



FEDERAL CIRCUIT FURTHER RESTRICTS DOCTRINE OF EQUIVALENTS:

Foreseeability Bar Requires Evaluation Of Equivalents At Time Of Amendment

- A patentee cannot assert equivalence under an amended claim if the equivalent was foreseeable at the time of amendment.
- An equivalent was foreseeable if it was a suitable alternative to the original claim, even if it was not known to be an alternative to the amended claim.
- Patent applicants can avoid the effects of estoppel by using means-plus-function claims, by amending claims to encompass more than only the preferred embodiments, and by using more independent claims in the original application.
- Parties to litigation should be aware of the expanded scope of prosecution history estoppel when determining the range of potentially-surrendered equivalents.

The Federal Circuit has repeatedly sought to narrow the application of the doctrine of equivalents in recent years, at times finding itself at odds with the Supreme Court. On July 5, a split Federal Circuit panel further limited the doctrine by expanding foreseeability as a bar to equivalents. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki*, No. 05-1492 __ F.3d __, slip. op. (Fed. Cir. 2007) ("*Festo IV*"). The court rejected application of the function-way-result or insubstantial difference tests to determine foreseeability, holding instead that an equivalent was foreseeable if it was known to one of skill in the art at the time of amendment. *Id.*, slip op. at 18. The court went further, stating that whether a particular equivalent was known to be a suitable alternative is irrelevant to the foreseeability analysis. *Id.* at 21.

Merchant & Gould
An Intellectual Property Law Firm



The Doctrine Of Equivalents And Prosecution History Estoppel

Patent claim language defines the patent right. The doctrine of equivalents, however, allows for a finding of infringement when an accused product represents only an “insubstantial” change from the claim language. *Graver Tank & Manufacturing Co. v. Linde Air Products Co.*, 339 U.S. 605, 610 (1950). A product may also infringe when the equivalent “performs substantially the same function in substantially the same way to obtain the same result” as the claimed invention. *Id.* at 608. The Supreme Court recently affirmed the utility of both tests in determining equivalence. *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 40 (1997).

However, several limits exist to equivalent infringement, including prosecution history estoppel. When a patentee narrows the scope of a claim during prosecution, a presumption exists that the patentee is estopped from later arguing equivalent infringement for subject matter lying between the original and narrowed claim scope. For years, courts had applied a “flexible bar” to determine whether the presumption could be overcome by the patentee. However, in *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki*, 234 F.3d 558 (Fed. Cir. 2000) (“*Festo I*”), the Federal Circuit abandoned this flexible approach, holding instead that amendment of a claim for any reason created an absolute bar to the doctrine of equivalents. *Id.* at 574. The Supreme Court vacated this decision, reinstating the “flexible bar,” and holding that a patentee may rebut the presumption by establishing that the equivalent was “unforeseeable at the time of the application.” *Festo Corp. v. Shoketsu Kinzoku Kogyo*

Merchant & Gould

An Intellectual Property Law Firm



Kabushiki, 535 U.S. 722, 740-41 (2001) (“*Festo II*”).

On remand, the Federal Circuit interpreted the foreseeability test in *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki*, 344 F.3d 1359 (Fed. Cir. 2003) (“*Festo III*”), and rejected the argument that the test should apply to the inventor’s state of mind before filing the patent application. Instead, the court held that an alleged equivalent can be established as unforeseeable if it “would have been unforeseeable to one of ordinary skill in the art at the time of amendment.” *Id.* at 1369. This was a significant expansion of the Supreme Court’s foreseeability test, and the Federal Circuit has repeatedly affirmed its use. See *Glaxo-Wellcome, Inc. v. Impax Laboratories, Inc.*, 356 F.3d 1348 (Fed. Cir. 2004) (quoting *Festo IV*); accord *Amgen Inc. v. Hoechst Marion Roussel, Inc.*, 457 F.3d 1293 (Fed. Cir. 2006) (finding patentee failed to rebut *Festo* presumption of unforeseeability).

The New Approach To Foreseeability

In *Festo IV*, the Federal Circuit further expanded foreseeability as a bar to equivalence. The patentee, Festo, amended a claim adding that a piston sleeve was limited to a “magnetizable material.” The alleged infringer, SMC, produced an identical product to that of Festo, but with a non-magnetizable aluminum sleeve. Festo alleged that SMC’s product infringed under the doctrine of equivalents. However, the Federal Circuit held that SMC’s product could not, as a matter of law, be an equivalent due to prosecution history estoppel, because the use of a non-magnetizable sleeve was foreseeable at the time of Festo’s

Merchant & Gould

An Intellectual Property Law Firm



amendment of its broader claim.

The court ruled that foreseeability does not require that the equivalent would satisfy the function-way-result test or the insubstantial differences test. Rather, “an equivalent is foreseeable if the equivalent was generally known to those skilled in the art at the time of amendment as available in the field of the invention as defined by the *pre-amendment claim scope*.” *Slip op.* at 18 (emphasis added).

The patentee does not even need to know whether the equivalent would be suitable for the *amended claim*; only that it was known as an alternative to the *original claim*. “An equivalent is foreseeable if one skilled in the art would have known that the alternative existed in the field of the art as defined by the original claim scope, even if the suitability of the alternative for the particular purposes defined by the amended claim scope were unknown.” *Id.* at 21.

Considerations In Light Of *Festo IV*

As the doctrine of equivalents narrows, the value of strategic claim drafting becomes more prominent. Applicants must strategize their claims towards literal infringement, and not rely on equivalents to “fill in the gaps.” The courts increasingly refuse to allow a patent narrowed for issuance to be broadened through equivalents for enforcement.

There are a few things that applicants can do during prosecution to avoid the reach of *Festo IV*. Because any amendment or argument for patentability can create estoppel,

Merchant & Gould
An Intellectual Property Law Firm



patentees should avoid drafting overly broad claims that will require amendment. At the same time, the decreasing availability of equivalents enhances the need to have as broad a literal scope as possible. A few measures may help reduce exposure to *Festo*-related estoppel issues.

First, applicants should consider using means-plus-function claim elements. Means-claims incorporate both the embodiments disclosed in the specification and their equivalents into the literal limitations of the claims. It can allow equivalents analysis to occur under the auspices of literal infringement. For example, if *Festo* had used a means-claim to claim a sleeve made from “a material sufficient to shield against magnetic fields,” SMC’s aluminum sleeve would have infringed literally.

Second, if amendments must be made, applicants should take care to avoid limiting claims to encompass only the preferred embodiments. Claims should be kept as broad as possible, and, if available, language should be employed that excludes only the cited prior art, while preserving the remaining scope of the initial claim. For example, had *Festo* amended its claim to recite a “metal sleeve,” rather than a magnetizeable sleeve, SMC’S aluminum sleeve would have been covered literally. Further, adding a dependent claim limited to magnetizeable metal sleeves would have all but removed any doubt as to the broader, but amended, independent claim’s scope.

Finally, if the budget permits, applicants can opt to include more independent claims of varying scope. While changing a dependent claim to independent form may raise issues of

Merchant & Gould
An Intellectual Property Law Firm



estoppel, a claim that is never amended usually does not. Thus, even if broad claims are rejected by the examiner, narrower independent claims may issue without amendment, avoiding many estoppel issues.

In regards to litigation, parties seeking to defeat an argument of equivalent infringement have had their arsenal enhanced. The range of presumed-surrendered equivalents is no longer limited to that between the original claim and the amended claim, but now also encompasses alternatives that existed in the field of art as defined by the *original claim scope*. Attorneys defending against infringement charges should define the original claim scope, and thus the scope of foreseeable equivalents, as broadly as possible.

Following *Festo IV*, a patentee cannot avoid an estoppel by arguing that the alleged equivalent would not have been a foreseeable equivalent to the *amended* claim. However, if the alleged equivalent would not have been considered a suitable alternative to the *original* claim, the presumption of estoppel may be overcome. That temporal difference is a further limit on the doctrine of equivalents, and an important one to practitioners, patent owners and accused infringers.

Authored by Tony Zeuli and Devan Bennett. For more information please call 612.332.5300.

Merchant & Gould
An Intellectual Property Law Firm