No. __

IN THE
SUPREME COURT OF THE UNITED STATES

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FESTO CORPORATION,
*Petitioner,*

v.

SHOKETSU KINZOKU KOGYO KABUSHIKI CO., LTD., A/K/A SMC CORPORATION AND SMC PNEUMATICS, INC.,
*Respondents.*

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**On Petition For Writ Of Certiorari
To The United States Court of Appeals
For The Federal Circuit**

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# PETITION FOR WRIT OF CERTIORARI

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February 11, 2008

## QUESTIONS PRESENTED

Whether the Federal Circuit erred, and created a conflict with this Court's precedent, by holding that a patentee who narrows his claim surrenders any device which subsequently proves to be an equivalent, even if a person of ordinary skill in the field of the invention could not have foreseen the equivalency at the time of amendment.

Whether the Federal Circuit erred, and created a conflict with this Court's precedent, by holding that an equivalent structure is foreseeable merely because the structure existed in the field of art as defined by the original unamended claim scope.

## CORPORATE DISCLOSURE STATEMENT

Pursuant to Rule 29.6 of the Rules of this Court, Petitioner Festo Corporation states that its parent corporation is Festo AG & Co. There are no subsidiaries or affiliates of Festo Corporation or Festo AG & Co. that have issued shares to the public.

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## INTRODUCTION

For 160 years, this Court has faithfully applied the now-foundational principle of patent law known as "the doctrine of equivalents." Under that doctrine, a patentee's rights are not limited by the patent's literal terms, but extend to structures that are functional equivalents of the patented elements. Without the doctrine, inventors would be at the mercy of clever copyists, who could avoid patent infringement by making unimportant and insubstantial changes to a patented invention.

In the last decade, however, the doctrine of equivalents has come under steady attack from the Federal Circuit. This Court has thus far rebuffed those attacks and unanimously reaffirmed the doctrine's continuing vitality. *See Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997). But as this case demonstrates, the Court's pronouncements have largely fallen on deaf ears. The Federal Circuit's misguided literalism continues to threaten the highly practical and commercially significant law of patent.

The first time that this case was before this Court, it was remanded for consideration in light of *Warner-Jenkinson*. *See Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd. v. Festo Corp. (Festo III)*, 520 U.S. 1111 (1997). On remand, the Federal Circuit held that by narrowing a claim to obtain a patent, the patentee surrenders all equivalents to the amended claim element. This Court unanimously reversed. *See Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd. (Festo VIII)*, 535 U.S. 722 (2002). It held that an inventor who amends a patent claim only relinquishes equivalents that are foreseeable at the

time of the amendment. The pivotal issue in the growing body of patent law jurisprudence is precisely what constitutes foreseeability.

In the decision below, the Federal Circuit effectively reinstated its prior ruling under the guise of foreseeability. It held that an inventor who amends a patent claim relinquishes any structure later found to be a usable equivalent—*even if an inventor skilled in the art had no way to foresee the equivalency at the time of amendment*. In other words, inventors may surrender equivalents that no one in the field knew, or even technologically could have known, were equivalents at the time of the patent application or amendment. As the Federal Circuit's most experienced patent-law expert recognized in dissent, *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd. (Festo XIII)*, 493 F.3d 1368, 1384 (Fed. Cir. 2007) (Newman, J., dissenting), that ruling has no basis in law or logic.

The net effect of the decision below is that inventors who amend their patent claims will rarely, if ever, be able to challenge equivalents. Indeed, in a steady string of cases, the Federal Circuit has rejected one such challenge after another. In short, the Federal Circuit has resurrected precisely the complete bar to challenging equivalents that this Court resoundingly rejected in *Festo VIII*. This Court should grant certiorari to prevent the doctrine of equivalents from becoming a dead letter, and to restore stability and predictability to the patent process.

## OPINIONS BELOW

The Federal Circuit's decision is reported at 493 F.3d 1368, and reprinted in the Appendix (App.) at 1-36a. The Federal Circuit's decision denying panel rehearing and rehearing *en banc* is unreported, and reprinted at App. 66-67a. The District Court's decision is reported at 2005 WL 1398528, and reprinted at App. 37-57a. The District Court's decision declining to alter or amend the judgment is reported at 2006 WL 47695, and reprinted at App. 58-65a.

There are several prior opinions in this case. The District Court's original judgment of patent infringement is unreported. The Federal Circuit's affirmance of that judgment is reported at 72 F.3d 857. This Court's order granting *certiorari*, vacating and remanding for further consideration in view of *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997), is reported at 520 U.S. 1111 (1997).

The Federal Circuit's decision on remand reinstating the judgment in petitioner's favor is reported at 172 F.3d 1361. The Federal Circuit's *en banc* decision entering judgment in respondents' favor is reported at 234 F.3d 558. This Court's decision reversing and remanding is reported at 535 U.S. 722.

## JURISDICTION

The Federal Circuit rendered its decision on July 5, 2007. App. 1a. The Federal Circuit denied rehearing on September 14, 2007. App. 66a-67a. On December 4, 2007, the Chief Justice granted petitioner's application to extend the time within

which to file a petition for a writ of certiorari to February 11, 2008. This Court has jurisdiction under 28 U.S.C. § 1254(1).

## PERTINENT CONSTITUTIONAL AND STATUTORY PROVISIONS

Article 1, section 8, clause 8 of the Constitution provides:

> Congress shall have the power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

35 U.S.C. § 271(a) provides:

> Except as otherwise provided in this title, whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent.

## STATEMENT OF THE CASE

1. This case presents a vitally important and recurring issue in patent law. Few, if indeed any, questions in intellectual property law have spawned such continuing jurisprudential debate. This Court has not stood aloof from that controversy. To the contrary, for decades this Court has repeatedly repelled attacks against the doctrine of equivalents by those who would jettison this venerable doctrine with its roots firmly in equity. *Graver Tank & Mfg Co. v. Linde Air Prods. Co.*, 339 U.S. 605 (1950); *Warner-Jenkinson*, 520 U.S. 17; *Festo VIII*, 535 U.S.

722. The reason for this Court's vigilance is not hard to divine. Without the protection of the doctrine of equivalents, innovative patent holders would be at the mercy of copyists who could readily appropriate and employ the essence of an invention by simply introducing a minor and insubstantial variation from the literal terms of a single element described in the patent claim.

Not a whisper from Congress since this Court fashioned this equitable doctrine in 1854 suggests the slightest Article I branch disapprobation. Briefly stated, and drawing from this Court's own jurisprudence, under this long-established principle of patent law, "a product or process that does not literally infringe upon the express terms of a patent claim may nonetheless be found to infringe if there is 'equivalence' between the elements of the accused product or process and the claimed elements of the patented invention." *Warner-Jenkinson*, 520 U.S. at 21. That is this case.

2. Petitioner Festo Corporation is a European-based company that has long been an innovator in automation technology. Its products represent innovative breakthroughs translating into devices ranging from products that ferry attractions at Disney World to robotics used in the manufacture of a wide range of products such as automobiles, microchips, and pharmaceuticals. Festo's innovative designs perform in industrial applications unsuited for traditional devices. As relevant here, Festo is the owner of two U.S. patents found to be infringed by respondents Shoketu Kinzoku Kogyo Kabushiki Co., Ltd. and SMC Pneumatics, Inc. (collectively "SMC") after a jury trial (and a summary judgment

disposition) in federal district court in Boston. Some of the accused devices were found to have literally infringed the claims of Festo's patents. Other, slightly modified units were found to infringe under the doctrine of equivalents.

SMC appealed the adjudication of infringement under the doctrine of equivalents. On two occasions, a unanimous panel of the Federal Circuit affirmed. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.* (*Festo II*), 72 F.3d 857 (Fed. Cir. 1995); *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.* (*Festo IV*), 172 F.3d 1361 (Fed. Cir. 1999). After rehearing *en banc*, however, the Federal Circuit severely restricted the doctrine by holding that amending a claim element[1] creates a "complete bar" to *any* range of equivalents, thus permitting near-identical copying of the patented product. The complete bar was rejected by this Court and a rebuttable presumption created. *Festo VIII*, 535 U.S. at 740. This Court set forth several criteria under which a patent holder could present evidence to rebut the presumption and establish that the accused equivalent was not surrendered by the claim amendment. *Id.* at 740-741. In applying this Court's decision, the Federal Circuit has adopted new and highly rigid limitations not contemplated by this Court.

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[1] The claims of a patent define the scope of the invention and are are typically amended during prosecution. Claim amendments are made for a variety of reasons including to clarify the claim language, to change the scope of the claim, or to address issues raised by the Patent Office examiner.

This destabilizing ruling represents an avulsive and innovation-stifling change in the American patent system. Specifically, the panel majority's "empty set" vision of the bedrock meaning of "equivalent"—that is, performing substantially the same function in substantially the same way to achieve the same result—robs this ameliorative principle of all practical meaning.

3a. *Prosecution History of Festo's Patent.* The Stoll patent is directed to a linear actuator known as a "magnetically coupled rodless cylinder." Briefly stated, these devices are employed in a wide range of industrial applications to transport articles from one point to another. The actuators include three basic components: a piston, a cylinder tube, and a driven member. The piston, which includes a series of magnets, moves within the cylinder tube and is driven by pressurized fluid. The driven member surrounds a portion of the cylinder tube and also includes a magnet arrangement. The piston and driven member are, therefore, magnetically coupled so that as the piston is moved inside the tube, the magnetically coupled driven member follows on the outside of the tube. Accordingly, reciprocal movement of the piston and driven member along the cylinder tube is accomplished without the need for any mechanical linkage between the piston and driven member. App. 3-4a.

The United States Patent and Trademark Office ("PTO") initially rejected the pending claims in the Stoll patent application based upon formal objections, not prior art. Dr. Stoll submitted a new independent claim and amended several dependent claims in order to clarify the nature of the device.

App. 7-8a. Specifically, Dr. Stoll included within his broadest claim (independent claim 1) that the outer sleeve of the device be made from magnetizable material.

3b. *The Proceedings Below.* Festo sued SMC for infringing the Stoll patent. After a jury trial before the United States District Court for the District of Massachusetts, the jury found that SMC had infringed the Stoll patent under the doctrine of equivalents. App. 10a.

On SMC's appeal, a Federal Circuit panel unanimously affirmed the jury verdict and damage award. App. 10a. After denial of rehearing, SMC petitioned for *certiorari*. This Court granted *certiorari*, vacated the judgment and remanded the case for further consideration in light of its then-recent decision in *Warner-Jenkinson*.

Upon remand, another Federal Circuit panel reinstated the pivotal findings that SMC's devices contained no differences of substance from the patented inventions. With respect to the Stoll patent, the panel held that the amendment related to the magnetizable sleeve material was voluntary; not made to avoid the prior art; and thus prosecution history estoppel did not apply. *Festo IV,* 172 F.3d at 1380. Because the other amendment in this patent presented an "unresolved issue," the Federal Circuit panel remanded to the District Court to determine, *ab initio*, whether the *Warner-Jenkinson* presumption should apply and, if so, whether it could be rebutted. *Id.*

3c. *The En Banc Decision.* Rehearing the case *en banc*, the Federal Circuit in a sharply divided 8 to 4 decision reversed the finding of infringement under

the doctrine of equivalents as to both patents. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd. (Festo VI)*, 234 F.3d 558, 569 (Fed. Cir. 2000). The *en banc* majority concluded that prosecution history estoppel acts as a "complete bar" to application of the doctrine of equivalents to an amended element. *Id.* Based on this ruling, the majority reversed the finding of infringement solely on the basis of estoppel. Left intact, as the law of this case, were the factual findings that SMC's devices embodied no substantial differences from Festo's patented inventions.

3d. *This Court's Festo VIII Decision.* In a unanimous decision, this Court rejected the complete bar standard erected by the Federal Circuit. The *Festo VIII* Court was sharply critical of the Federal Circuit: "[T]he Court of Appeals ignored the guidance of *Warner-Jenkinson,* which instructed that courts must be cautious before adopting changes that disrupt the settled expectations of the inventing community." *Festo VIII,* 535 U.S. at 739. This Court went on to acknowledge the practical reality that

> patent prosecution occurs in the light of our case law. Inventors who amended their claims under the previous regime had no reason to believe they were conceding all equivalents. If they had known, they might have appealed the rejection instead. There is no justification for applying a new and more robust estoppel to those who relied on prior doctrine.

*Id.*

This Court further recognized:

> [Prosecution history estoppel's] reach requires an examination of the subject matter surrendered by the narrowing amendment. The complete bar avoids this inquiry by establishing a *per se* rule; but that approach is inconsistent with the purpose of applying the estoppel in the first place—to hold the inventor to the representations made during the application process and to the inferences that may reasonably be drawn from the amendment.

*Id.* at 737.

On the now-critical question of "foreseeability," this Court instructed:

> There is no reason why a narrowing amendment should be deemed to relinquish equivalents unforeseeable at the time of the amendment and beyond a fair interpretation of what was surrendered. Nor is there any call to foreclose claims of equivalence for aspects of the invention that have only a peripheral relation to the reason the amendment was submitted.

*Id.* at 738.

Accordingly, the *Festo VIII* Court created a *rebuttable presumption* that amendments which narrow the scope of the claim create an estoppel to equivalents. Three criteria were identified to establish facts sufficient to rebut the presumption: (1) the equivalent was unforeseeable at the time of the application; (2) the rationale underlying the amendment bears no more than a tangential relation to the equivalent in question; and (3) some other

reason suggesting that the patentee could not have reasonably been expected to have described the substitute in question. *Festo VIII*, 535 U.S. at 740-741. In light of its ruling, this Court vacated the Federal Circuit's "complete bar" decision and remanded the case for further proceedings. *Id.* at 741.

3e. *The En Banc Decision on Remand*. On remand, the Federal Circuit—again sitting *en banc*—held that whether a patentee can overcome the presumption is entirely a matter of law. Therefore, it was only for the judge to determine whether the *Festo* presumption was rebutted. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.* (*Festo X),* 344 F.3d 1359, 1367 (Fed. Cir. 2003). The *en banc* court also held that the evidence which could be introduced to overcome the presumption was limited. Specifically, as to the tangentialness criterion articulated in *Festo VIII*, the *en banc* court restricted the evidence to that found in the prosecution history. *Id.* at 1370. The court also determined that the "some other reason" criterion was "vague" and had to be a narrow one, and that any rebuttal evidence should be limited to the file history. *Id.*

On the prosecution record and the trial record, both developed well before this Court's decision in *Festo VIII*, the Federal Circuit *sua sponte* determined that Festo could not establish that the reason for the amendment was tangential, or that there was some other reason to support a showing against surrender. *Id.* at 1371-72. The case was remanded to the District Court with only the issue of foreseeability left to be determined. *Id.* at 1374.

Circuit Judge Newman, joined by Chief Circuit Judge Mayer, dissented in part based on the majority's refusal to give Festo a full and fair hearing in the District Court to rebut the newly-fashioned *Festo* presumption.

3f. *The District Court on Remand*. On remand, during a bench trial before the District Court, Festo presented evidence to establish that SMC's aluminum alloy sleeve was an *unforeseeable equivalent* to the claimed "sleeve made of magnetizable material" of the Stoll patent. In the Stoll invention, the driven member included a sleeve made of magnetizable material to enclose an arrangement of powerful magnets. App. 39a. The magnetizable sleeve material was chosen to limit stray magnetic fields from escaping the driven member. Stated differently, the magnetic fields were shielded by the sleeve made of magnetizable material. During the bench trial, Festo's evidence proved that one skilled in the art at the time of the amendment would not have known to use an aluminum alloy to shield magnetic fields, the function of a sleeve made of magnetizable material. App. 54a.

Based on Festo's evidence, the District Court found that "any shielding capability of non-magnetic aluminum alloy was unknown in the literature or to one of ordinary skill in 1981." App. 54a. The District Court further found that "no one disputes that the use of an aluminum alloy sleeve for purposes of shielding magnetic fields was not known at the time of the amendment." App. 60a. Accordingly, one skilled in the art would not have known that the

material used on SMC's sleeve would shield magnetic fields.

Despite this pivotal finding, the District Court found that shielding was not necessary in the commercial device. Therefore, the District Court determined it was irrelevant that one skilled in the art would not have foreseen that the accused equivalent shielded. App. 60a. Thus, despite identification of the SMC device as a "knock off" of the Festo invention and acknowledgement that the SMC sleeve is an equivalent, App. 68a, the District Court concluded SMC's equivalent sleeve was foreseeable.

3g. *The Federal Circuit's Festo XIII Decision*. On appeal, a divided panel affirmed the judgment but did not adopt the trial court's rationale. The majority held "that an alternative is foreseeable if it is disclosed in the pertinent prior art in the field of the invention. In other words, an alternative is foreseeable if it is known in the field of the invention as reflected in the claim scope before amendment." App. 20a. The panel majority rejected a foreseeability test requiring that one skilled in the art could foresee equivalency, *i.e.*, that the accused structure would function in substantially the same way to obtain substantially the same result as the claim element at issue. App. 19-20a. Accordingly, for a structure which is equivalent to be determined foreseeable, mere knowledge of the existence of the structure is enough to render it a foreseeable equivalent.

The panel majority further held that in determining foreseeability, only the broad claim before the amendment is important to the analysis.

App. 24a. To use the claim after amendment in the unforeseeability analysis, the panel majority concluded, is to focus on the wrong claim. *Id.* Accordingly, the claim element which was narrowed, and for which equivalents is sought, is not even part of the unforeseeability consideration.

In deep dissent, Judge Newman sharply criticized the majority for its "significant departure" from both precedent and this Court's guidance in *Festo VIII*:

> [T]his court has confounded the issue by creating a new and incorrect criterion for the measurement of "foreseeability," the court now holding that an existing structure need not be recognized, or even recognizable, as an equivalent at the time of the patent application or amendment, in order to be "foreseeable" if it is later used as an equivalent. This is a significant departure from precedent, as well as from the Court's guidance in understanding the estoppels that arise when claims are amended during prosecution.

App. 29-30a.

Judge Newman stated that under the majority's test "it is irrelevant that the structure was believed not to be equivalent, as long as an original claim before amendment could have generally included a device having that structure." App. 35a. Therefore, "even if unforeseeable as a matter of fact, even if technologically unexpected or unlikely, the equivalent must be ruled to be foreseeable if the structure is later found to be a usable equivalent"

defying both controlling precedent and logic.
App 31a.

The dissent emphasized the damage to the doctrine of equivalents wrought by the majority and, in practical effect, the return of the discredited "complete bar." The "new rule further erodes the residue of the doctrine of equivalents, for its foreseeable result is to deprive amended claims of access to the doctrine of equivalents." App. 30a. By failing to consider whether the accused structure was known to be an equivalent, the majority, in Judge Newman's view, created "a complete bar based on amendment [which] revives the approach rejected by the Court when it called [the Federal Circuit's] previous assault on the doctrine of equivalents a 'complete bar by another name.'" App. 35a.

This petition follows.

## REASONS FOR GRANTING THE WRIT

### I. The Decision Below Is In Conflict With This Court's Precedent.

#### A. The Federal Circuit Incorrectly Held That Foreseeability Depends On The Existence of Alternatives Rather Than Knowledge Of Functional Equivalency.

Under longstanding principles of patent law, "a product or process that does not literally infringe upon the express terms of a patent claim may nonetheless be found to infringe if there is 'equivalence' between the elements of the accused product or process and the claimed elements of the patented invention." *Warner-Jenkinson*, 520 U.S. at 21. That is this case. Festo holds a patent on a rodless cylinder, which SMC copied by substituting

two functionally equivalent elements. SMC's device included merely insubstantial changes and thus constituted patent infringement under the doctrine of equivalents.

The Federal Circuit concluded otherwise, because it found that SMC's "alternative" was known in the prior art at the time of amendment. With all respect, that is the incorrect legal test. The question is not whether a patentee knows of the *alternative*—but whether the patentee knows that the alternative is a *functional equivalent*. As Judge Newman recognized in dissent, foreseeability requires that *a person skilled in the art would recognize the accused structure as an equivalent at the time of the amendment*.

Under the Federal Circuit's test, an alternative structure may become retrospectively foreseeable at the time of amendment, simply because the structure later turns out to be functionally equivalent. In other words, "it is irrelevant that the structure was believed not to be equivalent, as long as the original claim before amendment could have generally included a device having that structure." *Festo XIII*, 493 F.3d at 1386. That result is truly remarkable. Patentees may lose their rights on the basis of "equivalents" that no one, even those skilled in the field, could have recognized as functional equivalents at the time of amendment.

The panel decision "strays from controlling precedent as well as from logic." *Id.* (Newman, J., dissenting). With respect to precedent, in *Festo VIII*, this Court rejected a complete bar to the doctrine of equivalents for narrowing amendments made for patentability. 535 U.S. at 738. The Court well

understood that a "narrowing amendment may demonstrate what the claim is not; but it may still fail to capture precisely what the claim is." *Id.* In some cases an amendment "cannot reasonably be viewed as surrendering a particular equivalent." *Id.* at 740. "There is no reason why a narrowing amendment should be deemed to relinquish equivalents unforeseeable at the time of the amendment and beyond a fair interpretation of what was surrendered." *Id.* at 738.

This Court instituted a presumption that a narrowing claim amendment surrenders all equivalents. Of pivotal importance to preserve the rights of investors, however, this presumption is rebuttable. The *Festo VIII* Court identified specific circumstances "where the amendment cannot reasonably be viewed as surrendering a particular equivalent." *Id.* at 740. For instance, "[t]he equivalent may have been unforeseeable at the time of the application." *Id.*

It is not difficult to discern what this Court meant by the foreseeability of an equivalent. If an alternative structure is not known to be an equivalent at the time of amendment, that structure is not a foreseeable equivalent (and hence is not surrendered). Judge Newman captured this point succinctly: "If the prior art does not support a finding of equivalency, the applicant cannot be charged with foreseeability of the equivalent." *Festo XIII,* 493 F.3d at 1385.

The Federal Circuit's new test centers on whether the mere existence of an alternative was known, regardless of its suitability as an equivalent. In so doing, its test casts a net so large that it will entrap

a wide range of structures well beyond those structures that are foreseeable equivalents. This places a virtually insurmountable burden on patent holders, and shifts the balance firmly in favor of copiers over innovators.

Of course, that balance has already been shifted considerably by the Federal Circuit's recent jurisprudence. In the years since *Festo VIII*, *the Federal Circuit has never found an equivalent to be unforeseeable*.[2] Based on this decision, it never will. What the Federal Circuit was unable to achieve by

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[2] In its ever-growing attempt to demolish the doctrine of equivalents, the Federal Circuit is creating a body of case law to reach its goal. *See, e.g., Schwarz Pharma, Inc. v. Paddock Labs., Inc.*, No. 2007-1074, 2007 WL 2963935 (Fed. Cir. Oct. 12, 2007) (foreseeable and not tangential); *CIAS, Inc. v. Alliance Gaming Corp.*, No. 2006-1342, 2007 WL 2791695 (Fed. Cir. Sept. 27, 2007) (rebuttal burden not met); *Cross Med. Prods., Inc. v. Medtronic Sofamor Danek, Inc.*, 480 F.3d 1335 (Fed. Cir. 2007) (foreseeable and not tangential); *Amgen Inc. v. Hoechst Marion Roussel, Inc.*, 457 F.3d 1293 (Fed. Cir. 2006) (foreseeable, not tangential and not some other reason); *Biagro W. Sales, Inc. v. Grow More, Inc.*, 423 F.3d 1296 (Fed. Cir. 2005) (not tangential and not some other reason); *Research Plastics, Inc. v. Federal Packaging Corp.*, 421 F.3d 1290 (Fed. Cir. 2005) (foreseeable and not tangential); *Mycogen Plant Sci., Inc., v. Monsanto Co.*, No. 00-1127, 2004 WL 363344 (Fed. Cir. Feb 20, 2004) (foreseeable and not tangential); *Galaxo Wellcome, Inc. v. Impax Labs., Inc.*, 356 F.3d 1348 (Fed. Cir. 2004) (foreseeable); *Okor v. Atari Games Corp.*, Nos. 02-1383, 02-1384, 02-1385, 2003 WL 22229094 (Fed. Cir. Sept. 26, 2003) (foreseeable and not tangential); *Talbert Fuel Sys. Patents Co. v. Unocal Corp.*, 347 F.3d 1355 (Fed. Cir. 2003) (foreseeable and not tangential); *cf. Terlep v. Brinkmann Corp.*, 418 F.3d 1379 (Fed. Cir. 2005) (not tangential); *Chimie v. PPG Indus., Inc.*, 402 F.3d 1371 (Fed. Cir. 2005) (not tangential).

one fell swoop in *Festo VI*, it is achieving by the steady flow of erosive decisions.[3]

The decision below, like the stream before it, has effectively reinstituted the complete bar that *Festo VIII* rejected. As Judge Newman well put it:

> My colleagues rule that it is irrelevant that the structure was believed not to be equivalent, as long as an original claim before amendment could have generally included a device having that structure. Such a complete bar based on amendment revives the approach rejected by the Court when it called our previous assault on the doctrine of equivalents a "complete bar" by another name.

*Festo XIII*, 493 F.3d at 1386. Simply put, the Federal Circuit's decision is in direct conflict with this Court's recent precedent.

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[3] The Federal Circuit has already effectively removed the "any other reason" criterion as a basis for overcoming the *Festo VIII* presumption. *See Festo X,* 344 F.3d at 1370; *Amgen*, 457 F.3d at 1316 (holding that the criterion must be a very narrow exception requiring a shortcoming of language). The Federal Circuit has, on only two occasions, found the tangential criterion satisfied. However, in *Cross Medical Products, Inc. v. Medtronic Sofamor Danek, Inc.*, 480 F.3d 1335, 1343 (Fed. Cir. 2007), Judge Rader emphasized the court's reluctance to permit a patentee to overcome the presumption, stating that the tangential relation criterion is "very narrow" and "rebuttal under the tangential principle will be rare." *Id.* at 1347 (Rader, J., concurring). Judge Rader further commented that in the two cases which rebut the presumption, "this court might well have justifiably reached a different result in both." *Id.* Thus, each of the three criteria enunciated by this Court are effectively being eviscerated by the Federal Circuit.

Under the proper test for foreseeability, Festo is entitled to judgment in its favor. Festo's original claim broadly defined a "driven assembly which is slidable on the tubular part… the piston and driven assembly each carrying a drive magnet arrangement in the form of a hollow cylindrical assembly." *Id.* at 1372. By the amendment at issue, Festo presented a new claim which more specifically defined the driven assembly as a "driven member [which] includes a cylindrical sleeve made of a magnetizable material and encircles said tube." *Id.* at 1373, n. 3 (emphasis omitted). As described in the specification, the purpose of the sleeve made of magnetizable material was to shield magnetic leakage fields.

The District Court recognized that "the use of an aluminum alloy sleeve for purposes of shielding magnetic fields was not known at the time of amendment." *Festo XIII*, 493 F.3d at 1384. In short, the District Court found that the SMC aluminum alloy sleeve was not a known equivalent structure at the time of the amendment.

That factual finding should have driven the legal analysis. As Judge Newman put it:

> [I]f the particular technology is not recognized as equivalent at the time of the application—whether recognized by the applicant or by others of skill in the field—that technology cannot be foreseeable.…How can a particular equivalent be foreseeable, if it was not known that the technology was equivalent in the context of the invention?

*Id.* at 1385-86. If persons of ordinary skill in the art cannot know that an alternative structure performs the same function, then that structure cannot be

considered a foreseeable equivalent. *Id.* at 1385 ("If persons of ordinary skill in this field cannot be charged with foreseeing that an aluminum alloy sleeve would be a technological equivalent to a magnetizable metal sleeve, then the aluminum sleeve does not meet the criterion of foreseeability.").

Accordingly, this Court should grant *certiorari* to resolve the conflict between the decision below and this Court's precedents; to restore stability and predictability to the patent process; and to correct the manifest wrong in this case that threatens all future patentees who amend their claims.

### B. The Federal Circuit Incorrectly Held That Foreseeability Depends On The Scope Of The Original Claim Rather Than The Scope Of The Amended Claim.

The panel majority inflicts further injury to patent holders' rights by ruling that "[t]he question is not whether *after* the narrowing amendment the alternative was a known equivalent but rather whether it was a known equivalent *before* the narrowing amendment." *Festo XIII*, 493 F.3d at 1381 (emphasis in original); *id.* at 1379. ("[A]n alternative is foreseeable if it is known in the field of the invention as reflected in *the claim scope before amendment*.") (emphasis added).

The panel majority's decision runs counter to law and logic. With respect to law, this Court determined in *Festo VIII* that issues remained to be resolved in the first instance by further proceedings. Specifically, Festo needed the opportunity to demonstrate that its narrowing amendments had not surrendered the particular equivalents at issue. As this Court recognized, an amendment cannot

reasonably be viewed as surrendering a particular equivalent when the equivalent may have been unforeseeable at the time of the application; when the rationale underlying the amendment may bear no more than a tangential relation to the equivalent in question; or when there may be some other reason suggesting that the patentee could not reasonably be expected to have described the insubstantial substitute in question. *Festo VIII*, 535 U.S. 740-41.

The very reason stated by this Court for conducting further proceedings was to determine whether the alleged equivalents were surrendered by the narrowing amendment. If all equivalent structures which were originally covered by the scope of the unamended claim are surrendered without further analysis, the test reverts back to the complete bar expressly rejected by this Court. Furthermore, a specific focus on the amended claim was the very purpose of the prior Federal Circuit remand, *i.e.*, to determine whether an aluminum sleeve was an unforeseeable equivalent of a sleeve made of magnetizable material as presented in the amended claim. *Festo X*, 344 F.3d at 1371.

With respect to logic, the panel majority's explanation of a foreseeable equivalent is its own best refutation. The panel majority provided the following example:

> For example, if a claim before amendment broadly claimed a metal filament for a light bulb but was later amended to avoid prior art and to specify metal A because of its longevity, the equivalent metal B, known in the prior art to function as a bulb filament, is

> not unforeseeable even though its longevity was unknown at the time of amendment.

*Festo XIII*, 493 F.3d at 1381. Of course, the very reason for amending the claim to use metal A was the property of longevity. The property of longevity in metal B was unknown to the patentee and those skilled in the art at the time of the amendment. There would be no reason, nor did the panel majority supply any, for the patentee to incorporate metal B into its amended claim. The ruling below makes a mockery of *Festo VIII*: patentees may relinquish equivalents far beyond what anyone skilled in the art could possibly foresee.

In sum, the panel majority's holding—that all known equivalents covered by the claim scope before amendment are estopped from the application of the doctrine of equivalents—establishes a "complete bar" in direct contradiction to this Court's earlier holding in *Festo VIII*. *See Festo XIII*, 493 F.3d at 1386 (Newman, J., dissenting) ("Such a complete bar based on amendment revives the approach rejected by the Court when it called our previous assault on the doctrine of equivalents a 'complete bar by another name.'") (quoting *Festo VIII*). It is the amended claim which is paramount to the unforeseeability determination, not the original claim. The Federal Circuit has once again missed the point and fallen into a profound error that warrants this Court's attention.

## II. The Decision Below Disrupts A Vital Dimension Of Patent Law.

The Federal Circuit decision disrupts a very important area of patent law. The doctrine of equivalents was created long ago to prevent patented

inventions from being duplicated through the use of minor, insubstantial changes. When the ability to prevent such duplication is lost, the value of the patent system is severely undermined. "Any tightening or loosening of access to the doctrine of equivalents shifts the balance between inventor and copier." *Festo X*, 344 F.3d at 1379. The shift in the balance toward the copier flowing from the Federal Circuit decision is a matter urgently needing this Court's attention.

The significance of this issue is manifest from this Court's recent decisions addressing the parameters of the doctrine of equivalents. *Festo VIII,* 535 U.S. at 739, *Warner-Jenkinson*, 520 U.S. at 21. The high public interest in this case has previously prompted numerous parties, including those representing educational and research institutions,[4] to file *amici curiae* briefs in this Court (as well as the court below). *Festo X*, 344 F.3d at 1379 n.1. As evidenced by its participation in *Festo VIII*, the United States

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[4] The numerous educational and research institutions that participated as *amici* clearly recognized the vital importance of the doctrine of equivalents. *See* Brief for Wisconsin Alumni Research Foundation et al. as Amici Curiae Supporting Petitioner, *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd. (Festo VIII)*, 535 U.S. 722 (2002) (No. 00-1543), 2001 WL 1056915, at *5 ("If the doctrine of equivalents can no longer be relied upon by research universities and related non-profit institutions to provide the requisite certainty of title and security for their discoveries and inventions, then the substantial benefits that the public has enjoyed from the transfer of some of our nation's most treasured intellectual property to the private sector will be substantially diminished.").

has likewise recognized the importance of this issue. In short, the parameters of this venerable doctrine are daily grist for the patent litigation mill. A pressing need exists for this Court once again to restore the balance between inventor and copier.

## CONCLUSION

For the foregoing reasons, this Court should grant the petition for writ of certiorari.

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