



Portfolio Media, Inc. | 648 Broadway, Suite 200 | New York, NY 10012 | www.law360.com
Phone: +1 212 537 6331 | Fax: +1 212 537 6371 | customerservice@portfoliomedia.com

Be Careful Where You Save That File

Portfolio Media, New York (July 24, 2008)

Inventions are not patentable in the U.S. if they have been publicly disclosed, used, or sold for more than a year before filing an application, according to Section 102(b) of the Patent Act. This rule is based on the principle that an invention in the public domain should no longer be patentable.

Most inventors and technology companies are aware that a U.S. patent application must be filed within a year after a product incorporating the invention is "disclosed" through a sale or if the invention is published. If the U.S. application is not filed on time, a patent should not issue.

Accidental Disclosure

With the proliferation of search engines and other Web crawlers on the Internet, however, the one-year clock may inadvertently start ticking even without a typical sale or publication.

The clock may begin to run earlier if a document describing the invention is stored on a publicly accessible computer server and then "published" through indexing created by a search engine crawling the web.

If inventors are not careful to confidentially and securely store data files and documents containing patentable subject matter, a patent application that was carefully timed to fit within the expected one-year window may accidentally become barred.

Printed Publication?

This issue was recently highlighted in the case of *SRI Int'l v. Internet Security Systems*. [1]

In *SRI*, the U.S. Court of Appeals for the Federal Circuit had to decide if there was sufficient evidence to rule on summary judgment that an academic paper placed on a publicly accessible FTP server constituted a "printed publication" for purposes of Section 102(b) of the Patent Act.

If the Court had found that the paper on the FTP server was a printed publication, the one-year clock would have started to run early, and four of *SRI's* patents would have been invalidated because *SRI's* applications would have been filed too late to fall within the one-year filing period.

The Federal Circuit heard the SRI case on appeal from the District of Delaware, where SRI International ("SRI") had accused Internet Security Systems ("ISS") of infringing four patents related to analysis of computer network gateways.

In response, ISS argued that the patents were invalid because the patented subject matter was published on an FTP server more than a year before SRI filed its U.S. patent application.

On Aug. 1, 1997, an SRI employee e-mailed a "Live Traffic" academic paper to a conference chair and also posted the academic paper on a public FTP site that was freely accessible by anyone with an Internet connection and was run by SRI as a "backup" for the conference chair. The paper remained on the FTP site for seven days.

A few months after the paper was removed from the FTP server (which removal occurred on Nov. 10, 1997), SRI displayed the same "Live Traffic" academic paper on its Web site, which SRI believed counted as the first publication for purposes of Section 102 (b).

Based on this belief, SRI filed its patent application for the Live Traffic technology on Nov. 9, 1998, excepting this to be just in time to beat the one-year time period allotted to make a suitable filing under U.S. patent law.

At trial, ISS argued that the earlier posting of the paper to the FTP site, not the later date the paper was posted to the SRI Web site, should be considered the date of first publication. On summary judgment, the trial court agreed with ISS and held that SRI's four patents were invalid as being anticipated by the publication of the "Live Traffic" academic paper on the FTP site.

SRI appealed the decision to the Federal Circuit, which looked to existing patent law to consider when a reference such as the "Live Traffic" academic paper on the FTP site should be considered a publication under Section 102(b).

The Federal Circuit has held in previous decisions that a prior art reference is a publication "upon a satisfactory showing that such document has been disseminated or otherwise made available to the extent that persons interested and ordinarily skilled in the subject matter or art, exercising reasonable diligence, can locate it." [2]

An electronic publication, including an Internet publication, has been considered to be a publication on the date the publication was accessible to persons concerned with the art to which the document relates. [3]

In an earlier case, the Federal Circuit had held that "deposit of even a single copy of a document in a library or other depository may constitute a publication if the document is indexed and available by order of a copy or otherwise." [4]

And, as recently as 2006, the Federal Circuit noted that public accessibility could be satisfied if a person who is "interested and ordinarily skilled in the subject matter" could locate the publication using "reasonable diligence." [5]

After analyzing these earlier cases, the Federal Circuit reversed the lower Delaware court, finding insufficient evidence to rule on summary judgment that the one-year bar should apply.

The Federal Circuit weighed several factors, focusing heavily on the lack of an index or catalog and lack of public knowledge of the existence of the paper.

The Federal Circuit conceded that the academic paper was placed on an FTP server that was technically open to the public. The FTP server was uncatalogued, however, and would have been difficult to search. Additionally, only one non-SRI person (the conference chair) was shown to have knowledge of the paper on the FTP site.

It is quite conceivable this case would have come out the other way, however, if evidence existed that a search engine or other Web crawler had indexed the academic paper before it was removed from the FTP site.

The Opposite Decision

It is quite conceivable that this case could have been decided the other way, however, if a key fact were changed. Specifically, the decision likely would have been the opposite if evidence existed that a search engine or other web crawler had indexed the academic paper before it was removed from the FTP site.

A web crawler is a program capable of browsing the web in an automated, methodical manner to create a copy of all the visited pages for later search engine processing to create an index of the downloaded pages to provide faster searches.

A search engine or web crawler would have effectively disclosed the existence of the paper directly to the public while simultaneously creating an easy means of access through indexing, based on prior decisions by the Federal Circuit that ease of accessibility is an important factor in determining whether a reference is publicly available under Section 102(b).

If the paper was accessible to anyone entering certain key words into a search engine, the factors identified by earlier Federal Circuit case law would have instead favored a finding of publication under 102(b) via the FTP site and an earlier opening (and closing) of the one year deadline for filing a U.S. patent application after public disclosure.

The Takeaway

The lesson to be learned from SRI's near-loss of its four patents is that files containing potentially patentable subject matter should not be located in areas open to wider networks with public access, such as the internet, even if the location of the file is confidential.

Placing files in accessible locations gives competitors a strong argument that the subject matter is publicly available at an earlier date.

Inventors should receive training on the best practices when conducting pre-patenting activities that can accidentally torpedo patent rights, and suitable provisions should be included in employee agreements to minimize this type of risk.

Ultimately, advances in search technology and new web crawler techniques are making it far easier to locate relevant information on the internet.

If, at trial, a competitor is able to produce evidence of early invention availability to the public via a search engine, the patent covering that subject matter would likely be lost, even if the inventor or owner of the invention did not intend to disclose the invention to the public.

Inventors and technology companies must be prepared as new information searching and sharing techniques over the internet pull additional kinds of digital invention disclosures toward a "printed publication" bar.

--By Jeffrey A. Wolfson and Gavin D. George, **Haynes and Boone** LLP

Jeff Wolfson is a partner in Haynes & Boone's intellectual property and technology transactions practice in the Washington, D.C., office. Gavin George is an associate with the firm's intellectual property practice in the Dallas office.

[1] SRI Int'l Inc. v. Internet Security Systems Inc., 511 F.3d 1186 (Fed. Cir. 2008).

[2] In re Wyer, 655 F.2d 221, 226 (CCPA 1981).

[3] Id. at 227.

[4] In re Hall, 781 F.2d 897 (Fed. Cir. 1986); See also E. I. du Pont de Nemours & Co. v. Cetus Corp. 1990 U.S. Dist. LEXIS 18382 (N.D. Cal. Dec. 11, 1990).

[5] Bruckelmyer v. Ground Heaters 445 F.3d 1374 (Fed. Cir. 2006).

All Content Copyright 2007, Portfolio Media, Inc.