FEDERAL CIRCUIT PATENT LAW CASE UPDATE

Symbol Techs., Inc. v. Lemelson Med., Educ. & Research Found., LP, 04-1451 (Fed. Cir. Sept. 9, 2005) (Lourie, J.)

The court affirmed the district court's determination, following remand in Symbol Techs., Inc. v. Lemelson Med., Educ. & Research Found., 277 F.3d 1361 (Fed. Cir. 2002), that Lemelson's patents in-suit were unenforceable under the doctrine of prosecution laches. While the doctrine applies sparingly, the delay in prosecution of the Lemelson applications, combined with refiling applications on applications allowed to issue, along with other factors, meant that the district court was not outside its bounds in using the doctrine.

Following the court's remand in Symbol Techs., Inc. v. Lemelson Med., Educ. & Research Found., 277 F.3d 1361 (Fed. Cir. 2002), the district court held Lemelson's patents in-suit unenforceable under the doctrine of prosecution laches. It also resolved a number of other issues against Lemelson, including "entitlement to earlier priority dates, enablement, claim construction, infringement" and others.

The court affirmed the district court's application of prosecution laches.

> We did not set forth any firm guidelines for determining when such laches exists, but left this determination to the district court on remand, as the defense exists as an equitable doctrine. In so doing, however, we discussed precedent such as Woodbridge v. United States, 263 U.S. 50 (1923), and Webster Electric Co. v. Splitdorf Electrical Co., 264 U.S. 463 (1924), wherein the Supreme Court applied the doctrine of prosecution laches to render patents unenforceable. Although those cases involved a nine-and-a-half-year delay and an eight-year delay, respectively, the Court later held that the presumptive two-year time limit referred to in Webster was dictum because it was not directly applicable to the issue of laches on which the case was decided. Thus, there are no strict time limitations for determining whether continued refiling of patent applications is a legitimate utilization of statutory provisions or an abuse of those provisions. The matter is to be decided as a matter of equity, subject to the discretion of a district court before which the issue is raised.
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> There are legitimate grounds for refiling a patent application which should not normally be grounds for a holding of laches, and the doctrine should be used sparingly lest statutory provisions be unjustifiably vitiated. The doctrine should be applied only in egregious cases of misuse of the statutory patent system. . . .
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> However, refiling an application solely containing previously-allowed claims for the business purpose of delaying their issuance can be considered an abuse of the patent system. . . . In particular, multiple examples of repetitive refilings that demonstrate a pattern of unjustifiably delayed prosecution may be held to constitute laches. . . . The district court here heard considerable evidence that that was what occurred in this case. The court found that an 18- to 39-year time period had elapsed between the filing and issuance of the patents in suit. Symbol III, 301 F. Supp. 2d at 1355. That period of time is not what is contemplated by the patent statute when it provides for continuation and continuation-in-part applications. Patent applications should normally be permitted to issue when they have been allowed and the statutory requirements complied with. The court also found that Lemelson had engaged in "culpable neglect" during the prosecution of these applications and it recognized the adverse effect on businesses that were unable to determine what was patented from what was not patented. Id. at 1356. It noted that the Lemelson patents occupied the "top thirteen positions" for the longest prosecutions from 1914 to 2001.

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