

# VEDDER PRICE

# IP Strategies

Trends in patent, copyright, trademark and technology development and protection

August 2004

## MINIMUM INTERNET CONTACTS: PERSONAL JURISDICTION AND THE WORLD WIDE WEB

### INTRODUCTION

Is a company that operates a website on the Internet subject to personal jurisdiction in every forum in which Internet users access the site? Imagine, for example, that an Illinois company based in Chicago advertises its widget product line over the World Wide Web, and is later sued for trademark infringement based on the logo for its widget products. Does this company thereby subject itself to personal jurisdiction in Alaska, because it so happens that Internet users in Anchorage accessed the company's website displaying the logo? What if this same company does not advertise its widget products over the Internet, but instead allows for the sale of its widgets via a hyperlink from a third-party website? Does this company now subject itself to personal jurisdiction in Montana for a patent infringement dispute because someone in Billings purchased a single widget through the hyperlink? Surprisingly, these Internet contacts alone may suffice to warrant the exercise of personal jurisdiction, and companies that maintain websites or otherwise market themselves via the Internet must be aware of these jurisdictional ramifications.

### TRADITIONAL NOTIONS OF PERSONAL JURISDICTION

Before turning to Internet-specific jurisprudence, it is necessary to briefly review certain basic principles of

personal jurisdiction. Determining whether a court can exercise personal jurisdiction over a nonresident defendant entails two inquiries: (1) whether the forum state's long-arm statute permits service of process; and (2) whether the assertion of jurisdiction comports with due process. *See, e.g., LGF, LLC v. Zapata Corp.*, 78 F. Supp. 2d 731, 735 (N.D. Ill. 1999). However, as in most states, the Illinois long-arm statute permits Illinois courts to exercise personal jurisdiction over a defendant on any basis allowed under the due process clauses of either the United States or Illinois Constitutions. Because of this, the jurisdictional analysis collapses into a single due process inquiry.

For an exercise of personal jurisdiction to satisfy due process, the defendant must have sufficient minimum contacts with the forum such that maintenance of the suit does not offend "traditional notions of fair play and substantial justice." This determination depends on whether the plaintiff asserts general or specific jurisdiction against the defendant. General jurisdiction arises when a defendant maintains continuous and systematic contacts with the forum state, even though the cause of action may not have any relation to those contacts. Specific jurisdiction, by contrast, arises where the cause of action relates to the defendant's contacts with the forum state,

### IN THIS ISSUE

MINIMUM INTERNET CONTACTS:  
PERSONAL JURISDICTION AND THE WORLD  
WIDE WEB

Page 1

RECENT FEDERAL CIRCUIT PATENT  
DECISIONS

Page 6

regardless of whether those contacts are isolated and sporadic. With both general and specific jurisdiction, a defendant must “reasonably anticipate being haled into court in the forum state” by “purposely avail[ing] itself of the privilege of conducting activities there.” As will be demonstrated below, the operation of websites and other Internet-related activities elicits consequences for the exercise of both general and specific jurisdiction.

### THE “SLIDING SCALE” APPROACH TO INTERNET PERSONAL JURISDICTION

Simply registering a domain name for a website is not sufficient to create jurisdiction without something else. This “something else” is precisely what courts are grappling with. What level of interaction with an Internet website is required to rise to the level of “minimum contacts” such that a defendant maintaining that website has purposefully availed itself of the laws of the forum state?

In most cases dealing with the effect of Internet activity on personal jurisdiction, courts have adopted and applied some form of the approach first put forth in *Zippo Mfg. Co. v. Zippo Dot Com, Inc.*, 952 F. Supp. 1119 (W.D. Pa. 1997).<sup>1</sup> This approach is known as the “sliding scale.” Whether a defendant’s Internet activity constitutes the requisite contacts to warrant the imposition of personal jurisdiction depends upon where the particular website falls on the sliding scale.

There are three main categories into which Internet activity falls: (1) those in which the defendant transacts business in foreign jurisdictions over the Internet and, thereby, subjects itself to personal jurisdiction (“active website”); (2) those in which the defendant posts information on the website, but has no further communication with potential customers via the Internet and, thereby, does not subject itself to

jurisdiction (“passive website”); and (3) those in which the defendant operates a website that allows the defendant and potential customers to communicate regarding the defendant’s goods or services (“interactive website”). While the exercise of personal jurisdiction is relatively clear and uniform in the first two categories, cases falling in the third (or middle) category present more difficulty and less than uniform outcomes.

### Active Website

The first “sliding scale” category consists of situations where a defendant does business over the Internet and thereby subjects itself to personal jurisdiction. If, for example, the defendant enters into contracts with residents of a foreign jurisdiction over the Internet, general jurisdiction is proper. If, by contrast, the defendant sells infringing products to residents of a foreign jurisdiction over the Internet, specific jurisdiction is proper. These websites are clearly active, allowing for the transaction of business between the end user and the website host.

In *Euromarket Designs, Inc. v. Crate and Barrel Ltd.*, for example, the court found that the defendant’s website conducted business over the Internet and, therefore, the defendant had sufficient contacts with Illinois to exercise jurisdiction. In this case, the defendant was an Irish corporation that operated stores in Ireland and a website for the purpose of selling its goods. Prominently displayed on both the store and on the website was the defendant’s name, “Crate and Barrel.” The plaintiff, an Illinois corporation, sued the defendant, maintaining that the defendant infringed its “Crate and Barrel” trademark.

Although the defendant was located in Ireland, its website included goods priced in U.S. dollars and the billing and shipping city, state and zip code format

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was unique to the United States. The court determined that the retailer “deliberately designed and now maintains a website with a high level of interactivity ... enabling customers to browse through an online catalog and place orders via the Internet.” The court noted that the “website actively solicits all users, including residents of Illinois, to purchase goods.” The court then held that the defendant purposefully availed itself of Illinois customers and of the protections of Illinois laws and, therefore, was subject to personal jurisdiction in Illinois.

Similarly, in *Brach’s Confections, Inc. v. Keller*, the court found that the defendant in that trademark infringement case conducted business over the Internet so as to justify the exercise of personal jurisdiction over the nonresident defendant. Although the defendant was a New Jersey company that did not maintain operations in Illinois, the court concluded that the exercise of personal jurisdiction was appropriate because the defendant used its website to contract with at least four Illinois citizens for the sale of goods.

### ***Passive Website***

The second category, as noted above, arises where a defendant simply posts information on an Internet website that is accessible to users in foreign jurisdictions. A passive website that does little more than make information available to those who are interested is not grounds, in and of itself, for the exercise of either general or specific jurisdiction. As

expressed in *Zapata*, “[a]n opposite finding would lead to the conclusion that there should be worldwide personal jurisdiction over anyone and everyone who establishes an Internet website, which is clearly inappropriate.”

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trademark infringement case, the website offered general information about the nonresident defendant company and its products and services. The website, however, did not allow users to purchase the defendant’s products, did not contain pricing information and did not even allow users to download or request a catalog. Although the website allowed users to request additional information about the defendant company by

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Falling into this category are cases like *Haemoscope Corp. v. Pentapharm AG*, where the court refused to exercise personal jurisdiction over a nonresident defendant on the basis of a passive website. In this

submitting an online form, the court noted that the site “does little more than make information available to those who are interested ...”

Based on these minimum Internet contacts, the court held that the

nonresident defendant was not subject to either general or specific jurisdiction. According to the court, a passive website “is not pervasive or extensive enough contacts to constitute continuous and systematic general business contacts with the forum.” Moreover, even though the trademark infringement claims related directly to the website, the court held that “a passive website is insufficient to satisfy the minimum contacts requirement.”

The same result was reached in *David White Instr., LLC v. TLZ, Inc.* The website in this patent infringement case did not provide for the sale of the allegedly infringing products over the Internet, and no information was exchanged between a user and the website host other than a list of local retailers when the user entered his zip code. According to the court, the site was merely “an advertisement that tells the consumer where Toolz’s products can be found.” The court then expressed that “national advertisements (including those on the Internet) are insufficient to subject a defendant to jurisdiction in Illinois.”

### *Interactive Website*

The third category is occupied by interactive websites where a user can exchange information with the host computer. In these cases, the exercise of jurisdiction is determined by examining the level of interactivity and commercial nature of the exchange of information that occurs on the website. Also relevant to this analysis is whether or not a website is specifically targeted towards a particular forum.<sup>2</sup>

For example, in *Zapata*, the court found personal jurisdiction over a nonresident defendant operating an interactive website. The plaintiff was an Illinois business that provided online trading, stocks, commodity futures and option research and financial news, and had a trademark registration of “ZAP.” The defendant, a Delaware corporation with its principal place of business in Texas, developed a website structured as a portal, through which it offered a list of connections to other sites by way of hyperlinks. The defendant’s site linked users to these related sites at no charge. Furthermore, users could sign up for the defendant’s mailing list.

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In deciding the issue of personal jurisdiction, the court found that the defendant’s website was interactive because it contained a contact page where a user could send e-mail to the defendant in addition to joining its mailing list. The court next looked at the level of interactivity of the information exchanged over the site. It found that twenty-five Illinois residents were on the defendant’s mailing list and that the defendant created the site for the purpose of developing contacts with Internet users; this act illustrated the defendant’s choice to enter and establish contact with Illinois residents. Based on these contacts, the court concluded that the exercise of personal jurisdiction over the defendant was proper.

In *NeoMedia Technologies, Inc. v. Airclie*

*Inc.*, the court reached an opposite conclusion. In this patent infringement case, two nonresident defendants maintained separate websites. The first defendant’s website allowed users to electronically submit contact information and later receive information about the defendant’s products and services. The second defendant’s site allowed this same level of interactivity, but also utilized hyperlinks to other websites that sold the infringing product. The court determined that both websites fell into the “interactive” or “hybrid” category under the sliding scale, but analyzed the sites separately given the distinct content.

With respect to the first defendant, the court held that it could not exercise jurisdiction based on the website contacts. First, the court noted that “[n]othing on AirClie’s website is specifically targeted at Illinois consumers.” Second, the court added that the plaintiff failed to demonstrate that any of AirClie’s products or services reached Illinois, either via its website or otherwise. Therefore, according to the court, the

website “did not reach the level of commercial interactivity required under [the “sliding scale” approach] for personal jurisdiction.”

With respect to the second defendant, the court again held that it could not exercise jurisdiction based on the additional interactivity of hyperlinks to other websites that sell the infringing products. With respect to this contact, the court stated:

Due to the almost universal accessibility of the Internet, if we were to confer personal jurisdiction based on Scanbuy’s hyperlink to a non-forum “active” website, it would establish as precedent that any website owner who hyperlinks to a website that conducts business online would be susceptible to personal jurisdiction in every state and district.

Inclusion of hyperlinks, accordingly, does not tip the scales in favor of conferring personal jurisdiction for interactive websites.

### CONCLUSION

The sliding scale approach utilized in cases involving Internet activities is not a significant shift from traditional constructs of personal jurisdiction. The likelihood that personal jurisdiction can be constitutionally exercised is proportionate to the nature and quality of the contacts that a defendant conducts over the Internet. This “minimum Internet contacts” rationale allows courts to exercise personal jurisdiction over those defendants who fall into the first category by actively conducting business over the Internet and, at the same time, precludes courts from exercising jurisdiction over defendants who fall into the passive category of supplying information to potential customers. This rationale also embraces the reality of middle-rung cases, where further case-specific analysis is necessary to make a determination. Given

this jurisprudence, a company must be aware when it endeavors to create a website on the Internet that the level of interactivity built into the site may directly affect the possibility that the company could later be sued in any location reached by the website.

**If you have any questions regarding personal jurisdiction and the World Wide Web, please call Thomas R. Dee (312/609-7746) or Frederic T. Knape (312/609-7559) or any other Vedder Price attorney with whom you have worked.**

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<sup>1</sup> While the issue of what type of Internet activity is sufficient to establish personal jurisdiction has not been addressed by the Seventh Circuit, the “sliding scale” approach articulated in *Zippo* is the “emerging standard” adopted by district courts in the Northern District of Illinois. *See, e.g., NeoMedia Tech., Inc. v. Airclie, Inc.*, SLIP COPY, 2004 WL 848181, at \*3 (N.D. Ill. Apr. 16, 2004) (citing line of cases).

<sup>2</sup> While the focus of this article is Internet contacts, it should be noted that “non-website factors can tip the jurisdictional scales in regards to an otherwise insufficient interactive website.” *See, e.g., NeoMedia*, SLIP COPY, 2004 WL 848181, at \*4; *see also Infosys Inc. v. Billingnetwork.com, Inc.*, 2003 WL 22012687, at \*4 (N.D. Ill. Aug. 27, 2003) (recognizing that cases conferring jurisdiction “reflect that personal jurisdiction is typically determined based not only on the defendant’s Internet activities but also on its non-Internet activities”) (internal quotation and citation omitted).

## RECENT FEDERAL CIRCUIT PATENT DECISIONS

### CASE 1: BANCORP SERVS., LLC v. HARTFORD LIFE INS. CO. (MARCH 1, 2004)

#### *Claim Indefiniteness*

On appeal from a district court holding the patent indefinite and therefore invalid, the Federal Circuit held that “close questions of indefiniteness involving issued patents are properly resolved in favor of the patentee.” *Bancorp Servs., LLC v. Hartford Life Ins. Co.* (March 1, 2004). The Court stressed that if the meaning of a claim term is difficult to ascertain, but nonetheless discernible, the claim should not be invalid for indefiniteness. The claim term at issue, while not defined in the patent, corresponded to a compound term whose components had well-recognized meanings allowing one of ordinary skill in the art to infer the claim term’s overall meaning. Moreover, the claim term was substantially similar to a second term used and defined throughout the patent. Because of this association, the claim term was held to be equivalent to the second term, thus avoiding a finding of indefiniteness. ***Practice Tip: To avoid costly litigation, patent prosecutors should be consistent in their terminology and precise when defining claim terms.***

### CASE 2: SCANNER TECHS. CORP. v. ICOS VISION SYS. CORP., N.V. (APRIL 23, 2004)

#### *Claim Interpretation & Indefinite Articles*

When a claim uses an open transition phrase, such as “comprising,” in combination with the article “a” or “an” before a claim element or step, there is a presumption that the article will be interpreted to mean

one or more elements or steps unless there is evidence in the specification of a clear intent to limit the claims. *Scanner Techs. Corp. v. Icos Vision Sys. Corp., N.V.* (April 23, 2004). The Federal Circuit overruled a district court’s finding of non-infringement, both literally and under the doctrine of equivalents, while explaining that the claim limitation “an illumination apparatus” was not limited to a single illuminating source. Neither the claim language nor the specification evidenced a clear intent to limit the claims and, therefore, the use of the term “an” was found to be consistent with multiple illumination sources. ***Practice Tip: Applicants who desire a broad claim interpretation should be careful in drafting the specification such that the patentee’s intent is clearly reflected and properly construed in litigation.***

### CASE 3: ELAN CORP., PLC v. ANDRX PHARM., INC. (MAY 5, 2004)

#### *The On-Sale Bar of Section 102(b)*

Applying the Supreme Court’s decision in *Pfaff v. Wells Elecs., Inc.*, the Federal Circuit reversed a district court opinion holding an invention invalid as a result of the on-sale bar of 35 U.S.C. § 102(b). *Elan Corp., PLC v. Andrx Pharm., Inc.* (May 5, 2004). The on-sale bar of Section 102(b) applies only to products that are ready for patenting and are “the subject of a commercial offer for sale” prior to the critical date of one year before the application filing. Because the patentee was not offering to sell his invention, but rather offering a license under the future patent for the licensee to become a partner in clinical testing and marketing of the invention at some unspecified future date, the Court found the patentee’s letters not to be commercial offers for sale. Beyond proposing a licensing fee schedule and a general comment pertaining to the potential product’s 500 mg weight, the letters did not contain critical terms of a proposed

agreement of sale, such as quantities, time of delivery, place of delivery or product specifications. The Federal Circuit explained that “a communication that fails to constitute a definite offer to sell the product and to include material terms is not an ‘offer’ in the contract sense” and therefore does not evidence a commercial offer for sale. ***Practice Tip: Applicants must be precise in drafting license agreements and other related documents prior to the critical date to avoid the 35 U.S.C. § 102(b) on-sale bar.***

**CASE 4: INTIRTOOL, LTD. V. TEXAR CORP.  
(MAY 10, 2004)**

***Claim Preambles May Be a Limitation***

In an opinion addressing whether statements made in the preamble of a claim are limitations, the Federal Circuit held that “a claim preamble is limiting if it recites essential structure or steps, or if it is necessary to give life, meaning, and vitality to the claim.” *Intirtool, Ltd. v. Texar Corp.* (May 10, 2004). The patentee’s claim preamble called for “a hand-held punch pliers for *simultaneously* punching and connecting overlapping sheet metal . . . .” Moreover, the patentee added a figure during prosecution illustrating the overlapping connection as described by the preamble. However, the district court found by clear and convincing evidence that the pliers described in the specification and figures were capable of only punching and not simultaneously connecting overlapping sheet metal. The Federal Circuit found that the body of the claim was structurally complete, such that the preamble did not affect the structure of steps of the body, and that the preamble was not relied on in prosecution to distinguish the claimed invention from the prior art. As a result, the preamble was not a claim limitation, but rather a patentably insignificant statement of benefits or features of the claimed invention. Similarly, the Court found that the claims were not invalid for lack of an adequate written

description. ***Practice Tip: To avoid unwanted preamble limitations, applicants must be clear in drafting claims such that the body of each claim is structurally independent from the language of the preamble. Furthermore, proper support for each limitation should always be described in the written description.***

**CASE 5: IN RE NGAI (NONPRECEDENTIAL OPINION –  
MARCH 8, 2004; PRECEDENTIAL OPINION –  
MAY 13, 2004)**

***Patentability of New Uses For Old Devices***

In *In re Ngai* (Nonprecedential, March 8, 2004; Precedential, May 13, 2004), the patent applicant appealed, among other things, the final rejection of an apparatus claim directed at a prior art kit comprising instructions for carrying out a new method. The examiner rejected the claim, noting that the only difference between the prior art and the apparatus claim was the content of the instructions. While the patent applicant argued that the addition of new printed matter to a known product makes the product patentable, the Board of Patent Appeals affirmed the examiner’s final rejection, holding that the claim merely taught a new use for an existing product. On appeal to the Federal Circuit, the Patent Office argued that because there was no new and unobvious functional relationship between the printed matter (the instructions) and the substrate (the kit), the claim was anticipated. The Federal Circuit agreed with the Patent Office, finding that the printed matter does not depend on the kit and the kit does not depend on the printed matter. “All that the printed matter does is teach a new use for an existing product.” The Court noted, however, that while the patent applicant was entitled to a method claim, he may not patent a known product with a new set of instructions. ***Practice Tip: Applicants should be aware that patent protection may be limited to method claims for inventions involving a new use for an old device.***

**CASE 6: HONEYWELL INT’L INC. V.  
HAMILTON SUNDSTRAND CORP.  
(JUNE 2, 2004)**

***Festo and Rewriting Claims in Independent Form***

The patentee in *Honeywell Int’l v. Hamilton Sundstrand Corp.* (June 2, 2004) asserted independent claims that were originally filed as dependent claims. During prosecution and in response to a rejection, the patentee rewrote the dependent claim in independent form while canceling the originally filed independent claim. The Federal Circuit held that a presumption of prosecution history estoppel under *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki* applied because the patentee effectively added a new claim limitation to the originally filed independent claim and, therefore, limited the overall claim scope. Therefore, the patentee was presumptively estopped from recapturing equivalents pertaining to claim elements present in the originally filed dependent claim and later rewritten in independent form. The Federal Circuit remanded to determine whether the patentee could overcome the presumption by demonstrating that the amendment was not related to patentability. ***Practice Tip: As evidenced by the Court’s opinion in Glaxo Wellcome, Inc. v. Impax Labs, Inc.* (discussed in the last newsletter), applicants are urged to disclose potential and readily known equivalents of claim elements present in original dependent claims and later rewritten in independent form in order to avoid surrendering claim equivalents.**

**CASE 7: LINEAR TECH. CORP. V.  
IMPALA LINEAR CORP.  
(JUNE 17, 2004)**

***Means-Plus-Function: Presumption and Structure***

In *Linear Tech. Corp. v. Impala Linear Corp.* (June 17, 2004), the Federal Circuit held that there is a rebuttable

presumption that a claim term without the word “means” will not be interpreted as a means-plus-function limitation subject to 35 U.S.C. § 112, ¶ 6. A party can overcome the presumption by demonstrating that the claim lacks sufficient structure or describes a function without sufficient structure for executing that function. Therefore, a limitation directed at a “circuit” followed by the circuit’s operation, without more, should not be interpreted as a means-plus-function limitation. Moreover, the Federal Circuit turned to technical treatises that establish the understanding of people of ordinary skill in the art and found that the term “circuit” suggests sufficient structure. In addition to connoting structure, the Court found that the claim limitation lacked the word “means” and, therefore, should not be subject to Section 112, ¶ 6.

In addition, the Court addressed a separate claim limitation directed at a “means . . . to vary the duty cycle.” The parties disputed whether a class of circuits known as pulse width modulation (“PWM”) circuits could be considered structure corresponding to the functional language of the claim. The Court held that while PWM circuits are not limited to a single structure, the class of circuits is recognizable to one of ordinary skill in the art and is properly linked to the function recited in the claim via the specification and prosecution history. ***Practice Tip: Applicants should be aware of the rebuttable presumption against the application of Section 112, ¶ 6 when the term “means” is not utilized in a claim. Furthermore, applicants should also be aware that classes of structure identifiable by a person of ordinary skill in the art can qualify as structure corresponding to a means-plus-function’s recited function.***



**CASE 8: RON NYSTROM V.  
TREX COMPANY, INC., ET AL.  
(JUNE 28, 2004)**

***Federal Circuit Panel Disagrees With Own  
Precedent***

In *Ron Nystrom v. Trex Company, Inc., et al.* (June 28, 2004), the Federal Circuit held, among other things, that the trial court erroneously construed three claim limitations directed to a board shaped to shed water while still providing a comfortable surface to walk and stand. Construing the terms broadly, the Court looked to the dictionary for the ordinary and customary definitions so that the language of the claims themselves remained the focus of the analysis. Finding multiple definitions, for instance, with respect to the term “board,” the majority overruled the trial court’s narrow interpretation requiring a “board” to be made from wood cut from a log. The majority further noted that Federal Circuit precedent established that “claim terms may be construed to encompass *all* dictionary definitions not inconsistent with the specification.” Therefore, the patentee’s references in the specification to a superior product when cut from a log and patentee’s further statements in the prosecution history distinguishing prior art not made from wood, although pertinent to a preferred embodiment of the invention and to patentee’s argument against the examiner’s obviousness rejection, are not sufficient to narrow the claim scope.

In contrast, the dissent argued that the majority misinterpreted its own precedent, which requires a court to look to the intrinsic record when presented with claim terms with multiple plausible meanings. Because the intrinsic record used the disputed term only in the context of the narrower definition, the dissent concluded that the district court properly construed the term “board.” The dissent’s theme indicates that the majority merely created a conflict

between dictionary definitions and chose one to support its conclusion. ***Practice Tip: Applicants should be aware that Federal Circuit judges are prone to disagree with their own precedent regarding claim construction. As a result, the safest path requires applicants to clearly define and consistently use claim terms throughout the specification and during prosecution. Careless use of claim terms to explain a preferred embodiment or to argue against an examiner’s motivation to combine references in a rejection may lead to a narrowed claim scope.***

**CASE 9: UNIVERSITY OF ROCHESTER V.  
G.D. SEARLE & Co., INC.  
(JULY 2, 2004) (ORDER)**

***Federal Circuit Refuses to Clarify Written  
Description/Enablement Requirements of Patent  
Act***

In an order similar to *Enzo Biochem, Inc. v. Gen-Probe Inc.* (2002), the Federal Circuit denied a petition for an *en banc* rehearing of *University of Rochester v. G.D. Searle & Co., Inc.*, and therefore chose 7-5 not to resolve the growing conflict between the written description and enablement requirements of the Patent Act. Two of the five opinions filed with the order stated that Section 112 of the Act has always required a written description requirement separate from the enablement requirement and, therefore, no *en banc* review was necessary. Judge Lourie wrote separately, stating that not only was precedent consistent, but that the failure to adequately describe one’s invention creates a presumption that the applicant did not invent the claimed subject matter. In a separate opinion, Judge Dyk avoided the issue and concurred with the majority to the extent that this was neither the time nor the place to consider difficult questions related to written description requirements applied to various technologies.

Three dissenting opinions strongly disagreed with the majority and expressed their desire to clarify and correct the confusing jurisprudence regarding the written description requirements of the Act. According to Judge Newman, the issue of whether Section 112 contains a separate written description requirement had “percolated enough” and was now “ripe for *en banc* resolution.” Similarly, Judge Rader dissented, stating that the Court has not taken a uniform approach regarding the purpose and meaning of the written description requirement. Vehemently opposing recent opinions requiring a written description to support the claims, he recommended that the Court utilize the written description requirement only as a means to prevent applicants from adding new inventions to old disclosures. In a similar vein, Judge Linn wrote separately, offering his opinion that the statute required a written description of the invention only to enable one of ordinary skill in the art to make and use the invention and practice the best mode. ***Practice Tip: Although a significant minority of Federal Circuit judges feel that Section 112 does not require a written description requirement separate from the enablement requirement, applicants must be aware of the intra-circuit split and cautiously provide adequate support in the specification for the claimed subject matter.***

#### ADDITIONAL FOLLOW-UP TO PREVIOUS NEWSLETTERS

##### *Follow-Up on Knorr-Bremse*

As stated in our previous newsletter, we are awaiting a released decision regarding a closely watched case addressing whether the law of willfulness needs to be changed. Oral arguments were heard on February 5, 2004 as to whether the precedent regarding drawing adverse inferences with regard to willful patent infringement should be overruled. *Knorr-Bremse*

*Systeme Fuer Nutzfahrzeuge GmbH v. Dana Corp.* (oral argument February 5, 2004). We will report any released decision in our next newsletter.

##### ***Follow-Up On Lemelson***

In our previous newsletter we were excited to report “A Victory Over Lemelson.” In review, the U.S. District Court for the District Court of Nevada found 14 patents purportedly covering bar code and machine vision technology invalid, not infringed and unenforceable. *Symbol Technologies, Inc., et al. v. Lemelson Medical, Educational and Research Foundation, Ltd.* (January 23, 2004).

Since the Court’s judgment in late January 2004, Lemelson filed a series of post-trial motions for, among other things, additional findings of fact and altered or amended judgment with respect to inconsistencies and the application of the judgment to non-asserted claims. Addressing these motions, the District Court recently held that no additional findings of fact are required to sustain the original judgment’s conclusions of law regarding invalidity, non-infringement and unenforceability. Furthermore, while the Court amended an inconsistency in its original judgment regarding the written description of the Patent Act, the Court denied Lemelson’s motions regarding the non-asserted claims. The non-asserted claims of the 14 patents were held invalid because they were not properly enabled. In addition, the non-asserted claims were held non-infringed because of the Court’s previous claim construction. Lastly, the Court agreed not to consider the unenforceability of the non-asserted claims until the conclusion of an appeal, if necessary. *Symbol Technologies, Inc., et al. v. Lemelson Medical, Educational and Research Foundation, Ltd.* (Orders and Amended Judgment dated May 27, 2004).

Lemelson filed a notice of appeal to the Federal Circuit on June 22, 2004. We will report any pertinent order or released decision in our next newsletter.



## VEDDER, PRICE, KAUFMAN &amp; KAMMHOLZ, P.C.

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We also have been principal counsel for both vendors and users of information technology products and services. Computer software development agreements, computer software licensing agreements, outsourcing (mainly of data management via specialized computer software tools, as well as help desk-type operations and networking operations), multimedia content acquisition agreements, security interests in intellectual property, distribution agreements and consulting agreements, creative business ventures and strategic alliances are all matters we handle regularly for our firm's client base.

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