

# Intellectual Property

COMMENTARY

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## Something You Will Want to Remember About Reissue Patents: The Recapture Rule

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You are probably wondering why you should bother reading an article about a defense that can only arise in an infringement action involving a reissue patent — after all, how often does any given litigator find him or herself involved in such a suit?

The reason is fairly fundamental: so that when it does eventually come up, you are aware of it and can advise your client of all the defensive options available to you.

Case in point: Several years ago we had the opportunity to defend our client, Storz Instruments Inc., in an infringement suit brought by an individual ophthalmologist, Dr. Jaswant Pannu, who was named as the sole inventor on a reissue patent pertaining to intraocular lenses.

Storz Instruments was not the first ophthalmic lens company to be sued by Pannu. In fact, Pannu had previously brought suit against at least three other major ophthalmic lens manufacturers. The first two suits ended in settlements involving significant payments to Pannu. The third resulted in two trials and two appeals to the U.S. Court of Appeals for the Federal Circuit, the last of which was still pending when our representation of Storz Instruments began.

Within months of being brought onto the case, we filed a motion for summary judgment of patent invalidity under the recapture rule. The “recapture” defense had not been raised by any of the other prior ophthalmic lens manufacturers in their respective suits.

At the hearing on the motion, Pannu’s counsel argued that the defense had no merit, since it had not been raised by all of these previous parties who were major corporations represented by competent and well-paid counsel. The District Court responded to this argument by saying “OK” and then shortly thereafter granted our motion and held Pannu’s patent invalid under the recapture rule. The Federal

Circuit affirmed the District Court’s judgment on appeal. *Pannu v. Storz Instruments Inc.*, 258 F.3d 1366 (Fed. Cir. 2001).

We saved our client a significant amount of money and headache by having the foresight to raise what might be considered by some to be an obscure defense. We thought, for this reason, that it would be worthwhile to briefly explain it (or re-explain it for those have forgotten) to other practitioners and house counsel.

What follows is a short and simple introduction to the recapture rule and how you can determine if it is applicable to your case. While written from the perspective of a litigator, this introduction will hopefully also provide the reissue prosecutor with insights into how to avoid falling victim to the recapture rule.

### What Is the Recapture Rule?

Stated simply, the recapture rule prevents a patentee from regaining through reissue subject matter surrendered in an effort to obtain allowance of the original claims.

The purpose of the reissue provisions of Title 35 is to provide a mechanism for inventors to correct good faith, unintentional errors that were made during the prosecution of the original patent. For public policy reasons, these provisions cannot be used to reclaim subject matter that was deliberately relinquished in order to convince the patent examiner to grant the patent.

For example, when an inventor deliberately places a limitation into the claims during prosecution and argues to the patent examiner that such limitation was inserted to distinguish over the prior art, there is a strong suggestion that, without such limitation, the invention is not patentable.

Once the patent issues, this strong suggestion is transmitted to the public, who can safely act in reliance on the patentee's statements, and thus, as a matter of public policy, design, manufacture and sell products that do not fall within the patentee's claimed invention.

The recapture rule preserves the public notice function of the prosecution history by preventing a patentee from correcting this type of deliberate "error" by way of a reissue application. In this respect, the recapture rule is similar to the doctrine of prosecution history estoppel.

In *Hester Industries Inc. v. Stein Inc.*, 142 F.3d 1472 (Fed. Cir. 1998), the Federal Circuit enumerated several criteria that can be used to determine whether the recapture rule applies in a given case. These criteria are briefly summarized in the following paragraphs.

### **Are the Reissue Claims Broader Than The Originally Issued Claims?**

The first step is to simply compare the reissue claims to the originally issued claims and ask yourself whether the reissue claims have been broadened in any way over the original claims. If there has been no broadening at all, then the recapture rule will not apply (after all, if the claims have only been narrowed, there has been no attempt to recapture subject matter).

But if there has been any broadening, then the possibility exists that the recapture doctrine will apply, even if the claims have also been narrowed in some respect.

### **Do the Broader Aspects of the Reissue Claims Relate to Subject Matter Surrendered During Prosecution?**

Now that you have determined how the claims have been broadened on reissue, take a careful look at the file history of the original patent. In order to invoke the recapture rule, the broadened aspects of the claims must relate to subject matter surrendered during prosecution of the original case.

The classic case of surrender occurs when the applicant inserts a narrowing limitation into a claim in order to overcome a prior art rejection. In a first office action, the examiner rejects original application claim 1 based on prior art reference A.

In an amendment, the applicant inserts narrowing limitation X into claim 1, and argues that this limitation distinguishes the claim from prior art reference A. The examiner accepts the applicant's argument and issues a notice of allowance for claim 1.

By inserting narrowing limitation X to obtain allowance of claim 1, the applicant has surrendered the broader

subject matter that would have been covered by the claim had the narrowing language not been inserted.

If the applicant subsequently files a reissue application removing limitation X from claim 1, he or she will have impermissibly recaptured the surrendered subject matter — *i.e.*, the broadening of claim 1 through reissue (the removal of narrowing limitation X) is directly related to the subject matter surrendered because the limitation now removed was initially inserted into the claim in order to secure its allowance.

The facts need not be so clear cut, of course, for there to be a surrender. The Federal Circuit has held that argument alone (without any amendment to the claims) can constitute a surrender of subject matter. *Hester Indus. Inc. v. Stein Inc.*, 142 F.2d 1472, 1482 (Fed. Cir. 1998).

Ultimately, if claims have been broadened through reissue and the broadening is found to be related to surrendered subject matter, the recapture rule bars the claims.

### **Were the Reissue Claims Narrowed In Any Respect?**

It is often the case that claims will be narrowed in some respects during the prosecution of a reissue application, as well as being broadened. Under certain circumstances, the presence of these narrowing limitations can provide for an exception to the recapture rule.

Whether any given set of narrowing limitations will overcome the recapture rule is a fact-specific inquiry, in which courts seem to ask whether, on balance, the reissue claim is broader than it is narrower in a manner directly pertinent to the subject matter that the applicant surrendered during prosecution.

### **Tuck It Away for a Rainy Day**

So that's the recapture rule, in a nutshell. Does it come up all that often? No. But as we found, it is something you cannot afford to overlook that one time that it does arise.

If nothing else, make a mental note that reissue patents and the recapture doctrine go hand in hand. That way, if you ever find yourself in litigation against a reissue patent (or, for that matter, prosecuting a reissue application), whether it be five, 10 or 15 years from now, you will at least remember that the possibility of impermissible "recapture" is something that should be explored.

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