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The Patent and Trademark Office's Refusal to Follow *In Re Bond**

Wesley W. Whitmyer, Jr.**

I. INTRODUCTION

The Patent and Trademark Office (PTO) has recently announced its official decision¹ to ignore Court of Appeals for the Federal Circuit (CAFC) precedent² requiring it to apply the last paragraph of 35 U.S.C. §112 to patentability determinations of means-plus-function claims. This paper briefly explores the legal legitimacy³ of the PTO's decision and briefly analyzes the implications of the PTO's decision for patent practitioners.

II. BACKGROUND

A. Section 112

The last paragraph of 35 U.S.C. §112 reads:

An element in a claim for a combination *may* be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim *shall* be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof (emphasis added). 35 U.S.C. §112, ¶6.

The last paragraph of §112 requires nothing of applicant; rather, it permits applicant to phrase the claims in terms of means or step

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1 *Applicability of the last paragraph of U.S.C. §112 to patentability determinations before the Patent and Trademark Office*, 35 Off. Gaz. Pat. Office 8 (1992).

2 *In re Bond*, 910 F.2d 831 (Fed. Cir. 1990).

3 The PTO also argues a variety of policy considerations which will not be treated in this paper. See, Moy, *The Interpretation of Means Expressions During Prosecution*, 68 J. Pat. Off. Soc'y 246 (1986) for a policy analysis concluding that the PTO should apply the last paragraph of §112.

plus function limitations.⁴ If applicant does so phrase the claims, the last paragraph instructs that the claims shall be interpreted to include the structure, material or acts disclosed in the specification for the means or step, term and equivalents.⁵

B. *In re Bond*

In *In re Bond*, the CAFC relied upon the last paragraph of 35 U.S.C. §112 to vacate a PTO Board of Appeals (Board) decision that Claim 1 of Bond's patent application was anticipated.⁶ Claim 1 was directed to the combination of a prior art remote turn-on feature for a telephone answering machine, with a delay means to prevent the machine from answering the initial turn-on call for a predetermined time after the machine has been set to answer mode.⁷ The Board sustained the Examiner and rejected Claim 1 since, in its view, the *function* of Bond's claimed delay means was exactly met by the prior art machine, which did not answer the turn-on call immediately, but only after one additional ring.⁸ The CAFC vacated the Board's rejection because "the Board made no finding that the delay means of claim 1 and that embodied in the [prior art] device are *structurally equivalent* (emphasis added)."⁹ In so doing, the CAFC imposed upon the PTO the responsibility of examining means plus function claims in terms of the *structure* disclosed in the specification and equivalents.¹⁰

⁴ *In re Knowlton*, 481 F.2d 1357, 1366 (C.C.P.A. 1973); *In re Comstock*, 481 F.2d 905, 908 (C.C.P.A. 1973).

⁵ *Knowlton*, 481 F.2d at 1366.

⁶ *Bond*, 990 F.2d at 833.

⁷ *Bond*, 990 F.2d at 832. The delay means limitation of Claim 1 reads "delay means included in said control means for delaying the seizure of said telephone line by said second circuit means for a predetermined time interval after said telephone answering machine has been set to said automatic answering mode so as to permit the calling party to get off the telephone line and avoid telephone charges". *Bond*, 990 F.2d at 833.

⁸ *Bond*, 990 F.2d at 833 (n. 3).

⁹ *Bond*, 990 F.2d at 833. "Section 112 equivalent" is a more accurate name than "structural equivalent" or "functional equivalent," because the actual inquiry may also be of material or act equivalents, and because application of the last paragraph of §112 to interpret a claim is only necessary where the exact function is found. 35 U.S.C. §112, ¶ 6; *Pennwalt Corp. v. Durand-Wayland, Inc.*, 833 F.2d 931 (Fed. Cir. 1987).

¹⁰ There is no question but that the last paragraph of 35 U.S.C. §112 applies to a court's determination of infringement. See, 35 Off. Gaz. Pat. Office at 9 ("infringement cases"); *Hale Fire Pump Co. v. Tokai, Ltd.*, 614 F.2d 1278, 1283 (C.C.P.A. 1980); *Johnston v. IVAC Corp.*, 885 F.2d 1574, 1580 (Fed. Cir. 1989). The same is true of a court's determination of validity, since a claim must be construed in the same way for both infringement and validity analyses. *W.L. Gore & Associates, Inc. v. Garlock, Inc.*, 842 F.2d 1275, 1279 (Fed. Cir. 1988); *Smith Kline Diagnostics, Inc. v. Helena Laboratories Corp.*, 859 F.2d 878, 882 (Fed. Cir. 1988).

C. *The PTO's Notice*

The February 4, 1992, *Official Gazette of the Patent and Trademark Office*¹¹ sets forth the PTO's policy concerning the last paragraph of 35 U.S.C. §112 and attempts to validate the PTO's decision to ignore *Bond*. The PTO's position is, and always has been, that the last paragraph of 35 U.S.C. §112 does not apply to PTO patentability determinations.¹² Language requiring that the last paragraph be considered subordinate to the second paragraph of 35 U.S.C. §112 has appeared in every edition of the *Manual of Patent Examining Procedure*¹³ since 1955.¹⁴ The PTO's premise is that interpreting a claim in compliance with the last paragraph violates the second paragraph of §112.

III. THE PTO'S REASONING AND REBUTTAL

A. *CCPA Precedent*

1. *In re Lundberg*

The PTO's main argument is that the line of Court of Customs and Patent Appeals (CCPA) cases springing from *In re Lundberg*¹⁵ is "mandatory authority" which forecloses it from interpreting pending means claims to include structure described in the specification and equivalents.¹⁶ According to the PTO, *Lundberg* "squarely held" that the last paragraph of §112 does not apply to PTO patentability determinations.¹⁷ The passage of *Lundberg* cited in support by the PTO reads in part: "Limitations in the Specification may not be relied upon to impart patentability to an otherwise unpatentable claim."¹⁸ The CCPA's statement of law is absolutely correct, but it has nothing to do with the last paragraph of §112 which commands how to read the word means in a means plus function claim limitation.

11 35 Off. Gaz. Pat. Office at 8.

12 35 Off. Gaz. Pat. Office at 8.

13 *Manual of Patent Examining Procedure*, §706.03(c), 5th ed. (1983) (citing *Ex Parte Ball*, 99 U.S.P.Q. 146 (Bd. Pat. App. 1953)).

14 35 Off. Gaz. Pat. Office at 8. The second paragraph of §112 reads "[t]he specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." 35 U.S.C. §112, ¶ 2.

15 *In re Lundberg*, 244 F.2d 543 (C.C.P.A. 1957).

16 35 Off. Gaz. Pat. Office at 10.

17 35 Off. Gaz. Pat. Office at 8.

18 35 Off. Gaz. Pat. Office at 8 (quoting *Lundberg*, 244 F.2d at 548).

In affirming the Board's rejection of the claims, the CCPA in *Lundberg* opined that

both the structural and the functional limitations in each of the above mentioned claims, in the broad language in which they are couched, are either directly set forth or reasonably suggested by the prior art of record (emphasis added).¹⁹

Thus, *Bond* is not strictly contrary to the holding of *Lundberg*, and only conflicts, if at all, with the dicta.²⁰ *Lundberg* does not specifically hold that the PTO need not concern itself with Section 12 equivalents.

Citing *South Corp. v. United States*,²¹ the PTO next argues that *Lundberg* is binding precedent on the CAFC.²² To the extent *Lundberg* and *Bond* conflict, no CAFC panel can overrule *Lundberg*.²³ However, the *South Corp.* rule for interpreting CAFC precedent was refined in *In re Gosteli*.²⁴ Because the CCPA always sat *en banc*, the CAFC held that later CCPA decisions control earlier ones and inconsistencies are deemed *sub silentio* removed.²⁵

The *Gosteli* refinement to rules governing application of CCPA precedent in the CAFC impacts the PTO's reliance on *Lundberg* because of a later CCPA case, *In re Knowlton*.²⁶ In *Knowlton* the CCPA stated that:

[i]f the applicant chooses to use [means or step plus function] language, the statute instructs the interpreter of the claims, e.g., the Patent Office or the courts, as to how such language shall be interpreted (emphasis added).²⁷

Knowlton requires the PTO to examine means or step plus function claims in terms of structure, material or acts disclosed in the specification and equivalents. Since *Knowlton* was decided after *Lundberg*, *Knowlton* is the proper CCPA precedent applicable to the CAFC, and any inconsistency in *Lundberg* is removed per *Gosteli*.

¹⁹ *Lundberg*, 244 F.2d at 547.

²⁰ But cf. *In re Bowles*, No. 91-2267 (Bd. Pat. App. 1991) ("we are unable to reconcile the holding of *Lundberg* with that of *Bond* . . . *Lundberg* is regarded as binding precedent").

²¹ *South Corp. v. United States*, 690 F.2d 1368 (Fed. Cir. 1983).

²² 35 Off. Gaz. Pat. Office at 11.

²³ *South Corp.*, 690 F.2d at 1370 (n. 2).

²⁴ *In re Gosteli*, 872 F.2d 1008 (Fed. Cir. 1989).

²⁵ *Gosteli*, 872 F.2d at 1011.

²⁶ *In re Knowlton*, 481 F.2d 1357, 1366 (C.C.P.A. 1973).

²⁷ *Knowlton*, 481 F.2d at 1366.

2. *In re Sweet*

The PTO also relies upon a single sentence from the CCPA's decision in *In re Sweet*²⁸ to inflate the PTO's expansive interpretation of *Lundberg* into the "well-established *Lundberg/Sweet* principles."²⁹ The sentence from Judge Rich's opinion reads:

However, a recitation of "means" for performing a function is interpreted broadly to cover all means capable of performing the stated function and is not limited to the particular structure which the application may disclose.³⁰

Notwithstanding the unfortunate phraseology of this sentence, the exact reasoning followed, and precise holding by the Court in *Sweet* are far from clear.

In a recent CAFC opinion, Judge Rich explained that the above-quoted sentence from *Sweet* must be read in light of the opinion as a whole and should not be removed from its context.³¹ When considered in a vacuum, the *Sweet* sentence, says Judge Rich, is partly true and partly untrue:

The untrue part is the initial statement that the means clause is interpreted to cover *all* means to perform the function. It should have said it is interpreted to cover the means disclosed and *all equivalents* thereof which perform the function (emphasis original).³²

Finally, regardless of the interpretation adopted, any portion of *Sweet* which is contrary to the CCPA's later decision in *Knowlton* is deemed removed as CAFC precedent.³³

B. *Treatment By The CAFC*

The PTO also argues that the CAFC has inconsistently interpreted the last paragraph of §112.³⁴ Apparently, the PTO believes the alleged unsettled nature of the law permits it to ignore *Bond*. In fact, however, CAFC panels have very consistently found that the last paragraph of §112 applies to PTO patentability determinations.³⁵ In *Iwahashi*, the CAFC stated that "[s]ection 112 ¶ 6 cannot be

²⁸ *In re Sweet*, 393 F.2d 837 (C.C.P.A. 1968).

²⁹ 35 Off. Gaz. Pat. Office at 9.

³⁰ 35 Off. Gaz. Pat. Office at 9; *Sweet*, 393 F.2d at 841-842.

³¹ *In re Iwahashi*, 888 F.2d 1370, 1375 (Fed. Cir. 1989) (n. 1).

³² *Iwahashi*, 888 F.2d at 1375 (n. 1).

³³ *Gosteli*, 872 F.2d at 1011.

³⁴ 35 Off. Gaz. Pat. Office at 9.

³⁵ *Bond*, 910 F.2d at 833; *Iwahashi*, 888 F.2d at 1375; *Accord, In re Mulder*, 716 F.2d 1542, 1549 (Fed. Cir. 1983).

ignored when a claim is before the PTO any more than when it is before that courts in an issued patent.”³⁶ No CAFC panel has held in a precedential opinion that the PTO is exempt from the clear, mandatory language in the last paragraph of §112.³⁷ Thus, there is no inconsistency in CAFC precedent which excuses the PTO’s failure to examine Section 112 equivalents in pending applications.

C. *The Clause Itself*

The PTO makes additional legal arguments relating to the history and wording of the clause, and to Congressional reenactment of §112. The PTO’s belief that these arguments provide a basis for exempting it from the dictates of the statute is tenuous at best.

In terms of the historical context of the clause, the PTO bases its exemption argument on the contemporaneous commentary of Examiner-in-Chief, P.J. Frederico.³⁸ However, under well-accepted precepts of statutory construction, Mr. Frederico’s commentary is suspect because he assisted in drafting the clause.³⁹

The PTO also relies on Mr. Frederico’s commentary to argue that the word cover was used in the clause “to connote an infringement context.”⁴⁰ No known precedent supports the PTO’s position that the word cover implies claim scope solely for purposes of infringement determinations, and not also for purposes of patentability/validity determinations. Similarly, the PTO argues that the words “construed” and “equivalents” in the clause respectively refer only to post-issuance court matters.⁴¹ Again, no cases specifically have held that these terms have this meaning only, whether in the context of §112 or otherwise.

The PTO argues that Congressional reenactment of §112 indicates approval of prior CCPA interpretations.⁴² But as set out in Section III.A.1. *supra*, *Lundberg* is not contrary to *Bond*. Further, Congress’ 1975 reenactment must under the PTO’s analysis indicate

³⁶ *Iwahashi*, 888 F.2d at 1375 (n. 1, last sentence).

³⁷ But *cf.* *In re Queener*, 796 F.2d 461, 464 (Fed. Cir. 1986) (Newman, J., concurring); *In re Boersma*, No. 84-627 (Fed. Cir. 1984) (unpublished) (“*Lundberg* binds this panel”).

³⁸ 35 Off. Gaz. Pat. Office at 8 (quoting Frederico, *Commentary on the New Patent Act*, 35 U.S.C.A. 1, 25-26 (1954)).

³⁹ Moy, 68 J. Pat. Off. Soc’y at 276 (nn. 90-92 and accompanying text).

⁴⁰ 35 Off. Gaz. Pat. Office at 11.

⁴¹ 35 Off. Gaz. Pat. Office at 10.

⁴² 35 Off. Gaz. Pat. Office at 9 (quoting *Atkins v. United States*, 556 F.2d 1028, 1039 (Ct. Cl. 1977)).

approval of the CCPA's thorough interpretation of §112 in *Knowlton*, which finds the last paragraph applicable to the PTO.⁴³

D. *Factual Issues*

The PTO also relies upon numerous factual issues in support of its decision to ignore *Bond*. While some of these issues are considerations in deciding whether application of the last paragraph of §112 by the PTO makes good policy, the issues carry no legal weight and can not excuse the PTO. Further, many of these issues provide reasons why the PTO should apply the last paragraph of §112 in patentability determinations.

For example, the PTO raises an issue with respect to claim clarity.⁴⁴ However, claim clarity would be enhanced through a uniform interpretation of claims by both the PTO and the courts. The PTO also raises the issue of the presumption of validity.⁴⁵ Since the presumption of validity is based upon the presumption of administrative correctness,⁴⁶ the PTO's failure to follow *Bond* is more detrimental to the presumption than even a poor application of the last paragraph of §112.

The PTO's protestations regarding an increased work load, the inability to receive or evaluate live testimony, and the lack of testing facilities are equally unpersuasive.⁴⁷ The PTO has for years evaluated the complex factual question of obviousness without benefit of live testimony or test facilities, and Section 112 equivalents could be similarly evaluated in patentability determinations.

IV. IMPLICATIONS FOR PATENT PRACTITIONERS

The first decision a practitioner faces in drafting claims is whether even to use means or step plus function limitations. At least one commentator has suggested that such claims do not necessarily provide the broadest coverage.⁴⁸ For example, in cases where the structure, material or acts corresponding to the means or step is somewhat complex, a claim of broader scope may be obtained by replacing the

⁴³ *Knowlton*, 481 F.2d at 1365-1369.

⁴⁴ 35 Off. Gaz. Pat. Office at 12.

⁴⁵ 35 Off. Gaz. Pat. Office at 12.

⁴⁶ *Lannom Mfg. Co., Inc. v. U.S. Intern. Trade Com'n*, 799 F.2d 1572, 1575 (Fed. Cir. 1986).

⁴⁷ 35 Off. Gaz. Pat. Office at 12.

⁴⁸ Janicke, *Litigation Import Of The Prosecution Attorney's Section 112 Decisions*, 6 A.P.L.A. Q.J. 206, 207-210 (1978).

means or step with a recitation of the *essential* portion of the structure, material or acts. A Doctrine of Equivalents' equivalent of the *essential* portion should be broader than a Section 112 equivalent of the complete structure disclosed for the means or step. Additionally, under the PTO's view that disclosed structure can not impart patentability to a claim drafted in means or step plus function format, claiming *essential* structure, material or acts may also distinguish prior art.

The PTO's refusal to apply the last paragraph of §112 to patentability determinations further militates against the use of means or step plus function claim limitations. Since the PTO will not permit applicants to distinguish means or step plus function claim limitations with the structure, material or acts disclosed for the means or step, applicants must distinguish the functional expressions in the claim from the functions disclosed in the prior art. However, because applicants could only hope to read the claim on equivalents of the structure, material or acts disclosed for the means or step, they may be required to distinguish references upon which the claim could never be read, thereby unnecessarily limiting the claim.

In a litigation context, however, the literal breadth of means or step plus function claim limitations is undeniably advantageous. Thus, for apparatus inventions, practitioners are well advised to draft both means plus function, and more traditional type claims. Having decided to draft means or step plus function claims, practitioners should include such limitations in claims to combinations only,⁴⁹ should pad the specification with a variety of structures, materials or acts capable of affecting the claimed function in order to extend the scope of available equivalents, and should give careful thought to the wording of functional expressions used in the claims.

Although an eventual showdown between the PTO and CAFC seems likely, practitioners can, if desired, endeavor to draft their means or step plus function claim limitations to avoid last paragraph of §112 problems. First, do not use functional expressions to claim

⁴⁹ Single means claims are properly rejected under the first paragraph of §112 as not enabled by the disclosure. *In re Hyatt*, 708 F.2d 712, 714 (Fed. Cir. 1983); *In re Borkowski*, 422 F.2d 897, 903-904 (C.C.P.A. 1970). The first paragraph of §112 reads

[t]he specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

35 U.S.C. §112, ¶ 1.

desired results, as such claims are hopelessly broad.⁵⁰ Second, draft functional expressions which implicitly incorporate the structure, material or acts disclosed for the means or step, or which are linked to other claimed structure, material or acts. Third, consider dependent claims with progressively more detailed functional expressions. Lastly, try hybrid means expressions which explicitly incorporate essential portions of the structure, material or acts disclosed for the means or step. For example, if Bonds' claim had read "*timer* means for delaying . . .", it may have been allowed by the PTO without an appeal, and yet not have unduly restricted the scope of coverage.

V. CONCLUSION

The PTO's refusal to apply *In re Bond* is not legally legitimate and forebodes a confrontation with the CAFC over application of the last paragraph of §112.

⁵⁰ See, Landis, *Mechanics of Patent Claim Drafting*, §§28, 31, 2nd ed. (1978); *In re Swinehart*, 439 F.2d 210, 213 (C.C.P.A. 1971).