

Cold to Mootness Challenge, But Warm to Inequitable Conduct Defenses

New England IP Blog on March 7, 2018

In a recent opinion from the District of Massachusetts, Judge Woodlock provided a reading on the mootness of an inequitable conduct counterclaim, where the asserted claims of the thermometer patent at issue were previously invalidated in the same litigation. Because the parties had already poured resources into addressing inequitable conduct as an alternate theory for patent invalidity, and because Brooklands sought attorneys' fees on related grounds, the court did not moot the inequitable conduct counterclaim, and instead issued summary judgment of no inequitable conduct on the merits.

Exergen brought the infringement action asserting U.S. Patent No. 7,787,938 (the '938 patent). In response, Brooklands raised counterclaims for a declaratory judgment that the '938 patent is invalid and for a finding of inequitable conduct by Exergen in obtaining the '938 patent. Brooklands additionally sought an award of attorneys' fees under 35 U.S.C. § 285.

On summary judgment, the two asserted claims of the '938 patent were found invalid under Section 101 of the Patent Act. As a matter of background, the '938 patent describes how to obtain body temperature measurements on unprotected body sites such as the forehead.

Judge Woodlock first addressed the procedural issue of whether the inequitable conduct counterclaim was moot in light of the summary judgment finding of invalidity. Exergen argued that Brooklands' inequitable conduct counterclaim is moot because the asserted claims were found invalid, rendering further litigation a waste of judicial resources. Brooklands responded that a finding of invalidity does not moot an unenforceability counterclaim where there is a pending request for attorney fees under 35 U.S.C. § 285.

To start, Judge Woodlock looked at existing Federal Circuit case law. Typically, in cases where all patent claims are found invalid through summary judgment, the Federal Circuit has found that an inequitable conduct counterclaim was moot because the relief sought in rendering the entire patent unenforceable was not meaningful. However, some cases suggest that a finding of mootness for an inequitable conduct counterclaim may be inappropriate when the patent is deemed invalid by summary judgment because the terminated claims were not fully litigated. Furthermore, the Federal Circuit has generally declined to find mootness where attorneys' fees are still at issue because evaluation of attorneys' fees called for equitable discretion and consideration of the totality of the circumstances.

Here, because Exergen and Brooklands already expended resources on developing the inequitable conduct case, and because Brooklands sought attorneys' fees in the pleadings, the court found that the inequitable conduct counterclaim was not moot.

As to whether Exergen is liable for inequitable conduct during prosecution, according to the opinion, Brooklands did not meet its burden of proof in demonstrating Exergen's breach of the duty to disclose all information known to be material to patentability, alongside an intent to deceive. Brooklands argued that Exergen had taken the position during another litigation that one of its ear thermometer patents discloses, teaches, and/or suggests forehead thermometry methods in its broadest claim, and that Exergen had subsequently taken the opposite position during prosecution of the '938 patent. However, attorney arguments characterizing the scope of patents cannot constitute inequitable conduct, according to the opinion, and Exergen had provided the relevant patents and litigation documents for the patent examiner's independent determination of patentability.

Brooklands also raised an unenforceability argument that Exergen failed to disclose certain armpit thermometer patents, among other prior art references, in the prosecution of the predecessor to the '938 patent. Yet, Exergen cured any misrepresentation by disclosing this family of patents in the application for the '938 patent. Furthermore, the patents that Exergen chose not to disclose presented subject matter that was described in Exergen's other prior art disclosures. Because deceptive intent was not the single most likely inference here, Brooklands' position was unconvincing, according to Judge Woodlock's opinion granting summary judgment of no inequitable conduct.

The case is *Exergen Corporation v. Brooklands, Inc.*, Civil Action No. 12-12243-DPW (D. Mass.) before Hon. Douglas P. Woodlock. A copy of the opinion can be found <u>here</u>.