

Fish-finder patent case is the one that got away

By Barbara L. Jones

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Challenging patents for sonar fish-finding technology, Deeper UAB cast a wide net by making 92 arguments showing why Vexilar's patent is invalid. But the net had holes in it and the catch got away.

Vexilar, represented by Merchant & Gould, defeated its competitor's petition for inter partes review challenging the validity of its patents.

Founded in 1960, Vexilar specializes in fishing products including fish-finder technology. It has developed the now-patented SonarPhone product that allows anglers to turn smart devices, such as smartphones, iPads and tablets into high-resolution, touch-screen sonar devices with the use of Wi-Fi.

Vexilar claims Deeper willfully and deliberately infringed on its patents. In 2017, Vexilar gave Deeper notice of its patent rights and Deeper's infringement. For nearly a year afterward, the parties engaged in licensing negotiations, where Vexilar provided Deeper with actual knowledge of infringement. Negotiations apparently failed because on June 26, 2018, Deeper filed an inter partes review petition.

In that petition, Deeper

addressed four arguments to each of the 23 claims filed by Vexilar, for a total of 92 arguments. That was too much for the Patent Trial and Appeal Board, which observed that evidence and arguments were directed to only two claims. It denied Deeper UAB's petition for inter partes review because it "would not be an efficient use of the Board's time and resources."

The Merchant & Gould team was successful because it filed a laser-focused Patent Owner's Preliminary Response, arguing that Deeper did not meet its burden to show a reasonable likelihood that the prior art invalidated Vexilar's patent and that Deeper's expert's declaration was conclusory, said Thomas Leach of Merchant & Gould.

The decision was designated as Informative, which indicates that it should be followed in most cases because it provides important guidance from the PTAB, said Leach said. "Pick your battles and make sure you have a good argument for each one you're going to fight," he said.



Thomas Leach



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Vexilar has developed the now-patented SonarPhone product, which allows anglers to turn smart devices such as smartphones into sonar devices with the use of Wi-Fi.

But the sparring between the parties is not over. Weeks after the PTAB decision, Leach filed a complaint in District Court in Minnesota on behalf of Vexilar for patent infringement. A summons has been issued but there is no information about when and if it has been served. It requests injunctive relief and monetary damages, including up to treble damages for willful infringement, per 35 U.S.C. § 284.

'Any patent claim'

The denial of the petition is a significant accompaniment to the U.S. Supreme Court's 2108 decision in SAS Inst. Inc. v. Iancu, where the court required an "all or nothing" approach by PTAB — if it institutes an IPR it must decide the patentability of all claims challenged by

the petitioner. "It's critical for petitioners to make sure they have strong evidence for each ground before going to the PTAB and challenging the validity of a patent," Leach said.

In SAS the Supreme Court said the Patent Office must "issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner." 35 U.S.C. § 318(a) (emphasis added [by court]). In this context, as in so many others, 'any' means 'every.' The agency cannot curate the claims at issue but must decide them all."

The court in SAS also declined to apply Chevron deference and defer to the patent office's position on 35 U.S.C. § 318(a) because the court was "left with no uncertainty that could warrant deference."