

Patent Law

- Module E
- preAIA Statutory Bars

preAIA §102(b)

102(b) – if the applicant does not file within one year of the date of the prior art reference or activity, then the patentee is barred from applying for the patent.

	in public use or	No purposeful hiding of use. Experimental use exception.
	on sale	Commercial offer for sale and invention is ready for patenting
	patented or	same as 102(a).
	printed publication	same as 102(a).

“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 ”

Framework for preAIA §102(b) public use bar

- Use three categories to sort the effect of the use of the invention:
 - whether it informs the public or others of the invention
 - whether it does not so inform, or
 - whether the use was explicitly the subject of efforts to keep it secret
- The table below is for the following question:
 - *Is it a “public use” under §102(b)?*

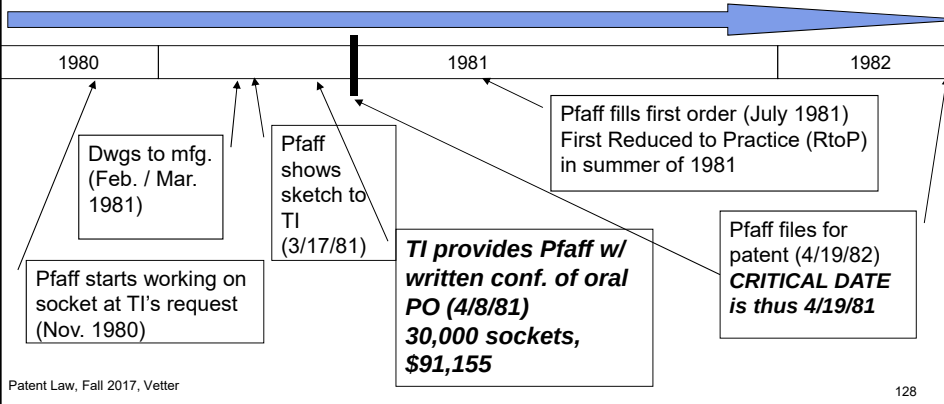
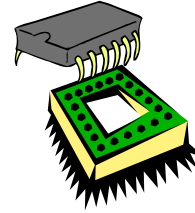
Actor	Informing Use	Non-informing Use	Secret Use
Applicant	Yes	Yes <u>Egbert v. Lippman</u>	Yes if a <u>Metallizing</u> situation Otherwise, no
Third Party (TP)	Yes	Yes	No An area of some uncertainty, but for our purposes, if use is held secret, for example, as a trade secret (TS), such use is not barring when done by a TP; example fact pattern is a manufacturing process or machine sold w/ TS clause requiring buyer to hold it as a TS

On Sale Bar

- Subject of a commercial sale or offer for sale
- Intention is “ready for patenting,” i.e., it is “complete,” satisfied in either of two ways:
 - Actual Reduction to Practice
 - invention in existence and proven to operate for its intended purpose
 - This could mean it has been “built” or could be met though other forms of evidence
 - OR
 - “Ready for patenting”
 - Sufficiently specific information is available to prove that the invention is fully conceived, such as drawings, technical descriptions
 - Must enable a person skilled in the art to practice the invention.
 - Analogous to a “Constructive Reduction to Practice” – a term sometimes used to refer to the filing of a patent application

Pfaff v. Wells Elec. (1998)

- Pfaff invents new socket for Texas Instruments (TI)
 - His normal practice is not to make or test a prototype before offering to sell it in commercial quantities
 - District court rejects Wells' §102(b) On Sale Bar (OSBar) defense

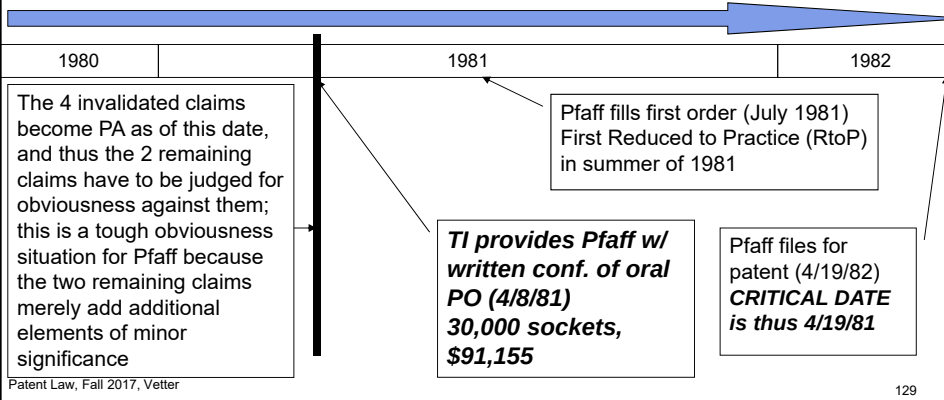
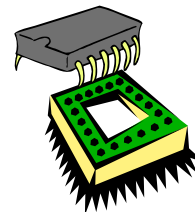


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128

Pfaff v. Wells Elec. (1998)

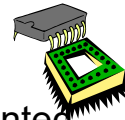
- Federal Circuit Opinion
 - Four of Six claims are invalidated by OSBar
 - The remaining two claims are invalid under the obviousness test when the four invalidated claims are considered as prior art references
 - If invalid under the OSBar, these 4 claims would be Prior Art to the two remaining claims



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129

Pfaff v. Wells Elec. (1998)



- Supreme Court
 - Well settled that an invention may be patented before an Actual Reduction to Practice (ARtoP)
 - Only reference to term RtoP in statute is §102(g)
 - This reference demonstrates that the date of the patent right is keyed to the conception date
 - To file without an ARtoP, the filed application must meet the Specification Requirements (enablement, written description, best mode, definiteness), but this does not always require building a prototype

Pfaff v. Wells Elec. (1998)

- Supreme Court
 - Pfaff could have patented the invention at the time of the PO
 - The drawings Pfaff provided to the manufacturers described the invention with “sufficient clearness and precision to enable those skilled in the matter” to produce the invention
 - Thus, the invention was “ready for patenting” at the time of the PO
 - However, even though Pfaff loses, the Supreme Court agrees that the Federal Circuit’s “substantially complete” Totality of the Circumstances (TofC) test is the wrong standard
 - Inventor can both understand and control the timing of the first commercial marketing of the invention
 - Here, there was a commercial offer for sale by Pfaff, a response from TI with a purchase order, and an acceptance; all at a time when the invention was “ready for patenting”

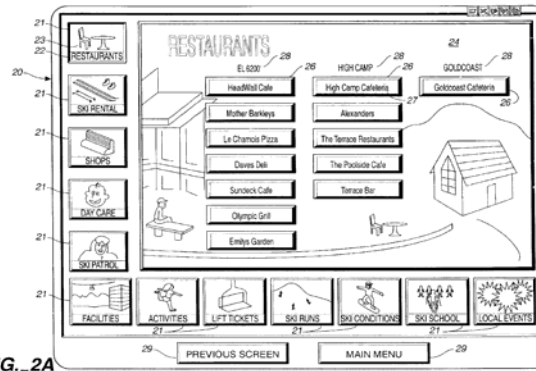
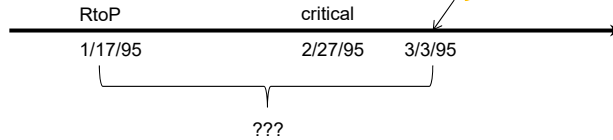
Plumtree Software v. Datamize (Fed. Cir. 2006)

- “subject of” the patented invention
 - commercial sale or offer to sell

- Reduction to Practice

- Offer?

- Sale?

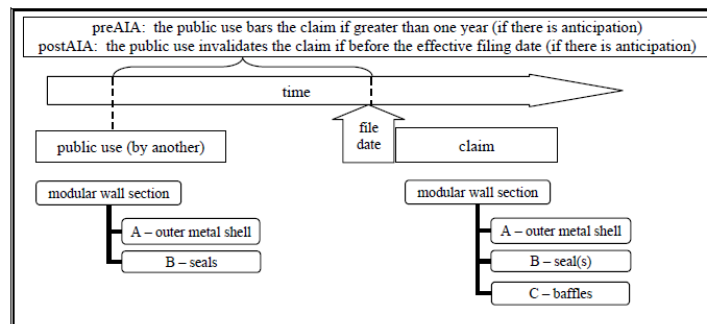
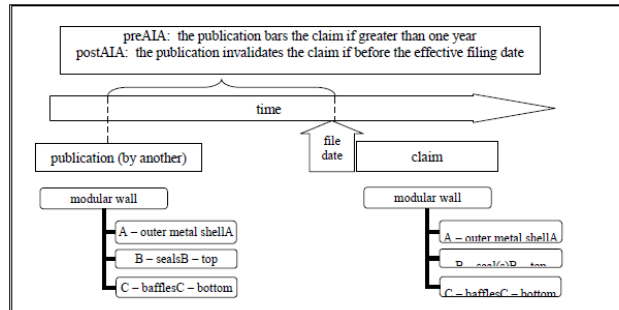


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FIG. 2A

132

bars/novelty – prior art references & anticipation



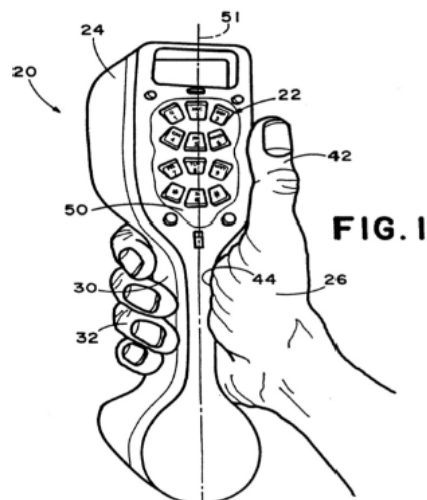
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133

Egbert v. Lippman (1881)

- How does Egbert deal with the following considerations in determining whether a use is “public use”?
 - Number of articles in use?
 - Number of users?
 - Significance of public observation?
 - Number of observers?
 - Extent to which observers understand the disclosed technology?
- Significance of efforts to keep it secret?
 - Presence or absence of a confidentiality agreement?
 - Can close personal relationships substitute?

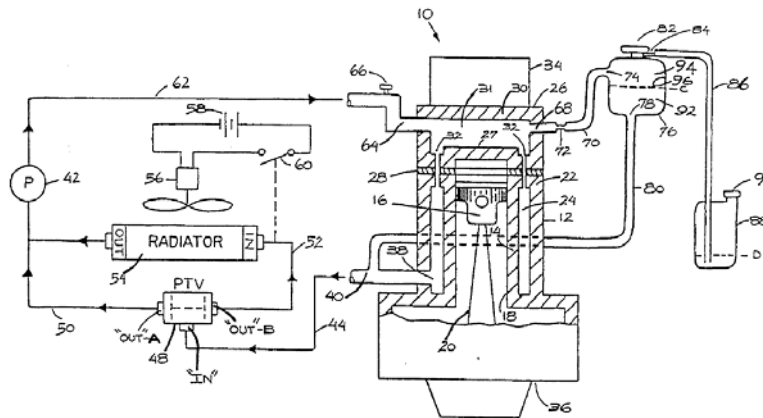
Motionless Keyboard v. Microsoft (Fed. Cir. 2007)



- Disclosures of prototype to whom?
- Extent of disclosures
 - visual display versus actual use?
 - sole alleged “use” covered by NDA

Evans Cooling Sys. v. General Motors (Fed. Cir. 1997)

- Potential prior art event: 2,000 dealer orders for the 1992 Corvette, such orders being before the critical date; some 300 for retail customers
- Even if there was a rule to not count misappropriated information as a “public use” or an “on sale bar” if later used in those ways, the rule would only run to GM’s activity, not the dealers or retail customers



City of Elizabeth v. Pavement Co. (1877)

- Experimental use doctrine
 - If the doctrine applies, then the public use is not a patent defeating statutory bar event under §102
- Fundamental inquiry
 - *is the use necessary to demonstrate workability of the invention, i.e., suitability for its intended purpose*
- Does doctrine apply to Mr. Nicholson’s road pavement invention?
 - Abandonment is not the issue here



City of Elizabeth v. Pavement Co. (1877)

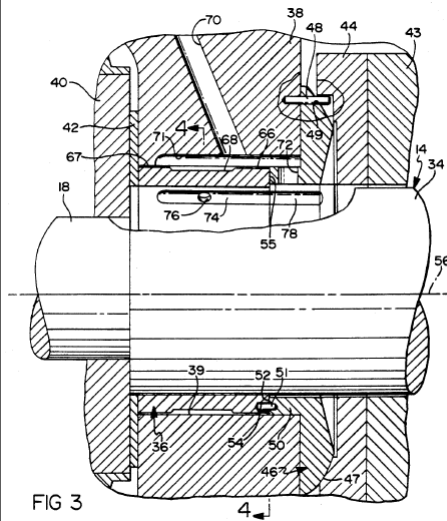


- Must experiment on street pavement in public
 - Some experiments, such as for durability, may take time
- A use is not a “public use,” even if the public benefits, if the use is still an experiment
- Nicholson’s situation
 - He controlled the experiment, had consent and performed it on the premises of the company he had some influence over
 - Experiment had the valid purpose of testing for durability and needed the public venue to properly test this characteristic
 - While it was a long test, the length seems reasonable
 - Users did not pay any additional amounts for the use of the invention, the road was already a toll road
 - Mr. Nicholson was constantly inspecting the road and monitoring its performance, asking the toll gate operator how travelers liked it

Experimental Use factors

- Factors for experimental use exception to public use statutory bar – to help determine whether the experiment is leading to an actual reduction to practice:
 - Control by inventor (most important)
 - Confidentiality / secrecy agreements
 - Necessity of public testing
 - Length of test period, number of prototypes
 - Did users pay? Commercial exploitation?
 - Progress reports, monitoring, records of performance
 - The experiment must be for claimed features of the invention, or perhaps for general purpose/utility of the invention
 - Are experiments hidden?

Electromotive Div. of GM v. Transportation Div. of GE (Fed. Cir. 2005)



- Pre-Critical Date sales
- Commercial sales or primarily experimental?
- EMD argues it was experimental
 - Durability testing
 - Inspection not possible
 - Returns allowed for feedback on experiment
- Experimental use doesn't negative the on sale bar
 - Subjective inventor intent doesn't control
 - Factors
 - Control
 - Monitoring
 - Awareness
 - . . .