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Comment

Prosecution Laches in the Wake of Symbol Technologies: What Is "Unreasonable and Unexplained" Delay?

Michael T. Hawkins*

“I said, 'It's unethical,' and he said, 'It's not illegal.'”
—Arthur Lieberman

INTRODUCTION

The patent laws of the United States are often viewed as a delicate balance between two key interests: providing fair incentives to inventors for their discoveries, and protecting the unfettered use of inventions that are already known to the public. Accordingly, a rule-abiding inventor who prosecutes an application before the United States Patent and Trademark Office (PTO) receives a fixed period of exclusivity for the patentable invention. Significant inequities arise, however, when that inventor delays issuance of the patent claims while others independently develop the invention covered by the claims and put it into the public domain. In Symbol Technologies, Inc. v. Lemelson Medical, Education & Research

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2. See Pfaff v. Wells Elecs., Inc., 525 U.S. 55, 65 (1998) (“The patent laws therefore seek both to protect the public's right to retain knowledge already in the public domain and the inventor's right to control whether and when he may patent his invention.”).

3. See infra notes 17-21 and accompanying text.

4. See infra notes 29-36 and accompanying text.
Foundation, the Federal Circuit sought to balance these competing interests while resolving the viability of an equitable doctrine known as prosecution laches.5

In Symbol Technologies, a group of bar-code equipment manufacturers (Symbol Technologies) brought a declaratory judgment action against the Lemelson Medical, Education & Research Foundation (Lemelson Foundation), the assignee of more than 185 patents issued to Jerome H. Lemelson.6 In particular, sixteen of these patents issued between 1978 and 1994 and claimed benefit to the filing dates of original applications filed in 1954 and 1956.7 Lemelson had maintained the pending status of these applications at the PTO by means of filing continuation and divisional applications over a period of several decades.8 Although this type of prolonged prosecution of patent claims, sometimes referred to as “submarine” patenting, does not violate any pertinent rules or statutes, Symbol Technologies urged the court to apply prosecution laches to bar enforcement of Lemelson's delayed patent claims.9 The trial court disagreed and held that the 1952 Patent Act—the most recent major patent enactment—abrogated the doctrine of prosecution laches and that “the court should not intervene in equity to regulate what Congress has not.”10

The Federal Circuit granted Symbol Technologies's petition for an interlocutory appeal on the issue of prosecution laches.11

5. 277 F.3d 1361, 1363 (Fed. Cir. 2002), cert. denied, 123 S. Ct. 113 (2002).
6. Id.
7. Id.; see also infra note 53 (listing the sixteen patents at issue in the Symbol Technologies case).
8. See infra notes 29-33 and accompanying text (describing the use of continuation and divisional applications to extend the prosecution of patent claims); infra note 53 (listing sixteen of Lemelson's patents that claim priority, by way of continuation and divisional applications, to two original applications filed decades earlier).
9. Symbol Techs., 277 F.3d at 1363 (noting that the “gravamen of the complaints most pertinent to us is prosecution laches”).
In particular, it decided a single issue: "whether, as a matter of law, the equitable doctrine of laches may be applied to bar enforcement of patent claims that issued after an unreasonable and unexplained delay in prosecution even though the applicant complied with pertinent statutes and rules." Because Congress did not explicitly abrogate prosecution laches in the 1952 Patent Act, and because the Federal Circuit had never addressed this issue in a precedential opinion, much of the patent law community attentively awaited the Symbol Technologies court's decision. Ultimately, the Symbol Technologies court held that the prosecution laches defense was not eliminated by the 1952 Patent Act. District courts are now left to flesh out an applicable test to determine when the equitable defense should bar enforcement of patent claims.

This Comment analyzes the Symbol Technologies court's holding and extracts from the case, with support from other Federal Circuit case law, a prosecution laches test that appropriately balances the interest in providing fair incentives to inventors with the interest of protecting those who are prejudiced by unreasonably delayed patent claims. Part I of this Comment describes the fundamentals of patent prosecution and how "submarine" patents may issue under the current laws, the details of Lemelson's masterfully constructed patent portfolios, and the history of the prosecution laches defense before and after the 1952 Patent Act. Part II analyzes the Symbol Technologies court's reasoning, the Lemelson Foundation's opposing arguments, and Judge Newman's dissenting opinion. Finally, Part III of this Comment addresses the fallout of the Symbol Technologies holding as it relates to

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12. Symbol Techs., 277 F.3d at 1363.

13. See infra Parts I.C.2-3; see also Varchaver, supra note 1, at 216 (noting that the remaining Lemelson litigation was stayed in anticipation of the Federal Circuit's decision in Symbol Technologies).

14. See infra notes 148-51 and accompanying text.

15. After the Federal Circuit upheld the existence of the prosecution laches defense with little direction on applying it, the Supreme Court refused to grant certiorari to the Lemelson Foundation. Lemelson Med., Educ. & Research Found. v. Symbol Techs., 123 S. Ct. 113 (2002), denying cert. to 277 F.3d at 1363-65. As a result, the doctrine of prosecution laches will likely be a basis for litigation involving patent claims that issue from continuation applications. See 1 John M. Skenyon et al., Patent Damages Law and Practice § 5:42.1 (2002) ("[I]t is predictable that in the short run, the doctrine of prosecution laches will be frequently asserted against most patents stemming from a divisional or continuation application, regardless of the actual length of any 'delay' in prosecution.").
future patent litigation and to courts that must determine whether prosecution laches bars the enforcement of patent claims. This Comment concludes that the Symbol Technologies court's reasoning was proper and sets forth a practical test—formulated from Supreme Court precedents, the Symbol Technologies case, and the Federal Circuit's law involving the traditional form of laches—for determining the application of prosecution laches.

I. PATENT PROSECUTION AND THE DOCTRINE OF PROSECUTION LACHES

A. PATENT PROSECUTION FUNDAMENTALS AND "SUBMARINE" PATENTING

The patent laws of the United States must "promote the Progress of Science and useful Arts." To further that purpose and encourage innovation, the government provides inventors with limited exclusivity for a fixed time. The process of obtaining a patent from the PTO, known as patent prosecution, officially begins with the filing of a patent application. Prosecution of an application through patent

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16. U.S. CONST. art. I, § 8, cl. 8; see also Graham v. John Deere Co., 383 U.S. 1, 6 (1966) ("Innovation, advancement, and things which add to the sum of useful knowledge are inherent requisites in a patent system which by constitutional command must 'promote the Progress of . . . useful Arts.' This is the standard expressed in the Constitution and it may not be ignored.").


19. See 4 Donald S. Chisum, Chisum on Patents §§ 11.01-11.02 (2002); see also 35 U.S.C. § 111. A completed patent application must include a written description of the invention and at least one claim. 4 Chisum, supra, § 11.01; see 35 U.S.C. § 112. The written description must disclose "the invention, and the manner and process of making and using it," while the claims must point out and distinctly claim "the subject matter which the applicant regards as his invention." Id. Ultimately, the claims are the substance of the patent right and are "the portion of the patent document that defines the scope of the patentee's rights." Markman v. Westview
issuance includes a period of examination, during which the examiner rejects any patent claims that do not satisfy certain statutory requirements.\textsuperscript{20} The applicant may amend rejected claims during prosecution in an attempt to achieve patentability.\textsuperscript{21}

In certain cases, the patent applicant may choose to file a continuation application that claims priority to an effective filing date of an earlier-filed application.\textsuperscript{22} Applicants often seek to claim priority to an earlier filing date to limit the universe of prior art references that the examiner may use to reject or invalidate the claims.\textsuperscript{23}

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\textsuperscript{20} 35 U.S.C. § 131; see 4 CHISUM, supra note 19, § 11.03[1][b]. For example, allowable patent claims must satisfy the patentability requirements of novelty, nonobviousness, and enablement. See 35 U.S.C. § 102 (setting forth the basic requirements of novelty); id. § 103 (expressing the nonobvious requirement of patentability); id. § 112 (requiring that the written description portray the claimed invention so as to "enable any person skilled in the art . . . to make and use the same").

\textsuperscript{21} See 37 C.F.R. § 1.111 (2002). The examiner evaluates each application at least twice before imposing a final rejection. 35 U.S.C. § 192(a). The applicant has several options after receiving a final rejection. See, e.g., id. § 133 (describing that the application may be "abandoned"); id. § 134(a) (allowing the applicant to "appeal . . . to the Board of Patent Appeals and Interferences"); id. § 120 (permitting the applicant to continue prosecution through a continuation application).

\textsuperscript{22} See 35 U.S.C. § 120. A continuation that claims priority to an earlier-filed application is known as a "child" application. See, e.g., Advanced Cardiovascular Sys., Inc. v. Medtronic, Inc., 265 F.3d 1294, 1305 (Fed. Cir. 2001). This relational pattern may extend, for example, such that a chain of continuation applications includes the original application ("grandparent"), a continuation ("parent"), and a subsequent continuation ("child"). 4 CHISUM, supra note 19, § 13.03; Mergers & Duffy, supra note 18, at 51. One practical reason for filing a continuation occurs when an applicant files a continuation that claims a potentially patentable invention that is described, but not claimed, in the parent application. See, e.g., Kennecott Corp. v. Kyocera Int'l, Inc., 835 F.2d 1419, 1420-21 (Fed. Cir. 1987) (describing that the continuation application claimed an "equiaxed microstructure" that was disclosed but not covered by the parent application's claims to a "sintered ceramic body"). Another reasonable basis for filing a continuation is when the PTO allows claims with a narrow scope but rejects the broader claims of an original application. In such cases, the applicant may file a continuation application to actively prosecute the claims with a broad scope while the original application issues as a patent with narrower claims. See, e.g., Johnson & Johnston Assocs. Inc. v. R.E. Serv. Co., 285 F.3d 1046, 1055 (Fed. Cir. 2002) (en banc) (per curiam) (noting that a patentee may file a continuation application to "attempt to enlarge the scope of the original claims to include disclosed but previously unclaimed subject matter").

\textsuperscript{23} Li Second Family Ltd. P'ship v. Toshiba Corp., 231 F.3d 1373, 1379-80 (Fed. Cir. 2000) ("Because the effective filing date of each claim in a patent
for filing a continuation application include copendency, common inventorship, claims that are fully supported by the disclosure of the parent application, and a filing fee. To satisfy the copendency requirement, a related application must be pending before the PTO at the time of filing the continuation. In addition, if the continuation application claims priority to a grandparent application, at least one of the earlier-filed applications (either the parent or grandparent) must be pending at the time the continuation is filed. Importantly, there is no statutory limit on the number of continuations that applicants may file, and there is no limit on the number of earlier-filed applications to which a continuation may claim priority. As such, a patient applicant who is willing to pay the filing fees could maintain a chain of continuation applications pending at the PTO for a long period of time.

Most patents that issued from applications filed with the PTO on or before June 8, 1995, received a term of seventeen years from the date of issuance. Thus, an inventor could construct long chains of continuation applications, in which the parent applications were abandoned after each subsequent continuation was filed, over an extended period of time while repeatedly pushing back the beginning of the seventeen year term. Because the PTO maintained the confidentiality of these applications, industries would naturally mature around

application determines which references are available as prior art for purposes of §§ 102 and 103, information regarding the effective filing date is of the utmost importance to an examiner."

24. 4 CHISUM, supra note 19, § 13.01; see 35 U.S.C. § 120; id. § 132(a). Currently, the basic fee for filing each application is $740.00 ($370.00 for small entities). 37 C.F.R. § 1.16 (2002).

25. 35 U.S.C. § 120 (requiring that the patent application be “filed before the patenting or abandonment of or termination of proceedings on the first application or on an application similarly entitled to the benefit of the filing date of the first application”).

26. See id.

27. See In re Henriksen, 399 F.2d 253, 261 (C.C.P.A. 1968).


31. Before 1999, the PTO maintained strict secrecy of pending or
the technology claimed in the chain of applications without awareness of the potential threat of patent infringement. This type of patent prosecution is commonly referred to as “submarine” patenting because a decade or more after filing the original application, a patent may “surface” from the PTO to convert industry leaders who truly developed the technology into patent infringers. For example, George Selden filed a patent application in 1879 on the automobile. His prototype, however, did not necessarily work well and was not


33. Thomas G. Eschweiler, Ford v. Lemelson and Continuing Application Laches, 79 J. PAT. & TRADEMARK OFF. SOC’Y 401, 424 n.132 (1997); Lemley, supra note 28, at 377-78; David L. Marcus, Comment, Is the Submarine Patent Torpedoed?: Ford Motor Co. v. Lemelson and the Revival of Continuation Application Laches, 70 TEMP. L. REV. 521, 525 (1997). Notably, the delay associated with the prosecution of a submarine patent may include both continuation and divisional applications. See, e.g., U.S. Patent No. 5,351,078 (issued Sept. 27, 1994) (showing a patent that issued in 1994 that claimed priority to an original application filed in 1954—forty years of prosecution—by way of continuation and divisional applications). A divisional application arises where the applicant attempts to claim “distinct inventions” in a single application, which results in a restriction requirement. 35 U.S.C. § 121; see 37 C.F.R. § 1.141 (2002). In response, the applicant may elect to prosecute claims associated with only one distinct invention, and file divisional applications to prosecute the claims to the other inventions. Id. §§ 1.142, 1.146. The divisional application may claim priority to the filing date of the original application if it complies with the previously described requirements of § 120. 35 U.S.C. § 121.
commercialized. \textsuperscript{34} Selden's application was pending before the PTO for sixteen years before finally issuing as a patent. \textsuperscript{35} Under the patent laws that were in effect until 1994, Selden's patent term extended to 1912 (thirty-three years after the application was originally filed), which allowed him to wield his power over the developing industry. \textsuperscript{36}

In 1994, Congress amended § 154 to conform to the General Agreement on Tariffs and Trade and to simultaneously deal with the problem of "submarine" patents. \textsuperscript{37} Under the amended law, patents that issue from applications filed after June 8, 1995 are valid for twenty years from the earliest effective filing date. \textsuperscript{38} The amended law sought to destroy the incentive for maintaining "submarine" patents because each day spent prosecuting the application before the PTO resulted in a loss of one day from the patent term. \textsuperscript{39}

Contrary to some commentators' conclusions, \textsuperscript{40} there are two reasons why the congressional amendment has not cured the problems associated with submarine patents. \textsuperscript{41} First, the amended law applies only to applications filed after June 8, 1995, so many potential submarine patents filed before that date issued recently (after lengthy periods of prosecution) and received seventeen year terms. \textsuperscript{42} As such, these fresh "submarine" patents may still wreak havoc on the independently developed industries as if the amendment never passed. \textsuperscript{43} Second, the amended law does not eliminate the problem of "submarine" patents from applications filed after June 8, 1995. \textsuperscript{44} Even today, patent prosecution delays of less

\begin{itemize}
\item \textsuperscript{34} Lemley, \textit{supra} note 28, at 378.
\item \textsuperscript{35} U.S. Patent No. 549,160 (issued Nov. 5, 1895); Lemley, \textit{supra} note 28, at 378.
\item \textsuperscript{36} Lemley, \textit{supra} note 28, at 378.
\item \textsuperscript{37} Id. at 370, 376-77.
\item \textsuperscript{38} See id. at 370. Applications that were filed on or before June 8, 1995, but issued as patents after that date, receive the longer of seventeen years from issue or twenty years from filing. Id. at 382 (describing the "transition rule").
\item \textsuperscript{39} See id. at 371.
\item \textsuperscript{40} See, e.g., Blount, \textit{supra} note 30, at 24 (concluding that the amended patent term helped "put a stop to the threat of submarine warfare").
\item \textsuperscript{41} See Marcus, \textit{supra} note 33, at 525-26.
\item \textsuperscript{42} Id. at 526 (noting that, as of 1997, "thousands of patents" filed before June 8, 1995, have issued or will issue and "each and every one of these applications" are entitled to the old seventeen-year term).
\item \textsuperscript{43} See id.
\item \textsuperscript{44} Id. (describing that "even when there are no longer any patents
than ten years could easily "submarine" industries characterized by rapid innovation.45

B. JEROME H. LEMELSON: CUNNING INVENTOR OR MANIPULATIVE PATENTEE?

Jerome Lemelson is regarded as both a role model to self-made inventors and the most infamous holder of "submarine" patents.46 Lemelson is the named inventor on more than 550 patents and has many more patent applications still pending at the PTO.47 His patents include inventive contributions or improvements to portable cassette players (e.g., Sony Walkmans), VCRs, bar-code scanning equipment, automated warehouse systems, fax machines, camcorders, robots, ATMs, crying toy dolls, propeller beanies, shaving razors, toy racecar tracks, and cancer detection equipment.48 He established the Lemelson Foundation with his wife, Dorothy, and has assigned

45. See Blount, supra note 30, at 16-17 (pointing out that "if a submarine patent is kept submerged for 15 years, it can still wreak a lot of havoc in its remaining five"); Lemley, supra note 28, at 378 ("The problem of submarine patents is particularly troublesome in industries characterized by rapid innovation, since even a modest delay in prosecution can result in catching an entire industry unaware."); Marcus, supra note 33, at 526 ("There are many industries where it may take far less than a decade or two for the participants to become entirely dependent on an underlying technology."). Many patent applications filed in 1999 or later are now published by the PTO approximately eighteen months after filing, see supra note 31, but an applicant may refuse the publication (and thereby maintain secrecy of the application) by informing the PTO that no foreign applications will be filed. See 35 U.S.C. § 122 (2000).

46. See Blount, supra note 30, at 19 ("While many who know nothing of patent law admired him for his wealth, . . . many who knew something of patent law did not . . . ."). Compare Janet Rae-Dupree, Powers of Invention, U.S. NEWS & WORLD REP., Feb. 11, 2002, at 66, 66 (labeling Lemelson as a "defender of inventors' rights"), with Lemley, supra note 28, at 379 ("Today, the most famous holder of 'submarine patents' is Jerome Lemelson.").

47. Varchaver, supra note 1, at 204 (stating that Lemelson "earned 558 patents (some came after his death), which leaves him four places behind . . . Thomas Edison"); see also Eschweiler, supra note 33, at 402 (noting that Lemelson had more than 500 patents, and calling him "the most prolific inventor alive"); Rae-Dupree, supra note 46, at 66 ("So far, Lemelson has 566 patents to his name, the most of any American inventor since Thomas Edison.").

more than 180 unexpired patents to it.\textsuperscript{49} Although the Lemelson Foundation is a for-profit organization, it has used the wealth accumulated from these patents to promote innovation and entrepreneurship by establishing the $500,000 annual Lemelson-MIT Prize, the Lemelson Center at the Smithsonian Museum, and various other programs.\textsuperscript{50}

Many in the field of intellectual property view Lemelson not as a generous philanthropist but as a manipulator of the patent system who used his patent portfolio to hold independently developed industries hostage.\textsuperscript{51} Lemelson's strategy included the filing of huge patent applications that are described as "incredibly vague."\textsuperscript{52} For example, a family of patents in the Lemelson portfolio, the "machine vision" patents, disclose "a means whereby a video picture signal may be used to effect automatic quality control."\textsuperscript{53} Professionals in the

\textsuperscript{49} Edward T. Colbert & Kenneth R. Corsello, \textit{Prosecution Laches}, \textit{NAT'L L.J.}, Feb. 25, 2002, at A19 (stating that the Lemelson Foundation is "the assignee of more than 180 unexpired patents and pending patent applications of the late Jerome Lemelson"); Rae-Dupree, \textit{supra} note 46, at 67 (describing that profits from Lemelson's patent portfolio "enabled him and his wife to establish the Lemelson Foundation").

\textsuperscript{50} Rae-Dupree, \textit{supra} note 46, at 66 (describing the philanthropy of the Lemelson Foundation and that "[e]ven his detractors give a nod of approval to that part of his legacy").

\textsuperscript{51} Eschweiler, \textit{supra} note 33, at 402 (stating that others in the intellectual property field believe that Lemelson "is an extortionist who has manipulated the patent system"); see Eric W. Pfeiffer, \textit{Setting Patent Traps: A 66-Year-Old Tycoon Is Set to Make $2 Billion on 46 Patents}, \textit{FORBES ASAP}, June 24, 2002, at 65 ("In some instances, by masterfully playing the patent system, Lemelson submitted patents in the 1950s and, after several decades, the patent would finally be issued. By then, they were full of amendments that miraculously contained the latest cutting-edge technology."); Varchaver, \textit{supra} note 1, at 204 (asserting that Lemelson's "most lucrative patents were the product of a masterful exploitation of the patent system").

\textsuperscript{52} Varchaver, \textit{supra} note 1, at 208 ("Lemelson would grind down examiners by submitting 'jumbo' applications that stretched to more than 100 pages."). Some examiners assigned to Lemelson's applications began referring to him as "Black Box Jerry" due to his use of broad concepts with very little technical detail. \textit{Id.}

machine vision and bar-code industries emphasize that Lemelson’s original disclosures are “quite different from how machine vision is practiced or ever was practiced.”

Nevertheless, many companies have capitulated to the complexity of Lemelson’s “machine vision” portfolio and paid royalty fees that were “slightly below the threshold of pain.” As a result, Lemelson (and more recently, the Lemelson Foundation) reaped mammoth profits from various settlements and royalty agreements, which fueled the fires for even more patent enforcement and lawsuits.

1979); U.S. Patent No. 4,118,730 (issued Oct. 3, 1978). These sixteen patents contain a total of 547 claims, and all of them profess some priority date relationship to abandoned applications that were filed in the 1950s. See sources cited supra. Importantly, many of these claims are directed to bar-code scanning equipment and were not drafted until 1989. See Lloyd Johnson & Anastasia D. Kelly, A United Front Stops a Legal Juggernaut, CORP. LEGAL TIMES, Mar. 2002, at 12 (“[Lemelson’s patent attorney] began filing new bar-code type claims to Lemelson’s pending patent applications in September 1989. Once granted, he set out to sue users of bar-code technology—which includes just about everyone.”). Lemelson’s “machine vision” patent portfolio embraces much more than the sixteen previously listed patents, including additional applications still pending before the PTO. Varchaver, supra note 1, at 214, 216 (discussing Lemelson’s practice of maintaining applications at the PTO as a means of convincing companies to accept settlements and noting that even if Lemelson’s adversaries managed to invalidate one claim, “dozens more would rise to take its place”).

54. Varchaver, supra note 1, at 210, 216 (quoting Professor Steve Dickerson, a patentee of machine vision technology, and describing similar statements made by George Laurer, the unchallenged inventor of the Universal Product Code). In fact, Laurer believes that Lemelson’s “invention,” as it relates to bar-coding, is “so far out in left field” that he not only refused to testify on behalf of Lemelson, but has offered to testify for free on behalf of his opponents. Id. at 216.

55. Bernie Knill, Lemelson Decision Will Shape Bar Coding, MATERIAL HANDLING MGMT., Sept. 1, 2002, at 20, 2002 WL 12148335; see also Pfeiffer, supra note 51, at 65 (“When faced with a large number of complicated patents, it’s cheaper for companies to pay for a license than to hire expensive attorneys to figure out their merit . . . .”); Varchaver, supra note 1, at 210-12 (quoting a business letter from Lemelson that states that “[i]f we overwhelm them with our patents, they should comply and take a license”).

56. Brigid McMenamin, Depth Charge: Jerome Lemelson Turned an Obscure “Submarine Patent” into $1 Billion-Plus in Royalties. The Sub Just Took a Hit, FORBES, May 13, 2002, at 56 (reporting that “over the past decade Lemelson and his heirs have hauled in $1.5 billion in licensing fees from 940 auto, computer, retail, electronics and other firms”); Varchaver, supra note 1, at 214 (describing how, within months after the Japanese auto industry reluctantly agreed to pay Lemelson $100 million, thirty other European and Japanese companies also fell in line and presented another $350 million to him). After Lemelson obtained these victories with foreign companies, he then focused on the American auto industry. Varchaver, supra
C. PROSECUTION LACHES: FROM EQUITABLE ROOTS TO QUESTIONABLE EXISTENCE

The doctrine of laches is a well-established defense against a party who has delayed in asserting a known right so as to prejudice the opposing party.\textsuperscript{57} Generally, the traditional form of laches equitably bars plaintiffs who, by delaying their bringing of the lawsuit, cause prejudice to the defendant.\textsuperscript{58} Although laches is a well-established defense where the patentee delays \textit{in bringing a patent infringement lawsuit}, \textsuperscript{59} the law is quite unsettled where the patentee unreasonably delayed \textit{in prosecuting the patent claims before the PTO}.\textsuperscript{60} This unsettled law, known as prosecution laches or continuation laches, has undeniable roots in the Supreme Court jurisprudence prior to the 1950s,\textsuperscript{61} but opponents of the prosecution laches doctrine point to the enactment of the 1952 Patent Act as an implicit abrogation of it.\textsuperscript{62}

\textsuperscript{57} 27A AM. JUR. 2D Equity § 157 (1996). The Supreme Court has paraphrased the doctrine of laches to say that “no one should be relieved who has slept upon his rights.” Wollensak v. Reiher, 115 U.S. 96, 100 (1885). In addition, the Federal Circuit generally defined the term “laches” to be “slackness or carelessness toward duty or opportunity.” A.C. Aukerman Co. v. R.L. Chaides Constr. Co., 960 F.2d 1020, 1028 (Fed. Cir. 1992) (en banc) (citation omitted).

\textsuperscript{58} Aukerman, 960 F.2d at 1028-29. The “delay” in asserting a known right has been stated in various terms, such as lack of diligence, lapse of time, or failure to timely assert such right or claim. 27A AM. JUR. 2D Equity § 158 (1996). Similarly, the “prejudice” element of laches has been defined to include injury, harm, hardship, damage, disadvantage, unfairness, injustice, inequity, or change of position. Id.

\textsuperscript{59} See Aukerman, 960 F.2d at 1028-29.


\textsuperscript{61} See infra Part I.C.1.

\textsuperscript{62} See Eschweiler, supra note 32, at 457-59 (describing how a district court denied the prosecution laches defense due to the effect of the 1952 Patent Act); see also infra notes 118-25 and accompanying text.
1. Prosecution Laches Prior to the 1952 Patent Act

In *Woodbridge v. United States*, the Supreme Court directly confronted the situation in which an applicant intentionally delayed the issuance of his patent claims to exploit the patent's commercial value. The applicant delayed the issuance of his allowed patent claims for one year, which was permissible by statute at the time, to preserve his right to file a foreign patent application. The PTO stored his file in the secret archives, and neither he nor the PTO did anything for over nine years. The applicant requested the issuance after this delay and admitted that he had allowed the delay "to avail himself of the value of the patent.

The Supreme Court began by analyzing the constitutional purposes and legislative intent of the patent laws. Additionally, the Court noted the intervening rights of other inventors that arose during the applicant’s delay. The Court held that the applicant forfeited any right to a patent because of his designed delay. This holding was not a limited one, but instead the Court broadly declared that “[a]ny practice by the . . . applicant for a patent through which he deliberately and without excuse postpones . . . the beginning of his monopoly, and thus puts off the free public enjoyment of the useful invention, is an evasion of the statute and defeats its benevolent aim.”

The Court acknowledged that a specially

63. 263 U.S. 50, 56 (1923).
64. Id. at 52.
65. Id. at 53.
66. Id.
67. Id. at 55 (describing the plan adopted by Congress in exercise of the power granted by the Constitution and discussing the “legislative intent that . . . at the end of [the patent term], the public might derive . . . knowledge sufficient to enable it freely to make and use the invention”).
68. For purposes of analyzing prosecution laches, the phrase “intervening rights” refers to other inventors who independently made the same advances in the art while the applicant delayed the issuance of his patent. Id. at 56-57 (“Many inventors were at work in the same field, and had made advances in the art, and the government had used them.”).
69. Id. at 63. Although the PTO had refused to issue the patent on the ground of abandonment, the Supreme Court held that the applicant’s designed delay constituted prosecution laches. Id. at 56-57 (“This is not a case of abandonment. It is a case of forfeiting the right to a patent by designed delay.”).
70. Id. at 56; see also Marcus, *supra* note 33, at 539 (noting that the Court’s proclamation was articulated “in light of the aims behind the constitutional grant of power and the legislature’s plan for implementing these constitutional aims”).
enacted law permitted this lawsuit, but held that it was not permitted to trump the equitable doctrine of prosecution laches.\textsuperscript{71}

One year later, in \textit{Webster Electric Co. v. Splitdorf Electrical Co.}, the Court held that the doctrine of prosecution laches barred patentees from asserting any patent rights.\textsuperscript{72} There, the applicant filed the original application in 1910 and filed a divisional application in 1915, which had claims copied from another patent to institute an interference proceeding.\textsuperscript{73} After the interference concluded, the applicant added the claims at issue to the divisional application.\textsuperscript{74} The Court found that the applicant “stood by and awaited development[ ]” of intervening rights during the eight years before he presented the claims at issue to the PTO.\textsuperscript{75}

The Court analyzed the “long delay” and determined that the applicant added the claims at issue as “an exigent afterthought, rather than [as] a logical development of the original application.”\textsuperscript{76} The \textit{Webster} Court held that the applicant’s delay was unreasonable and gave rise to prosecution laches, which resulted in a forfeiture of his patent rights.\textsuperscript{77} In a noteworthy forewarning, the \textit{Webster} Court acknowledged that patent laws should not be construed

\textsuperscript{71} See \textit{Woodbridge}, 263 U.S. at 58. The special statute was specifically enacted to allow the plaintiff’s lawsuit on the condition that “the court shall find that [the] claimant had not forfeited his right to a patent by delay or laches or for other reasons.” \textit{Id.} at 56. The Court recognized that the statute necessarily implied that there may be a forfeiture by delay or laches and held that, in fact, the plaintiff’s conduct did constitute prosecution laches. \textit{Id.} A later Supreme Court case characterized \textit{Woodbridge} as holding that “the delay of 9 years . . . was laches.” \textit{Overland Motor Co. v. Packard Motor Co.}, 274 U.S. 417, 427 (1927).

\textsuperscript{72} 264 U.S. 463, 466 (1924).

\textsuperscript{73} \textit{Id.} at 464-65. When two or more inventors are seeking to patent the same invention, the PTO must initiate an interference proceeding to determine priority of invention. See \textit{Merges & Duffy, supra} note 18, at 50. As such, an applicant may instigate an interference proceeding by copying one or more claims from another applicant’s pending application or issued patent. See, e.g., \textit{Webster}, 264 U.S. at 464.

\textsuperscript{74} \textit{Webster}, 264 U.S. at 465. The broader claims issued without being subject to an interference proceeding. \textit{Id.}

\textsuperscript{75} \textit{Id.}

\textsuperscript{76} \textit{Id.} at 466.

\textsuperscript{77} \textit{Id.} (“We have no hesitation in saying that the delay was unreasonable, and, under the circumstances shown by the record, constitutes laches . . . .”); \textit{see also} \textit{Eschweiler, supra} note 33, at 406 (stating that the Court was “concerned with the ‘reasonableness’ of the delay” and not necessarily the interference proceedings between the same parties unrelated to the case).
narrowly to discourage creative genius, but more importantly, that a loose interpretation of the patent laws may subvert the intended limitations so as to "bring about an undue extension of the patent monopoly against private and public rights." Finally, the Court established a firm two-year limit for an applicant to file a continuation or divisional application.

Much of the pre-1952 continuation practice was judicially created, so the judicial creation of the two-year time limit in *Webster* was not an affront to any act of Congress. Such a heavy-handed rule, however, was not equitable in all cases, and the Court faced this problem in *Crown Cork & Seal Co. v. Ferdinand Gutmann Co.* There, the applicant filed an original application that claimed a process and, three years later, filed a divisional application that claimed the resulting product. More than two years after the original application issued with process claims, the applicant filed a second divisional (stemming from the initial divisional) that claimed a second process. The defendant argued that the delay in filing the second divisional constituted laches under *Webster*, but the patentee urged that there was no intervening adverse use of the second process before the filing of the second divisional.

The *Crown Cork* Court distinguished *Webster*, without overruling it, by noting that the *Webster* applicant "stood by and awaited development[]" of intervening adverse rights while delaying the prosecution of the claims at issue. In *Crown Cork*, however, there was no evidence before the Court that

78. *Webster*, 264 U.S. at 466.
79. *Id.* at 471 (holding that "the two-year time limit *prima facie* applies to divisional applications and can only be avoided by proof of special circumstances justifying a longer delay").
80. See infra notes 94-100 and accompanying text.
81. 304 U.S. 159, 160-61 (1938). The issue before the court was framed as follows: "Does this Court's decision in *Webster* . . . mean that, *even in the absence of intervening adverse rights*, an excuse must be shown for a lapse of more than two years in presenting claims in a divisional application?" *Id.* (emphasis added). The *Crown Cork* Court deliberately limited its holding to this question only. *Id.* at 168.
82. *Id.* at 162-63.
83. *Id.*
84. *Id.* at 164. The trial court agreed with the patentee that no adverse use existed. *Id.*
85. *Id.* at 166 (noting that the *Webster* Court looked to the intervening rights during the prosecution delay before applying the doctrine of prosecution laches).
such conduct existed.\footnote{Id. at 164 (describing how the district court found no adverse use of the invention prior to the second process claims).} Because the existence of intervening adverse rights was an important equitable factor in \textit{Webster}, the \textit{Crown Cork} Court was not compelled to follow the \textit{Webster} holding.\footnote{Id. at 167-68.} As such, the Court held that, regardless of \textit{Webster}'s two-year time limit, prosecution laches does not apply "in the absence of intervening adverse rights."\footnote{Id. ("It is clear that, in the absence of intervening adverse rights, the decision in \textit{Webster} does not mean that an excuse must be shown for a lapse of more than two years in presenting the divisional application."). Even the dissenting opinion acknowledged the majority holding as requiring "proof of 'intervening adverse rights.'" \textit{Id.} at 169. One scholar summarized \textit{Crown Cork} to hold that "unreasonable delay in patent prosecution may trigger laches, however no applicant will be subject to an arbitrary time frame, but rather each case will be decided on its particular facts." Eschweiler, \textit{supra} note 33, at 407.}  

The Supreme Court handed down its decision in \textit{General Talking Pictures Corp. v. Western Electric Co.} on the same day as \textit{Crown Cork.}\footnote{See 304 U.S. 175, 183 (1938), \textit{aff'd on reh'g}, 305 U.S. 124 (1938).} As in \textit{Crown Cork}, the \textit{General Talking Pictures} Court distinguished \textit{Webster} and held that the two-year time limit for filing continuation applications did not apply in absence of intervening adverse rights.\footnote{Id. (holding that the \textit{Webster} time limit did not apply to these continuation applications "[i]n the absence of intervening adverse rights" (emphasis added)).}  

The Supreme Court precedents before 1952 established, at the very least, the certain existence of the prosecution laches defense.\footnote{Supra notes 63-90 and accompanying text.} Although \textit{Crown Cork} and \textit{General Talking Pictures} may have limited \textit{Webster}'s firm time limit after which prosecution laches would apply, neither case rejected the existence of the defense.\footnote{See Eschweiler, \textit{supra} note 33, at 408 (concluding that the pre-1952 case law "supports a contention that a court has the authority in equity to render a valid patent unenforceable for 'unreasonable delay' in prosecution"); \textit{supra} notes 81-90 and accompanying text; \textit{see also} Marcus, \textit{supra} note 33, at 534-60 (offering an extensive history of the Supreme Court case law relating to prosecution laches).} These cases, however, represent the Supreme Court's last word on the topic.\footnote{Marcus, \textit{supra} note 33, at 534.}

In 1952, Congress enacted the first major patent reform since 1874.\(^\text{94}\) Congress intended the 1952 Patent Act to "revise and codify the laws relating to patents," which shows that some portions of the Act were intended to legislatively correct specific statutory and judicially created laws as they existed before 1952.\(^\text{95}\) For example, paragraph six of § 112 was codified to affirmatively overrule a prior Supreme Court opinion that frowned upon the use of means-plus-function language in patent claims.\(^\text{96}\)

In contrast, Congress did not affirmatively overrule the doctrine of prosecution laches established by the Supreme Court when crafting provisions related to continuation and divisional applications.\(^\text{97}\) Indeed, the Senate Report that accompanied the 1952 Patent Act summarizes the impact of §§ 120 and 121, which relate to continuation and divisional applications, in a single sentence: "Sections 120 and 121 express in the statute certain matters which exist in the law today but which had not before been written into the statute, and in so doing make some minor changes in the concepts

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\(^{95}\) S. REP. NO. 82-1979, at 1 (1952), reprinted in 1952 U.S.C.C.A.N. 2394, 2394. Notably, the drafters did not intend the codification to be all encompassing so as to overrule any particular case law that was not specifically addressed in the text or history of the new Act. Federico, supra note 94, at 162. Federico, one of the original drafters of the Act, admitted that "[w]hile patents are creatures of statute, the entire body of patent law is much fuller than the statute itself, including a vast amount of case material." Id.

\(^{96}\) Ronald D. Hantman, Why Not the Statute? Revisited, 83 J. PAT. & TRADEMARK OFF. SOCY 685, 692 (2001) ("Section 112, ¶ 6 and § 271 were enacted in the 1952 law for the first time. Section 271 was simply a codification of existing law while § 112, ¶ 6 was said to be enacted to overrule Halliburton Oil Well Cementing Co. v. Walker[, 329 U.S. 1 (1946)]."); see also Deron Burton, Comment, Bridging Theory into Practice: Predictable Scope for Function Patent Claims, 42 UCLA L. REV. 221, 236 (1994).

\(^{97}\) See Eschweiler, supra note 33, at 411-13 (noting that § 120 was merely a codification of the then-present continuation practice and not regarded as "blazing new trails in patent law").
involved." In describing § 120 by itself, the Senate Report states, again in a single sentence, "This section represents present law not expressed in the statute, except for the added requirement that the first application must be specifically mentioned in the second." Thus, neither the text nor the legislative history of § 120 demonstrate an intent to overrule or change any existing Supreme Court precedent regarding continuation practice.

Congress encoded the doctrine of laches and other equitable defenses into the 1952 Patent Act, just as it had encoded the judicially created continuation practice. While discussing the drafters' intent behind item one of § 282, P. J. Federico, one of the Act's original drafters, stated that "this would include ... equitable defenses such as laches, estoppel and unclean hands." Congress did not foresee a significant change in the available defenses to infringement. Instead, the legislative history shows that § 282 simply added "a broader paragraph specifying defenses in general terms" without eliminating any existing law.

3. After the Dust Has Settled: The Modern Viability of the Prosecution Laches Defense

Even though the 1952 Patent Act did not expressly overrule precedent establishing the doctrine of prosecution laches, the doctrine's opponents draw attention to the absence of any statutory limits on the number of continuations that an applicant can file or on the duration of prosecution. Relatively soon after the codification of the patent laws, some courts—including one predecessor court to the Federal

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100. Id.; see also 35 U.S.C. § 120 (2000).
102. See supra note 98 and accompanying text.
103. See supra note 94.
Circuit—adhered to pre-1952 Supreme Court precedent by applying the doctrine of prosecution laches. Shortly thereafter, however, another predecessor court to the Federal Circuit rejected arbitrary limits upon the number of continuation applications that an applicant may file. In In re Henriksen, the examiner rejected the applicant's continuation application, which was the most recent in a chain of seven applications, on the ground that the great-great-great grandparent application was anticipatory prior art. The examiner reasoned that an effective filing date should be limited to a chain of three applications, so the applicant could not claim priority to an ancestor application that is more than three generations removed. The Henriksen court relied on § 120 and its legislative history to hold that "the statute provides no limit to the number of applications that may be copending." Although the court thoroughly interpreted the statute with respect to continuations, it did not speak to the issue of equitable defenses, such as prosecution laches, in light of the entirety of the applicant's conduct.

Before 2002, the Federal Circuit addressed prosecution laches on only rare occasions, never establishing a precedential rule. In 1986, the court upheld a finding, under the clear error standard, that an applicant had not been guilty of prosecution laches in Studiengesellschaft Kohle v. Northern Petrochemical Co. The patent at issue was granted in 1978 and claimed priority to an application originally filed in 1955. The

108. See, e.g., Pratt & Whitney Co. v. United States, 345 F.2d 838, 843-44 (Ct. Cl. 1965) (finding no satisfactory explanation for the applicant's delay in presenting claims to the Patent Office and "following the decision in the Webster case [to find] the claims invalid due to laches").
110. Id. at 254-55.
111. Id.
112. Id. at 261.
113. The Henriksen court addressed the "deplorable state of affairs" in patent law that a patent may claim priority to a twenty-year-old application. Id. at 262. As policy matter, the court stated that "the cure . . . rests with Congress, not with us." Id. Immediately after making this statement, the court muddied the waters by holding that "[i]f a restriction is to be imposed, it must be based upon law, legislatively or judicially expressed." Id. (emphasis added) (leaving open the possibility that a judicially created law, such as prosecution laches, may impose some limit on the continuation practice).
114. 784 F.2d 351, 356 (Fed. Cir. 1986).
115. Id. at 352-53. Even though the applicant at issue had overcome the examiner's rejections in 1960, a series of interference proceedings delayed the patent's issuance. Id. at 356.
district court found that the delay in prosecution “resulted in large part from circumstances in the” PTO and that the applicant’s “response thereto involved no deliberate or calculated delay.” 116 The Northern Petrochemical court found no error in the lower court’s conclusion, and more importantly, the Federal Circuit’s precedential opinion did not reject the existence of the prosecution laches defense, which the defendant had specifically raised. 117

Two years later, the Federal Circuit in Bott v. Four Star Corp., a non-precedential opinion, refused to adopt “equitable safeguards” to limit the continuation practice as established by the 1952 Patent Act. 118 Although the Bott court did not mention prosecution laches, that defense was implied by the defendant’s reliance upon Webster and Crown Cork. 119 Using somewhat backward reasoning, the Bott court did not look for something in the legislative history that overruled the pre-1952 precedents, but instead it searched the legislative record for affirmative evidence that these precedents should have continued viability. 120 In addition, this non-precedential interpretation of § 120’s legislative history may be severely weakened by the Federal Circuit’s later (precedential) interpretation of that section:

The legislative history of section 120 does not indicate any congressional intent to alter the Supreme Court’s interpretation of continuing application practice. The Court of Customs and Patent Appeals (CCPA), a predecessor of this court, acknowledged that the state of the law regarding continuing application practice had not been changed by the enactment of section 120 . . . . 121

More than a decade after Bott, the Federal Circuit addressed an issue that is somewhat similar to prosecution

116. Id.
117. Id.
119. Id.
120. Id. (“[W]e have not been directed to anything in the legislative history of the 1952 Act that supports [the defendant’s] contention that the equitable considerations discussed in the Supreme Court cases should have continued viability.”). Because prosecution laches was embedded in patent law before the 1952 Patent Act, the court’s expectation that Congress should list each precedent that had continued viability after the Act seems unrealistic, especially in light of the legislative intent with respect to § 120 to represent “present law not expressed in the statute.” See supra notes 94-106 and accompanying text.
laches in another non-precedential opinion in *Ricoh Co. v. Nashua Corp.* The defendant in *Ricoh* raised an equitable defense of intervening rights in the context of a continuation application, which is essentially the defense of prosecution laches. As a result, the court stated that the defense of intervening rights was reserved for cases involving reissue applications and that filing broader claims in a continuation application to encompass a competitor's product was permissible. As in *Bott*, the *Ricoh* court refused to adopt "equitable safeguards" in the absence of congressional indication that intervening rights should be applied in the context of continuation applications.

In sum, the case law surrounding the doctrine of prosecution laches digressed into an uncertain condition after the 1952 Patent Act. Although some early cases directly applied Supreme Court precedent to invoke the equitable doctrine, other cases refused to restrict the number of continuation applications that may be chained together over time. The only precedential case from the Federal Circuit on this issue acknowledged that the defense existed, but the court simply affirmed that the applicant's conduct *in that case* did not constitute prosecution laches. More recent Federal Circuit opinions rejected the notion of equitable safeguards to limit continuation applications without an affirmative act from Congress. Those opinions, however, are non-precedential and carry no authority upon which subsequent courts may rely.

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123. Id. In general, the defense of intervening rights applies in cases involving reissue applications. See 35 U.S.C. § 252 (2000).
125. Id. Interestingly, the *Ricoh* court was looking for Congress to adopt a new law on equitable safeguards in the context of continuation applications, but the legislative history of § 120 shows that the 1952 Congress did in fact adopt the continuation practice as established by judicial precedent, which included the equitable doctrine of prosecution laches. See supra notes 94-106 and accompanying text.
126. See supra notes 108-13 and accompanying text.
127. See supra notes 114-17 and accompanying text.
128. See supra notes 118-25 and accompanying text.
129. See FED. CIR. R. 47.6(b).
II. THE FEDERAL CIRCUIT ANSWERS THE CALL FOR PRECEDENT: SYMBOL TECHNOLOGIES, INC. v. LEMELSON MEDICAL, EDUCATION & RESEARCH FOUNDATION

Less than eighteen months after the non-precedential Ricoh decision, the Federal Circuit granted a petition for interlocutory appeal to address the issue of prosecution laches directly. The interlocutory appeal arose from a declaratory judgment action initiated by Symbol Technologies in the District of Nevada to declare Lemelson’s “machine vision” patents unenforceable due to prosecution laches. The district court granted the Lemelson Foundation’s motion to dismiss the prosecution laches defense, relying on District of Nevada precedent. Due to the confusion surrounding the doctrine of prosecution laches since the 1952 Patent Act, the district court certified its order to the Federal Circuit, pursuant to 28 U.S.C. § 1292(b), as “involving a controlling question of law as to which there was a substantial ground for difference of opinion.” Under § 1292(b), by granting the interlocutory appeal, the Federal Circuit had complete discretion in determining whether to grant or deny Symbol Technologies’s petition. This hinted that the Federal Circuit was preparing to establish a precedential rule on the doctrine of prosecution laches.


132. Symbol Techs., 2000 WL 33709453, at *6 (agreeing with a prior District of Nevada case involving Lemelson’s patents and holding that “[i]t is therefore improper to introduce the equitable doctrine of laches into the statutory scheme of continuation practice”); see also FED. R. CIV. P. 12(b)(6) (describing a motion to dismiss for “failure of the pleading to state a claim upon which relief can be granted”).

133. Id.; see also 28 U.S.C. § 1292(b) (2000).

134. See, e.g., Varchaver, supra note 1, at 216 (describing the importance of the “mid-case appeal” and noting that the “remaining Lemelson litigation has
In *Symbol Technologies, Inc. v. Lemelson Medical, Education & Research Foundation*, the sole issue facing the Federal Circuit was "whether, as a matter of law, the equitable doctrine of laches may be applied to bar enforcement of patent claims that issued after an unreasonable and unexplained delay in prosecution even though the applicant complied with pertinent statutes and rules." The *Symbol Technologies* court held that prosecution laches could bar enforcement of such delayed patent claims and reversed the lower court's decision to dismiss the prosecution laches count.

Chief Judge Mayer, writing for the majority, began with a description of the prosecution laches origin in pre-1952 Supreme Court precedents, such as *Woodbridge, Webster, Crown Cork, and General Talking Pictures*. The *Symbol Technologies* court concluded that all of the Supreme Court cases, along with pre-1952 patent law treatises, "evinced the existence of prosecution laches." After laying the groundwork for the pre-1952 existence of prosecution laches, the majority addressed the Lemelson Foundation's three arguments that the defense is no longer available.

First, the Lemelson Foundation argued that the prosecution laches rule from *Webster* and its progeny was limited to claims arising out of interference proceedings. In particular, the Lemelson Foundation argued, *Crown Cork* removed the possibility of using the defense outside of the interference context. The *Symbol Technologies* court rejected this argument for two reasons. First, the patent claims at issue have been stayed in anticipation of the Federal Circuit's holding.

136. 277 F.3d 1361, 1363 (Fed. Cir. 2002), cert. denied, 123 S. Ct. 113 (2002).

137. *Id.* at 1364-65, 1368.


139. *Id.* at 1364-65; see also supra Part I.C.1 (discussing these four Supreme Court cases). The *Symbol Technologies* court noted the importance of "intervening adverse rights" in its discussion of *Webster* and *Crown Cork*. *Id.* at 1365; see also supra notes 85-88 and accompanying text (discussing the Court's rationale in distinguishing *Crown Cork* from *Webster*).

140. *Symbol Techs.*, 277 F.3d at 1365 (emphasis added).

141. *Id.* at 1365-68 (listing the three reasons asserted by the Lemelson Foundation and addressing each one in turn).

142. *Id.* at 1365.

143. *Id.*
in *Webster* were never involved in an interference proceeding. Instead, the *Webster* Court emphasized the unreasonableness of the applicant's delay. Second, a thorough reading of *Crown Cork* supports the existence of prosecution laches while curbing the firm two-year time limit espoused in *Webster*. According to the majority, the *Crown Cork* holding did not set out to limit the prosecution laches defense to cases involving interferences, but instead, *Crown Cork* and *General Talking Pictures* eliminated the two-year time limit established in *Webster*.

The Lemelson Foundation’s second argument was that the plain language of §§ 120 and 121 of the 1952 Patent Act barred the prosecution laches defense. The majority agreed with the Lemelson Foundation that these sections are “the backbone for the modern continuation and division practice,” but it rejected the notion that the passage of these sections eliminated the prosecution laches defense. The majority relied on the 1952 Act's legislative history to show that the prosecution laches defense coexisted with the continuation practice and that Congress did not intend to alter the Supreme Court’s interpretation of the continuing application practice. Furthermore, the majority cited Federico's commentary to show that § 282 of the Act actually incorporated the prosecution laches defense.

Finally, the Lemelson Foundation pointed to the *Bott* and *Ricoh* non-precedential opinions, which refused to apply equitable safeguards to the continuation practice, and insisted that these opinions be binding upon the Federal Circuit. The majority rejected the reasoning of a recent Eighth Circuit case,

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144. *Id.*
145. *Id.*
146. *Id.; see also supra* note 88 and accompanying text (discussing the relevance of intervening adverse rights to the application of prosecution laches).
147. *Symbol Techs.*, 277 F.3d at 1365.
148. *Id.*
149. *Id.* at 1365-66.
150. *Id.* at 1366.
151. *Id.* (citing Federico as one of the Act's original drafters whose commentary "is an invaluable insight into the intentions of the drafters" and calling particular attention to Federico, *supra* note 94); *see also supra* notes 103-04 and accompanying text.
152. *Symbol Techs.*, 277 F.3d at 1366-67, 1370; *see also supra* notes 118-29 and accompanying text.
which held that a rule permitting unpublished opinions to be nonbinding upon future courts violated Article III of the Constitution. Instead, the Symbol Technologies court adopted the logic of a Ninth Circuit case that refuted the Eighth Circuit’s approach on the ground that accurate publications of issued opinions were not available until decades after Article III was drafted, but non-precedential opinions existed before 1787 without concern from the framers. Because the Bott and Ricoh opinions were non-precedential, the Symbol Technologies court treated them as such and declined to consider them as binding.

The dissent, authored by Judge Newman, rested on the principle that equitable doctrines should not interfere with statutory provisions. As such, Judge Newman disagreed that the equitable doctrine of prosecution laches should retrospectively deprive an applicant of property rights even though he fully complied with the statutory procedures of the continuation practice. Her opinion did not fully embrace the Lemelson Foundation’s argument that Crown Cork limited prosecution laches to interference proceedings, but Judge

153. Id. at 1367 (refusing to adopt the holding of Anastasoff v. United States, 223 F.3d 898, 899 (8th Cir. 2000), vacated as moot, 235 F.3d 1054, 1056 (8th Cir. 2000) (en banc)). The court maintained that “Anastasoff’s restrictive view of the Framer’s [sic] notions of precedent is far greater than was even possible at the relevant time period.” Id.

154. Id. (embracing the “comprehensive, scholarly treatment of the issue” in Hart v. Massanari, 266 F.3d 1155, 1160 (9th Cir. 2001), and holding that “Article III of the Constitution does not contain an express prohibition on issuing non-precedential opinions”).

155. Id. at 1368 (stating that non-precedential opinions “merely permit a judgment about whether a case contributes significantly to the body of law” and refusing to “consider the non-precedential cases cited by Lemelson”).

156. Id. at 1368-69 (Newman, J., dissenting).

157. Id. at 1371 (Newman, J., dissenting). Judge Newman asserted that “[h]eretofore, there has been no cause of action whereby a patentee who fully complied with the statute and rules must nonetheless defend the charge that he should have done more than the statute and rules require.” Id. at 1368. This assertion, however, ignores the Federal Circuit’s rule that a patentee may be subjected to a traditional laches defense even though the patentee fully complied with the pertinent statutes and seeks damages for less than the prior six years of infringement. A.C. Aukerman Co. v. R.L. Chaides Constr. Co., 960 F.2d 1020, 1034-35 (Fed. Cir. 1992) (en banc); see 35 U.S.C. § 286 (2000).

158. Symbol Techs., 277 F.3d at 1369 (Newman, J., dissenting). Judge Newman attempted to distinguish the precedent established in Woodbridge by stating that “surely this is not ‘laches.’” Id. This view, however, is inconsistent with Woodbridge’s language and its subsequent Supreme Court
Newman did agree that the 1952 Patent Act eliminated any possibility that the prosecution laches defense existed.\textsuperscript{159} In addition, her dissent adopted the reasoning of Bott and Ricoh, although not referring to these cases as binding.\textsuperscript{160} Judge Newman also argued that the majority's acceptance of prosecution laches accomplishes a retroactive effect that Congress previously rejected.\textsuperscript{161}

III. WHAT NOW? THE LEGITIMACY OF SYMBOL TECHNOLOGIES AND THE MEANING OF “UNREASONABLE AND UNEXPLAINED DELAY”

A. THE NECESSARY AND APPROPRIATE OUTCOME

The majority's conclusion that prosecution laches is a valid defense was not only proper, but was in fact necessitated by the Supreme Court precedent and the clear congressional intent to maintain the status quo of the pre-1952 continuation practice.\textsuperscript{162} The Symbol Technologies court's interpretation of Webster and Crown Cork is decidedly consistent with that of other scholars.\textsuperscript{163} Even the dissent in Symbol Technologies did not adopt the Lemelson Foundation's misconstruction of these early Supreme Court cases.\textsuperscript{164} Furthermore, the history of the applications. See supra note 71 and accompanying text. Moreover, Judge Newman did not describe Crown Cork as limiting the laches defense to interference proceedings, but rather asserted that Crown Cork eliminated the two-year "requirement" set forth in Webster. Symbol Techs., 277 F.3d at 1369 (Newman, J., dissenting).

159. Symbol Techs., 277 F.3d at 1369 (Newman, J., dissenting) (noting that Congress chose not to set time limits on the use of continuation applications).

160. Id. at 1370 (Newman, J., dissenting). Interestingly, the majority opinion never formally cited Bott or Ricoh, and Judge Newman commented that discussion of these opinions was permitted only on a motion from the Lemelson Foundation. Id. at 1370 & n.2.

161. Id. at 1371 n.3 (Newman, J., dissenting). In response to the Uruguay round of General Agreement of Tariffs and Trade, Congress amended the patent laws, limiting all future patent terms to twenty years from the earliest effective filing date. Id.; see also supra notes 37-39 and accompanying text. This amendment, however, did not apply to patents that issued from applications filed on or before June 8, 1995. Symbol Techs., 277 F.3d at 1371 n.3 (Newman, J., dissenting).

162. See supra notes 63-93, 101-06 and accompanying text.

163. See, e.g., Eschweiler, supra note 33, at 404-08 (discussing Webster and Crown Cork and concluding that pre-1952 precedents permitted a court to render a valid patent unenforceable for unreasonable delay in prosecution); see Marcus, supra note 33, at 534-60 (tracing the development of the prosecution laches defense by analyzing pre-1952 Supreme Court cases).

164. See supra note 158 and accompanying text.
1952 Patent Act evinces no instruction or belief that the codified laws eliminated the Supreme Court's well-established precedents relating to prosecution laches.\textsuperscript{165} The Symbol Technologies court correctly rejected the Lemelson Foundation's argument that the plain text of § 120 eliminated the prosecution laches defense and held that Congress did not intend to endorse the continuation practice at the expense of prosecution laches.\textsuperscript{166}

The Symbol Technologies court, however, did not discuss the important constitutional implications of rejecting the prosecution laches defense.\textsuperscript{167} According to the dissent's interpretation of the pertinent statutes, a patentee may intentionally and secretly delay the issuance of patent claims.\textsuperscript{168} That patentee may then allow the claims to issue and sue the innovators who independently developed the claimed invention decades earlier, introduced the technology for public use, and spurred further innovation.\textsuperscript{169} Because the constitutional authority for Congress to enact the patent laws requires a purpose to "promote the Progress of Science and useful Arts," one must question Judge Newman's interpretation of those pertinent statutes.\textsuperscript{170} Such an interpretation of the patent laws, which encourages an applicant to "submarine" an industry, "would materially retard the progress of science and the useful arts, and give a premium to those who should be

\textsuperscript{165} See supra notes 97-100 and accompanying text.

\textsuperscript{166} See supra notes 148-51 and accompanying text.

\textsuperscript{167} See Marcus, supra note 33, at 525 (describing the practice of "submarine" patents as "a significant abuse of . . . patent law" and stating that "[t]his state of affairs cannot be . . . what the founding fathers intended").

\textsuperscript{168} See supra note 157. Judge Newman may be correct in stating that Lemelson did not violate any statutes, but inequities suffered as a result of Lemelson's unusually prolonged delay are no secret. See supra notes 51-56 and accompanying text.

\textsuperscript{169} Even though Lemelson and his attorney candidly added claims directed to bar-code technology decades after filing the original application, Lemelson was able to extract large royalties from those who actually contributed to bar-code development. See supra notes 55-56 and accompanying text. Judge Newman, however, found that Lemelson's conduct was somehow justified by the patent laws. Symbol Techs., 277 F.3d at 1369-70 (Newman, J., dissenting) ("The only charge is that, despite full compliance with statute and regulation, [Lemelson] took too long to present his claims.").

\textsuperscript{170} See supra note 16 and accompanying text. In light of the Constitutional mandate, it is difficult to understand how the patent laws could not only encourage conduct that hinders progress, but also prevent an innovator from raising a known defense to such conduct.
least prompt to communicate their discoveries.”¹⁷¹

Although the ultimate conclusion of the *Symbol Technologies* court was well reasoned, the court provided little guidance on how to apply the doctrine. Adding to this predicament, the doctrine of prosecution laches will likely be a new ground for litigation after *Symbol Technologies*’s nod of approval (and the Supreme Court’s refusal to grant certiorari to the Lemelson Foundation’s petition).¹⁷² Within eight months of the *Symbol Technologies* holding, several district court cases, and at least one Federal Circuit case, have dealt with the doctrine of prosecution laches.¹⁷³ At least one court has observed that “the Federal Circuit’s laches defense, and what action constitutes an ‘unreasonable and unexplained delay,’ has yet to be fleshed out through application.”¹⁷⁴ Future courts should consider Supreme Court precedent, the *Symbol Technologies* case, and the Federal Circuit’s law regarding the traditional form of laches to formulate a practical prosecution laches defense test.¹⁷⁵

**B. THE PRUDENT RULE FOR ANALYZING PROSECUTION LACHES**

Before setting forth the test for determining whether a court should act in equity to apply the doctrine of prosecution laches, the general principles of applying prosecution laches must be outlined. Under Federal Circuit precedent, the equitable determination of laches is a matter “committed to the

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¹⁷². See supra note 15 and accompanying text; infra note 174.
¹⁷³. See In re Bogese, 303 F.3d 1362, 1367 (Fed. Cir. 2002) (extending the *Symbol Technologies* holding to permit the PTO to reject pending applications based on prosecution laches); Intuitive Surgical, Inc. v. Computer Motion, Inc., No. 01-203-SLR, 2002 WL 3183867, at *3-*6 (D. Del. Dec. 10, 2002) (construing the *Symbol Technologies* case and concluding that the disputed delay in prosecution did not give rise to the prosecution laches defense); Ford Oxaal v. Internet Pictures Corp., No. 00CV1863LEKDRH, 2002 WL 485704, at *2 (N.D.N.Y. Mar. 27, 2002) (granting the defendant’s motion to amend its answer based on the *Symbol Technologies* court’s validation of the prosecution laches defense); Digital Control Inc. v. McLaughlin Mfg. Co., 225 F. Supp. 2d 1224, 1226-29 (W.D. Wash. 2002) (discussing the *Symbol Technologies* case in detail and holding that the defendant failed to show, as a matter of law, that the plaintiff’s delay was unreasonable and unexplained).
¹⁷⁴. Digital Control, 225 F. Supp. 2d at 1226; see also Intuitive Surgical, 2002 WL 3183867, at *3 (noting the *Symbol Technologies* holding and stating that “[u]nfortunately, neither Congress nor the Federal Circuit has provided any further guidance on the legal standards applicable to the prosecution laches defense”).
¹⁷⁵. See infra Parts II.B-III.
sound discretion of the” trial judge, and laches “must have flexibility in its application.”176 Terminology such as “discretion” and “flexibility” often gives rise to doomsday predictions of massive litigation rendering many patents unenforceable, such as Judge Newman’s prediction that the prosecution laches defense will subject “patents to a new source of satellite litigation of unforeseen scope.”177 In addition, opponents of the prosecution laches doctrine contend that it will end a prevalent practice of “commercial gamesmanship,” endorsed by the Federal Circuit in State Industries, Inc. v. A.O. Smith Corp., whereby the practitioner amends pending claims to cover a competitor’s newly marketed product.178 These contentions, however, are easily put to rest by the guiding principle that actual proof of unreasonable delay and prejudice to the defendant does not mandate recognition of a laches defense in every case.179 Instead, such proof of unreasonable delay and prejudice merely lays a foundation for the court’s potential discretion.180

Most importantly, application of prosecution laches bars all relief for the patentee by rendering the patent claims unenforceable, and laches may be applied to bar all relief “only in egregious circumstances.”181 Thus, even if an accused

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178. 751 F.2d 1226, 1235-36 (Fed. Cir. 1985). “Commercial gamesmanship” occurs where one competitor tries to design around a second competitor’s patent, and the second competitor manipulates “its secret pending application to cover the functionally competitive structure.” Id. In State Industries, A.O. Smith marketed a new water heater designed to avoid State Industries’s patent. Id. at 1234-35. In response, State Industries added new claims to its pending continuation application to cover A.O. Smith’s new water heater. Id. at 1235-36. The Federal Circuit refused to eliminate such “commercial gamesmanship” from the patent prosecution practice. Id. at 1236; see also Kingsdown Med. Consultants, Ltd. v. Hollister Inc., 863 F.2d 867, 874 (Fed. Cir. 1988) (“[N]or is it . . . improper to amend or insert claims intended to cover a competitor’s product [that] the applicant’s attorney has learned about during the prosecution of a patent application.”).
179. Aukerman, 960 F.2d at 1036.
180. Id. To further restrict the application of prosecution laches, the Federal Circuit has held that the party asserting laches bears the burden of persuasion at all times. Id. at 1038.
181. Id. at 1040 (emphasis added); see also In re Bogese, 303 F.3d 1362, 1366, 1369 (Fed. Cir. 2002) (quoting the PTO’s finding that the conduct of the applicant was “so egregious in defeating the policy of the patent laws . . . as to
infringer factually proves that the unreasonable delay in prosecution of the patent claims results in prejudice, the judge must weigh the facts in equity to determine if the circumstances are sufficiently "egregious" to bar all relief and render the patent unenforceable. 182

Proceeding now to the test for determining whether to apply prosecution laches, a court must consider two critical factual requisites: "unreasonable delay and prejudice." 183 Although a determination of laches is not made upon the application of "mechanical rules," the particular facts and circumstances of each case must be used to analyze several factors. With respect to prosecution laches, these factors may be analyzed in a two-part test. First, in determining prejudice, courts examine the detriment to the party asserting the defense that would result if the patent claims are not equitably barred. 184 Second, application of prosecution laches requires a showing of "unreasonable and unexplained delay" in prosecution of the patent claims and that the delay is the cause of the prejudice now facing the adverse party. 185

C. DETERMINING "PREJUDICE" FOR PURPOSES OF PROSECUTION LACHES

1. The Requirement of Intervening Adverse Rights

The Symbol Technologies court's interpretation of Webster and Crown Cork emphasized the importance of "intervening
adverse rights." In addition, the Symbol Technologies court held that the 1952 Patent Act maintained the defense of prosecution laches as it existed in the pre-1952 Supreme Court precedents. Looking to Webster, where the Court held the patent claims at issue unenforceable due to prosecution laches, the Supreme Court found that before the applicant submitted his claims to the PTO "their subject matter was disclosed and in general use." The Webster Court found this evidence of intervening adverse rights persuasive in its determination that the delayed claims were "an exigent afterthought, rather than a logical development of the original application." Crown Cork dealt with facts similar to Webster, where the applicant submitted new claims years after the original application issued as a patent. The Court, however, strongly emphasized a distinguishing feature: the absence of intervening adverse rights. The Crown Cork Court noted that there was no adverse use of the claimed subject matter before the applicant added the claims at issue, and consequently, refused to apply the Webster time limit.

The Supreme Court's emphasis on intervening adverse rights, and the Symbol Technologies court's acknowledgement of that factor, shows the importance of intervening adverse rights in future prosecution laches cases. A comparison of Webster and Crown Cork provides an outline of what is meant by "intervening adverse rights." As one scholar stated, the Supreme Court "intended [that] phrase . . . to mean use by the public of an invention disclosed but unclaimed in a pending application for a patent before the presentation of claims to the PTO directed to that invention." Given the Federal Circuit's rule that laches may bar all relief only in egregious circumstances, there are few, if any, circumstances in which prosecution laches would render patent claims unenforceable in

186. See supra note 139.
187. See supra notes 148-51 and accompanying text.
188. See supra note 75 and accompanying text (noting that the applicant in Webster "simply stood by and awaited developments" before initiating the prosecution of new claims).
189. See supra note 76 and accompanying text.
190. See supra note 85 and accompanying text.
191. See supra notes 82-83 and accompanying text.
192. See supra notes 86-88 and accompanying text.
193. See supra notes 85-88, 187-92 and accompanying text.
194. Marcus, supra note 33, at 558.
195. See supra text accompanying notes 181-82.
the absence of intervening adverse rights. As such, proof of this factor must be a requirement for purposes of asserting the prosecution laches defense.

2. Economic Prejudice Factor

In addition to establishing intervening adverse rights, parties asserting a prosecution laches defense may show prejudice in terms of economic factors. Economic prejudice may arise when a party will incur damages that likely would have been prevented if the claims were not delayed. In particular, a patent applicant may not "lie silently in wait" when the accused infringer, "if he had notice, could have switched to a noninfringing product." Alternatively, the accused infringer may show a loss of financial investment caused by a change in economic position that occurred during the period of delay.

In a case where claims were allegedly delayed for decades, such as in Symbol Technologies, a defendant has many opportunities to show potential damages that could have been prevented. For example, manufacturers developed and sold...
bar-code equipment long before Lemelson initially drafted claims to bar-code technology.\textsuperscript{203} In the 1990s, however, the Lemelson Foundation asserted that Lemelson was the rightful inventor of these innovations and sued companies that used the bar-code equipment.\textsuperscript{204} Most likely, bar-code equipment users could have invested in other non-infringing systems if they had received any notice of Lemelson's newly added claims.\textsuperscript{205}

3. Evidentiary Prejudice Factor

A party may show prejudice, in addition to a showing of intervening adverse rights, as a result of lost evidence. Evidentiary prejudice may occur if the applicant's delay prevents a party from being able to present a full and fair defense on the merits of the case.\textsuperscript{206} In general, patent lawsuits require extensive document discovery, and many defenses depend on evidence from a time near the effective filing date of the application to prove the state of the art at that time.\textsuperscript{207} The passing of time may lead to the loss, either intentional or

\textsuperscript{203} See supra notes 53-54 and accompanying text.

\textsuperscript{204} See supra note 32 (describing Lemelson's mid-1990s lawsuit against Ford Motor Company, which sought damages for Ford's use of bar-code equipment).

\textsuperscript{205} In such a case, one court found the economic prejudice to be "obvious." Ford Motor Co. v. Lemelson, Nos. CV-N-92-613-LDG(PHA), CV-N-92-545-LDG(PHA), 1995 WL 628330, at *15 (D. Nev. June 16, 1995) (adding that the bar-code devices "were almost certainly in development" before Lemelson submitted his claims to the PTO). In another example, the Federal Circuit upheld the PTO's finding that the applicant's delay of more than eight years without a substantive amendment to advance prosecution of the claims caused prejudice "to the public." In re Bogese, 303 F.3d 1362, 1366 (Fed. Cir. 2002).


\textsuperscript{207} See 60 AM. JUR. 2D Patents § 1004 (2002) (describing the intensive discovery associated with patent cases); see also Beckson Marine, Inc. v. NFM, Inc., 292 F.3d 718, 725-26 (Fed. Cir. 2002) (noting that an obviousness defense looks to the state of the prior art to determine if the invention would have been obvious "at the time of invention").
coincidental, of records or potential courtroom exhibits, which is especially damaging in patent cases where the corroboration of witness testimony is required.\textsuperscript{208} Also, witness and inventor depositions play a key evidentiary role for both invalidity and equitable defenses raised in patent litigation.\textsuperscript{209} As such, unreasonable delay in the prosecution of patent claims may result in evidentiary prejudice through the death or impaired memories of pertinent witnesses and the loss of corroborating documents.\textsuperscript{210}

For example, \textit{Symbol Technologies} is ripe for showing evidentiary prejudice. Because most of the claims pertaining to bar-code technologies were not drafted until 1989 and seek the benefit of filing dates from applications filed decades earlier, \textit{Symbol Technologies} would be forced to research prior art from the 1950s and 1960s.\textsuperscript{211} Although this fact by itself may not create prejudice, the great span of time possibly resulted in evidentiary prejudice, such as the periodic destruction of business documents or the death of most witnesses who attended technology trade shows in the 1950s. Most importantly, the \textit{Symbol Technologies} case commenced in 1998, 

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\item \textsuperscript{208} See Price v. Symek, 988 F.2d 1187, 1194 (Fed. Cir. 1993) (stating that the Federal Circuit requires corroboration of witness testimony in order to invalidate a patent); see, e.g., Skinner v. Aluminum Co. of Am., 105 F. Supp. 635, 637 (W.D. Pa. 1952) (listing, among other prejudicial factors resulting from a patentee's delay, that "records and other physical exhibits have been lost or destroyed").
\item \textsuperscript{209} See, e.g., Teleflex, Inc. v. Ficosa N. Am. Corp., 299 F.3d 1313, 1321 (Fed. Cir. 2002) (discussing the defendant's use of deposition testimony from the inventor as a basis for asserting an invalidity defense); Kahn v. Gen. Motors Corp., 135 F.3d 1472, 1479 (Fed. Cir. 1998) (describing the defendant's use of expert testimony in an attempt to show the patent's invalidity).
\item \textsuperscript{210} See Wanlass v. Gen. Elec. Co., 148 F.3d 1334, 1337 (Fed. Cir. 1998) (suggesting that "the death of a witness, or the unreliability of memories of long past events" undermine the court's ability to judge the facts (quoting A.C. Aukerman, 960 F.2d at 1033)).
\item \textsuperscript{211} See \textit{supra} note 53 and accompanying text (discussing the sixteen patents at issue in \textit{Symbol Technologies} and Lemelson's efforts to draft new claims directed toward bar-code technology in the late 1980s). For \textit{Symbol Technologies} to assert an invalidity defense under § 102, it would need to uncover evidence, such as documents showing offers for sale or public uses, in existence more than a year before the effective filing dates of Lemelson's patents. \textit{See} 35 U.S.C. § 102 (2000). Furthermore, a defense under § 103 often requires expert testimony of what one skilled in the art at the time of invention would have deemed an obvious improvement. \textit{See id.} § 103; \textit{see also In re Dow Chem. Co.}, 837 F.2d 469, 472-73 (Fed. Cir. 1988) (relying on the testimony of an expert, along with other evidence, to determine that the invention was not obvious under § 103).
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one year after Lemelson's death, so Symbol Technologies was unable to depose the inventor due to Lemelson's unusually long delay in prosecuting the bar-code technology claims. Consequently, the only living witnesses with knowledge of Lemelson's patents were the attorneys who worked for Lemelson, and they would likely assert attorney-client privilege to prevent Symbol Technologies from deposing them.

D. CRAFTING AN "UNREASONABLE AND UNEXPLAINED DELAY" TEST FOR PURPOSES PROSECUTION LACHES

The Symbol Technologies court held that courts may render patents unenforceable if they were obtained after an "unreasonable and unexplained delay" in prosecution. But this holding did not shed light on what circumstances are sufficiently unreasonable and unexplained. Future courts, however, are not left clueless in determining whether prosecution laches applies to an applicant's delay.

1. Measurement of the "Unreasonable and Unexplained" Delay, Not Just Any Delay

The threshold issue in analyzing the delay in prosecution of patent claims is that the delay must be "unreasonable and unexplained," not merely a delay. Because laches is an equitable determination, the Federal Circuit has held that the length of time that courts may deem unreasonable has no fixed boundaries but instead depends on the particular circumstances.

The traditional form of laches differs from prosecution laches in the context of measuring the period of delay. For

212. See supra notes 209-10 and accompanying text.
213. In re Spalding Sports Worldwide, Inc., 203 F.3d 800, 804-06 (Fed. Cir. 2000) (holding that the attorney-client privilege applies to communications between an inventor and his or her patent attorney).
214. See In re Bogese, 303 F.3d 1362, 1367 (Fed. Cir. 2002); supra notes 136-37 and accompanying text.
215. See supra note 174 and accompanying text.
216. See supra note 136 (noting that the Symbol Technologies court phrased the issue in terms of unreasonable and unexplained delay). See generally Window Glass Mach. Co. v. Pittsburgh Plate Glass Co., 284 F. 645, 650 (3d Cir. 1922) (describing the defense of laches in the context of a patent infringement case and noting that courts "recognize a distinction between mere delay and unreasonable delay").
traditional laches, the period of delay does not begin until after the patent issues and ends when the patentee files suit.\textsuperscript{218} The period of delay for prosecution laches, however, is measured from the time the claimed subject matter is first disclosed in the specification until the time when the applicant actively prosecutes the claims at issue.\textsuperscript{219}

2. Commercial Gamesmanship Versus Unreasonable Delay

Adding to the complexity of determining unreasonable delay is the inherent conflict between the Federal Circuit's endorsement of "commercial gamesmanship" in \textit{State Industries} and the \textit{Symbol Technologies} holding that prosecution laches may render a patent unenforceable. The courts must draw a line where "commercial gamesmanship" crosses over into the realm of "unreasonable and unexplained delay."\textsuperscript{220} Importantly, prosecution laches should not apply unless the facts surrounding the applicant's delay in submitting the new claims to the PTO rise to the level of "egregious circumstances."\textsuperscript{221}

\textsuperscript{218} \textit{Id.} (discussing the period of delay for the traditional form of laches).

\textsuperscript{219} See, e.g., \textit{Webster Elec. Co. v. Splitdorf Elec. Co.}, 264 U.S. 463, 465 (1924) (noting that the claims at issue "were for the first time presented to the Patent Office, by an amendment to a divisional application eight years and four months after the filing of the original application" (emphasis added)); \textit{Bogese}, 303 F.3d at 1366, 1369 (describing the applicant's eight-year delay without a single substantive amendment to advance prosecution of the claims as unreasonable and holding that such a delay is sufficient for prosecution laches to apply). Interestingly, Bogese claimed priority to an application filed on June 14, 1978, and actively prosecuted claims through March 16, 1987, which included two appeals from the PTO board to the Federal Circuit. \textit{Id.} at 1363-64. The PTO and the Federal Circuit did not find the time consumed by these appeals to be unreasonable delay because Bogese was actively prosecuting claims, but instead, they focused on the period of time between March 1987 and September 1995. \textit{Id.} at 1366.

\textsuperscript{220} See supra note 178 and accompanying text (discussing the \textit{State Industries} holding and the Federal Circuit's acknowledgement of the "commercial gamesmanship" as a prevalent strategy); supra notes 136-37 and accompanying text (describing the \textit{Symbol Technologies} holding).

\textsuperscript{221} See supra notes 181-82 and accompanying text (noting that prosecution laches should render patent claims unenforceable only in "egregious circumstances"). In \textit{Ford Motor}, Magistrate Judge Atkins made it clear that Lemelson's conduct in delaying prosecution of claims related to barcode technology involved egregious circumstances and did not fall within the limits of commercial gamesmanship. \textit{Ford Motor Co. v. Lemelson}, Nos. CV-N-92-613-LDG(PHA), CV-N-92-545-LDG(PHA), 1995 WL 628330, at *13-*14 (D. Nev. June 16, 1995) (finding that "drawing claims to read on currently marketed technology is not in itself evidence of intent to act inequitably" and that the commercial gamesmanship strategy "is entirely unlike Lemelson's
In a post-Symbol Technologies example, Digital Control Inc. v. McLaughlin Mfg. Co., a district court faced the issue of determining whether the patentee’s conduct during the prosecution of eight patents amounted to unreasonable and unexplained delay. The court denied the accused infringer’s motion for summary judgment on its prosecution laches defense because the undisputed evidence before the court showed that the patentee followed common practice. Although the Digital Control court did not use the word “egregious,” it made a comparison to the egregious circumstances in Symbol Technologies. The court did not limit a future finding of unreasonable and unexplained delay to Symbol Technologies’s facts, but instead noted that “a reasonable fact-finder might find that certain calculated delays in filing continuation applications, though on a lesser scale than the facts in Symbol Technologies, nonetheless constitute an unreasonable and unexplained delay.”

3. Factors for Determining the Adequacy of Explanations of or Justifications for Prosecution Delay

Courts may consider several factors relating to prosecution delay in determining whether a duration of time constitutes unreasonable and unexplained delay. The first, and perhaps most obvious, factor in analyzing the justification for the prolonged prosecution is the actual duration of the applicant’s delay. The Federal Circuit has held that there are no fixed boundaries on the length of time that may be deemed reasonable, and the Supreme Court’s holdings in Crown Cork

seemingly infinite introduction of new claims”).

222. 225 F. Supp. 2d 1224, 1229 (W.D. Wash. 2002). The patentee filed an original application on March 1, 1991, and the examiner imposed a restriction requirement because the application contained four independent groups of claimed inventions. Id. at 1225. The patentee pursued only one of these invention groups while prosecuting the other invention groups in subsequently filed continuation applications. Id. Overall, the patentee filed eight continuations throughout an eight-year period, all of which issued as valid patents. Id.

223. Id. at 1225 (finding that “the continuation practice followed by [the patentee] is common”).

224. Id. at 1229 (determining that the patentee “did not wait on their patent applications while taking no action for decades, as was the case in Symbol” and finding that the patentee “disclosed [the] device in the initial patent”).

225. Id. at 1228.

226. See supra note 217 and accompanying text.
and General Talking Pictures evince a dislike for arbitrary time limits in the application of prosecution laches.\textsuperscript{227} In some cases, the period of time from when the claimed subject matter is first disclosed in the specification until the time when the applicant actively prosecutes the claims at issue does not, by itself, affect the court's determination of prosecution laches.\textsuperscript{228} In other cases, however, the duration of the applicant's delay may be an overwhelming factor in demonstrating egregious circumstances. For example, Lemelson added patent claims directed to bar-code technology in late 1989, yet these patents claimed benefit to the filing dates of original applications filed in 1954 and 1956.\textsuperscript{229} Thus, the delay of several decades in presenting these claims to the PTO presents a significant reason for finding egregious circumstances in the Symbol Technologies case.\textsuperscript{230}

Another important factor to which a court must look when determining if a delay in prosecution is sufficiently explained is the holdup caused by the PTO's actions. The period of time that a typical patent spends from initial filing to issuance is a function of the length of time an application waits at the PTO for an office action and the length of time for the applicant's response to the office action.\textsuperscript{231} Applicants who actively prosecute their claims cannot control delays that the PTO may cause, such as time spent awaiting an initial office action from an examiner, time spent awaiting an appeal from an examiner's final rejection, or time spent during an interference proceeding.\textsuperscript{232} The Northern Petrochemical court held that

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  \item \textsuperscript{227} See supra notes 85-90, 146-47 and accompanying text.
  \item \textsuperscript{228} Compare In re Bogese, 303 F.3d 1362, 1366, 1369 (Fed. Cir. 2002) (upholding the PTO's determination that the applicant's delay of more than eight years without actively prosecuting claims constituted prosecution laches), with Digital Control, 225 F. Supp. 2d at 1229 (holding that the patentee's conduct, which included filing one continuation application eight years after the original application, did not rise to the level of unreasonable and unexplained delay).
  \item \textsuperscript{229} See supra note 53 and accompanying text (discussing the sixteen patents in Symbol Technologies and Lemelson's efforts to draft new claims directed to bar-code technology in the late 1980s).
  \item \textsuperscript{230} See supra note 224 and accompanying text; see also Ford Motor Co. v. Lemelson, Nos. CV-N-92-613-LDG(PHA), CV-N-92-545-LDG(PHA), 1995 WL 628330, at *13-*14 (D. Nev. June 16, 1995) (determining that Lemelson's delay in prosecution of machine vision patents was unreasonable).
  \item \textsuperscript{231} See Lemley, supra note 28, at 386 (discussing the two factors that dictate the time spent processing patents).
  \item \textsuperscript{232} See supra notes 114-17 and accompanying text (discussing Northern Petrochemical, which held that the claims at issue were delayed by
prosecution laches did not apply to delays resulting “from circumstances in the Patent Office” where nothing pointed to a “deliberate or calculated delay on the part of the applicants.” On the other hand, the Webster case shows that prosecution laches may apply in cases in which an applicant uses an administrative delay, such as an interference proceeding, to delay the insertion of new claims into a pending application.

An additional factor that courts should consider is the use of delay tactics by the applicant. As Judge Newman pointed out in her Symbol Technologies dissent, many of Lemelson’s claims may have been delayed for decades, but he did nothing to violate the pertinent rules and statutes. The illustration of delay in Symbol Technologies hints that an applicant may use certain legal tactics, in addition to the mere filing of continuations, to extend the duration of prosecution. For example, the rules require that an applicant respond to an examiner’s office action within three months, but the response time may be automatically extended for up to six months by paying a statutory fee to the PTO. The Bogese court listed part of the prosecution history at issue, which showed repeated waiting until almost the entire six months expired before filing a continuation with no substantive response, to show the applicant’s attempt to delay the prosecution of his claims. In interference proceedings, not by the applicants, and that prosecution laches does not apply in those circumstances; see also Intuitive Surgical, Inc. v. Computer Motion, Inc., No. Civ.A. 01-203-SLR, 2002 WL 31833867, at *5 (D. Del. Dec. 10, 2002) (“Any portion of the delay attributed to the mistake of the PTO must be considered an ‘explained’ delay for purposes of the prosecution laches analysis.”). The PTO’s goal is to provide an initial office action within fourteen months after an application is filed, see 35 U.S.C. § 154(b)(1)(A) (2000), but it is not always successful.

233. See supra notes 114-17 and accompanying text.

234. See supra notes 72-79 and accompanying text; see also In re Bogese, 303 F.3d 1362, 1369 (Fed. Cir. 2002) (“[A] delay by the PTO cannot excuse the appellant’s own delay.”).

235. See supra note 157 and accompanying text.

236. If Lemelson attempted to delay the prosecution of certain patent claims merely through the repeated filing of continuation applications with no attempt to advance the examination of the applications, the prosecution history would have resulted in one or two continuations filed for each year of prosecution. See, e.g., Bogese, 303 F.3d at 1363-65 (discussing the applicant’s delay of prosecution by means of filing eleven continuation applications over an eight-year period with no attempt to advance the examination of the claimed invention).


238. See Bogese, 303 F.3d at 1363-66 (recounting the applicant’s conduct in
addition, an applicant may prolong the prosecution of patent claims by repeating arguments for patentability in a continuation application that an examiner previously rejected in a parent application.\textsuperscript{239} Another delay tactic, which occurs either intentionally or coincidentally, is the abandonment and subsequent revival of an application after the applicant discovers that the disclosed subject matter has potential economic benefit.\textsuperscript{240}

Finally, courts must consider the peripheral justifications or explanations the applicant sets forth. For example, the applicant may point to other interference proceedings in the PTO that delayed the issuance of the patent claims.\textsuperscript{241} Additionally, one explanation of delay for purposes of the traditional forms of laches is “wartime conditions,” which the courts may likely adopt for purposes of prosecution laches.\textsuperscript{242} On the other hand, the Federal Circuit has held that poverty, by itself, is a not satisfactory explanation and that inability to find willing counsel is a widely rejected justification for delay.\textsuperscript{243} Importantly, precedent shows that the patentee should offer explanations for the alleged delay, as opposed to requiring the accused infringer to demonstrate that the delay is unexplained.\textsuperscript{244}

\textsuperscript{239} Id. at 1365-66 (showing that the applicant filed eleven continuations without a single amendment or argument to overcome the examiner’s final rejection of the asserted claims and holding that such conduct constituted prosecution laches).

\textsuperscript{240} The PTO’s rules involving abandoned applications permit the revival of any application where “the delay in reply . . . was unintentional,” without regard to the period of abandonment. 37 C.F.R. § 1.137(b). These rules do have several simple requirements, such as a mere statement by the applicant that “the delay in filing the required reply . . . was unintentional.” Id. § 1.137(b)(1)-(4).

\textsuperscript{241} See supra notes 114-17 and accompanying text (discussing the Federal Circuit’s holding that prosecution laches does not apply to delays caused by the PTO).

\textsuperscript{242} A.C. Aukerman Co. v. R.L. Chaides Constr. Co., 960 F.2d 1020, 1033 (Fed. Cir. 1992) (en banc) (citing Armstrong v. Motorola, Inc., 374 F.2d 764, 769 (7th Cir. 1967)).

\textsuperscript{243} Hall v. Aqua Queen Mfg., Inc., 93 F.3d 1548, 1554 (Fed. Cir. 1996).

\textsuperscript{244} Id. (holding that the patentee “failed to present a legally cognizable excuse for his unreasonable delays”); Aukerman, 960 F.2d at 1033 (“A court must also consider and weigh any justification offered by the plaintiff for its delay.” (emphasis added)); see also Ford Motor Co. v. Lemelson, Nos. CV-N-92-618-LDG(PHA), CV-N-92-545-LDG(PHA), 1995 WL 628330, at *12 (D. Nev. June 16, 1995) (describing Lemelson’s delay in submitting machine vision patent claims to the PTO and, in the context of prosecution laches, finding
CONCLUSION

In Symbol Technologies, the Federal Circuit concluded, with brevity and clarity, that the equitable doctrine of prosecution laches is a cognizable defense. The Symbol Technologies court’s analysis of the history of prosecution laches, both before and after the 1952 Patent Act, agrees with legal commentators who have analyzed the issue in detail. The Symbol Technologies holding, however, did not offer substantive guidance on how trial courts should apply prosecution laches in future patent litigation. This problem becomes more evident when a court faces the inherent friction between Symbol Technologies’s support for the prosecution laches defense and the Federal Circuit’s long-standing acquiescence to “commercial gamesmanship.”

As a solution to this dilemma, courts should use a sensible test for applying prosecution laches that is formulated from prior Supreme Court precedents, the Symbol Technologies holding, and the Federal Circuit’s case law relating to the traditional form of laches. First, the doctrine of prosecution laches requires a showing of prejudice before the court may act in equity to bar enforcement of the patent claims. One aspect of prejudice that is required by Supreme Court precedent is the existence of intervening adverse rights, while the court may also consider economic or evidentiary factors. Second, prosecution laches requires that the prejudice results from a delay in prosecution. As expressed in Symbol Technologies, that delay must be “unreasonable and unexplained,” not merely a delay. Factors that should influence the proffered explanations for a delay include the duration of the delay, actions within the PTO over which the applicant had no control, the applicant’s use of delay tactics (in addition to the filing of continuation applications), and any peripheral justifications presented by the patentee. Finally, one of the Federal Circuit’s general principles regarding laches requires that where the equity is applied to bar all relief, such as the defense of prosecution laches, the circumstances of delay and prejudice must be egregious. This principle, in combination with the previously described prosecution laches test, provides the appropriate balance between the interest in providing fair incentives to inventors and the interest of protecting those who encounter unreasonably delayed patent claims. Just as the

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that “Lemelson offer[ed] no explanation”).
Supreme Court fittingly concluded in *Brenner v. Manson*, "[A] patent is not a hunting license. It is not a reward for the search, but compensation for its successful conclusion." 245

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