

**Question 1**

**TO:** Pat Holder  
**FROM:** 518C  
**DATE:** December 13, 2008  
**RE:** '123 Patent

Music Company (Music) will be asserting numerous defenses to try and invalidate your patent. Because it will be asserting unenforceability and invalidity, it has the burden of showing clear and convincing evidence. One of the biggest problems that you have is novelty and the statutory bars under Section 102. The following paragraphs will entail the ways in which Music may try to argue that your invention is not valid under 102 and what your best counterarguments would be.

Music may first claim, under 102 (f), that you derived your invention from watching the Skaardsens. It will argue that tambourines have been available since 1970 and audio pickups have been available on instruments since the 1950's. Music will claim that an ordinary mechanic, by watching the show, and without the exercise of any ingenuity and special skill on his part, could construct and put the amplified tambourine into successful operation. However, amplification at the time of the show, the 1970's, was not being used on instruments but for stringed ones. Therefore, the show did not provide an ordinary mechanic with the knowledge to amplify a non-stringed instrument.

Music may claim that the '999 patent was prior art and that your invention was anticipated by it. Even if you, or no one else, had any knowledge of the snare drum invention, Music can state that you are prevented from patenting subject matter described in an earlier application. (You mentioned in your application that you know of no prior art relating to your invention other than a tambourine. However, an inventor is charged with knowledge of all prior

art.) According to 102(e), and as learned from *Milburn*, the date of an issued patent is fixed as that patent's filing date, even if the contents of that patent application remained secret until issuance.

The '999 patent was applied for in October 15, 2000. Because you had not reduced your invention to practice until November 1, 2000, Music will attempt to perform an analysis, as performed in *Robertson*, between your invention and the snare drum to show that your tambourine shares with the single-referenced drum each and every element, either expressly or inherently. If Music can do this, your tambourine will be rendered non-novel and your patent held invalid. Even though a drum will be compared to a tambourine, anticipation considers all references in any art. Moreover, even if the '999 patent, under 102(e) was not prior art rendering your invention non-novel, it can still be used to show that the drum was a prior art candidate used to analyze your invention under the obviousness equation of 103. (I have yet to discuss obviousness.)

When performing the elemental analysis, however, it will be found that your invention does not identically share every element with the drum. Your invention has only skin on a single side of the circular base. The drum has skin on both sides. The drum is absent the metal pieces on the tambourine that emit the sound. Finally, the audio pick-up is glued to the tambourine skin, but screwed to the drum base. With the dissimilarities of the elements, you will be able to defeat any non-novel argument.

Music's argument will then turn to attacking your invention as being obvious. Under Section 103, Music will argue that, when compared to the single or multiple prior art references available at the time of your invention, a person of ordinary skill in the art, a *phosita*, could have formulated your tambourine. The nonobviousness test that must be utilized when comparing

prior references is the *Graham* test. To perform the test, we must first ascertain the applicable prior art. Music has found several prior art references that it will claim relates to your invention because the references are all musical instruments, in other words, in the same field as described in *Clay*: non-amplified tambourines have been around for some time, as well as have audio pickups in string instruments; the German guitar manual tells of how to connect an audio pickup to a guitar; and you had “constructive” awareness of the ‘999 drum. For the second part of the test, the differences between the prior art and your invention must be analyzed. You have a tambourine and it shares an audio pickup found in the German guitar and the drum. The pick-up has been screwed into the guitar. Although, I am no person of ordinary skill in constructing musical instruments, the phosita required in this instance, I believe that even I, myself, could perform the next two steps of the test in determining that you could have constructed your tambourine by combining elements from these prior references. (I may, however, be performing insidious hindsight and not evaluating your invention at the time you conceived it. Winslow. You are the one who invented, only after years of studying tambourine technology and amplification technology.) You also have secondary factors working against you to prove obviousness: as mentioned, even my common sense allows me to realize that I could have come up with this invention and the Skaardsens made you aware that there was a problem that needed correcting, i.e. amplifying the sound from a tambourine.

But I believe that the most damning prior art reference is the ‘999 patent. If it was not available to you, you could use the same argument that you used to defeat the 102(f) claim. Tambourines were in existence, but audio pick-ups had only been used on stringed instruments. Because the ‘999 patent filled the gap between using audio pickups on non-stringed instruments,

showing that you invented before the '999 invented may help win a 103 challenge. You therefore need to show this by way of a 102(g) analysis.

Although Random Inventor “constructively” reduced his drum to practice on his filing date of October 15, 2000, you should be able to argue that, although you reduced your tambourine to practice on December 7, 2000, you conceived your invention on October 1, 2000, and therefore invented before him. It can be inferred that, on October 1<sup>st</sup>, your idea was so clearly defined in your head that only ordinary skill was necessary at that point to reduce your tambourine to practice. You realized that you needed a longer cord after conception, but conception does not necessarily need to be enabling, meaning it is not necessary to realize every required “nut and bolt.” You will, however, have to show that you remained diligent after conception, with no gaps or abandonment, up until your filing date. You will also have to argue that you played your tambourine with the band on December 1, 2000 as an experimental use only so that you were fine tuning your invention. Elizabeth. (Arguing conception on October 1<sup>st</sup> will also counter a possible 102(a) violation that your invention was known or used by others, the Bar Patron and the band, on December 1<sup>st</sup>, a date prior to the invention date. The likelihood that the court would find that the use was known or used by others under this scenario is unlikely as to the Bar Patron, since she was probably not a relevant individual. But the fact that the band members may have been relevant members of the public is likely.) Showing that you continued to work on perfecting your product after conception and up until your filing date without abandoning it during that time will require corroboration.

Music will argue that you could not have possibly conceived your full invention, since you were initially denied the patent. This shouldn't be a problem however. You were denied the patent on a utility basis. The examiner found your patent to be nonoperable, but only because

you failed to mention a means for connecting to an amplifier. In this instance, utility was intertwined with enablement. There was no way that the examiner inherently believed that the invention could work. This was a simple drafting mistake, however, because the evidence shows that your invention already had been conceived of to have a cord and this was corroborated because you had already been using your invention experimentally.

Music may also argue that you violated the on-sale bar, 102(b) when you offered your tambourine for sale to the Bar Patron. When she first made contact with you on December 1, 2000, she asked you if she could buy it. You told her that you would think about it. According to contract law, you did not manifest an offer to sell your invention at that time. Had you made her an offer to sell your invention, or took her up on her offer to buy, you would have offered your invention for sale prior to one year before your date of application, December 10, 2001. You did however make a sale to Bar Patron on December 15, but you made that sale after the critical date of December 10, 2000.

The next place that Music will try to have your invention invalidated is on the language of your patent itself. It appears that the patent would enable a phosita to make and use, the claimed tambourine at the time of its invention. This invention is fairly predictable, especially because the drawing has been included.

There were amendments to the patent, but the specification seemed to allow it, since it could be tied back to the original specification, i.e. the means for connecting to the amplifier was the cord and the “connecting” of the pickup to the tambourine was mentioned in the specification as a preferred embodiment. In putting together the amendment to connect to the amplifier, you have put together a means plus function claim. One practicing your patent will look at what you have described in your specification, a cord, knowing that the means for connecting the

tambourine to an amplifier must be a cord, or that equivalent to a cord. See Wright Co. This may come back to hurt you in your infringement claim against Music.

However, the problem with the patent is that the claims scope may be too broad. In other words, you do not appear to possess the invention. Under *Edison*, you may be claiming too much. Your patent specification describes an amplified tambourine, but you claim “a handheld amplified musical instrument, comprising . . . .” That “comprising” terminology could be overly inclusive, since comprising permits infringement to exist if additional elements beyond those explicitly claimed are included. Claiming in this way could possibly make the ’999 patent that was evaluated earlier fall under the umbrella of your claims. All someone would have to do to infringe was to connect two bells to the ’999 drum. On a definiteness note, Section 112 requires that proper notice be given to the public of the patentee’s rights and that the claims should be adequately clear. They appear to be overly broad here.

On a final note, you do not appear to have mentioned the best mode to practice the invention. If you possessed a best mode for making and using the invention at the time of the application, you must have noted it. It doesn’t appear that your patent declares a best mode, especially for what type of pickup device should be used. I am sure that not all pickup devices will perform identically and at the same rate of quality.

**Question 2**

**TO:** Music Company  
**FROM:** 518C  
**DATE:** December 13, 2008  
**RE:** Possible Infringement Claims of the '123 Patent

I am assuming that Patent approached you about purchasing licensing to his patent prior to your selling of your own version of an electronic tambourine. If Holder approached you at a time when he knew that you would be selling your own version of the electric tambourine, prior to July 1, 2003, and he had manifested that you would be infringing on his patent, and that you cease doing it by purchasing the license to his product instead, you could assert a lache. A delay of 6 years causes a presumption that Holder waited too long and we are close to six years now, depending on if and when he approached you.

The Patent Act doesn't provide explicit infringement criteria. The infringement law is "judge made". Literal infringement entails a two step process. Therefore, the claims Mr. Holder's patent need to be construed as a matter of law by a judge. Then the claims will be compared under an "all elements" rule to the elements of your alleged infringing device.

I will attempt to construe Mr. Holder's claims myself, going off of what I personally find. It appears that the claims in Mr. Holder's invention could be construed by one having skill in the art, someone that I am not, based off of the ordinary meaning of the words themselves. I will then compare the elements of Mr. Holder's claims to the elements of your device. Mr. Holder's device and your device contains a "handheld", amplified musical instrument. Both of your inventions contain a "substantially" circular base (although it may be argued, ineffectively however, that your device is "elliptical" and not "circular") containing sound emitting metal pieces. Both instruments contain an audio pick-up device. However, the Holder specification

mentions a preferred embodiment of both a traditional, rounded tambourine, with or without a handle. The preferred embodiment also contains a pickup that is glued to the skin. Because there is no disclaiming of anything particular in these areas or preferment, the preferred embodiment will not limit the Holder patent to a tambourine with or without a handle or one where a different means to connect the pickup to the tambourine is used. So the fact you're your pickup is connected to, or inside, the handle and that your device is elliptical do not seem to matter. You would still literally be infringing in those areas.

However, your tambourine does not appear from the diagram to have skin and the signal from your device is transmitted to the amplifier without wires. That is a large difference from the Holder patent that has skin and that is limited, because of its means plus function, to sending its signal via a wire, or some apparatus equivalent to a wire. Therefore, there does not appear to be literal infringement of Mr. Holder's invention by your product.

However, we must go beyond literal infringement and consider the doctrine of equivalents (DOE). The court will not think it fair to Mr. Holder to only allow a literal infringement analysis. According to *Graver*, a patentee may invoke DOE to proceed against the producer of a device if it performs substantially the same function the same way to obtain the same result. 339 U.S. 605, 608. If two devices, therefore, do the same work in substantially the same way, they may be permitted to differ in form or shape. It depends on whether a person of ordinary skill in the art would recognize the interchangeability between the claimed subject matter and the alleged equivalent. And intent plays no role under DOE.

However, Holder will have great difficulty convincing a court that his device works in substantially the same way as does your device. The problem for Holder will be the means by which the signal is sent. Your device and Holder's device both perform the function of



amplifying a tambourine by communicating a signal to an amplifier, but it is performed in a vastly different way. The court will probably find that there is a big difference between wireless communication and cabled communications.

Even if the court somehow determines that the two types of ways to send the signal are substantially similar, Holder may have a prosecution history estoppels problem. An amendment or statement during prosecution may inform and often defeats a claim of equivalency. *Warner-Jenkinson* and *Festo* lay out the questions that must be asked whether an amended claim was related to patentability. There are three of them: Did a filed amendment narrow the scope of the claim, Was the reason for that amendment a substantial one relating to patentability, and Has the patentee surrendered the territory between the original claim and the patented claim. In analyzing the answers to these three questions, Holder's means-plus-function claim with the wire or its equivalent possibly did narrow the scope of the claims and it did surrender the territory between wireless and cabled technology, but this answer to the third question may also provide the answer to the second. There may possibly not have been wireless technology at the time that Holder invented. Holder's amending was probably only done as a drafting mistake. He simply did not divulge how to connect the pickup to the amplifier. It was an easy fix however. He mentioned a wire or its equivalent. So, because wireless technology in the pickup devices may not have been foreseeable in 2000, one skilled in the art would not have been reasonably expected to have drafted a claim that would have literally encompassed the equivalent of wireless communication.

Your only response to that will be to attempt to make a reverse DOE argument and declare that your "device is so far changed in principle from a patented article that it performs the same or similar function in a substantially different way, but nevertheless falls within the

literal words of the claim.” Graver at 609. It will be a very difficult argument to make. Courts rarely allow this defense. Plus, wireless technology is basically a staple replacement for cabled connections nowadays. It’s basically the same technology, electrical communications, that has advanced.

You can’t claim experimental use because you are deriving a benefit from selling the device, commercially at that. Perhaps, however, that may leave you with having to file an inequitable conduct claim against Holder. If he is found guilty of inequitable conduct, his whole patent will be thrown out. You will first have to prove that Holder had the intent to deceive the PTO when applying for his patent. You will then have to show that he did not disclose material information to the PTO. Both must be done by clear and convincing evidence. Intent will have to be inferred. But we know that Holder began studying tambourine and amplification technology years ago. He could probably be qualified as an expert in the field, depending on his level of acquired knowledge. You could argue that surely he knew about the prior art references that you found, and therefore he intentionally did not disclose them. On the materiality note, he should have notified the PTO about the prior art since it was so closely related. Maybe he also falsified that he was only experimenting when he used the device with the band, or even that he knew that he broke the on-sale bar. There are numerous possibilities here that may be argued.

Incidentally, infringement is proven by a preponderance of the evidence.

**Question 3**

**TO:** District Judge  
**FROM:** Law Clerk 518C  
**DATE:** December 13, 2008  
**RE:** Assumed Infringement of the '123 Patent

Lost damages intends to restore the patentee the lost profits due to sales diverted to the infringer. The test to be used is the *Panduit* test. First, it will be difficult for Holder to prove demand of his product. He has been attempting to market his product for product, but no one is interested in purchasing it. (Besides, without a production facility, it isn't likely that Holder has capability to suffer much damage anyways. He couldn't possibly manufacture more than a few of his tambourines at a time.) Holder can probably show, however, that there is an absence of an acceptable noninfringing substitute ( I am assuming that there are no substitutes as that has not been told in the facts). This would therefore allow him to make a "but for" argument similar to the one made in *Rite-Hite*. But for Music's sales of the infringing apparatus, Holder would be selling his product. It will be difficult to figure Holder's profits that he should have if Music did not "take over" the sales of his product. As mentioned, Holder can only make one of these at a time.

Holder will have to "throw" the expert witnessas at the case. He will have to show, possibly, that he would have licensed the product to someone sooner or later, or that he could have bought or leased his own manufacturing facility. But that's going to take a lot of evidence.

Therefore, probably being unable to ascertain lost profits, Holder will have to settle for reasonable royalties. He will be unable to show lost profits. As far as a final injunction remedy is concerned, we know that Music infringed. We don't have to go through the elements to get a preliminary injunction. Therefore, Music will not be allowed to continue under a permanent

injunction and Holder will have full enjoyment of his patent rights. An permanent injunction to Holder will definitely be worth more than lost profits. By keeping Music out of the business, maybe this will force Music to buy a license or for Holder to now have orders to perform his own start-up.

**Question 4**

Pickup will need to state that it did not have actual or constructive knowledge of the patent or the activity that constitutes the infringement. Pickup can claim that these products that it manufactures have been staple products used in various devices since the 1950's, as has been shown by Music in their findings; for example, the pickup is used in the patented '999 snare drum. Pickup must also state that it had no intent to infringe on Holder's patent by supplying the devices to Music. 271 (b) and (c).