</sup> or common-law.<sup>27</sup> The origin of Congress' authority to enact copyright laws is found in the same clause in the Constitution of the United States which provides for the patent statutes.<sup>28</sup> This constitutional mandate requires that a copyright be limited to the writings of authors, as is provided by the Copyright Act.<sup>29</sup> Common-law copyright, on the other hand, embraces any unpublished literary or artistic expression of an author.<sup>30</sup> The major difference between statutory and common-law copyright is that the latter protects only unpublished works<sup>31</sup> whereas, the former includes works published with a notice of copyright affixed thereto.<sup>32</sup>

Generally speaking, a copyright owner is accorded the exclusive right to print, reprint, publish, copy and vend the copyrighted work.<sup>33</sup> A distinction should be made between the "exclusive right" granted by the Copyright Act and the "right to exclude others" granted by the Patent Act. Having an exclusive right to make copies entitles one to make copies and at the same time

<sup>24</sup> E.g., a system of cash registering and checking for hotels was held to be unpatentable. *Hotel Security Checking Co. v. Lorraine Co.*, 160 F. 467 (2d Cir. 1908).

<sup>25</sup> 35 U.S.C. (1964).

<sup>26</sup> 17 U.S.C. § 1 (1964).

<sup>27</sup> "Nothing in this title shall be construed to annul or limit the right of an author or proprietor of an unpublished work, at common law or in equity, to prevent the copying, publication, or use of such unpublished work without his consent, and to obtain damages therefor." 17 U.S.C. § 2 (1964).

<sup>28</sup> U.S. CONST. art. I, § 8, cl. 8.

<sup>29</sup> 17 U.S.C. § 4 (1964). Examples of proper subject matter for copyrights are found in 17 U.S.C. § 5 (1964).

<sup>30</sup> M. NIMMER, COPYRIGHT § 11.2 (1969).

<sup>31</sup> When a work is first published, the owner's common-law protection therein is lost through a forfeiture imposed by law. *Bobbs-Merrill Co. v. Straus*, 210 U.S. 339 (1908).

<sup>32</sup> *Donaldson v. Becket*, 4 Burr. 2408, 98 Eng. Rep. 257 (1774) and *Miller v. Taylor*, 4 Burr. 2303, 98 Eng. Rep. 201 (1769) were the landmark cases making this distinction. The *Miller* case held that the first English copyright statute, Copyright Act of 1709, 8 Anne 3, c. 19, did not divest the author of his common-law rights in his property whether published or unpublished. The *Donaldson* case modified this decision, holding that common-law copyright applied to unpublished works and statutory copyright applied to published works. The United States Supreme Court adopted the holding of the *Donaldson* case in *Wheaton v. Peters*, 33 U.S. (8 Pet.) 591 (1834). The Copyright Act now provides: "Any person entitled thereto by this title may secure copyright for his work by publication thereof with the notice of copyright required by this title. . . . 17 U.S.C. § 10 (1964).

<sup>33</sup> 17 U.S.C. § 1 (1964). This statute also enumerates in detail several specific rights granted for certain specific classifications of copyrighted works. For example, an author of a drama can obtain the exclusive right to perform his work publicly, 17 U.S.C. § 1(d) (1964), and a music composer can obtain the exclusive right to perform his work publicly for profit. 17 U.S.C. § 1(e) (1964).

prevent others from doing so. The right to exclude others from practicing an invention, however, does not guarantee that one might not be prevented from practicing the invention himself.

There is another difference between the rights created by copyright and those created by patent. The defendant in a copyright infringement action can always raise the valid defense that he created his work independently without any knowledge of the plaintiff's copyrighted work.<sup>34</sup> Independent creation is not a defense to a patent infringement suit, however. The monopolistic nature of a patent was aptly described by Robinson in his nineteenth-century treatise on patents: "Every new patent thus closes up another avenue of research against all the world, thwarts the endeavors of the human mind in that direction, and to the benefit of one individual deprives all others of the right to profit in the same way by their own inventive powers."<sup>35</sup>

Patents and copyrights also differ in length of term. Common-law copyright, of course, lasts indefinitely or until the right is lost by publication. Statutory copyright runs for a term of twenty-eight years and is renewable for one additional twenty-eight year term.<sup>36</sup> Patents are not renewable and run for a term of seventeen years.<sup>37</sup>

"The term 'trade-mark' includes any word, name, symbol, or device or any combination thereof adopted and used by a manufacturer or merchant to identify his goods and distinguish them from those manufactured or sold by others."<sup>38</sup> Actually the field of trademark law also embraces other types of marks as well, such as service marks, certification marks and trade names. "A service mark is a mark used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others."<sup>39</sup> A certification mark is "a mark used upon or in connection with products or services of one or more persons other than the owner of the mark to certify regional or other origin, material, mode of manufacture, quality, accuracy or other characteristics of such goods or services."<sup>40</sup> A trade name is a name used by a company or person to identify their business, vocation or occupation.<sup>41</sup>

Rights in trademarks are of common-law origin and exist independently of statute.<sup>42</sup> Unlike patents or copyrights, no right can be acquired through invention or discovery of a trademark, or through mere adoption or intent to

<sup>34</sup> For example, a defendant who wrote a play which was substantially similar to plaintiff's copyrighted play was not an infringer because he had created his play through his own creative skills and had not copied the plaintiff's work. *Rosen v. Loew's, Inc.*, 162 F.2d 785 (2d Cir. 1947).

<sup>35</sup> 1 W. ROBINSON, LAW OF PATENTS § 28 (1890).

<sup>36</sup> 17 U.S.C. § 24 (1964).

<sup>37</sup> 35 U.S.C. § 154 (1964).

<sup>38</sup> 15 U.S.C. § 1127 (1964).

<sup>39</sup> *Id.*

<sup>40</sup> *Id.*

<sup>41</sup> *Id.*

<sup>42</sup> *La Croix v. May*, 15 F. 236 (C.C.S.D.N.Y. 1883), citing *The Trade-Mark Cases*, 100 U.S. 82 (1879).



adopt and use it. Actual use of a trademark is the criterion on which ownership of the mark is based. The first to use a trademark is the owner.<sup>43</sup>

The only authority which Congress has for enacting trademark statutes is through its constitutional power to regulate interstate commerce.<sup>44</sup> The Constitution does not specifically provide for creation of substantive trademark rights as it does for the creation of patents and copyrights. Under its authority to regulate interstate commerce, however, Congress has enacted the 1946 Lanham Act<sup>45</sup> which provides for the registration of marks. Registration gives the owner of the mark certain procedural rights which he did not previously possess. A certificate of the trademark registration on the principal register is *prima facie* evidence of the validity of the registration, of registrant's ownership of the mark, and of registrant's exclusive right to use the mark in commerce in connection with the goods or services specified in the certificate.<sup>46</sup> Such registration also provides constructive notice of the registrant's claim of ownership<sup>47</sup> and creates jurisdiction for civil actions against infringers in federal courts.<sup>48</sup>

The law of trademarks is but a part of the broader law of unfair competition, the general purpose of which is to prevent one person from passing off his goods or his business as the goods or business of another.<sup>49</sup> A trademark owner has a cause of action for trademark infringement against any subsequent user of a mark who by his use creates a likelihood of confusion among consumers as to the origin of the goods or services associated with that mark.<sup>50</sup>

Because of their common-law origin trademark rights have no limit as to their term of duration. Trademark registrations run for a term of twenty years and may be renewed any number of times.<sup>51</sup>

### III. OBTAINING A PATENT

To be patentable an invention must meet several statutory criteria. First, it must fall within one of the classes of subject matter enumerated in the Patent Act. These classes, discussed previously, include any new and useful process, machine, manufacture, composition of matter, or any new and useful improvement thereof.<sup>52</sup> Patents also may be obtained for plants which are cultivated sports, mutants, hybrids or newly found seedlings. To be patentable plants must be asexually reproducible and must not be tuberpropagated or

<sup>43</sup> *Old Charter Distillery Co. v. Continental Distilling Corp.*, 138 F. Supp. 473 (D. Del. 1956).

<sup>44</sup> *The Trade-Mark Cases*, 100 U.S. 82 (1879).

<sup>45</sup> 15 U.S.C. §§ 1053-1114 (1964).

<sup>46</sup> 15 U.S.C. § 1057(b) (1964).

<sup>47</sup> 15 U.S.C. § 1072 (1964).

<sup>48</sup> 28 U.S.C. § 1338(a) (1964).

<sup>49</sup> *American Steel Foundries v. Robertson*, 269 U.S. 372 (1926); *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 403 (1916); *Pulitzer Publishing Co. v. Houston Printing Co.*, 11 F.2d 834 (5th Cir. 1926).

<sup>50</sup> *Sweetarts v. Sunline, Inc.*, 380 F.2d 923 (8th Cir. 1967).

<sup>51</sup> 15 U.S.C. § 1059 (1964).

<sup>52</sup> 35 U.S.C. § 101 (1964).

found in an uncultivated state.<sup>53</sup> Also included in the proper subject matter for patents are any new, original and ornamental designs for articles of manufacture.<sup>54</sup>

If an invention falls within one of the foregoing categories of subject matter, it is possible that a patent may be obtained. However, three additional conditions of patentability must be met before a patent will be granted. These conditions are set forth in three sections of the statute and consist of utility,<sup>55</sup> novelty<sup>56</sup> and nonobviousness.<sup>57</sup>

The requirement of utility arises from the statute's language that the invention must be new and "useful."<sup>58</sup> To possess patentable utility an invention must be capable of producing a result which can be so applied in practical affairs as to prove advantageous in the ordinary pursuits of life.<sup>59</sup> In other words, if the invention is practical and operative, it meets the requirement of utility.

Novelty relates to the "newness" of the invention. Novelty does not exist if the patented device has been anticipated by a prior device, whether patented or not. To constitute anticipation it is necessary that all the elements of the invention, or their equivalents, be found in a single prior device. The elements must do substantially the same work in substantially the same

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<sup>53</sup> 35 U.S.C. § 161 (1964).

<sup>54</sup> 35 U.S.C. § 171 (1964).

<sup>55</sup> 35 U.S.C. § 101 (1964).

<sup>56</sup> 35 U.S.C. § 102 (1964), which provides:

A person shall be entitled to a patent unless—

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent, or

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, or

(c) he has abandoned the invention, or

(d) The invention was first patented or caused to be patented by the applicant or his legal representatives or assigns in a foreign country prior to the date of the application for patent in this country on an application filed more than twelve months before the filing of the application in the United States, or

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or

(f) he did not himself invent the subject matter sought to be patented, or

(g) before the applicant's invention thereof the invention was made in this country by another who had not abandoned, suppressed, or concealed it. In determining priority of invention there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other.

<sup>57</sup> 35 U.S.C. § 103 (1964) provides:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

<sup>58</sup> 35 U.S.C. § 101 (1964).

<sup>59</sup> *In re Oberweger*, 115 F.2d 826 (C.C.P.A. 1940).

way.<sup>60</sup>

Often an invention is not disclosed completely in one prior device, but its features can be found in two or more prior devices. This type of invention is referred to as a "combination" invention because it is derived from a combination of old and well-known elements. To be patentable a combination must satisfy the test of nonobviousness.<sup>61</sup> The question of whether or not a combination of old elements is obvious in view of the prior art is one which is difficult to determine. Courts have held that such a combination is patentable if the elements coact to provide a new and useful result.<sup>62</sup> The Supreme Court of the United States has stated that the question should be approached in the following manner:

While the ultimate question of patent validity is one of law, [citation omitted], the § 103 condition, which is but one of three conditions, each of which must be satisfied, lends itself to several basic factual inquiries. Under § 103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or nonobviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented. As indicia of obviousness or nonobviousness, these inquiries may have relevancy.<sup>63</sup>

If an invention can meet the tests of novelty, utility and nonobviousness, patent protection may be available. However, the inventor still can destroy his right to obtain a patent by committing certain acts prior to the filing of his application. Section 102<sup>64</sup> sets forth several acts which constitute statutory bars to obtaining a patent. The statute provides that the following acts, whether committed by the applicant or a person other than the applicant, constitute statutory bars to obtaining a patent:

1. *Patenting the invention or describing it in a printed publication in this or a foreign country more than one year prior to filing an application in the United States.* If a patent on a device basically identical to the applicant's invention issues more than one year before the applicant's filing date, then that patent is a bar to the applicant's obtaining a patent. This is true even though the applicant may have completed his invention before the patentee of the other device. Furthermore, if the invention is described in a printed publication published more than one year before the applicant's filing date, the invention is dedicated to the public and cannot be patented. The statute provides that such patents and printed publications are statutory bars whether

<sup>60</sup> *Firestone v. Aluminum Co. of America*, 285 F.2d 928, 930 (6th Cir. 1960).

<sup>61</sup> 35 U.S.C. § 103 (1964).

<sup>62</sup> *Coats Loaders & Stackers, Inc. v. Henderson*, 233 F.2d 915, 921 (6th Cir. 1956); *Colgate-Palmolive Co. v. Carter Products, Inc.*, 230 F.2d 855 (4th Cir. 1956).

<sup>63</sup> *Granham v. John Deere Co.*, 383 U.S. 1, 17 (1966).

<sup>64</sup> 35 U.S.C. § 102 (1964).



they originated in the United States or in a foreign country.

2. *Publicly using the invention or putting it on sale in the United States more than one year before filing an application in the United States.* If an inventor uses his invention publicly or puts it on sale more than one year before applying for a patent, he will be barred from obtaining one. The statute specifies that such public use or sale must have occurred in the United States to constitute a bar. Thus, if an invention is being used or sold in Canada, but not in the United States, the inventor is not barred from obtaining a United States patent.

3. *Obtaining a foreign patent on the invention before filing in the United States, if the foreign application was filed more than one year prior to the U.S. filing date.* The best practice to avoid this statutory bar is never to file a foreign patent application until an application is on file in the United States. If a foreign application must be filed first, any United States applications related to the foreign application should be filed within one year to avoid the statutory bar.<sup>65</sup>

Before applying for a patent it is the usual practice to make a search of the prior art to determine whether or not patent protection is available for the particular invention involved. Such a search can be done by patent examiners in Washington, D.C. No search is ever complete, no matter how extensive, and the cost may vary according to the degree of thoroughness desired. Not only will such a search provide an indication of whether or not patent protection is available, but it will also indicate how limited in scope that protection is likely to be. The search may reveal that broad protection on the general concept of the invention is available or it may indicate that patent protection is likely to be limited to one small part of the inventor's device.

The Patent Office allows only patent attorneys and patent agents to prepare and prosecute patent applications in behalf of others.<sup>66</sup> While an inventor may prosecute his own patent application, this practice is usually not advisable for a layman,<sup>67</sup> and information as to specialized patent attorneys may be found in recognized legal directories. A roster of patent attorneys is also available from the Superintendent of Documents in Washington D.C. for a nominal charge.

A patent application must include a specification, a set of drawings when necessary, and the prescribed filing fee.<sup>68</sup> The filing fee will be a minimum of

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<sup>65</sup> Beware: If a foreign application is filed before or within six months after a United States application is filed a license must be obtained to file a foreign application. Failure to obtain a license is punishable by fine and may preclude obtaining United States patent protection. 35 U.S.C. § 184 (1964).

<sup>66</sup> "An applicant for patent may file and prosecute his own case, or he may be represented by an attorney or agent authorized to practice before the Patent Office in patent cases. The Patent Office cannot aid in the selection of an attorney or agent." 37 C.F.R. § 1.31 (1967).

<sup>67</sup> Iowa State Bar Association, PATENTS: A GUIDE FOR GENERAL LEGAL PRACTITIONERS IN IOWA, pp. 7-8 (1963).

<sup>68</sup> 35 U.S.C. § 111 (1964) provides:

Application for patent shall be made by the inventor, except as otherwise

sixty-five dollars, but this amount may be slightly more depending upon the form and number of claims.<sup>69</sup> The specification includes a written description of the invention and a claim or set of claims defining the scope of patent protection sought by the applicant.<sup>70</sup>

Shortly after the application is filed, the Patent Office returns a filing receipt which shows the filing date of the application and the serial number which has been assigned to it. Action on the merits of the application, however, will not occur for approximately one year or more after the application is filed. Often as many as two years will pass before an "Office Action" is received.<sup>71</sup>

The first Office Action will include copies of prior art references cited against the claims and a short statement of the rejection or allowance of each of the claims. The applicant may then amend the rejected claims to distinguish them over the references. In response to such an amendment, the Patent Office will again send another action either allowing or rejecting the claims. This process continues until the Patent Office either allows all the claims or makes the rejection "final", which is usually done in the second Office Action.

Upon receiving a "final" rejection the applicant may either abandon the rejected claims or appeal to the Board of Appeals in the Patent Office. If the Board upholds the rejection the applicant may then appeal either to the Court of Customs and Patent Appeals or to the Federal District Court in the District of Columbia. Appeal to one waives the right to appeal to the other.<sup>72</sup>

The prosecution of a patent application may continue for several years. During this time the applicant may market his product and apply the terms "patent pending" or "patent applied for" thereto. Care should be taken not to use these terms prior to filing of the application, however, because to do so constitutes false marking punishable by fine.<sup>73</sup> Marking a device as "patented" also constitutes false marking if the application is pending and has not yet issued.<sup>74</sup>

A United States patent grants a monopoly in the United States but does not grant any rights in foreign countries.<sup>75</sup> Therefore, if an inventor seeks patent protection outside the United States he will have to file patent applications in foreign countries. Normally the best procedure is to file an appli-

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provided in this title, in writing to the Commissioner. Such application shall include: (1) a specification as prescribed by section 112 of this title; (2) a drawing as prescribed by section 113 of this title; and (3) an oath by the applicant as prescribed by section 115 of this title. The application must be signed by the applicant and accompanied by the fee required by law.

<sup>69</sup> 35 U.S.C. § 41 (1964).

<sup>70</sup> 35 U.S.C. § 112 (1964).

<sup>71</sup> Each week in the front of its official publication, *The Official Gazette*, the Patent Office lists the serial numbers of the oldest applications awaiting office action. This gives an indication to an applicant approximately how long it will be before his application will be acted upon.

<sup>72</sup> 35 U.S.C. §§ 141-45 (1964).

<sup>73</sup> 35 U.S.C. § 292 (1964).

<sup>74</sup> *Id.*

<sup>75</sup> 35 U.S.C. § 154 (1964).

cation in the United States first, and then file to the foreign applications from six months to a year after the United States filing date. If a foreign application is filed within six months after the United States filing date, a special license to do so must be obtained from the Commissioner of Patents.<sup>76</sup> It is advisable to file foreign applications within one year of the United States filing date, as many countries will give the application the procedural benefits of the United States filing date. This is usually done in accordance with the terms of an international convention to which the United States is a party.<sup>77</sup>

## V. EXPLOITING THE PATENT

Patent rights are property.<sup>78</sup> The Patent Act of 1952 confirms that patent rights are to be treated as proprietary in nature by providing that "patents shall have the attributes of personal property."<sup>79</sup> However, a patent is the grant of a right to exclude others from making, using or selling the invention, and as such it presents special problems in the drafting of agreements for its exploitation.

A patentee may exploit his patent in three different ways. Assuming his device does not infringe any other patent, he can make, use and sell the invention for his own pecuniary benefit. Often, however, inventors seek their remunerative reward by selling (assigning) the patent rights to another person or by licensing others to make, use and sell the invention.

The general practitioner is quite likely to have his first encounter with patent law when asked to draft or approve an agreement relating to an assignment or license. While the law relating to such agreements is far too cumbersome for detailed treatment in this Article, an attempt will be made to highlight some of the many pitfalls and dangers inherent in such patent agreements.

Section 261 of the Patent Act of 1952 provides in part:

Applications for patent, patents, or any interest therein, shall be assignable in law by an instrument in writing. The applicant, patentee, or his assigns or legal representatives may in like manner grant and convey an exclusive right under his application for patent, or patents, to the whole or any specified part of the United States.

\* \* \*

An assignment, grant or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, without notice, unless it is recorded in the Patent Office within three months from its date or prior to the date of such subsequent purchase or mortgage.<sup>80</sup>

The statute provides for the assignment of a patent application before the application issues as a patent. This brings into question several unknown

<sup>76</sup> 35 U.S.C. § 184 (1964).

<sup>77</sup> The United States gives the benefit of a foreign filing date to persons who file in the U.S. within one year after filing abroad under 35 U.S.C. § 119 (1964).

<sup>78</sup> *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 210 U.S. 405, 424 (1908).

<sup>79</sup> 35 U.S.C. § 261 (1964).

<sup>80</sup> *Id.*

## VI. ENFORCING A PATENT

A patentee can enforce his patent by bringing a civil action for patent infringement against the infringing party.<sup>93</sup> The federal district courts have exclusive original jurisdiction of such patent infringement suits.<sup>94</sup> A special venue statute for patents provides that venue is proper "in the judicial district where the defendant resides, or where the defendant has committed acts of infringement and has a regular and established place of business."<sup>95</sup>

The patent statute is silent as to what constitutes infringement of a patent, thereby leaving this definition to case law. Infringement has been held to be the unauthorized making, using or selling of the patented invention.<sup>96</sup> The patented invention does not include everything disclosed in the patent, since many things disclosed are not protected at all. The scope of patent protection is defined by the claims, and it is to these claims that one must look to determine if there has been an infringement.<sup>97</sup>

In order for infringement to take place the infringing device must include every element required by the claim, or an equivalent thereof, and omission of one claimed element avoids infringement.<sup>98</sup> However, if a device includes all the limitations of a claim, it infringes that claim even though it may include additional structure which constitutes an improvement over the claimed invention.<sup>99</sup>

Whether or not a device includes the elements of a claim is usually a question of fact.<sup>100</sup> Occasionally a device does not include one element of the claim, but includes a well-known equivalent for that element. For example, the claim may require a bolt and nut for securing two members together. The alleged infringing device may include all other elements of the claim, but may utilize a cotter pin for securing the two members together instead of a nut and bolt.

Such a situation would undoubtedly bring into issue the doctrine of equivalents. Under this doctrine no substitution of an equivalent for any ingredient of a combination claim can avert a holding of infringement of that claim.<sup>101</sup> Generally equivalency can be shown if the substituted element (1)

<sup>93</sup> "A patentee shall have remedy by civil action for infringement of his patent."  
35 U.S.C. § 281 (1964).

<sup>94</sup> 28 U.S.C. § 1338 (1964) provides:

(a) The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents, copyrights and trademarks. Such jurisdiction shall be exclusive of the courts of the states in patent and copyright cases.

(b) The district courts shall have original jurisdiction of any civil action asserting a claim of unfair competition when joined with a substantial and related claim under the copyright, patent or trade-mark laws.

<sup>95</sup> 28 U.S.C. § 1400(b) (1964).

<sup>96</sup> *Christensen v. National Brake & Elec. Co.*, 18 F.2d 981 (E.D. Wis. 1927).

<sup>97</sup> *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605 (1950).

<sup>98</sup> *Keating v. Stearnes Imperial Co.*, 347 F.2d 444 (7th Cir. 1965).

<sup>99</sup> *McCullough Tool Co. v. Well Surveys, Inc.*, 343 F.2d 381 (10th Cir. 1965).

<sup>100</sup> *Livesay Indus. v. Livesay Window Co.*, 202 F.2d 378, 383 (5th Cir. 1953).

<sup>101</sup> *Imhaeuser v. Buerk*, 101 U.S. (11 Otto) 647, 655 (1879).

provides the identical function as the claimed element, and (2) performs that function in a substantially identical way as the claimed element.<sup>102</sup> Applying these principles to the example given above could produce different results depending upon the functioning of the nut and bolt and the cotter pin. If the nut and bolt merely provide means for securing the two members to one another, then the cotter pin would be an equivalent because it provides that function in substantially the same way as do the nut and bolt. On the other hand, if the nut and bolt permit selective adjustment of the tightness with which they hold the members together, then the cotter pin would not be an equivalent because it could not provide this function.

Probably the most commonly used defense in a patent infringement suit is that the patent is invalid. There can be no infringement if the claims of the patent are held to be invalid.<sup>103</sup> The Patent Act of 1952 specifically provides that invalidity of the claims in suit shall be a defense in any infringement suit, but the Act also provides that a patent shall be presumed valid and the burden of proving invalidity shall rest on the party asserting it.<sup>104</sup> Thus, whenever a patentee sues for infringement he runs the risk of having his patent declared invalid. Furthermore, from a practical standpoint, his chances of having his patent declared invalid are not the same in every circuit. In some circuits a patent stands nearly a one hundred per cent change of being declared invalid whereas in other circuits the patent mortality rate is less devastating.<sup>105</sup> Therefore the patentee contemplating litigation should be exceedingly careful in choosing his forum.

Until recently, one practice commonly used to avoid the dangers of a holding of invalidity was to include a term in all license agreements precluding the licensee from contesting the validity of the patents being licensed. This practice was bolstered by the court-adopted doctrine of licensee estoppel which estopped the licensee, by virtue of his license agreement, from denying the validity of his licensor's patent in a breach of contract suit for royalties.<sup>106</sup> The Supreme Court of the United States has just recently repudiated this doctrine in *Lear, Inc. v. Adkins*,<sup>107</sup> holding that hereafter a licensee may at

<sup>102</sup> *Sanitary Refrigerator Co. v. Winters*, 280 U.S. 30, 42 (1929).

<sup>103</sup> *Felburn v. New York Cent. R.R. Co.*, 350 F.2d 416 (6th Cir. 1965).

<sup>104</sup> 35 U.S.C. § 282 (1964) provides in part:

A patent shall be presumed valid. The burden of establishing invalidity of a patent shall rest on a party asserting it.

The following shall be defenses in any action involving the validity or infringement of a patent and shall be pleaded:

\* \* \*

(2) Invalidity of the patent or any claim in suit on any ground specified in part II of this title as a condition.

(3) Invalidity of the patent or any claim in suit for failure to comply with any requirement of sections 112 or 251 of this title.

<sup>105</sup> No patent has survived litigation in the eighth circuit since prior to 1960. On the other hand the ninth circuit had upheld approximately fifty percent of the patents litigated in its jurisdiction during the last ten years. Other circuits fall somewhere in between in their record of upholding patents.

<sup>106</sup> *Automatic Radio Mfg. Co. v. Hazeltine Research, Inc.*, 339 U.S. 827, 836 (1950).

<sup>107</sup> 395 U.S. 653 (1969).



any time contest the validity of a patent in a breach of contract suit, regardless of the terms in the license agreement.

Patents can also be the subject matter of declaratory judgment actions.<sup>108</sup> The primary jurisdictional requisite of such actions is that there be a justiciable controversy.<sup>109</sup> A letter from a patentee to an alleged infringer threatening him with a suit for patent infringement creates a justiciable controversy, thereby entitling the alleged infringer to bring a declaratory action seeking a declaration of invalidity and noninfringement.<sup>110</sup> This means that a patentee should be extremely careful in sending letters threatening others with infringement suits. The result could be a declaratory judgment action brought against the patentee in a jurisdiction with a record unfavorable to patents. This caveat is highly important to patentees residing in Iowa because the eighth circuit is one of the least friendly circuits to patents.

### CONCLUSION

Patents have played and continue to play a vital role in the economic development of our country. Indeed the value of a patent system is so universally accepted that scarcely a country in the world is without one. Even the Soviet Union has a patent system and is a party to the International Convention which permits citizens of any signatory country to apply for a patent in any of the other signatory countries.

Lawyers often deal directly with the legal problems surrounding industrial and economic matters and because of this they should have a basic understanding of patents. Most general practitioners do not have the time to become experts in the field of patent law, but they should at least know what a patent is and know how to avoid seriously damaging or losing an inventor's rights in his invention.

Initially, the inventor should be advised as to how to avoid abandoning his invention to the public, and as to what steps must be taken to obtain patent protection. Later, care should be exercised in negotiating and drafting agreements pertaining to the patent so as to obtain satisfactory tax treatment and to avoid patent misuse. If infringers appear on the scene, extreme care should be exercised in writing threatening letters or in instituting suits against the infringers. Armed with an awareness of the dangers lurking in all these situations a general practitioner can be of valuable service to his client, and more importantly, can avoid acting unwisely to his client's disadvantage.

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<sup>108</sup> 28 U.S.C. § 2201 (1970) provides as follows:

In a case of actual controversy within its jurisdiction, except with respect to Federal taxes, any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such.

<sup>109</sup> *Sanford v. Kepner*, 195 F.2d 387 (3rd Cir.), *aff'd*, 344 U.S. 13 (1951).

<sup>110</sup> *Technical Tape Corp. v. Minnesota Mining & Mfg. Co.*, 200 F.2d 876 (2d Cir. 1952).