Defining Unpatented Article: Why Labeling Products with Expired Patent Numbers Should Not Be False Marking

Laura N. Arneson

Follow this and additional works at: https://scholarship.law.umn.edu/mlr

Part of the Law Commons

Recommended Citation

https://scholarship.law.umn.edu/mlr/440

This Article is brought to you for free and open access by the University of Minnesota Law School. It has been accepted for inclusion in Minnesota Law Review collection by an authorized administrator of the Scholarship Repository. For more information, please contact lenzx009@umn.edu.
Note

Defining Unpatented Article: Why Labeling Products with Expired Patent Numbers Should Not Be False Marking

Laura N. Arneson*

Many of the products and packages that we use every day are marked with a patent number: shampoo bottles, tools, cigarette lighters, coffee cup lids, pharmaceuticals, even food.¹ Recently, many lawsuits have been filed asserting that products such as these are falsely marked because the patent referred to is expired.² In each of these cases, the plaintiff seeks a large award, in the millions or billions of dollars.³


The “false marking statute,” § 292(a) of the Patent Act, states, in part, “Whoever marks upon, or affixes to, or uses in advertising in connection with any unpatented article, the word ‘patent’ or any word or number importing that the same is patented for the purpose of deceiving the public . . . [s]hall be fined not more than $500 for every such offense.”\(^4\) In many of the recent false marking cases, the plaintiffs are not asserting any individual harm; rather, they are taking advantage of a qui \textit{tam} provision in the false marking statute that allows any person—even one uninjured by the violation—to sue and collect a proportion of the penalty.\(^5\) If the plaintiff is successful, one-half of the award goes to the person suing and the other half to the United States.\(^6\)

Traditionally, cases brought under the false marking statute asserted that the product marked with a patent number was never covered by the claims of the patent.\(^7\) However, more
recently, noncompetitor plaintiffs have begun bringing cases for violation of the false marking statute against patentees that mark products with the number of a patent that has expired, even though the marked product is covered by the claims of the patent.\(^8\) A number of recent Federal Circuit decisions have encouraged plaintiffs to bring this type of case.

In the past year, the Federal Circuit greatly increased the potential payoff for plaintiffs bringing false marking claims. In 2009, the court held that each article marked constitutes an “offense” for which a patentee may be fined up to $500.\(^9\) By rejecting the interpretation of several district courts that an “offense” meant a decision to mark,\(^10\) the court greatly increased the incentive for plaintiffs to bring suits alleging false marking. Then, in 2010, the Federal Circuit held that, for the purposes of the false marking statute, an article covered by the claims of a patent becomes an “unpatented article” when the patent expires.\(^11\) Moreover, the Federal Circuit also held that virtually any consumer has the right to bring an action against a manufacturer for false marking.\(^12\) These decisions have resulted in

\(^8\) E.g., Amended Complaint for False Patent Marking at 8, Solo Cup, 646 F. Supp. 2d 790 (No. 07-cv-00897), 2007 WL 4885280 (alleging that Solo had marked billions of plastic cup lids with an expired patent number); McNEIL Complaint, supra note 2, at 6–9 (alleging that McNEIL falsely marked Tylenol\(^\text{®}\) by labeling its packaging with expired patent numbers).

\(^9\) Forest Group, 590 F.3d at 1304.

\(^10\) Id. at 1302.

\(^11\) Solo Cup, 608 F.3d at 1361.

\(^12\) Stauffer, 2010 WL 3397419, at *4.
This Note concludes that, in contrast to the Federal Circuit’s recent holding, a product once covered by a valid patent that has now expired should not be considered an unpatented article for the purposes of § 292(a). Excluding products covered by expired patents from the definition of “unpatented article” would prevent exploitative litigation and further the false marking statute’s purpose. Part I describes the history of marking, the purposes of the false marking statute, and the courts’ interpretations of the statute. Part II examines the effects on public policy and litigation of treating a product as an unpatented article after its protecting patent has expired. Part III proposes that the Federal Circuit should reverse its recent decisions and hold that a product covered by an expired patent should not be considered an unpatented article under § 292(a).

I. THE DEVELOPMENT OF PATENT MARKING AND FALSE MARKING

The patent false marking statute, § 292(a), prevents marking an “unpatented article” with “the word ‘patent’ or any word or number importing that the same is patented for the purpose of deceiving the public.”

The Federal Circuit has recently held that “unpatented article” should encompass not only articles for which a patent has never been issued, but also articles that are covered by the claims of an expired, but once valid, patent. In order to determine if this expanded interpretation of the false marking statute is consistent with its historical application and purpose, the following sections detail the history of the false marking statute, the policy reasons for regulating marking of patented articles, and the ways in which courts have interpreted the statute in prior litigation.

A. THE DEVELOPMENT OF THE FALSE MARKING STATUTE

Congress first introduced the false marking statute in 1842, imposing a penalty on any person marking as patented “any thing . . . [for] which he hath not or shall not have obtained letters patent.” The statute also penalized infringers

15. Solo Cup, 608 F.3d at 1361.
who had not purchased or licensed the article from the patentee, but nevertheless marked their product as patented with the intent to “counterfeit[]” and with the “purpose of deceiving the public.” Congress revised the false marking statute in 1870 when it updated the Patent Act, again imposing a penalty on any person who marked as patented anything for which “he has not obtained a patent” and on persons who marked with the “intent to imitate or counterfeit.” Congress further extended the penalty to persons who mark “any unpatented article [with] the word ‘patent,’ or any word importing that the same is patented, for the purpose of deceiving the public.” In the most recent major revision to the Patent Act in 1952, Congress codified the false marking statute as 35 U.S.C. § 292, making it an “ordinary criminal action.” The House Report described the statute as “relating to falsely marking an article as being patented when it was not patented.” In its current form, the statute still applies to those who mark articles without the consent of the patentee and also to “[w]hoever . . . marks upon, or affixes to, or uses in advertising in connection with any unpatented article, the word ‘patent’ or any word or number importing that the same is patented for the purpose of deceiving the public.”

Initially, Congress used the false marking statute to impose a marking obligation, requiring that every patented article be marked with the date the patent issued. Because the term of the patent was measured from the time of issue, this meant that the expiration of the patent was easily discernible from the

17. Id.; see also G. Leblanc Corp. v. H. & A. Selmer, Inc., 310 F.2d 449, 459 (7th Cir. 1962) (holding that an intent to deceive the public is a prerequisite to finding a party guilty of false marking). This intent element prevents the false marking statute from creating strict liability for false marking. Clontech Labs., Inc. v. Invitrogen Corp., 406 F.3d 1347, 1352 (Fed. Cir. 2005).
19. Id.
22. 35 U.S.C. § 292(a) (2006); see also Clontech, 406 F.3d at 1352 (refusing to render the false marking statute a statute of strict liability and maintaining the “intent to deceive” requirement).
marking information. In 1870, Congress eliminated the marking requirement, replacing it with a statute that incentivized marking by making recovery of damages contingent on marking. In its most recent revision in 1952, Congress continued to provide an incentive to mark by requiring that the article be marked as patented in order to satisfy the notice requirement used in calculating damages against infringers.

When Congress first introduced the false marking statute in 1842, it imposed a minimum $100 penalty. In 1870, it preserved a $100 minimum penalty “for every such offense.” In the most recent major revision to the Patent Act in 1952, the penalty for false marking was changed to a maximum of $500 “per offense.” Due to the inclusion of a *qui tam* provision in the statute, half the penalty imposed on the defendant is taken by the party bringing the action.

Congress included a *qui tam* provision when it first enacted the false marking statute, stipulating that one-half of any penalty recovered should be paid to “any person or persons who shall sue.” *Qui tam* is an abbreviation of the Latin phrase *qui tam pro domino rege quam pro se ipso in hac parte sequitur*, which translates to “who as well for the king as for himself sues in this matter.” *Qui tam*, or “informer,” actions allow a private person to sue for a penalty, part of which the government re-

24. ROBERT PATRICK MERGES & JOHN FITZGERALD DUFFY, PATENT LAW AND POLICY: CASES AND MATERIALS 59 (4th ed. 2007) (noting that historically the term of a U.S. patent was fixed).


32. BLACK’S LAW DICTIONARY 1282 (8th ed. 2004).
ceives. \(^{33}\) Today, the false marking statute is one of only three remaining federal *qui tam* statutes in the United States. \(^{34}\) Like other informer statutes, the false marking statute offers rewards "as a matter of public policy to accomplish outlawing of fraudulent and illegal acts to the public detriment." \(^{35}\) Historically, the *qui tam* action has almost always been brought by a competitor in the context of patent litigation. \(^{36}\) However, the party bringing the action need not be a victim. \(^{37}\) In *qui tam* suits, the United States—not the plaintiff bringing the action—must have suffered an injury, and the government "is therefore the real plaintiff in the action." \(^{38}\)

As part of the Patent Act, the false marking statute is governed by the Court of Appeals for the Federal Circuit. \(^{39}\) The Federal Circuit applies a four part test to determine if labeling as patented rises to the level of false marking: (1) that a marking imports that the article is patented, (2) that the marking is

\(^{33}\) Doyle, *supra* note 30, at 1.


\(^{35}\) Calderwood v. Mansfield, 71 F. Supp. 480, 481 (N.D. Cal. 1947) (refusing to find false marking where metal watch wrist bands were marked with a design patent number that did not cover the product because plaintiff could not demonstrate a purpose to deceive the public).

\(^{36}\) Brose v. Sears, Roebuck & Co., 455 F.2d 763, 766 (5th Cir. 1972) ("As is true in nearly all of the relatively few *qui tam* informer actions brought in the past one and a quarter century this one is used as a weapon in the arsenal of patent litigation . . ."); Filmon Process Corp. v. Spell-Right Corp., 404 F.2d 1351, 1355 (D.C. Cir. 1968) ("That provision is designed to protect the exclusiveness of the use of the invention granted to the patentee. The patentee is given this remedy to protect his patent position, and as a practical matter, the patentee is the only likely enforcer of it, as recovery requires proof that the statements were made without his consent.").


\(^{38}\) United States *ex rel.* Hall v. Tribal Dev. Corp., 49 F.3d 1208, 1212 (7th Cir. 1995).

false affixed to (3) an unpatented article, and (4) that the
marking of the article as patented was done with a purpose of
deceiving the public.40

B. THE POLICIES BEHIND THE REGULATION OF MARKING

Marking articles with a patent number can serve a variety
of purposes for the patentee, the consumer, and the patentee’s
competitors. In regulating marking, Congress and the courts
have sought to balance the costs and benefits of marking to
both the patentee and the public, paralleling the more general
policies of patent protection.41 The main functions of marking
an article with a patent number are to protect the public, to de-
ter mismarking, to provide notice to potential infringers, and to
allow the public to identify a product’s intellectual property sta-
tus.42

Marking protects “the public against the fraudulent use of
the word patent.”43 Marking an unpatented article as patented
allows the marker to mislead the public44 and enjoy the bene-
fits of patenting, including status recognition and even poten-
tial monopoly rights, without providing the corresponding bene-
fits to society.45 Preventing unscrupulous persons from

40. Clontech Labs., Inc. v. Invitrogen Corp., 406 F.3d 1347, 1351 (Fed. Cir.
2005); see also Mayview Corp. v. Rodstein, 620 F.2d 1347, 1359 (9th Cir. 1980).
(2002) (discussing a traditional view of the costs, rights, and rewards of patent
ownership and the “exchange of information for protection”). One of the justifi-
cations for the patent system is the assumption that intellectual property pro-
tections motivate inventors to reveal information to the public that they would
otherwise keep secret. Id. at 625–26.
42. Accent Designs, Inc. v. Jan Jewelry Designs, Inc., 827 F. Supp. 957,
969 (S.D.N.Y. 1993) (discussing the false marking statute’s function as a de-
terrnt of competitors’ false marking activity); Bonnie Grant, Deficiencies and
Proposed Recommendations to the False Marking Statute: Controlling Use of
ing the functions of putting infringers on notice and allowing the public to
identify the intellectual property status of a product).
43. Oliphant v. Salem Flouring Mills Co., 18 F. Cas. 647, 647 (D. Or.
1878) (No. 10,486).
44. Clontech, 406 F.3d at 1356–57 (“[T]he act of false marking misleads
the public into believing that a patentee controls the article in question . . . and increases the cost to the public of ascertaining whether a patentee in
fact controls the intellectual property embodied in an article.”).
45. See Elizabeth I. Winston, The Flawed Nature of the False Marking
Statute, 77 TENN. L. REV. 111, 124 (2009) (“Indicating that an item is patented
when no patent has issued represents the clearest examples of harm to the
public and to the patent system.”); see also Bonito Boats, Inc. v. Thunder Craft
Boats, Inc., 489 U.S. 141, 152 (1989) (discussing how the federal patent laws
“imposing upon the community by the unauthorized and false use of the word ‘patent’” was early recognized to be one of the purposes of the false marking statute.46 It is now “well settled” that that this protection is one of the purposes of the false marking statute.47

Marking deters manufacturers from implying that an article is patented when no application has been applied for or received.48 A manufacturer mismarks a product when it labels the article with an inapplicable patent number.49 The U.S. patent laws were designed to “confer on the authors of useful inventions an exclusive right in their inventions.”50 In order to maintain the value of this exclusive right, it is necessary to “protect a patentee against the fraudulent use of his name or device.”51 To this end, the statute allows the penalization of those who would “palm off upon the public unpatented articles, by falsely and fraudulently representing them to have been patented.”52 Indeed, in almost all patent false marking cases, the defendant was accused of marking a product with a patent number that had never applied to the product being sold.53

balance the “tension between the desire to freely exploit” inventions and the “need to create an incentive” to invent); Tun-Jen Chiang, A Cost-Benefit Approach to Patent Obviousness, 82 St. John’s L. Rev. 39, 41–42 (2008) (discussing the costs and benefits of the patent system to society).

46. Oliphant, 18 F. Cas. at 647.
47. Accent Designs, 827 F. Supp. at 969; see also Calderwood v. Mansfield, 71 F. Supp. 480, 482 (N.D. Cal. 1947) (“Obviously the statutory object is to penalize those who would palm off upon the public unpatented articles, by falsely and fraudulently representing them to have been patented.”).
48. See Accent Designs, 827 F. Supp. at 969 (“It is well settled that Section 292 was intended to protect . . . against . . . words imparting that an application for patent had been made when no application had been made or if made, is not pending.”).
49. See Clontech, 406 F.3d at 1352–53 (“[I]n order to establish knowledge of falsity the plaintiff must show by a preponderance of the evidence that the party accused of false marking did not have a reasonable belief that the articles were properly marked (i.e., covered by a patent); Brose v. Sears, Roebuck & Co., 455 F.2d 763, 768 (5th Cir. 1972) (“[I]f a device claimed to be covered by license of a cited patent is so obviously not revealed by it as the patentese world would view it, the use of such a legend would be mismarking.”).
53. See, e.g., Clontech, 406 F.3d at 1351–52 (noting that Invitrogen’s products were not covered by the claims of the patents they were marked with and never had been).
Another primary function of marking is to allow the marker to provide notice to potential infringers that the product is patented. Under 35 U.S.C. § 292(a), a patentee is considered to have given notice to the public that the product is patented simply by labeling the article with “the word ‘patent’ or the abbreviation ‘pat.‘, together with the number of the patent.”54 Congress incentivized marking by stipulating that marking serves as notice of infringement and may be used as the basis for calculating damages against infringers.55

Marking allows the public to identify the product’s intellectual property status. The federal patent statutes were designed to inform the public and allow competitors and consumers to determine if a product is patented.56 Marking is meant to provide “a ready means of discerning the status of intellectual property”57 and to help prevent innocent competitors from becoming infringers.58 When an article is falsely marked as patented it “increases the cost to the public of ascertaining whether a patentee in fact controls the intellectual property embodied in an article.”59 Thus, by marking an article with a patent number a manufacturer not only protects its own interests but also informs and protects the public and its potential competitors.

57. Clontech, 406 F.3d at 1356 (quoting Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141, 162 (1989)).
59. Clontech, 406 F.3d at 1356–57.
C. CURRENT LITIGATION—EXPIRED PATENTS AND UNPATENTED ARTICLES

Over its nearly 170 years of history, the false marking statute has been litigated surprisingly little. In the cases that have arisen, the question of what constitutes an “unpatented article” is a common issue.

In Arcadia Machine & Tool Inc. v. Sturm, Ruger & Co., the Federal Circuit examined whether including expired patents on the label was a violation of the false marking statute. The court held that the patentee did not violate the false marking statute because it had no intent to deceive the public. It is noteworthy that the court determined that the errors in marking were “inadvertent, the result of oversight, or caused by patent expirations.” Because an intent to deceive is required for liability under the statute, the Federal Circuit’s grouping of patent expirations with unintentional acts implied that marking with expired patents, even if intentional, was insufficient to establish liability under the false marking statute.

The Federal Circuit also addressed how the term “unpatented article” should be determined in Clontech Laboratories, Inc. v. Invitrogen Corp. Clontech accused the patentee, Invitrogen, of marking products with patents even though the products did not fall within the claims of the patents. The court placed the burden on Clontech to demonstrate the four elements of false marking: (1) that Invitrogen’s marking imports that the article is patented, (2) that the marking is falsely affixed to (3) an unpatented article, and (4) that the marking of the article as patented was done by Invitrogen with the purpose of deceiving the public. The court held that Invitrogen had marked an unpatented article because “the article in question [was] not covered by at least one claim of each patent with which the article is marked.” Moreover, the court also found unpersuasive Invitrogen’s argument that “there [was] no harm

---

60. Only thirteen circuit court cases regarding the statute have been decided. See supra note 7 and accompanying text.
62. Id. at 1152.
63. Id.
64. Clontech, 406 F.3d at 1352.
65. Id. at 1351.
66. Id.; see also Mayview Corp. v. Rodstein, 620 F.2d 1347, 1359 (9th Cir. 1980).
67. Clontech, 406 F.3d at 1352.
in marking products with patents even when those products do not fall within the bounds of properly construed claims” because the additional marking provides additional information to potential infringers. Nonetheless, the court did not find Invitrogen liable for false marking because Clontech was unable to demonstrate Invitrogen did not have an “honest good faith belief in marking its products.”

Clontech’s definition of an unpatented article as an article not “covered by at least one claim of each patent with which the article is marked” left open the question of whether a court should consider an article covered by the claims of expired patents unpatented. A series of cases were filed against defendants whose products were marked with now-expired patents. In 2010, the Federal Circuit was asked to determine specifically if such an article, covered by the claims of an expired patent, is an unpatented article for the purposes of the false marking statute. The court held that “an article that is no longer protected by a patent is not ‘patented,’ and is more aptly described as ‘unpatented.’”

In Pequignot v. Solo Cup Co., a patent attorney sued Solo on behalf of the United States for false marking. Pequignot alleged that Solo had marked its packages, as well as billions of

68. Id. at 1356.
69. Id. at 1355.
70. Id. at 1352.
71. See, e.g., Brinkmeier v. Graco Children’s Prods., Inc., 684 F. Supp. 2d 548, 549 (D. Del. 2010) (alleging Graco engaged in false marking by marking children’s products and its website with expired patents); Stauffer v. Brooks Bros., Inc., 615 F. Supp. 2d 248, 254 (S.D.N.Y. 2009) (charging Brooks Brothers with falsely marking its adjustable bow ties by marking them with the number of a patent that expired more than fifty years ago), rev’d, Nos. 2009-1428, 2009-1430, 2009-1453, 2010 WL 3397419 (Fed. Cir. Aug. 31, 2010); Amended Verified Complaint, supra note 2, at 5 (asserting that BIC’s labeling of lighters with the numbers of now-expired patents constitutes false marking); McNEIL Complaint, supra note 2, at 4–5 (alleging that Tylenol® packaging is falsely marked because of its inclusion of expired patent numbers); Cumberland Complaint, supra note 2, at 4–5 (asserting that Sweet’N Low packaging is falsely marked because of its inclusion of expired patent numbers); Complaint for False Patent Marking at 5, Pequignot v. Gillette Co., No. 08-cv-00049 (E.D. Va. Jan. 17, 2008) (alleging that Gillette marked a variety of razors, antiperspirants, deodorants, and their packages with expired patent numbers).
73. Id. at 1361.
lids for hot and cold beverages, with expired patents.75 The Federal Circuit agreed with Pequignot that “an article covered by a now-expired patent is ‘unpatented.’”76 The Federal Circuit cited the district court’s reasoning that “[a]n article that was once protected by a now-expired patent is no different [from] an article that has never received protection from a patent. Both are in the public domain.”77 The Federal Circuit held that the statute’s language was unambiguous and so it need not consider legislative history.78

Although the Federal Circuit noted that the district court had stated that when a product is marked with an expired patent number “any person with basic knowledge of the patent system can look up the patent and determine its expiration date,”79 the Federal Circuit dismissed this argument because “determining the expiration date of a patent can, at times, be difficult.”80 The court held that because the term may be altered by the issue date, term adjustments, and payment of maintenance feed, marking a patent with an “expired patent number imposes on the public ‘the cost of determining whether the involved patents are valid and enforceable.’”81 The Federal Circuit found that by marking products with expired patent numbers, Solo had falsely marked.82 Nevertheless, the Federal Circuit held that Solo was not liable for false marking because Solo had not acted with intent to deceive.83

Since the Federal Circuit’s holdings in Bon Tool and Solo Cup, the number of false marking cases filed has increased

75. Id.
76. Solo Cup, 608 F.3d at 1361.
77. Id. (alteration in original).
78. Id. at 1361–62.
79. Id. at 1362 (quoting Solo Cup, 646 F. Supp. 2d at 798).
80. Id.
81. Id. (quoting Clontech Labs., Inc. v. Invitrogen Corp., 406 F.3d 1347, 1367 n.6 (Fed. Cir. 2005)).
82. Id.
83. Id. at 1364 (“[W]e agree with the district court that Solo has provided sufficient evidence that its purpose was not to deceive the public, and that Pequignot has provided no credible contrary evidence.”). The intent to deceive the public is part of the four-part test adopted by the Federal Circuit in Clontech. Clontech, 406 F.3d at 1351. Even if the patentee has marked the article with an inapplicable patent number, it may not be liable for false marking if the contestant cannot prove its intent to deceive the public by a preponderance of the evidence. Id. at 1355.
dramatically. Many of these cases were filed not by a competitor or person harmed by the alleged false marking but rather by people seeking to employ the *qui tam* provision of the statute by making general allegations that marking after patent expiration has inhibited competition. These plaintiffs have filed suits against defendants with high volumes of products, seeking the maximum damages for every product labeled since expiration of the patent. If successful, these plaintiffs would collect half of these potentially astronomical awards, establishing an incentive for others to file this type of suit, providing a means to damage manufacturers’ reputations, and ultimately creating an incentive for manufacturers not to mark.


85. See, e.g., Stauffer v. Brooks Bros., Inc., 615 F. Supp. 2d 248, 252 (S.D.N.Y. 2009) (citing Stauffer’s complaint that alleged an injury to the public and to the United States because defendant’s conduct had “wrongfully quelled competition with respect to such bow tie products,” and further alleged defendants had “wrongfully and illegally” advertised patent monopolies that they did not possess), rev’d, Nos. 2009-1428, 2009-1430, 2009-1453, 2010 WL 3397419 (Fed. Cir. Aug. 31, 2010); Amended Complaint for False Patent Marking, supra note 8, at 5 (alleging that “every person in the United States is a potential competitor of SOLO CUP” and that the alleged false marking “is likely to, or at least has the potential to, discourage or deter each person or company” from competing with Solo Cup). Most of the complaints have been filed by patent attorneys. See Stauffer, 615 F. Supp. 2d at 251; Pequignot v. Solo Cup Co., 540 F. Supp. 2d 649, 650 (E.D. Va. 2008).

86. Rupert, supra note 29, at 3; see also, e.g., Amended Complaint for False Patent Marking, supra note 8, at 10 (alleging that “[e]ach individual lid” marked with an expired patent number caused harm to the public and was a separate offense under 35 U.S.C. § 292).


88. Oblon, supra note 87.

89. Searcey, supra note 2, at A1 (describing how the increased litigation is resulting in lawyers advising their clients not to mark their products with patent numbers); see also Ed Green, *Protecting Your Company from Patent Marking Bounty Hunters*, INTELL. PROP. COUNS., Oct. 2008, at 14.
II. DEFINING FALSE MARKING

The recent increase in cases brought by third parties to challenge the marking of articles with expired patent numbers represents a departure from the traditional implementation of the false marking statute. This section will contrast how courts historically have defined false marking and the Federal Circuit’s recent holdings, detail the importance of the qui tam action to the prevention of false marking, and explore the effects of allowing articles to be marked with expired patent numbers. This section suggests that the Federal Circuit’s interpretation of the false marking statute radically changed the statute’s implementation and incentivized false marking litigation, to the detriment of both manufacturers and the public.

A. THE COURTS’ STRUGGLES TO DEFINE A FALSELY MARKED PRODUCT

Since the introduction of the false marking statute, a major aspect of enforcing the statute has been defining what articles were falsely marked. In one of the first cases to address the marking of products with expired patent numbers, Wilson v. Singer Manufacturing Co., an Illinois court was asked to determine if Singer sewing machines labeled with plates stating the machine was patented violated the false marking statute.\(^90\)

The plate affixed to each machine was inscribed with the issue date for each patent that covered the machine, but the plates continued to be affixed to the sewing machines after all the patents had expired.\(^91\) The court found the offense was not complete because nothing stamped on the product indicated the existence of a “subsisting patent” on the machine.\(^92\)

Similarly, in Arcadia Machine & Tool Inc. v. Sturm, Ruger & Co., the Federal Circuit failed to explicitly hold that including expired patents on the label violated the false marking statute.\(^93\) The court held that the patentee did not violate the false marking statute because it had no intent to deceive the public.\(^94\) However, the court noted that the errors in marking were “inadvertent, the result of oversight, or caused by patent expi-

---

91. Id. at 58–59.
92. Id.
93. Arcadia Machine & Tool Inc. v. Sturm, Ruger & Co., 786 F.2d 1124, 1125 (Fed. Cir. 1986) (holding instead that there must be a showing that the false marking or mismarking was “for the purpose of deceiving the public”).
94. Id.
Because an intent to deceive is required for liability under the statute, the Federal Circuit’s grouping of patent expirations with unintentional acts implied that marking with expired patents, even if intentional, was insufficient to establish liability under the false marking statute.

In contrast, more recently in *Solo Cup*, the Federal Circuit held that the term “unpatented article” includes articles that fall within the scope of an expired patent. The Federal Circuit cited the Supreme Court’s language in *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*: “An article that ‘has been freely exposed to the public . . . stands in the same stead as an item for which a patent has expired or been denied: it is unpatented and unpatentable.” In addition, the Federal Circuit rejected Solo’s arguments based on policy and legislative history, stating that the “statute is unambiguous.” Finally, the Federal Circuit held that public policy also supported holding that articles marked with expired patent numbers were falsely marked.

1. Extension of the Supreme Court’s Use of “Unpatentable”

In deciding *Solo Cup*, both the district court and the Federal Circuit cited the Supreme Court’s language in *Bonito Boats*, noting that once “a patent has expired or been denied: it is unpatented and unpatentable.” There are several reasons why the Court’s description of an expired patent as “unpatented” should not be extended to the false marking statute. In *Bonito Boats*, the Supreme Court’s intent was to prevent a state from creating patent-like rights for products in addition to those of the federal patent system, and it did not address

---

95. *Id.*
96. *Pequignot v. Solo Cup Co.*, 608 F.3d 1356, 1361 (Fed. Cir. 2010). The district court distinguished *Wilson*, finding that Singer had made the patents’ status clear by listing the issuance date for each patent on the product, whereas Solo Cup’s marking was insufficient to communicate the patent’s status. *Pequignot v. Solo Cup Co.*, 540 F. Supp. 2d 649, 651 (E.D. Va. 2008). At the time of the *Wilson* decision, patent term was seventeen years from the issue date of the patent. Since 1995, patent term is twenty years from the filing date of the patent. *Merges & Duffy, supra* note 24, at 59–60. Thus, under the current Patent Act, even the inclusion of the issue date of the patent would be insufficient to easily communicate the patent’s status.
97. *Solo Cup*, 608 F.3d at 1361 (alteration in original) (quoting *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 159 (1989)).
98. *Id.* at 1361–62.
99. *Id.* at 1362.
100. *Solo Cup*, 540 F. Supp. 2d at 652 (quoting *Bonito Boats*, 489 U.S. at 159); see also *Pequignot*, 608 F.3d at 1361.
whether a product covered by an expired patent should be marked.\footnote{101}{Bonito Boats, 489 U.S. at 141–42.} Moreover, in noting that the “notice requirement is designed ‘for the information of the public,’” the Court highlighted that the “detailed information concerning the claims of the patent holder” was “compiled in a central location” during the application process.\footnote{102}{Id. at 161–62 (quoting Wine Ry. Appliance Co. v. Enter. Ry. Equip. Co., 297 U.S. 387, 397 (1936)).} Thus, the Supreme Court recognized that one of the functions of patent marking is to direct the public to the patent documentation.\footnote{103}{See id.} The Court also stated that “the ultimate goal of the patent system is to bring new designs and technologies into the public domain through disclosure.”\footnote{104}{Id. at 151.} It would be contradictory if, even after the use of the patent passes to the public, disclosure of the patent’s existence was limited.

In 	extit{Bonito Boats}, the Supreme Court also reaffirmed that “after the expiration of a federal patent, the subject matter of the patent passes to the free use of the public as a matter of federal law,”\footnote{105}{Id. at 152.} because “on the expiration of a patent the monopoly created by it ceases to exist, and the right to make the thing formerly covered by the patent becomes public property.”\footnote{106}{Id. (quoting Singer Mfg. Co. v. June Mfg. Co., 163 U.S. 169, 185 (1896)).} The subject matter covered by the patent cannot be covered by another patent and the monopoly ceases to exist, but expiration does not mean that the original patent never existed or the patent no longer describes the invention. Indeed, subsequent patent applications related to the patented invention that are submitted to the Patent Office are required to reference even expired patents.\footnote{107}{See Tom Brody, Duty to Disclose: Dayco Products v. Total Containment, 7 J. MARSHALL REV. INTELL. PROP. L. 325, 325 (2008) (emphasizing the importance of disclosing any known relevant information to the Patent Office).} Although expiration causes a patent to become unenforceable, it does not cause the patent to cease to exist.

The 	extit{Solo Cup} court also failed to recognize that a patent’s expiration is only part of its status as intellectual property. For example, a Patent No. XXX imprint does not communicate the claims of the patent, which aspects of the product or its use are covered by the patent, or whether there are additional patent applications or patents that might cover the product. As the
Supreme Court recognized in *Bonito Boats*, one of the functions of patent marking is to direct the public to the patent documentation where “detailed information concerning the claims of the patent holder is compiled in a central location.”

In conclusion, nothing compelled the Federal Circuit to extend the Supreme Court’s dicta in *Bonito Boats* to the application of the false marking statute. On the contrary, the functions of patent marking recognized by the Court in *Bonito Boats* argue against treating an article covered by an expired patent as unpatented.

2. Statutory Interpretation: The False Marking Statute Is Not Unambiguous

The *Solo Cup* court also held that an article covered by an expired patent should be considered an unpatentable article as a matter of statutory interpretation. The statute, the Federal Circuit concluded, was “unambiguous.” Curiously, the Federal Circuit did not explain why it considered the statutory language unambiguous. The term “patent” may refer to either the “governmental grant” of the patent rights or to the “official document” that describes the invention. Although the governmental grant of rights has clearly ended after the patent has expired, the document describing the invention and granting the rights continues to exist. Thus, an article described in an expired patent, and marked with the number of an expired patent document, may be viewed as covered by a patent rather than “unpatented.”

Moreover, this interpretation would not cause invalidated patents to be considered patented. Although the document issued for an invalid patent still exists, it does not describe an invention. That is, an article described in an invalid patent is “unpatented” in the sense that no document describing the invention exists or ever existed. In contrast, an article covered by an unenforceable patent is still exemplified by an official docu-

---

110. *Id.* at 1362.
111. *BLACK’S LAW DICTIONARY* 1156 (8th ed. 2004); see also, e.g., Kemin Foods, L.C. v. Pigmentos Vegetales del Centro S.A. de C.V., 301 F. Supp. 2d 970, 974 (S.D. Iowa 2004) (“A patent is a legal document that defines the metes and bounds of the patentee’s invention.”).
112. A patent may be found invalid if it fails to meet a condition for patentability or does not adequately describe (enable) the invention. 35 U.S.C. § 282 (2002).
ment describing an invention. In this sense, an article claimed in an unenforceable patent may still be viewed as covered by a patent. Therefore, an unenforceable patent is much like an expired patent—it continues to exist but may not be enforced—and is distinguishable from a cancelled or annulled patent.

Since the statute is ambiguous and susceptible to more than one interpretation, the court should have adopted the construction that resulted in a reasonable result consistent with the legislative purpose. As discussed below, treating articles covered by expired patents as patented is more consistent with the goals of the legislature’s patent regime.

3. Marking with an Expired Patent Number Does Not Increase the Burden on the Public

The Solo Cup court also found that requiring the public to determine the status of an expired patent from a patent number marked on an article “imposes on the public ‘the cost of determining whether the involved patents are valid and enforceable.’” The court’s reasoning is in stark contrast to the reasoning of the Eastern District of Pennsylvania in FMC Corp. v. Control Solutions, Inc. The FMC Corp. court held that al-

---

113. In fact, many of the same policy arguments for allowing an article to be marked with an expired patent number can also be made for allowing an article to be marked with an unenforceable patent number. The patent number continues to direct the public to a source of information about the article, and it is relatively easy to determine the patent’s status.

114. 69 C.J.S. Patents § 218 (2010) (“The authority to cancel or annul a patent is vested only in the federal courts, and proceedings to cancel or annul a patent may be maintained only by the United States.”). A patent may be declared unenforceable in a case with a private litigant, but a patent may only be cancelled in a case brought by the federal government. Id.

115. Haggar Co. v. Helvering, 308 U.S. 389, 394 (1940) (“All statutes must be construed in the light of their purpose. A literal reading of them which would lead to absurd results is to be avoided when they can be given a reasonable application consistent with their words and with the legislative purpose.”); see also 73 AM. JUR. 2D Statutes § 172 (2010) (“If a statute is capable of being construed in different ways, that construction which works absurd or unreasonable result should be avoided.”).

116. Pequignot v. Solo Cup Co., 608 F.3d 1356, 1362 (Fed. Cir. 2010) (quoting Clontech Labs., Inc. v. Invitrogen Corp., 406 F.3d 1347, 1367 n.6 (Fed. Cir. 2005)).

117. 369 F. Supp. 2d 539 (E.D. Pa. 2005). Curiously, the Solo Cup court also found in a later holding that “[w]hen a product is marked with an expired patent number, any person with basic knowledge of the patent system can look up the patent and determine its expiration date.” Pequignot v. Solo Cup Co., 646 F. Supp. 2d 790, 798 (E.D. Va. 2009), aff’d in part and vacated in part, 608 F.3d 1356 (Fed. Cir. 2010).
though “the Patent Act imposes a duty to mark products covered by a patent, there is no stated corresponding duty to remove the patent number on a product whose patent has expired.”

The court also found “no reason” to deny a company the right to display an expired patent number, finding that the marking informed “the public of where to acquire the information” needed to practice the invention.

In addition, a potential competitor or other member of the public may already be responsible for determining what patents might apply and if they are valid and enforceable. For example, for a competitor interested in making a product, determining the intellectual property landscape is part of the cost of doing business. Because there is no obligation to mark, and a patent number may be removed at any time (not just because of expiration), even an unmarked product may be covered by a valid and enforceable patent. The burden on the public is, in fact, less if an expired patent number is on a product than if no patent number is on the product because the number directs the public to the patent documentation.

The district court in *Solo Cup* also concluded that an article covered by an expired patent was “no different than an article that has never received protection from a patent” because “[b]oth are in the public domain.” But a never-patented article is not necessarily found within the public domain, and there is no obligation to place the invention in the public domain. In contrast, one of the inventor’s obligations in filing a patent is to “disclose the technologic knowledge upon which the

---

118. *FMC Corp.*, 369 F. Supp. 2d at 584 (citing DONALD S. CHISUM, 7 CHISUM ON PATENTS § 20.03[7][c] (2005)).

119. Id. (“This Court finds no reason why FMC may not display its [expired] patent number to inform the public of where to acquire the informational and teaching quid pro quo that underlies the granting of patent protection.”).


patent is based.” A patentee—even the owner of an expired patent—has disclosed his invention to the public. Even after a patent expires, an article continues to be described by the patent claims and referred to by its patent number, and both the patent and its status may be easily discovered by searching for the patent number found on the marked article. An article covered by an expired patent is, therefore, not unpatented in the same sense as an article that has never been covered by a patent.

B. QUI TAM ACTIONS AS A MEANS TO PREVENT FALSE MARKING

In addition to determining whether an article has been falsely marked, a court must also determine whether the party that is bringing the action has the standing to contest the marker’s actions. The number of parties that may bring such an action is significantly increased by the false marking statute’s qui tam status. The increased number of potential plaintiffs decreases the burden on the government to enforce proper marking.

Nevertheless, in order for a plaintiff to properly bring a qui tam action under the false marking statute, the false marking must have caused an injury to the government or the public. Yet, it is difficult to imagine a situation where the marking of an article with an expired patent would result in an injury to the public or the government. Nevertheless, the Federal Circuit held in *Stauffer v. Brooks Brothers, Inc.* that almost any

125. Capon v. Eshhar, 418 F.3d 1349, 1357 (Fed. Cir. 2005); see also *Bonito Boats*, 489 U.S. at 150 (“The federal patent system thus embodies a carefully crafted bargain for encouraging the creation and disclosure of new, useful, and nonobvious advances in technology and design in return for the exclusive right to practice the invention for a period of years.”).

126. Cf. *Clontech Labs., Inc. v. Invitrogen Corp.*, 406 F.3d 1347, 1352 (Fed. Cir. 2005) (establishing the Federal Circuit’s test that an article must be “covered by at least one claim of each patent with which the article is marked”).


129. It is easier to imagine a situation where a single potential competitor might be injured, but it is difficult to believe that every potential competitor would fail to ascertain the status of the patent.
plaintiff has standing to sue because “a violation of that statute inherently constitutes an injury to the United States.”

Stauffer sued Brooks Brothers for false marking of adjustable men’s bow ties because Brooks Brothers continued to mark the bow ties with patent numbers that expired in 1954 and 1955. Stauffer alleged that Brooks Brothers injured the public because the false marking “misleads and wrongly imposes the costs of evaluating patents on the public” and “wrongfully quelled competition with respect to ... bow tie products thereby causing harm to the economy of the United States.”

The Federal Circuit reversed the district court and concluded that Stauffer’s standing arose “from his status as ‘any person’”; that Stauffer had “sufficiently alleged” an injury to the United States, caused by Brooks Brothers’s alleged conduct; and the injury was likely to be cured by a favorable decision. The case was remanded to the district court.

District courts have reached different decisions on the issue of standing. Some courts have held, as the Federal Circuit did, that “a violation to the statute inherently constitutes an injury to the United States.” However, other courts, including the district court in Stauffer, have ruled that the defendant’s competitors were not deterred by the marking with the expired patent and therefore competition had not been “quelled” sufficiently to result in harm to the economy of the United States.

131. Id. at *1.
132. Id. at *3.
133. Id. (quoting Complaint at 38, Stauffer, 615 F. Supp. 2d 248) (No. 08-cv-10369).
134. Id. at *6.
135. Id.
136. Id. at *4; see also Shizzle Pop, LLC v. Wham-O, Inc., No. CV 10-3491 PA (FFMx), 2010 WL 3063066, at *2–3 (C.D. Cal. Aug. 2, 2010) (holding that the plaintiff had standing); Pequignot v. Solo Cup Co., 640 F. Supp. 2d 714, 728 (E.D. Va. 2009) (finding that the plaintiff had standing even though the only injury to the United States could only be to “its sovereignty”), aff’d in part and vacated in part, 608 F.3d 1356 (Fed. Cir. 2010).
137. Stauffer, 615 F. Supp. 2d at 255. The district court relied on the Supreme Court’s holding in Lujan v. Defenders of Wildlife that in order to have standing a plaintiff must demonstrate a concrete, particularized, “actual or imminent” injury “so as to reduce the possibility of deciding a case in which no injury would have occurred at all.” Lujan v. Defenders of Wildlife, 504 U.S. 555, 564 (1992).
States. Indeed, in *Stauffer*, the competitors received their bow ties from the same supplier, and their products were identically marked. Therefore, it is almost impossible to imagine how any real injury was suffered by the public or the United States.

In contrast to marking with inapplicable patent numbers, it is difficult to imagine how marking products with accurate, now-expired patent numbers “inherently constitutes an injury to the United States.” Indeed, continuing to mark an article allows the public and competitors to quickly determine the patented status of the product and how to copy it. The number of parties that may bring an action under the false marking statute is already large because the false marking statute’s *qui tam* status and the Federal Circuit’s broad interpretation. Continuing to interpret the statute to include articles covered by expired patents makes the statute’s reach inappropriately broad.

### C. The Anticipated Effects of Continuing to Allow Articles Covered by Expired Patents to Be Marked

The increasing amount of false marking litigation has focused attention on the effects of allowing an article to be marked with an expired patent number. As noted above, marking with an expired patent number does not increase the burden on the public and may, in fact, make it easier for competitors to conduct patentability or marketability analyses.

---


141. See Pequignot v. Solo Cup Co., 646 F. Supp. 2d 790, 798 (E.D. Va. 2009) (“[M]arking an article with an expired patent can work to the marker’s detriment, because public patent documents reveal all of the previously patented design features that are now in the public domain, thus creating a road map for anyone wishing to legally copy the product.”), aff’d in part and vacated in part, 608 F.3d 1356 (Fed. Cir. 2010); see also Searcey, supra note 2, at A1 (describing how “it can be relatively simple” to determine if patent numbers on products are outdated “because patents are numbered chronologically”).

142. FMC Corp. v. Control Solutions, Inc., 369 F. Supp. 2d 539, 584 (E.D. Pa. 2005) (“This Court finds no reason why FMC may not display its [expired] patent number to inform the public of where to acquire the informational and teaching *quid pro quo* that underlies the granting of patent protection.”); see U.S. PATENT & TRADEMARK OFFICE, MANUAL OF PATENT EXAMINING PROCEDURE § 2126 (8th. ed., rev. 8, 2010) (assuming the general availability of patents as prior art for the purposes of the USPTO).
In addition, extending the term “unpatented article” to cover items once protected by a valid patent has already created a new litigation threat with “potentially devastating consequences.”\textsuperscript{143} A large number of these types of cases have already been filed, and the damages being demanded are in the billions of dollars.\textsuperscript{144}

Including articles covered by expired patents in the definition of “unpatented article” is also creating an incentive not to mark.\textsuperscript{145} In fact, 35 U.S.C. § 287 creates in a patent holder an “obligation to mark its product consistently and continuously in order to provide constructive notice of the patent.”\textsuperscript{146} Congress designed § 287 so that a patentee can only recover damages for infringing sales that occurred after it gave notice of its patent rights\textsuperscript{147} in order to “encourage the patentee to give notice to the public of the patent.”\textsuperscript{148} Because a manufacturer is required to mark a product to satisfy the notice requirements of § 287, a manufacturer must balance the danger of being sued for inaccurately marking with having the ability to sue for infringement.\textsuperscript{149} The continued prospect of potential litigation created by extending the false marking statute to cover articles protected by now-expired patents will quickly spoil the incentive to

\textsuperscript{143} Remus & Bjella, supra note 58, at 110 (noting the potential for “enormous damage awards”); Oblon, supra note 87 (theorizing that damages could run “into [the] billions of dollars”); Brian C. Riopelle & Steven D. Hamilton, False Marking Claims for Products Stamped with Expired Patents, Legal Updates, MCGUIREWOODS (June 16, 2009), http://www.mcguirewoods.com/news-resources/item.asp?item=4051; see also Searcey, supra note 2, at A1 (noting that such findings could result in extreme damage awards).

\textsuperscript{144} Gene Quinn, Apple and Others Sued for $60 Billion+ for False Patent Marking, IP WATCHDOG (July 31, 2010, 1:51 PM), http://ipwatchdog.com/2010/07/31/apple-sued-false-patent-marking/id=11858/. The plaintiff in these suits, Americans for Fair Patent Use, is an LLC formed by an intellectual property boutique in Austin, Texas, Robbins, supra note 84.

\textsuperscript{145} See, e.g., Searcey, supra note 2, at A1 (noting that increased litigation has resulted in at least one attorney advising his clients not to mark, even though that means the clients cannot seek damages for infringement).


\textsuperscript{147} Id.


mark created by § 287, resulting in a decreased incidence of marking.150

Furthermore, it cannot be assumed that a patentee who innocently marks a product with an expired patent will be protected from the costs of litigation by the intent requirement of the false marking statute.151 Although the intent requirement may protect the patentee from a court's imposition of liability, discovery and litigation may stretch for months or even years,152 at considerable cost to the marking company.

Excluding articles marked with expired patent numbers from the meaning of unpatented article is necessary to prevent additional litigation against patent owners who innocently mark products with expired patent numbers, to prevent the development of incentives not to mark, and to create the national uniformity that the patent system relies on.153

III. EXCLUDING PRODUCTS COVERED BY EXPIRED PATENTS FROM THE MEANING OF “UNPATENTED ARTICLE”

Third parties' attempts to profit from the *qui tam* provision in the false marking statute by challenging products labeled with expired patents is developing into a huge liability for manufacturers. Yet patentees rely on the notice function of patent marking to protect them from infringers and to provide notice in infringement suits. In order to promote the notice functions of marking and to ensure the proper use of the informer action, the Federal Circuit should reverse its recent holding to exclude products covered by expired patents from the meaning of “unpatented article.” Alternatively, Congress should amend

150. See, e.g., Oblon, *supra* note 87; Riopelle & Hamilton, *supra* note 143.

151. A requirement of 35 U.S.C. § 292(a), is that the marker must have affixed the patent number with the “purpose of deceiving the public.” 35 U.S.C. § 292(a) (2006).

152. See, e.g., Arcadia Mach. & Tool Inc. v. Sturm, Ruger & Co., 786 F.2d 1124, 1125 (Fed. Cir. 1986) (“Arcadia had totally failed, after at least nine months of discovery, to produce any evidence of intent to deceive the public.”). The litigation in *Solo Cup* lasted over a year before the court found that there was “not a scintilla of evidence that Solo ever . . . manifested any actual deceptive intent.” Pequignot v. Solo Cup Co., 646 F. Supp. 2d 790, 799 (E.D. Va. 2009), aff’d in part and vacated in part, 608 F.3d 1356 (Fed. Cir. 2010).

153. Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141, 162 (1989) (“One of the fundamental purposes behind the Patent and Copyright Clauses of the Constitution was to promote national uniformity in the realm of intellectual property.”).
the false marking statute and protect the informer action by explicitly excluding expired patents from the statute’s coverage.

A. Precedential Support for Once Patented is Always Patented

Articles covered by once-valid-but-now-expired patents and marked with the numbers of those expired patents should not be considered unpatented articles for the purposes of the false marking statute. Legislative history and judicial precedent—until the Federal Circuit’s recent holdings—support the conclusion that an article once patented is always patented.

Congress initially established the false marking statute to prevent a person from marking as patented “any thing... [for] which he hath not or shall not have obtained letters patent.” 154 Nothing in this language suggests that lawmakers meant the statute to be extended to cover articles for which a patent was obtained but has now expired. Moreover, nothing in the revisions to the statute or the legislative history implies that Congress intended to expand the statute to cover anything other than articles that have never been patented.155

Treating articles covered by the claim of an expired patent as patented articles is consistent with the interpretation of the false marking statute in prior case law. For example, in Wilson v. Singer Manufacturing Co., an Illinois court held that Singer had not violated the false marking statute by labeling its sewing machines with plates stating that the machine was patented, even though the patents had expired.156 Similarly, in Arcadia Machine & Tool Inc. v. Sturm, Ruger & Co., the Federal Circuit held that the patentee, Ruger, did not violate the false marking statute even though it had included expired patents

155. See H.R. REP. NO. 82-1923, at 9 (1952), reprinted in 1952 U.S.C.C.A.N. 2394, 2403 (describing § 292 as being minimally revised but maintaining it such that it relates "to falsely marking an article as being patented when it was not patented, which is now the present law"); cf. Patent Reform Act of 2010, S. 515, 111th Cong. § 146(k)(1) (2010) (restricting plaintiffs to those who can show that they have suffered a competitive injury). If passed, this legislation would effectively eliminate the entire group of plaintiffs seeking to enforce the false marking statute against those marking articles with expired patent numbers. Joshua M. Dalton & Deana El-Mallawany, Recent Wave of False Marking Lawsuits Highlights Need to Monitor Patent Marking Practices, BINGHAM MCCUTCHEON LLP (Mar. 8, 2010), http://www.bingham.com/Media .aspx?MediaID=10466.
on its products’ labels. In *Clontech Laboratories, Inc. v. Invitrogen Corp.*, the Federal Circuit held that “unpatented article” means that “the article in question is not covered by at least one claim of each patent with which the article is marked.”

Even after a valid patent expires, the claims of a patent continue to read on the article. Furthermore, even though the subject of the patent passes into the public domain, the subject matter remains described and exemplified in the patent claims. Thus, there exists a statutory interpretation whereby articles covered by an expired patent are still patented. Holding that articles covered by expired patents are not “unpatented articles” would be consistent with this judicial precedent. In addition to legislative and judicial precedent, public policy strongly supports a holding that once patented is always patented.

**B. POLICY SUPPORT FOR ONCE PATENTED IS ALWAYS PATENTED**

Considering an article covered by an expired patent as patented is consistent with the purposes of the false marking statute. Marking products as patented helps direct the public to the patent documentation where “detailed information concerning the claims of the patent holder is compiled in a central location.” Allowing products covered by the claims of a patent to be marked with that patent number facilitates this public notice function of patents.

Moreover, marking with an expired patent number does not destroy the public notice function of marking. Some have suggested that the public and competitors alike interpret a patent number as being evidence of an enforceable—not expired—patent. However, unlike a product that has never been pat-

---

157. *Arcadia Mach. & Tool*, 786 F.2d at 1125.
159. *Bonita Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 152 (1989) (“[O]n the expiration of a patent the monopoly created by it ceases to exist, and the right to make the thing formerly covered by the patent becomes public property.” (quoting *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169, 185 (1896)), *with* id. at 151 (“[T]he ultimate goal of the patent system is to bring new designs and technologies into the public domain through disclosure.”). Indeed, many infringement suits continue to be litigated long after the patent has expired, and the information contained within those claims continues to act as prior art for the purposes of future patents. See, e.g., 35 U.S.C. § 102 (2006); U.S. Patent & Trademark Office, *supra* note 142, § 706.02(a).
161. E.g., Amended Complaint for False Patent Marking, *supra* note 8, at 4; *see also* *Grant*, *supra* note 42, at 283 (“There are two harmful effects.
ented, a product covered by an expired patent still possesses the features that caused it to be patentable. 162 A consumer is not deceived as to the article’s fitness for patenting when it is marked with an expired patent number. 163 The “character and value of the article” do not change when a patent expires. 164 Commentators have also argued that the public assumes that an article marked with a patent number is more valuable. 165 In fact, an article’s fitness for patenting can bear little relation to its commercial value or usefulness because an invention may meet the utility requirement even when it is not superior to the prior art. 166

Moreover, marking with the patent number—even if it is expired—permits the public to determine the patents that apply to the article, locate them, and determine their status. 167 For most patents, it is possible for anyone with experience with patents to determine if a patent has expired and entered the public domain. 168 Being able to locate the applicable patents

\[\ldots\]

First, incorrect marking may deter scientific research when an inventor sees a mark and decides to forgo continued research to avoid an infringement action. Second, incorrect marking may deceive consumers and harm the industry when the public purchases products based on the mark. ); Winston, supra note 45, at 127–28 (noting that because the patent issue date is no longer required to be marked, harm results to the public because they must now research every patent to see if it is currently valid).

162. See Oliphant v. Salem Flouring Mills Co., 18 F. Cas. 647, 647–48 (D. Or. 1878) (No. 10,486) (“[T]he word ‘patent’ upon an article is prima facie an assertion that it has some peculiar value or merit . . . . The impression which the fact ordinarily makes upon the mind is, that the article marked ‘patent’ is in some respects more useful or desirable than articles of the same general kind or use which are not so marked.”).

163. See id. (noting that only if an item is originally patentable will a patent be granted).

164. See id. at 648 (“If, then, a person marks an unpatented article with the word ‘patent,’ the public are thereby liable to be deceived as to the character and value of the article.”).

165. See, e.g., id. at 647–48 (noting that an item marked with the word “patent” denotes a value that is perceived by the public to be more valuable in some respects than an item which does not contain the word); Grant, supra note 42, at 289 ("The existence of a patent could cause a consumer to believe that the product is of superior quality to other products on the market without a patent mark . . . .").

166. 60 AM. JUR. 2D Patents § 145 (2010).

167. See Ameet Sachdev, Manufacturers Face Patent-Suit Headaches: Recent Ruling Raises Potential Bounty for Consumers Alleging ‘False Marks’ on Goods, CHI. TRIB., Mar. 2, 2010, at C17, available at 2010 WLNR 4329031 (“It takes only a matter of minutes to determine whether a patent has run out . . . .").

168. Cf. Solo Cup Motion to Dismiss, supra note 3, at 9 (arguing that Solo's
may even be an advantage to a competitor. First, marking can direct competitors to the enabling disclosure contained in the patent application. Second, a careful manufacturer searches the prior art for applicable patents during development in order to prevent infringement. There is much to suggest that the public and competitors should not rely on patent marking alone to determine a product’s intellectual property status. Nevertheless, when a product is marked with relevant patents, a searcher will be able to determine more easily what the patents cover, their status, and their relationship to other potentially applicable patents. Thus, marking an article with an expired patent number does not destroy the public notice function but may even provide additional information and advantages to the public and potential competitors. By ensuring that articles covered by an expired patent are considered patented articles for the purposes of the false marking statute, ongoing marking will be encouraged, bolstering the public notice function of the statute.

Holding that articles covered by the claims of expired patents are patented will also generate ancillary benefits. These benefits include allowing the patentee or marker of the product to provide useful information without imposing an undue burden on the public; preventing the development of incentives not to mark; averting exploitative litigation such as Solo Cup; and limiting the enforcement of the false marking statute to violations that have the potential to cause serious harm to the public. In contrast, treating articles covered by the claims of expired patents will encourage an astonishing amount of

---

169. See id.
170. Id.
171. See, e.g., Linder, supra note 120, at *1 ("Virtually any business involved in the development, manufacture, or distribution of products, services, or information will benefit from a patent and intellectual property strategy.").
172. See, e.g., Grant, supra note 42, passim (explaining that proper marking is not mandatory nor does it apply to pending patent applications); John LaBarre & Xavier Gómez-Velasco, Ready, Set, Mark Your Patented Software!, RICHMOND J.L. & TECH., 6 (Fall 2005), http://jolt.richmond.edu/v12i1/article3.pdf (explaining that there is no marking requirement if the patent covers a process).
exploitative litigation.174 Lawsuits such as Solo Cup are being brought by patent-marking trolls—individuals who do not own patents, but who look for high-volume products that might result in large penalty recoveries.175 Yet, the holding in Solo Cup resulted in the formation of companies simply to file these cases.176 The attempts by these plaintiffs to use the false marking statute to extract “significant amounts of money from companies”177 are contrary to the purposes of the qui tam aspect of the false marking statute.

The informer aspect of the false marking statute is intended to offer rewards “to accomplish outlawing of fraudulent and illegal acts to the public detriment,”178 not as a money-making scheme for private parties. Where false marking of an article does create “an actual or imminent injury in fact to competition, to the United States economy, or the public,”179 the false marking statute provides a valuable enforcement provision. However, allowing this action to be misused by patent trolls weakens the false marking statute and creates needlessly costly litigation.

174. See Susan Decker, Firms Fight Outbreak of Patent Lawsuits: Pfizer, P&G Accused of Falsely Marking Items, STAR-LEDGER (Newark, N.J.), Feb. 28, 2010, at 1, available at 2010 WLNR 4222330 (describing the “explosion” in the number of patent false marking cases filed after the Federal Circuit’s recent decision that a manufacturer “may face a penalty of up to $500 for every item that’s falsely marked”).


176. Robbins, supra note 84 (describing the formation of Americans for Fair Patent Use by an intellectual property boutique and the Patent Compliance Group by an attorney). These companies, formed for the purpose of filing false marking suits, have filed dozens of suits in 2010. See McDonnell, Boehnen, Hulbert & Berghoff, LLP, supra note 2 (listing recent false marking suits filed across the country).


C. A CONSERVATIVE INTERPRETATION OF THE FALSE MARKING STATUTE

The Federal Circuit’s decision that an “offense” in 35 U.S.C. § 292 should be defined on a per article basis firmly established a financial motivation for plaintiffs to sue under the *qui tam* provision of the false marking statute. The ruling in *Solo Cup* that an article covered by an expired patent is an unpatented article overly broadened the false marking cause of action. Either Congress or the Federal Circuit should act to limit the *qui tam* provision and arrest the current trend towards exploitative litigation.

The Federal Circuit is uniquely positioned to prevent further additional litigation by explicitly holding that articles covered by expired patents are not “unpatented articles” for the purposes of the false marking statute. Failure by the Federal Circuit to act is likely to induce extensive legislative restrictions on this *qui tam* action, potentially resulting in the loss of a mechanism to enforce the proper use of a patent marking. Nevertheless, if the Federal Circuit fails to act, Congress should take decisive action to protect the informer action by amending the false marking statute to clarify that it excludes articles covered by expired patents. This conservative interpretation of the statute by the Federal Circuit or Congress would restrict the enforcement of the false marking statute to violations that have the potential to cause serious harm to the public and would preserve incentives to mark.

CONCLUSION

The recent spate of litigation by third parties using the false marking statute against the makers of articles covered by expired patents presents a significant financial risk for patentees. If this litigation is allowed to continue, it will create incentives for manufacturers not to mark their products, contravening the public notice function of the patent act. The Federal Circuit or Congress should act to prevent labeling articles covered by valid but now-expired patents from being false mark-

182. All but two other American *qui tam* actions have been repealed. See *Doyle*, supra note 30, at 4. Proposed legislation would entirely remove the *qui tam* action from § 292. See Patent Reform Act of 2010, S. 515, 111th Cong., § 146(k)(1) (2010) (amending 35 U.S.C. § 292(b) to require competitive injury for a plaintiff to bring suit); see also *Brown & Jones*, supra note 37.
ing. This exclusion is consistent with legislative and judicial precedent as well as public and patent policy. In addition, this limitation will prevent the development of incentives not to mark and avert exploitative litigation.