Best Patent Prosecution Practices for Damages and Licensing Purposes

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Patent Assertion Evaluation

- Defensive risk assessments
- Offensive opportunities
- Endeavor to quantify the situation
- The factors used in this quantification process inform practical best patent prosecution practices
First Factor -- Commercial Threat

- Defensive Evaluation
- High Score -- Direct infringement risk for several independent claims implicates material product revenue
- Medium Score – Direct infringement risk for small number of independent claims implicating peripheral product revenue
- Low Score – Indirect or divided infringement for independent claims implicating peripheral product revenue for feature that will be phased out in time

Commercial Threat Practice Points

- Understand the key commercial features of your client’s technology
  - Impressive revenue vs. impressive technology
- Understand territorial issues
- Understand your client’s competitors
- Large patent counts do not necessarily trump small numbers of strategic patents
Second Factor -- Commercial Opportunities

- High Score – Patent applicable to a large commercial market or multiple industries
- Medium Score – Patent applicable to a medium commercial market or a few industries
- Low Score – Patent applicable to a single market with small market size

Commercial Opportunities Practice Pointers

- Understand the uniqueness of the problem
  - Push inventors beyond the problem they solved
- Multiple embodiments for multiple industries
  - Consider bringing in additional inventors to flesh out applications for different industries
Third Factor -- Divided Infringement

- High Score – No divided infringement in any independent claims (and most dependent claims)
- Medium Score – No divided infringement in at least one independent claim and some of its dependent claims
- Blackball? – Divided infringement in all independent claims

Divided Infringement Practice Points

- Don’t go there
- Client-server figure
- Flow chart for server operations
- Signal exchange figure with server as hub
- Coordinating server is typically your target
- Third-party server coordinated with may be of interest
- Client side may be of interest if it is running a delivered script
Fourth Factor -- Indirect Infringement

- High Score – No indirect infringement in any independent claims (and most dependent claims)
- Medium Score – No indirect infringement in at least one independent claim and some of its dependent claims
- Low Score – Indirect infringement in some claims, but publicly available information evidencing intent
- Blackball? – Indirect infringement for all claims and no publicly available information evidencing intent

Indirect Infringement Practice Points

- Divided infringement practice points
- Act performed outside system is a red flag
- Articulate as a received action, e.g., receive a command specifying action X
Fifth Factor -- Ease of Detecting Infringement

- High Score – Infringement can be detected from publicly available information
- Medium Score – Infringement can be detected from testing or reverse engineering
- Low Score – Infringement cannot be confirmed without discovery

Infringement Detection Practice Pointers

- Beware the back end
- Beware evolving algorithms
- Write claims with observable elements
  - specified input parameters
  - output parameters
  - well-defined analytics
Sixth Factor – Claim Quality

- This assessment is an art
- High Score – Varying claim scope amongst multiple independent claims; value add dependent claims
- Medium Score – Some varying scope amongst at least two independent claims; value add dependent claims
- Low Score – All independent claims very similar

Claim Quality Practice Pointers

- The hex of tight budgets
- We all tend to be too redundant with our claims
- Each dependent claim should have support in specification that explains significance of feature
- Nice to have language in specification that tracks claim language, but it is also nice to go off script to have other ways to characterize the invention to perform a pivot during prosecution
- Ease of design around considerations
- §101 issues
Seventh Factor – Specification Quality

- This assessment is also an art
- High Score – Short background, minimal references to “the invention”, “preferred embodiment”, detailed figures, meaningful alternative embodiments
- Medium Score – “Poor person’s” high score
- Low Score – Essentially a document from the client, single characterization of the invention, simple figures, narrow language tracks

Specification Practice Pointers

- Let’s all agree on a short background
- Own at least the “legal part” of the specification
- Drop in the client work at the end, if need be, but clean it of all the bad language (e.g., “the invention”, “preferred embodiment”, “must have”, “works when”, etc.)
- Press for meaningful alternate embodiments
- Push for detailed figures, even if you do not have time to explain them in depth; the details usually speak for themselves (i.e., a picture is worth a thousand words)
**Eighth Factor – Prosecution History**

- High Score – First office action allowance or office action with limited rejections
- Medium Score – A reasonable number of substantive office action responses, minimal problematic estoppel
- Low Score – A significant number of substantive office action responses and/or poorly executed prosecution

**Prosecution History Practice Pointers**

- Luck involved here
- Is it just me?
- Pre-appeals
- Supervision
Ninth Factor – Citation of Prior Art

- High Score – At least some threshold number of references cited by applicant
- Medium Score – Prior art submitted by applicant below threshold
- Low Score – Only prior art was cited by Examiner

Prior Art Practice Pointers

- Push inventors on topic
- System issue, not going to blow through your caps
  - related cases
  - foreign cases
  - patents by same inventors
Tenth Factor – Related Cases

- High Score – At least one related pending patent application
- Medium Score – Related issued patents
- Low Score – One-off case

Related Cases Practice Pointers

- Suggest evolving strategies
- Be aware of likelihood of litigation
- Relatively low cost approach to pad count and keep competitors guessing