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**United States Court of Appeals  
for the Federal Circuit**

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THERASENSE, INC. (now known as Abbott Diabetes Care, Inc.)  
and ABBOTT LABORATORIES,

*Plaintiffs-Appellants,*

v.

BECTON, DICKINSON AND COMPANY,  
and NOVA BIOMEDICAL CORPORATION,

*Defendants-Appellees,*

*and*

BAYER HEALTHCARE LLC,

*Defendant-Appellee.*

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U.S. COURT OF APPEALS  
FEDERAL CIRCUIT

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*Appeals from the United States District Court for the Northern District of  
California in consolidated case nos. 04-CV-2123, 04-CV-3327, 04-CV-3732,  
and 05-CV-3117, Judge William H. Alsup.*

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**PETITION FOR REHEARING EN BANC OF PLAINTIFFS-APPELLANTS  
ABBOTT DIABETES CARE, INC. AND ABBOTT LABORATORIES**

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FEBRUARY 24, 2010

2008-1511, -1512, -1513, -1514, -1595

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FEBRUARY 24, 2010

## CERTIFICATE OF INTEREST

Counsel for petitioners Abbott Diabetes Care, Inc. and Abbott Laboratories certifies the following:

1. The full name of every party represented by me is: Abbott Laboratories and Abbott Diabetes Care, Inc. (formerly known as TheraSense Inc.), a division of Abbott Laboratories.

2. The name of the real party in interest represented by me is: Abbott Laboratories and Abbott Diabetes Care, Inc.

3. There are no parent corporations and publicly held companies that own 10% or more of the stock of Abbott Laboratories. Abbott Diabetes Care, Inc. is a division of Abbott Laboratories.

4. The names of all law firms and the partners or associates who appeared for the party now represented by me in the trial court, or are expected to appear in this court are:

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DATED: February 24, 2010

By:   
Rohit K. Singla

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**STATEMENT OF COUNSEL**

Based on my professional judgment, I believe the panel decision is contrary to the following precedents of this court: *Kingsdown Medical Consultants, Ltd. v. Hollister Inc.*, 863 F.2d 867 (Fed. Cir. 1988) (en banc); *Halliburton Co. v. Schlumberger Technology Corp.*, 925 F.2d 1435 (Fed. Cir. 1991); *Star Scientific, Inc. v. R.J. Reynolds Tobacco Co.*, 537 F.3d 1357 (Fed. Cir. 2008); and *Innogenetics, N.V. v. Abbott Laboratories*, 512 F.3d 1363 (Fed. Cir. 2008).

I believe this petition raises one or more precedent-setting questions of exceptional importance: (1) whether intent to deceive can be inferred from evidence that the applicant “should have known” of the materiality of information; (2) whether intent can be inferred solely from a district court’s conclusion that the applicant’s view of immateriality is “implausible”; and (3) whether attorney arguments about prior art can be material when the prior art itself is before the PTO.

DATED: February 24, 2010

By:   
Rohit K. Singla

## ARGUMENT FOR REHEARING EN BANC

There is broad recognition by legislators, patent lawyers, academics, and even judges of this Court that the inequitable conduct doctrine needs reform.<sup>1</sup> The Supreme Court has not substantively addressed the doctrine in over 60 years, and the Federal Circuit last did so en banc more than 20 years ago. Inconsistent panel decisions since then have confused and eroded the high standards for proving deceptive intent. The majority opinion in this case only makes the problem worse.

Over a vigorous dissent by Judge Linn, the panel majority found inequitable conduct based not on the withholding of prior art or technical data, but on the failure to provide two legal briefs that Abbott's German counsel had submitted to the European Patent Office ("EPO") in an unrelated proceeding. Abbott's prosecuting attorney, Larry Pope, and a scientist, Dr. Gordon Sanghera, believed the earlier briefs were immaterial because they were consistent with the arguments being made to the PTO—an interpretation shared by a testifying expert, as well as Judge Linn. The defendants presented no scientific expert who testified otherwise and no documents in which Mr. Pope or Dr. Sanghera contradicted their stated belief of immateriality. The district court instead inferred intent to deceive entirely from its own interpretation of snippets from the EPO briefs, taken out of context, and its belief that the applicants' reading of the briefs was "implausible."

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<sup>1</sup> See, e.g., James Nurton, *Chief Judge Michel Calls for Inequitable Conduct Review*, MANAGING INTELL. PROP., Oct. 18, 2009.

The majority decision conflicts with precedent in at least three ways. *First*, it holds intent can be inferred without clear and convincing evidence that the actor appreciated the materiality of non-disclosed information. The district court found only that Mr. Pope and Dr. Sanghera “should have known” the EPO briefs were material. *Second*, the majority permits the trial judge to base intent solely on its disagreement with their view on materiality. The result is particularly problematic here because Judge Linn concluded that their interpretation of the EPO briefs was as reasonable, if not more reasonable, than the district court’s reading. Their explanation cannot, therefore, have been so implausible as to prove deceptive intent. When an experienced patent lawyer, a skilled scientist, and an expert in the field all testify to one interpretation of those briefs—and the accused infringer cannot adduce contrary evidence—a district court with no training or experience in the specialized field should not be permitted to find inequitable conduct based solely on its reading of those briefs. *Third*, the decision conflicts with the rule that characterizations of prior art are mere advocacy and not material. Uncertainty about this rule will pressure prosecutors to search for and disclose not only prior art, but also any brief they have filed in any forum discussing it.

## **I. The Inequitable Conduct Doctrine Needs Reform**

Confusion about the gradually eroding standards for intent have encouraged proliferating inequitable conduct charges, which appear to have skyrocketed by

more than 50% in this decade.<sup>2</sup> The problem has spurred widespread calls for reform. The Senate Judiciary Committee has proposed codifying significant limitations on the doctrine.<sup>3</sup> Leading senators emphasized that the legal uncertainty provides a perverse incentive to “raise even the most questionable inequitable conduct challenges on the remote chance that they will prevail.”<sup>4</sup> The National Academy of Sciences and the ABA have proposed dramatic reform to “reduce the cost and increase the predictability of patent infringement litigation outcomes, and to avoid other unintended consequences.”<sup>5</sup> Academic criticism of the doctrine has also intensified.<sup>6</sup> This case presents an ideal opportunity to address these concerns.

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<sup>2</sup> The percentage of answers and counterclaims referencing “patent” that include the term “inequitable conduct” in Westlaw’s FED-FILING-ALL database rose from 17 to 31% between 2003 and 2008. It rose from 22 to 36% between 2002 and 2006 in LexisNexis’s All Federal Pleadings. The charges are probably raised in an even higher percentage of patent cases, rather than cases simply mentioning “patent.” Indeed, many suggest inequitable conduct is now charged in more than 50% of patent cases. *See, e.g.*, Nurton, *supra* n.1 (citing views of Michel, C.J.).

<sup>3</sup> *See* S. REP. No. 110-259, 31–33 (2008).

<sup>4</sup> *Id.* at 62 (additional views of Sen. Specter and Sen. Hatch).

<sup>5</sup> AM. BAR ASS’N SECTION OF INTELL. PROP. LAW, Report to The House of Delegates, Recommendation 107B (Aug. 2009) (urging inequitable conduct be limited to common law fraud), *available at* <http://www.abanet.org> by searching for “107B”; AM. BAR ASS’N SECTION OF INTELL. PROP. LAW, A SECTION WHITE PAPER: AGENDA FOR 21ST CENTURY PATENT REFORM 18 (May 1, 2007) [hereinafter “ABA SECTION WHITE PAPER”]; NAT’L ACAD. OF SCI., A PATENT SYSTEM FOR THE 21ST CENTURY 82–83 (2004).

<sup>6</sup> *E.g.*, Kali Murray, *Rethinking Patent Law Enforcement in a Reform Era*, 13 MARQ. INTELL. PROP. L. REV. 263, 267 (2009) (“[T]he Federal Circuit’s attempt to maintain its institutional flexibility comes at a deep cost. The patentee is left with

## II. The Majority’s Decision Deepens Persistent Confusion About Inferring Deceptive Intent and Significantly Lowers the Standard for Proving It

Every Supreme Court case upholding inequitable conduct has involved direct and unambiguous evidence of deceptive intent.<sup>7</sup> Over time, this Court has expanded the doctrine to permit inferences of deceptive intent based on circumstantial evidence that the applicant *actually knew and appreciated* the materiality of information it did not provide.<sup>8</sup> The decision here, however, falls in a line of more recent panel opinions that have gone even further and permitted an inference of deceptive intent from evidence showing merely that the applicant

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little guidance in understanding what kind of behavior will raise the specter of patent fraud.”).

<sup>7</sup> See *Keystone Driller Co. v. Gen. Excavator Co.*, 290 U.S. 240, 243 (1933) (patentee paid person to conceal prior use after being “advised that the prior use . . . was sufficient to cast doubt upon the validity of the patent”); *Hazel-Atlas Glass Co. v. Hartford-Empire Co.*, 322 U.S. 238, 245 (1944) (patentee had given “sworn admissions” showing he had paid an ostensibly disinterested expert to claim authorship of article patentee wrote); *Precision Instrument Mfg. Co. v. Auto. Maint. Mach. Co.*, 324 U.S. 806, 809, 817 (1945) (patent assignee “believe[d] that [the] application was fraudulent and [the inventor’s] statements perjured” but did not disclose these facts to PTO).

<sup>8</sup> E.g., *Symbol Techs., Inc. v. Opticon, Inc.*, 935 F.2d 1569, 1582 (Fed. Cir. 1991) (expressly rejecting argument that intent could be inferred if Symbol merely “should have known” materiality of withheld references); *Liquid Dynamics Corp. v. Vaughan Co.*, 449 F.3d 1209, 1227 (Fed. Cir. 2006) (“Intent is a subjective inquiry into whether the inventor *knew the information was material* and chose not to disclose it.” (emphasis added)); see *Molins PLC v. Textron, Inc.*, 48 F.3d 1172, 1181 (Fed. Cir. 1995) (requiring “specific intent”).

*should have known* of the materiality.<sup>9</sup> As some judges of this Court have recognized, this approach effectively restores the negligence standard rejected en banc in *Kingsdown Medical Consultants, Ltd. v. Hollister Inc.* 863 F.2d 867, 876 (Fed. Cir. 1988).<sup>10</sup> In fact, *Critikon*, which reasserted this standard, expressly relied on *Driscoll*—a case overruled by *Kingsdown*—to hold that “intent may be inferred where a patent applicant knew, *or should have known*, that withheld information would be material.”<sup>11</sup> See *Critikon*, 120 F.3d at 1256 (emphasis added) (citing *Driscoll v. Cebalo*, 731 F.2d 878 (Fed. Cir. 1984), *overruled by Kingsdown*, 863 F.3d at 876). But the *Critikon* formulation is now widely cited and followed.

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<sup>9</sup> *Critikon, Inc. v. Becton Dickinson Vascular Access, Inc.*, 120 F.3d 1253, 1257 (Fed. Cir. 1997); *Praxair, Inc. v. ATMI, Inc.*, 543 F.3d 1306, 1313-14 (Fed. Cir. 2008); *Ferring B.V. v. Barr Labs., Inc.*, 437 F.3d 1181, 1191 (Fed. Cir. 2006).

<sup>10</sup> E.g., *Larson Mfg. of S.D., Inc. v. Aluminart Prods. Ltd.*, 559 F.3d 1319, 1344 (Fed. Cir. 2009) (Linn, J., concurring) (“The . . . ‘should have known’ prong sets forth a simple negligence standard, lower even than the ‘gross negligence’ standard that was expressly rejected in *Kingsdown*.”); *Ferring*, 437 F.3d at 1201 (Newman, J., dissenting) (“‘should have known’ standard adopted in *Critikon* ‘is directly contrary to *Kingsdown*, which held that even gross negligence may not establish deceptive intent”); see also *Aventis Pharma S.A. v. Amphastar Pharms., Inc.*, 525 F.3d 1350 (Fed. Cir. 2008) (Rader, J., dissenting) (“Merging intent and materiality at levels far below the *Kingsdown* rule has revived the inequitable conduct tactic.”); *In re Bose Corp.*, 580 F.3d 1240, 1244 (Fed. Cir. 2009) (holding, in trademark fraud case, that equating “‘should have known’ with subjective intent to deceive ‘erroneously lower[s] the fraud standard to a simple negligence standard’”).

<sup>11</sup> See *Ferring*, 437 F.3d at 1202 (Newman, J., dissenting) (“Thus, this aspect of *Critikon, Inc.* has been correctly identified by practitioners as ‘bad law,’ both because it relies on the overruled *Driscoll* decision and because it is representative of a recent resurgence of the plague that *Kingsdown* had intended to cure.”).

The conflict between these two lines of panel decisions—those requiring clear and convincing evidence of *actual knowledge* of materiality and those requiring only that the applicant *should have known* of materiality—has rippled through lower courts.<sup>12</sup> The confusion has further encouraged inequitable conduct charges and spurred calls for the issue to be addressed en banc.<sup>13</sup>

The “should have known” standard is particularly inconsistent with this Court’s recent reaffirmation that intent to deceive must be “the single most reasonable inference able to be drawn from the evidence to meet the clear and convincing standard.” *Star Scientific, Inc. v. R.J. Reynolds Tobacco Co.*, 537 F.3d 1357, 1366 (Fed. Cir. 2008). Evidence an applicant “should have known” of the materiality of information not submitted gives rise to two equally plausible inferences: the applicant either (1) knew it was material or (2) honestly, even if

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<sup>12</sup> Compare, e.g., *IMX, Inc. v. LendingTree, LLC*, 469 F. Supp. 2d 194, 199 (D. Del. 2007) (“inference of intent . . . is warranted where a patent applicant knew or should have known that the withheld information would be material.”) with, e.g., *MercExchange, LLC v. eBay, Inc.*, 271 F. Supp. 2d 784, 788 (E.D. Va. 2002) (“the defendant must show that . . . such person knew of the materiality of the prior art”).

<sup>13</sup> E.g., *Larson*, 559 F.3d at 1344 (Linn, J., concurring) (“[T]he time has come for the court to review the issue en banc.”); Monica A. De La Paz, *Inequitable Conduct: Overview and Current Concepts*, 22-2 INTELL. PROP. & TECH. L.J. 12, 19 (2010) (“It is clear that the Federal Circuit has struggled with providing a clear standard . . . . Setting forth more than one rule has only resulted in absence of clear guidance as to when the intent element is met.”); Terrence P. McMahon & Mary B. Boyle, *The “Elevated Evidentiary Burden” to Prove Inequitable Conduct*, 10 SEDONA CONF. J. 197, 201 (2009) (“This general issue—under what circumstances may deceptive intent be inferred—remains a source of uncertainty in the law and, apparently, conflict between different panels in the Federal Circuit.”).

incorrectly, believed it was immaterial. Under *Star Scientific*, the district court could not rely on the less favorable inference—yet that is what it did.

The district court’s sole reason for finding intent here was the conclusion that Mr. Pope at least “should have known that the withheld information would have been highly material.”<sup>14</sup> Although the majority leaned heavily on the district court’s “credibility” findings, as Judge Linn explained, credibility here was a repackaging of the materiality dispute: the judge concluded that Mr. Pope and Dr. Sanghera’s testimony was not credible merely because he could not read the EPO briefs as they did. (Slip Op. Dissent at 20.) For example, the majority cites little more than that Mr. Pope’s reading of the EPO briefs was objectively “not plausible” to support the idea that he “was not credible.” (Slip. Op. at 28–30.) When intent is based entirely on disputes over materiality, the words “credibility” and “demeanor” cannot insulate the intent finding from review.<sup>15</sup>

En banc review should be granted to clarify that it is improper for a court, as was the case here, to find deceptive intent based solely on the conclusion that an applicant should have appreciated the materiality of information it did not submit.

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<sup>14</sup> *Therasense, Inc. v. Becton, Dickinson & Co.*, 565 F. Supp. 2d 1088, 1113 (N.D. Cal. 2008).

<sup>15</sup> *E.g., Andreu v. Sec’y of Health & Human Servs.*, 569 F.3d 1367, 1379 (Fed. Cir. 2009) (fact finder may not “cloak the application of an erroneous legal standard in the guise of a credibility determination, and thereby shield it from appellate review”).

### **III. The Panel Opinion Creates Intra-Circuit Conflict by Permitting Intent to Be Inferred from a Reasonable Dispute Over Materiality**

The panel decision here creates two further intra-circuit conflicts by (1) permitting intent to be inferred *entirely* from the alleged implausibility of the applicant's arguments regarding materiality and (2) to do so despite uniform testimony to the contrary and Judge Linn's conclusion that the applicant's reading of the EPO briefs was at least as reasonable as the district court's.

First, the majority diverges from numerous cases holding that intent cannot be "boot-strapped" from materiality. For example, soon after *Kingsdown*, the Court reversed a finding of intent that was based, as in this case, merely on a dispute over the materiality of the reference that was not submitted. *Halliburton Co. v. Schlumberger Technology Corp.*, 925 F.2d 1435, 1443 (Fed. Cir. 1991). The Court explained that "[g]ross negligence cannot elevate itself by its figurative boot-straps to an intent to mislead based on the identical factors used to establish gross negligence in the first instance unless all the facts and circumstances indicate sufficient culpability." *Id.* Similarly, this Court has held that a judge's disbelief of a patentee's explanation does not satisfy the infringer's burden to prove deceptive intent by clear and convincing evidence. *See, e.g. Star Scientific*, 537 F.3d at 1368

(“But even if Star’s explanations are not to be believed . . . RJR cannot carry its burden simply because Star failed to prove a credible alternative explanation.”).<sup>16</sup>

Even cases articulating a “should have known” standard for inferring intent generally involve some direct evidence of the applicant’s appreciation of the materiality of withheld information. In *Critikon*, for example, there were handwritten notes and portions of the litigation record corroborating that counsel subjectively believed the undisclosed patent was material. 120 F.3d at 1256. In *Agfa*, the district court relied on “should have known” but also cited a memo describing the undisclosed reference as “the most relevant we have uncover[ed] so far.”<sup>17</sup> Requiring some evidence of intent—even if circumstantial—independent from materiality is not too high a bar; such evidence is found in many cases.<sup>18</sup> The panel here takes an extreme step by permitting inferences of intent from materiality without any other independent corroborating evidence.

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<sup>16</sup> *Cf. M. Eagles Tool Warehouse, Inc. v. Fisher Tooling Co.*, 439 F.3d 1335, 1341 (Fed. Cir. 2006) (“When the absence of a good faith explanation is the only evidence of intent, . . . that evidence alone does not constitute clear and convincing evidence warranting an inference of intent.”).

<sup>17</sup> *Agfa Corp. v. Creo Prods. Inc.*, No. Civ. A 00-10836-GAO, 2004 WL 1882623, at \*10, 24 (D. Mass. Aug. 24, 2004).

<sup>18</sup> *See, e.g., Molins PLC*, 48 F.3d at 1181 (“Whitson was on several occasions reminded of Wagenseil’s materiality through its prominence in the prosecution of several foreign counterpart applications with which Whitson was intimately involved.”); *Bruno Indep. Living Aids, Inc. v. Acorn Mobility Servs., Ltd.*, 394 F.3d 1348, 1354 (Fed. Cir. 2005) (“The fact that an official of Bruno, who was involved in both the FDA and PTO submissions, chose to disclose the Wecolator to the FDA, but not to the PTO, certainly supports a finding of deceptive intent.”).

Second, inferring intent on this bare record is directly contrary to the rule that all reasonable inferences from the evidence must be drawn in favor of the patentee. *Star Scientific*, 537 F.3d 1357, 1366 (Fed. Cir. 2008) (inference against patentee must be “the single most reasonable inference able to be drawn from the evidence to meet the clear and convincing standard.”); *Scanner Techs. Corp. v. ICOS Vision Sys. Corp.*, 528 F.3d 1365, 1377 (Fed. Cir. 2008) (error to “adopt an unfavorable inference [to the patentee] over an equally reasonable favorable inference”). The district court’s finding was based on its conclusion that it could better interpret the scientific relevance of the EPO briefs than the scientists who testified to the issue at trial. Dr. Sanghera and Dr. Johnson, an eminent scientist, both testified that the EPO briefs were consistent with the arguments Abbott made to the PTO. Not one of the many expert scientists the defendants had on retainer testified to the contrary. In fact, the one defense scientist, Dr. Turner, who did testify about the EPO briefs pointedly did not say that he found them inconsistent with Abbott’s arguments to the PTO. Even the EPO itself read Abbott’s briefs the way Mr. Pope and Dr. Sanghera did. (Slip Op. Dissent at 11, citing JA6571.)

The lack of any scientific testimony to support the district court’s interpretation of the scientific relevance of the EPO briefs makes it impossible to find intent to deceive without abrogating the rule of *Star Scientific* and *Scanner Technologies*. Otherwise, a district court could ignore the rule by asserting that its own reading of the references is the only reasonable one, regardless of the factual

evidence and scientific testimony on point. This naked assertion cannot stand, particularly here given Judge Linn’s interpretation of those same briefs.<sup>19</sup> We are not suggesting that this Court’s inequitable conduct decisions must be unanimous. But Judge Linn’s own reading of the EPO briefs shows that the district court’s personal opinion that its reading of the EPO briefs was the only plausible one—which was the only basis for inferring intent—is not correct.

#### **IV. The Majority Undermines the Rule that Arguments About Prior Art Are Not Material When the PTO Has the Underlying Prior Art**

The panel decision also subverts one of the few clear rules in inequitable conduct jurisprudence: that arguments, especially lawyer arguments, about what the prior art teaches are not material if the prior art itself is before the PTO.<sup>20</sup> This case falls squarely into that rule. The arguments to the PTO were about what a prior art reference teaches, and the only information that was not provided were arguments by foreign patent counsel about the disclosures of the prior art.

The majority tries to distinguish this case by insisting that the precedent does not apply when arguments are *withheld* from, rather than submitted to, the PTO.

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<sup>19</sup> The majority inexplicably claims that Judge Linn’s explanations are his own and not made by Abbott or its witnesses. (Slip Op. at 24). But Judge Linn specifically footnotes most of his discussion with citations to Mr. Pope’s trial testimony. (Slip. Op. Dissent at nn.2–7, 9–10.) And a review of Abbott’s merits briefs shows that Judge Linn’s interpretations were also advanced by Abbott.

<sup>20</sup> See *Innogenetics*, 512 F.3d at 1379 (“mere attorney argument” cannot be the basis for inequitable conduct); *Young v. Lumenis, Inc.*, 492 F.3d 1336, 1349 (Fed. Cir. 2007); *Life Techs., Inc. v. Clontech Labs., Inc.*, 224 F.3d 1320, 1326 (Fed. Cir. 2000); *Akzo N.V. v. U.S. Int’l Trade Comm’n*, 808 F.2d 1471, 1482 (Fed. Cir. 1986); *Rothman v. Target Corp.*, 556 F.3d 1310, 1329 (Fed. Cir. 2009).

(Slip. Op. at 27.) But this distinction would swallow the rule: accused infringers could often re-characterize ultimately incorrect arguments to the PTO as the withholding of the contrary information that reveals the inaccuracy. Moreover, the very case that the majority cites, *Innogenetics*, involved characterizations of the prior art made to the EPO that were withheld from the PTO. The applicant told the PTO that a reference “d[id] not relate to the invention,” without disclosing that the applicant had previously told the EPO that reference was “the closest prior art” and expressly disclaimed its teaching. 512 F.3d at 1378-79. This Court held, however, there was no “material *omission* or misrepresentation” because the statements to the EPO and PTO were “mere attorney argument” about prior art. *Id.* *Innogenetics* cannot be distinguished meaningfully from the facts in this case. *See also Life Techs., Inc. v. Clontech Labs., Inc.*, 224 F.3d 1320, 1326 (Fed. Cir. 2000) (no inequitable conduct when inventors withheld fact that they had relied on key reference to develop invention, but later “merely advocated” to PTO that the reference created no reasonable expectation of success).

The majority also argues that this case involved assertions in a declaration from Dr. Sanghera. (Slip Op. at 27.) But the basis of the inequitable conduct here was not any “falsity” in the characterization of the prior art in Dr. Sanghera’s declaration; it was the failure to provide the EPO briefs. Moreover, arguments about references in affidavits are also not material. *Akzo N.V. v. U.S. Int’l Trade*

*Comm'n*, 808 F.2d 1471, 1482 (Fed. Cir. 1986) (inventor affidavit “advocating a particular interpretation” of two pieces of art was not material.) Arguments about the prior art, whether made in briefs or affidavits, are *opinions* about how a person of ordinary skill would view the art before the examiner, not assertions of objectively testable facts that can be the basis of an inequitable conduct finding.

The majority’s divergence from these precedents imposes an onerous and unfair burden on prosecuting attorneys. It compels them to disclose not only references and technical data, but also *legal arguments and briefs*—even if submitted in foreign prosecutions of other patents. Under the majority’s decision, a patent prosecutor could be charged with inequitable conduct if he or she characterizes a piece of prior art to the PTO in a way that a judge later concludes is inconsistent with previous attorney arguments. As a result, the only safe course of action would be to disclose all other legal arguments about that prior art, regardless of whether the prosecutor perceives it to be material. This would create havoc for practitioners and the PTO.<sup>21</sup> This case should be taken en banc to overturn the undue burden and risk the majority imposes on applicants.

## V. CONCLUSION

As the standards for proving inequitable conduct become murkier and easier to satisfy, prosecutors are compelled to disclose as many references as possible

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<sup>21</sup> *Cf.* S. REP. NO. 110-259, at 32 & n.152 (“less than clear guidance” has “frequently” led patent holders to “‘dump’ everything they have on the USPTO”).

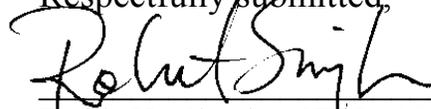
while saying as little as possible about them.<sup>22</sup> The average number of references cited has more than doubled over the past twenty years,<sup>23</sup> increasing the burden on the PTO and reducing the quality of issued patents. The unpredictable, eroding standards are also unfair to patent prosecutors who, under the majority opinion, can suffer extraordinary penalties based on nothing more than a disagreement over whether arguments about prior art made in an unrelated proceeding should have been disclosed to the EPO. The inequitable conduct finding in this case, for example, has destroyed the career of Mr. Pope, who had 35 years of experience prosecuting patents with highly respected law firms and companies, including appellee Bayer. He had never previously even been *accused* of inequitable conduct. But the finding of inequitable conduct in this case has put his license with the Illinois and Patent Bars at stake. Declaration of Lawrence S. Pope ¶¶ 6–7, Lawrence Pope’s Motion for Leave to File Brief (Nov. 12, 2008). As a direct result, he has also been terminated from his law firm and the only other legal job he could get. This Court should rehear this case en banc to ensure that such severe punishment follows only from clear and convincing evidence of deceptive intent.

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<sup>22</sup> ABA SECTION WHITE PAPER, *supra* note 5, at 18 (“Applicants disclose too much prior art for the PTO to meaningfully consider, and do not explain its significance, all out of fear that to do otherwise risks a claim of inequitable conduct.”).

<sup>23</sup> *See* Information Disclosure: Less is More for PTO?, PatentlyO Blog, <http://www.patentlyo.com> (Sept. 17, 2008, 17:36 CDT).

Respectfully submitted,



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