

# VENABLE<sup>®</sup><sub>LLP</sub>

## Patent Marking 2010: Developments Your Company Needs to Know

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# Agenda

- Introductions
- What Is Patent Marking?
- The Who, What, Where, When and Why of Patent Marking
- Dangers of False Marking
- Best Practices
- Questions





## Robert L. Wilkins

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Robert Wilkins is a trial and appellate lawyer in Venable's corporate defense/white collar, technology and commercial litigation practice groups.

Based on his success in cutting-edge litigation, Mr. Wilkins was named one of "90 Greatest Washington Lawyers of the Last 30 Years" by the *Legal Times*, and one of "40 under 40 most successful young litigators in America" by the *National Law Journal*. In addition, *Washingtonian* magazine named him one of the city's top criminal defense lawyers.

As former special litigation chief for the District of Columbia Public Defender Service, Mr. Wilkins tried over 30 cases, argued numerous appeals, handled judicial investigations, and coordinated impact litigation and government relations. This led the *Legal Times* to call him "the office's premier advocate for defendants' rights."





## James R. Burdett

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Jim Burdett focuses on all aspects of intellectual property law. His practice emphasizes: strategic counsel; complex litigation; legislative advice; technology licensing; and patent portfolio development. He is a registered patent attorney.

Mr. Burdett brings more than 30 years of experience in the computing and telecommunications arts to his intellectual property practice. A former Director of Worldwide Patent Development for an innovative Fortune 100 technology company, he helps maximize and leverage each client's intellectual assets. He is thoroughly familiar with: microprocessor-based systems; digital and optical communication devices and protocols; data compression, decompression, and encryption algorithms; and magnetic and optical storage devices, and storage area networks.

He is experienced in handling the technical aspects of complex patent infringement litigation, and was on the brief in behalf of Wal-Mart in the successful appeal and remand of *Nike Inc. v. Wal-Mart Stores Inc.*, 138 F.3d 1437, 46 U.S.P.Q.2d 1001 (Fed. Cir. 1998).





## Rebecca Goldsmith Lombard

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Rebecca Lombard is a skilled litigator who works primarily on patent litigation as well as on matters involving FDA regulatory and antitrust litigation proceedings.

Ms. Lombard has extensive experience litigating Hatch-Waxman statutory patent infringement cases and other actions involving prescription pharmaceutical drugs, including several blockbuster drugs. In addition to her considerable Hatch-Waxman experience, she has also prosecuted and defended traditional actions for patent infringement, trade secret, trademark and copyright matters for a variety of other industries such as medical devices, software, consumer products, and manufacturing. In these matters, she has worked on all phases of pre-trial and post-trial proceedings. She has prepared appellate briefs to the U.S. Court of Appeals for the Federal Circuit on a variety of matters involving diverse technical and non-technical subjects. In addition, she has brought two successful patent infringement matters under Section 337 before the U.S. International Trade Commission.







## Lisa M. Kattan

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Lisa Kattan is an intellectual property litigator who focuses her practice on complex patent litigation. Ms. Kattan is registered to practice before the U.S. Patent and Trademark Office.

Ms. Kattan has experience with all phases of patent litigation, including client counseling, bench and jury trials, Markman hearings, and all aspects of discovery, including developing expert opinions and presenting and questioning witnesses at depositions and at trial. Ms. Kattan has litigated in federal district courts throughout the U.S., the Court of Federal Claims, and the International Trade Commission, in cases involving technologies including small molecule pharmaceuticals, biotechnology, medical devices, polymers and consumer devices. Ms. Kattan has been involved in several appeals before the Federal Circuit. Ms. Kattan also has litigated trade secret, trademark and false advertising claims.





## Christopher T. La Testa

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Chris La Testa focuses his practice on intellectual property litigation. His practice involves assisting clients in a wide range of patent litigation issues, focusing primarily on pharmaceutical and electronic device patent disputes.

Mr. La Testa has experience in all phases of patent litigation with a special focus on pre-trial analysis and case preparation, complex discovery matters, including taking and defending fact witness depositions, and dispositive motions practice. Mr. La Testa also has been involved with several patent litigation appeals before the Federal Circuit. In addition, Mr. La Testa's diverse background in engineering and the biological sciences enables him to support the complex range of issues present in today's patent litigation.



## What Is Patent Marking?

- 35 U.S.C. § 287(a)
- Constructive notice vs. actual notice
- Damages in a subsequent patent litigation can only be collected from the time the infringer has notice
- Issuance of a patent alone is not notice for damages calculations
- *Nike Inc. v. Wal-Mart Stores, Inc.* (CAFC 1998) – policy considerations behind marking statute





## Why Should Products Be Marked?

- Proper marking gives constructive notice of patent rights
- Patent holders may recover up to six years of damages; no damages for infringement that occurred before notice of infringement
- Provides competitive advantage
- Encourages research and development



## Who Should Mark?

- Companies selling commercial products covered by apparatus, composition of matter or mixed (method plus) patents
- Licensees selling commercial products covered by your patents, as well as chain of title – patentee, prior assignees and their licensees
- Can be selective about which patents to mark



## What Should Be Marked and Where?

- Use “Patent” or “Pat.” and the patent numbers covering the product
- The products themselves *or*
- Packaging or labeling may be marked if the product cannot be legibly marked or marking would deface the product
- Mark substantially all of the product sold in the United States



## When Should a Product be Marked?

- As soon as the patent issues
- For the life of the patent without interruption
- Stop marking when the patent expires
- Each newly launched product covered by any claim of a patent



## Dangers of False Marking

- You are liable for false marking under 35 U.S.C. § 292 if you:
  1. Mark an unpatented article *with*
  2. Intent to deceive the public
- Types of false marking:
  - Marking with expired patent (*Pequignot v. Solo Cup*)
  - Marked with patent that does not have at least one claim that covers product (*Forest Group v. Bon Tool*)



## Dangers of False Marking

- Liabilities for False Marking
  - 35 U.S.C. § 292(b) allows *qui tam* lawsuits
  - Penalty is up to \$500 per “offense”
  - Current rule is *each* falsely marked article is a separate offense
  
- Proposed Competitive Injury Requirement
  - Patent Reform Act of 2010 (S.515) – Congress may amend Section 292(b) to require that plaintiffs have a competitive injury before they can sue





## Best Practices

- Establish patent marking procedures
  - To ensure proper marking
  - To show no intent to deceive
- Regularly audit your patent marking program
  - To remove patent numbers from products
    - Expired patents
    - Mis-labeled patents
  - To add patent numbers to products
    - Newly issued or acquired patents
    - Newly launched products



## Best Practices

- Get legal advice on close cases:
  - Is your product covered by the patent?
  - Do your license agreements require that your licensees mark?
  - Do you understand the risks of relying on actual notice?
    - Cost of monitoring or failing to monitor
    - Triggering declaratory judgment jurisdiction



# Questions



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