

Patent Infringement, Freedom to Operate, and Validity

When a company is seeking to acquire rights to a patent, one of the questions that typically arises in the course of the due diligence effort is: "Is the patent valid and enforceable?" In the case of a patent infringement challenge or freedom to operate (FTO) inquiry, non-infringement is always the first, best defense. For defendants or potential defendants, alleging "invalidity" or "unenforceability" can be an equally effective defensive tactic. In any of these situations, if the strength or validity of the patent is put in doubt, the value of the patent as well as any infringement claim, real or potential, may decline significantly.

The first step in determining the validity of a patent is to check whether the patent term has finally expired or expired early because the maintenance fees have not been paid. Provided the patent is still in force, a patent infringement and validity opinion, formal or informal, is typically requested of the patent attorney or law firm.

As the next step, with respect to infringement or freedom to operate, the attorney reviews the patent and the associated "file wrapper" or file history from the patent office. The file wrapper is a complete copy of the prosecution history of the patent, the back and forth correspondence between the applicant (via its attorney) and the patent office, extending from the filing of the original application to the issuance of the patent, as well as any corrections submitted after the patent issued and any re-examinations or other supplemental additions to the file. The file wrapper is used to make an initial determination of the scope or correct interpretation of the claims by taking into account possible further limitations or "estoppel" expressed in or deduced from the file wrapper that are not immediately apparent in the published patent.

The claims, beginning with the independent claims, are then analyzed in comparison to the alleged infringing product or competing product, element by element, to assess the degree of infringement and obvious defenses. A strong case for non-infringement is always the first and best defense to infringement or best result for an FTO review.

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The stake holder defendant or competitor may also want a patent validity search and review in an effort to find additional prior art that may not have been known to the Examiner or the Applicant, or at least not been formally considered during the prosecution. A validity search not unlike a patentability screening search for a new invention, except that it is based on the issued claims of the patent of interest in the context of a competing product rather than on a general description of the invention.

When the search is complete, the patent attorney in collaboration with the stakeholder will examine and compare the search results with the issued claims of interest, and seek to determine if and to what degree it can be argued that the claims of interest “read on”, describe, or were anticipated or made obvious by the prior art publications.

An independently rendered formal legal opinion on patent validity and infringement or freedom to operate, that was favorable to the defendant’s position, is an important legal device that may protect the defendant against an excessive damages award for willfulness in the event there is a later judicial finding of infringement.

Patent law and legal opinions about patent infringement, validity, and freedom to operate are complex legal matters for which professional assistance and counseling is critical. Consult any of the registered patent attorneys at Maine Cernota & Rardin.
