

Aligning Antitrust and Patent Law: Side Effects from the Federal Circuit's Cure For the Inequitable Conduct "Plague" in *Therasense*

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PATENT AND ANTITRUST LAW interact across an active fault line. Changes on one side of that line will often impact the other. One example is the interplay between the inequitable conduct defense in patent law and the antitrust offense of fraud on the Patent and Trademark Office (PTO). Both offenses are often applied to the same conduct by the patentee and often litigated in the same proceeding, yet historically they have been governed by different standards of proof.

An important shift in this relationship has occurred, however, with the Federal Circuit's recent en banc decision in *Therasense, Inc. v. Becton, Dickinson & Co.*¹ Concerned that the "habit of charging inequitable conduct in almost every major patent case has become an absolute plague,"² the Federal Circuit tightened up the standards of proof for inequitable conduct, aligning them more closely with the standards governing PTO fraud. The resulting decision may have significant implications for antitrust cases based on claims of fraud on the PTO, including the possibility that inequitable conduct findings will have collateral estoppel or other issue preclusion effects.

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Same Conduct, Different Standards: The Inequitable Conduct Plague

Inequitable conduct and PTO fraud punish similar conduct—misrepresenting or omitting material information in a patent application with deceptive intent—but they do so in different ways. Inequitable conduct operates as a complete defense to an infringement claim, rendering the patent permanently unenforceable but providing no cause of action for damages. By contrast, a finding of PTO fraud can lead to treble damages and injunctive relief, if the other elements of an antitrust claim (monopoly power, standing and antitrust injury) are proven.³

Leading up to *Therasense*, the standards of proof for inequitable conduct and PTO fraud differed markedly. As summarized by the Federal Circuit in 1998, "Inequitable conduct . . . is a lesser offense than common law fraud, and includes types of conduct less serious than 'knowing and willful' fraud."⁴ The differences which have historically marked inequitable conduct as a "lesser offense" revolve around the common elements of both offenses: materiality and intent.

Materiality. The Supreme Court introduced the antitrust offense of fraud on the PTO in 1965 in *Walker Process Equipment, Inc., v. Food Machinery & Chemical Corp.*⁵ To prevail under *Walker Process*, a plaintiff must prove that the patent holder initiated efforts to enforce a patent obtained by knowing and willful fraud, and establish the remaining elements of an antitrust claim.⁶ To prove materiality, the plaintiff must show that the patent being enforced "would not have issued but for the misrepresentation or omission" under challenge.⁷ This "but for" materiality standard has been consistently applied in *Walker Process* cases.⁸

Unlike PTO fraud, the materiality standard for inequitable conduct has never been simple or straightforward. In 1984, the Federal Circuit cited "any of four tests" that could establish materiality:

- (i) an objective but-for test, asking whether as a legal matter a patent should have issued if the omitted information had been provided;
- (ii) a subjective but-for test, asking whether this particular examiner would have issued the patent if the omitted information had been provided (often requiring the examiner's own testimony);
- (iii) a relevance standard, asking whether the omitted information "might reasonably have affected" the examiner's decision to issue the patent; and
- (iv) a more objective relevance standard, asking whether there was a substantial likelihood that a "reasonable examiner" would have considered it important in deciding whether to issue the patent.⁹

The "reasonable examiner" test was taken from the text of the PTO's Rule 56 in effect from 1977 to 1992 governing the information which patent applicants were required to submit during patent prosecution.¹⁰ In 1992 the PTO increased the sources of confusion when it adopted a more refined materiality standard in rule 56, requiring submission of informa-

tion that is not cumulative and that “[1] establishes, by itself or in combination with other information, a prima facie case of unpatentability . . . or . . . [2] refutes, or is inconsistent with, a position the applicant takes” on patentability.¹¹

Before *Therasense*, the Federal Circuit had persistently failed to choose a single standard from among these competing versions. Instead, panels had vacillated from continued adherence to the 1977 “importance to a reasonable examiner” standard, to adherence to the 1992 PTO standard, to application of both standards, to application of whatever PTO standard was in effect at the time of the conduct.¹² Each of these versions, however, fell short of the but-for antitrust standard.

Intent. Inequitable conduct requires proof by “clear and convincing evidence” of an “intent to deceive the PTO.”¹³ As with materiality, Federal Circuit decisions have not interpreted the intent element of inequitable conduct consistently. Despite a 1988 en banc decision rejecting “gross negligence” as sufficient to establish intent to deceive,¹⁴ some opinions continued to apply a negligence standard.¹⁵ Other inequitable conduct decisions employed a sliding scale, which relaxed the burden of proving intent if the omission or misrepresentation was highly material.¹⁶ Still other decisions rejected use of a sliding scale, holding instead that intent must be proven without regard to the degree of materiality but that once each element is proven by clear and convincing evidence, both elements are weighed to determine whether to apply the remedy of unenforceability.¹⁷

The antitrust standard for intent is more demanding. As the Federal Circuit has acknowledged, *Walker Process* requires “a greater showing of scienter and materiality” than inequitable conduct.¹⁸ Most significantly, fraud on the PTO requires “knowingly and willfully misrepresenting facts to the Patent Office”¹⁹ without resort to any sliding scale principle.²⁰

The different standards have occasionally led to different outcomes in the same case. In *Dippin’ Dots, Inc. v. Mosey*, for example, the Federal Circuit affirmed a jury verdict of inequitable conduct, while reversing the same jury’s finding of PTO fraud. The issue centered on a failure to disclose to the PTO information about certain sales made at a festival more than one year before the patent application was filed—sales that ultimately invalidated the patent. The Federal Circuit found that the evidence of prior sales satisfied the standard of *materiality* for both inequitable conduct and PTO fraud purposes, but reached different results on *intent*. Characterizing the intent evidence as “relatively weak,” the appeals court nevertheless found it sufficient for inequitable conduct in view of the “highly material” nature of the omission²¹—a classic application of the sliding scale described earlier—but found it insufficient for the higher intent standard for PTO fraud, which, the court reiterated, “cannot result from an equitable balancing.”²²

The court further held that, for purposes of proving intent for PTO fraud, it was not enough for the jury simply to disbelieve the explanation of the inventor and patent attorney

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that they thought the festival sales were merely for experimental purposes. Rather, the court explained that “to find a prosecution omission fraudulent there must be evidence of intent separable from the simple fact of the omission.”²³ The antitrust plaintiff had offered no such extrinsic evidence, so its *Walker Process* claim failed. At least five other cases have similarly found inequitable conduct, but no PTO fraud, based on differences in the standard of proof for the two offenses.²⁴

The different standards of proof have thus provided an occasional antitrust cushion for patent holders who, despite a finding of inequitable conduct, were still able to rely on the higher proof standard to avoid antitrust liability. This cushion could operate not only where both issues are presented in the same trial, but also for collateral estoppel purposes in subsequent antitrust trials.²⁵

Another consequence of different proof requirements between inequitable conduct and PTO fraud has been the effort by antitrust plaintiffs to use a sham litigation theory to do an “end run” around the strict requirements of *Walker Process*. These plaintiffs argue that efforts to enforce a patent tainted by inequitable conduct can be sham litigation that violates the antitrust laws even if the conduct does not rise to the level of *Walker Process* fraud. While a claim based on alleged sham litigation would still require proof that the patentee had no objective basis for asserting its patent (and disputing the charge of inequitable conduct),²⁶ on at least one occasion this “end run” has allowed an antitrust plaintiff to survive a dispositive motion to dismiss that might have doomed a pure *Walker Process* claim.²⁷

Therasense “Cures” the Plague, Aligning Inequitable Conduct and PTO Fraud

In *Therasense*, the Federal Circuit brought the standards of proof for inequitable conduct and PTO fraud into closer alignment. The conditions leading up to the decision are interesting and important. The Federal Circuit had come to realize that inequitable conduct had given rise to “numerous unforeseen and unintended consequences” which were “plagu[ing] not only the courts but also the entire patent system.”²⁸ While trying to ensure disclosure to the PTO, the court had unwittingly created a “litigation tactic” that was being invoked, by one estimate, in 80 percent of the patent infringement cases, resulting in “increased adjudication cost and complexity, reduced likelihood of settlement, burdened courts, strained PTO resources, increased PTO backlog, and impaired patent quality.”²⁹ The solution crafted by the *Therasense* majority was to tighten the standards of proof for

both intent and materiality in inequitable conduct cases.³⁰

Intent. In *Therasense*, the Federal Circuit finally settled on a standard for intent, choosing the most demanding of the several options from its previous decisions. The new standard, which even the dissenting judges accepted, incorporates the following parameters:

- The patentee must have acted with “specific intent to deceive the PTO”; gross negligence or negligence under a “should have known” standard is insufficient;
- Intent must be proved by “clear and convincing evidence”;
- The accused infringer must produce evidence of intent that is independent of the evidence of materiality; evidence of materiality plus disbelief of the patentee’s explanation for an omission or misrepresentation will not suffice;
- The patentee need not offer any good faith explanation unless the accused infringer first proves a threshold level of intent to deceive by clear and convincing evidence;
- The court may not resort to a “sliding scale” that reduces the evidentiary burden of proving intent in high materiality situations;
- Where intent is proved with circumstantial evidence, the inference of intent to deceive must be the “single most reasonable inference” able to be drawn from the evidence.³¹

This standard appears to eliminate any difference between the requirement for proving deceptive intent in inequitable conduct cases and in *Walker Process* fraud cases.

Materiality: Omissions. The Federal Circuit did not stop at intent. Conceding that its past efforts had failed “to address the proliferation of inequitable conduct charges by raising the intent standard alone,” the court in *Therasense* raised the materiality standard as well.³² But on this point the court was far from unanimous. Chief Judge Rader, speaking for the majority, adopted but-for causation as the standard of materiality.³³ Judge Bryson, joined by three other judges, disagreed. Starting from the premise that “the PTO is the best judge of what information its examiners need to conduct effective examinations,”³⁴ Judge Bryson argued that the test for materiality of omissions should be taken from the PTO’s Rule 56 governing disclosure in effect at the time of the application. Under the dissent’s formulation, information would be material if it is not cumulative of other submitted information and if:

- (1) It establishes, by itself, or in combination with other information, a prima facie case of unpatentability of a claim; or
- (2) It refutes, or is inconsistent with, a position the applicant takes in:
 - (i) Opposing an argument of unpatentability relied on by the [PTO], or
 - (ii) Asserting an argument of patentability.³⁵

Unlike the majority test, current Rule 56 would unquestionably maintain the current differential between the proof requirements for inequitable conduct and PTO fraud. However, the PTO has recently proposed conforming its

Rule 56 to the majority’s materiality standard, which would close the gap between the majority and the dissent and align both with the antitrust materiality standard under *Walker Process*.³⁶

Materiality: Misrepresentations. The application of *Therasense* to affirmative misrepresentations, as opposed to mere omissions, is less clear. The majority adopts but-for as the test for materiality “as a general matter,”³⁷ which suggests that it would apply to misrepresentations as well as omissions. But the opinion later carves out an exception to the but-for requirement for “affirmative egregious misconduct” in the nature of “deliberately planned and carefully executed schemes to defraud the PTO,” hinting that such conduct would be presumptively material.³⁸

One example of such conduct the majority gives is filing of an “unmistakably false affidavit,” as opposed to one that merely “fail[s] to mention prior art references.”³⁹ In an effort to supply further guidance, Judge O’Malley, in a separate opinion, proposed, in addition to the but-for test, to define materiality to include a “false or misleading representation of fact (rendered so either because the statement made is false on its face or information is omitted which, if known, would render the representation false or misleading)” and also to allow a finding of materiality where “the behavior is so offensive that the court is left with a firm conviction that the integrity of the PTO process as to the application at issue was wholly undermined.”⁴⁰ The third opinion, Judge Bryson’s dissent, chose not to offer any standard for misrepresentations at all, leaving the issue for another day.⁴¹

An additional complicating factor in applying *Therasense* to misrepresentations is the absence of any solid reason why courts should apply a *presumption* of materiality to affirmative misrepresentations, regardless of how trivial, but require proof of “but-for” materiality for omissions. The majority offered that “a patentee is unlikely to go to great lengths to deceive the PTO with a falsehood unless it believes that the falsehood will affect issuance of the patent,”⁴² but this line of argument is unconvincing. Assuming a finding of deceptive intent, required for both omissions and misrepresentations, the majority opinion provides no basis for assuming that an intentionally deceptive misrepresentation is more likely to be material than an intentionally deceptive omission.

In theory, therefore, the court has maintained a lesser standard of materiality for inequitable conduct than for PTO fraud in an ill-defined category of “egregious” misrepresentations. Whether this will translate into a difference in practice remains to be seen. Rigorously applied, the other requirements of specific intent and egregiousness could weed out most of the cases in which a misrepresentation does not satisfy a but-for standard. But loosely applied, a value-laden term like “egregious” could just as easily be watered down to encompass many misrepresentations that do not satisfy but-for causation, thus perpetuating in a smaller category of cases a gap in the proof standard between inequitable conduct and PTO fraud.

The Antitrust Side Effects of the *Therasense* “Cure”

The debate between the majority and the dissenters in *Therasense* revolved entirely around the potential impact of the changes to the inequitable conduct defense on the work of the PTO and on the volume and conduct of patent litigation. None of the *Therasense* opinions gave any attention to how those changes might affect the related offense of fraud on the PTO. But there will be antitrust side effects, some of which will benefit antitrust plaintiffs, while others will favor defendants.

No More “Second Bite at the Apple”? Patent cases raising inequitable conduct defenses often give rise to related antitrust claims, either as counterclaims or in follow-on antitrust cases, such as class actions filed by direct and indirect purchasers. Prior to *Therasense*, the difference in standards between inequitable conduct and *Walker Process* fraud allowed a patentee to assert defenses to an antitrust claim even if there was a finding of inequitable conduct. Patentees were often able to argue successfully both that (1) if the challenged conduct was found not to rise to the level of inequitable conduct, it could not, as a matter of law, constitute fraud;⁴³ and (2) even if the challenged conduct was deemed inequitable conduct, it still might not violate the more demanding antitrust standards for proving a *Walker Process* claim.⁴⁴

Therasense may shut this door, at least with respect to antitrust claims based on omissions or conduct before the PTO that does not qualify as “affirmative egregious misconduct.” Under *Therasense*, a finding of inequitable conduct—at least for omissions—necessarily means that an alleged infringer has also proven the elements required for *Walker Process* fraud. In such situations, there is no longer any “cushion” between inequitable conduct and PTO fraud.

Effect on Case Management? Patent holders facing antitrust counterclaims often seek to bifurcate the patent and antitrust claims for purposes of discovery and trial. The theory behind bifurcation is that the patent defenses and the antitrust claim involve substantively different issues and proof, and that an antitrust trial on the *Walker Process* claim may be unnecessary if the accused infringer cannot even carry the lesser burden of proving inequitable conduct. Therefore, as a matter of judicial economy, it makes sense to try the patent infringement case first because the outcome may dispose of the antitrust case.

It is unclear how, if at all, the current *Therasense* rule will affect the argument for bifurcation. On the one hand, at least in cases involving omissions, *Therasense* aligns entirely the issues related to the conduct before the PTO in both the antitrust and the patent cases. On the other hand, potential bifurcation is often also driven by the additional elements of an antitrust case related to market definition, competitive effect and injury, which are unaffected by the *Therasense* ruling. One possibility is that courts may be more willing to bifurcate only in part, allowing the PTO conduct-related issues in the antitrust case to proceed through discovery and

trial together with the patent issues, leaving only the truly antitrust-specific issues, such as market definition, for a later trial.

On a related point, *Therasense* may also bolster the argument that infringement defendants have a constitutional right to a jury trial on factual issues that are common to an inequitable conduct defense and a *Walker Process* claim. Prior to *Therasense*, some infringement defendants had opposed bifurcation on the grounds that they are entitled to a jury trial on such common issues of fact and that bifurcation would effectively deprive them of this right if they were forced to try these issues to a court where the issue was inequitable conduct.⁴⁵ To the extent that the underlying elements of proof are now identical, *Therasense* may strengthen this argument and further undermine the basis for bifurcating *Walker Process* issues for a later trial.

The End of the “End Run”? *Therasense* also ought to end efforts to use inequitable conduct to do an “end run” around *Walker Process*, at least in cases involving alleged omissions. If the proof required to demonstrate inequitable conduct is the same as that required to demonstrate fraud on the PTO under *Walker Process*, plaintiffs will find no benefit in combining inequitable conduct with the sham exception to the *Noerr-Pennington* doctrine, since affirmatively proving but-for materiality will be easier than proving that it is objectively baseless for the patentee to deny but-for materiality.

Therasense may, however, keep the door open for antitrust plaintiffs to side-step the more rigorous proof requirements of *Walker Process* in cases involving alleged “affirmative egregious misconduct,” where a finding of inequitable conduct may be based on a presumption of materiality that falls short of the *Walker Process* but-for standard. Relying on *Abbott Laboratories v. Teva*, discussed earlier,⁴⁶ the plaintiff could assert that a suit to enforce a patent obtained through egregious misconduct was sham litigation. Assuming the plaintiff could prove that the patent holder had no objective basis for defending against the egregious misconduct claim, it would not have to prove but-for materiality.

Is There Potential for a More Robust Body of Law on *Walker Process* Issues? In 1998 the Federal Circuit declared that it wanted to create a “uniform body of federal law” in *Walker Process* cases and would therefore no longer follow the law of the regional circuits regarding conduct before the PTO.⁴⁷ If the hope was to provide a well-developed “body of law” that would guide district courts in this area, it has not fully materialized. We have found only five *Walker Process* appellate decisions since 1998 addressing the merits of the conduct before the PTO based on an evidentiary record (trial or summary judgment)—four from the Federal Circuit and one from the Ninth Circuit.⁴⁸ This is a rather sparse “body of law.”

Nor is development of this “body of law” entirely in the hands of the Federal Circuit. While the Federal Circuit would have exclusive jurisdiction over an antitrust action based solely on *Walker Process*, there are circumstances in which a

regional circuit will take jurisdiction over antitrust actions in which the plaintiff's claims are based on *Walker Process* and other non-patent law theories,⁴⁹ further increasing the potential for diverse guidance to lower courts.

Therasense may change this dynamic, however. In areas where it has aligned the legal tests for inequitable conduct and PTO fraud, the decision paves the way for the Federal Circuit to build a larger body of law that will guide district courts in both *Walker Process* and inequitable conduct cases—something that had not occurred previously because of the difference in proof standards. Under *Therasense*, inequitable conduct decisions can now become persuasive authority in *Walker Process* cases because the same legal standard will apply to both offenses.

The Federal Circuit will have many more occasions to develop the standard of proof that will apply congruently to *Walker Process* cases in the context of the much larger volume of inequitable conduct cases it will hear. From 1998 through 2008 alone, the Federal Circuit substantively addressed inequitable conduct in over 150 cases,⁵⁰ compared to only four substantive *Walker Process* decisions over the same period. While the court doubtless intends that the higher standard of proof announced in *Therasense* will lower its inequitable conduct workload, a steady flow of inequitable conduct cases in the future is still a virtual certainty. Thus, the Federal Circuit—in the context of deciding issues related to inequitable conduct—should provide trial courts and counsel with substantial additional guidance that will be relevant in *Walker Process* actions.

This legal convergence might also attune the courts to the effect of *Walker Process* decisions on the workings of the PTO. Recall that the *Therasense* decision was partly a reaction to the harm caused by the existing inequitable conduct standard in terms of “strained PTO resources, increased PTO backlog, and impaired patent quality.”⁵¹ These same problems can arise from a relaxed, or inconsistent, application of the *Walker Process* standard. And while the idea of a *Walker Process* standard that is less rigorous than the standard for inequitable conduct sounds counter-intuitive, it does happen.

By way of example, the Federal Circuit's inequitable conduct decisions have given some teeth to the “clear and convincing” evidence standard as applied to circumstantial evidence of intent. As the Federal Circuit has explained, “[T]o meet the clear and convincing evidence standard, the specific intent to deceive must be ‘the single most reasonable inference able to be drawn from the evidence.’”⁵²

Consider how sharply this application of the clear-and-convincing-evidence standard contrasts with the Ninth Circuit's analysis of the *Walker Process* claims in *Kaiser Health Foundation Health Plan, Inc. v. Abbott Laboratories*.⁵³ Although the opinion in *Kaiser* made reference to the “clear and convincing” evidence standard, it clearly did not apply the “single most reasonable inference” principle. Indeed, the court reversed a grant of summary judgment for the defendant despite acknowledging that it was “possible” that the

alleged omissions were inadvertent. The court based its ruling on the patentee's *incentive* to deceive and circumstantial evidence it found sufficient to “suggest” that the alleged omissions were “not inadvertent.” The Federal Circuit's “single most reasonable inference” standard would not have supported this result.

The “single most reasonable inference” principle is one example of added rigor that has come from the Federal Circuit's long experience wrestling with the effects of its own jurisprudence on the workings of the PTO and the workload of the courts. Going forward, the potential exists for more inequitable conduct cases that can better inform *Walker Process* decisions in similar fashion. ■

¹ 649 F.3d 1276 (Fed. Cir. 2011).

² *Id.* at *1289 (quoting *Burlington Indus., Inc. v. Dayco Corp.*, 849 F.2d 1418, 1422 (Fed. Cir. 1988)).

³ See *Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1059, 1070 (Fed. Cir. 1998); see also 15 U.S.C. §§ 15, 26.

⁴ *Nobelpharma*, 141 F.3d at 1069.

⁵ 382 U.S. 172 (1965).

⁶ *Id.* at 177.

⁷ *Nobelpharma*, 141 F.3d at 1071.

⁸ See, e.g., *Dippin' Dots, Inc. v. Mosey*, 476 F.3d 1337, 1347 (Fed. Cir. 2007); *C.R. Bard, Inc. v. M3 Sys., Inc.*, 157 F.3d 1340, 1364–65 (Fed. Cir. 1998).

⁹ *J.P. Stevens & Co. v. Lex Tex Ltd., Inc.*, 747 F.2d 1553, 1559 (Fed. Cir. 1984) (citing *American Hoist & Derrick Co. v. Sowa & Sons, Inc.*, 725 F.2d 1350, 1362 (Fed. Cir. 1984)); *Gemveto Jewelry Co. v. Lambert Bros.*, 542 F. Supp. 933, 939–41 (S.D.N.Y. 1982).

¹⁰ 42 Fed. Reg. 5588, 5593 (Jan. 28, 1977).

¹¹ 37 C.F.R. § 1.56 (2010).

¹² See, e.g., *Digital Control Inc. v. Charles Mach. Works*, 437 F.3d 1309, 1314–16 (Fed. Cir. 2006); *Dayco Prods., Inc. v. Total Containment, Inc.*, 329 F.3d 1358, 1363–64 (Fed. Cir. 2003).

¹³ *Star Scientific, Inc. v. R.J. Reynolds Tobacco Co.*, 537 F.3d 1357, 1365 (Fed. Cir. 2008).

¹⁴ *Kingsdown Med. Consultants, Ltd. v. Hollister Inc.*, 863 F.2d 867, 876 (Fed. Cir. 1988).

¹⁵ See, e.g., *GFI, Inc. v. Franklin Corp.*, 265 F.3d 1268, 1275 (Fed. Cir. 2001) (high level of materiality and clear proof that patentee “knew or should have known” of materiality); *Critikon, Inc. v. Becton Dickinson Vascular Access, Inc.*, 120 F.3d 1253, 1256 (Fed. Cir. 1997) (same).

¹⁶ See, e.g., *Dippin' Dots, Inc. v. Mosey*, 476 F.3d 1337, 1345–46 (Fed. Cir. 2007) (applying a sliding scale to allow an inference of deceptive intent in part because of the “especially problematic” omission of sales data to the PTO).

¹⁷ *Star Scientific*, 537 F.3d at 1365; *Monsanto Co. v. Bayer BioScience N.V.*, 363 F.3d 1235, 1239 (Fed. Cir. 2004).

¹⁸ *C.R. Bard, Inc. v. M3 Sys., Inc.*, 157 F.3d 1340, 1364 (Fed. Cir. 1998); *Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1059, 1070–71 (Fed. Cir. 1998).

¹⁹ *Walker Process Equip., Inc. v. Food Mach. & Chem. Corp.*, 382 U.S. 172, 177 (1965).

²⁰ *Nobelpharma*, 141 F.3d at 1071.

²¹ *Dippin' Dots*, 476 F.3d at 1346.

²² *Id.* at 1347.

²³ *Id.*

- ²⁴ See *Argus Chem. Corp. v. Fibre Glass-Evercoat Co., Inc.*, 812 F.2d 1381 (Fed. Cir. 1987); *Correct Craft IP Holdings, LLC v. Malibu Boats, LLC*, No. 6:09-cv-813-Orl-28KRS, 2010 U.S. Dist. LEXIS 13577 (M.D. Fla. Feb. 17, 2010); *Airwick Inds., Inc. v. Sterling Drug Inc.*, 720 F. Supp. 409 (D.N.J. 1989) (attorneys' fees awarded); *U.S. Movidyn Corp. v. Hercules Inc.*, 388 F. Supp. 1146 (D. Minn. 1975); *Beckman Instr., Inc. v. Chemtronics, Inc.*, 328 F. Supp. 1132 (W.D. Tex. 1971).
- ²⁵ *Rohm & Haas Co. v. Dawson Chem. Co., Inc.*, 635 F. Supp. 1211 (S.D. Tex. 1986) (law of the case); *In re Relafen Antitrust Litig.*, 286 F. Supp. 2d 56, 64–70 (D. Mass. 2003) (collateral estoppel).
- ²⁶ *Prof'l Real Estate Investors, Inc. v. Columbia Pictures Indus., Inc.*, 508 U.S. 49, 60 (1993).
- ²⁷ *Abbott Labs v. Teva Pharms. USA, Inc.*, 432 F. Supp. 2d 408, 426–27 (D. Del. 2006).
- ²⁸ *Therasense, Inc. v. Becton, Dickinson & Co.*, 649 F.3d 1276, 1288–90 (Fed. Cir. 2011).
- ²⁹ *Id.* at 1289–90.
- ³⁰ *Id.*
- ³¹ *Id.* at 1290–91.
- ³² *Id.* at 1291.
- ³³ *Id.* (“[T]he court must determine whether the PTO would have allowed the claim if it had been aware of the undisclosed reference.”).
- ³⁴ *Id.* at 1313 (Bryson, J., dissenting).
- ³⁵ 35 C.F.R. § 1.56 (1992), quoted in *Therasense*, 649 F.3d at 1312 (Bryson, J., dissenting).
- ³⁶ 76 Fed. Reg. 43,631 (July 21, 2011).
- ³⁷ *Therasense*, 649 F.3d at 1291.
- ³⁸ *Id.* at 1292 (quotations and citations omitted).
- ³⁹ *Id.* at 1292–93.
- ⁴⁰ *Id.* at 1300 (O'Malley, J., concurring in part, dissenting in part).
- ⁴¹ *Id.* at 1314 n.3 (Bryson, J., dissenting).
- ⁴² *Id.* at 1292.
- ⁴³ *FMC Corp. v. Manitowoc Co., Inc.*, 835 F.2d 1411, 1417 (Fed. Cir. 1987). This argument would not necessarily apply where the antitrust plaintiffs were not parties to the patent case, such as in purchaser class actions. *Abbott Labs. v. Mylan Pharms., Inc.*, No. 05 C 6561, 2007 U.S. Dist. LEXIS 12839, at *8–9 (N.D. Ill. Feb. 23, 2007). Also, at least one court has suggested, post-*Therasense*, that a prior finding of no inequitable conduct may not preclude a later finding of *Walker Process* fraud. See *Metris U.S.A., Inc. v. Faro Technologies*, 2011 U.S. Dist. LEXIS 105865, at *29–32 (D. Mass. Sept. 19, 2011).
- ⁴⁴ See *Dippin' Dots, Inc. v. Mosey*, 476 F.3d 1337, 1347–48 (Fed. Cir. 2007), and cases cited *supra* note 24.
- ⁴⁵ *Celgene Corp. v. Barr Labs., Inc.*, No. 07-286 (SDW), 2008 U.S. Dist LEXIS 47639 at *7 (D.N.J. June 13, 2008) (denying motion to bifurcate trial of antitrust and inequitable conduct issues because to do so “would violate Barr’s Constitutionally guaranteed right to trial by jury” on its antitrust claims).
- ⁴⁶ See *supra* note 27 and accompanying text.
- ⁴⁷ *Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1059, 1067–68 (Fed. Cir. 1998). The Federal Circuit continues to apply the law of the regional circuit to issues involving other elements of the offense, such as market power and damages. *Id.* at 1068.
- ⁴⁸ *Kaiser Found. Health Plan, Inc. v. Abbott Labs., Inc.*, 552 F.3d 1033 (9th Cir. 2009); *Dippin' Dots*, 476 F.3d 1337; *Unitherm Food Sys., Inc. v. Swift-Eckrich, Inc.*, 375 F.3d 1341 (Fed. Cir. 2004), *rev'd on other grounds*, 546 U.S. 394 (2006); *C.R. Bard, Inc. v. M3 Sys., Inc.*, 157 F.3d 1340 (Fed. Cir. 1998); *Nobelpharma*, 141 F.3d 1059.
- ⁴⁹ Regional circuit jurisdiction can attach where the complaint alleges other non-patent theories that would support recovery under the same claim. See *In re DDAVP Direct Purchaser Antitrust Litig.*, 585 F.3d 677, 684–87 (2d Cir. 2009) (upholding regional circuit jurisdiction because, despite allegations of fraud on the PTO, plaintiffs could establish monopolization claim based on alleged sham citizen petition submitted to FDA).
- ⁵⁰ Christian E. Mammen, *Controlling the “Plague”: Reforming the Doctrine of Inequitable Conduct*, 24 BERKELEY TECH. L.J. 1329, 1349–51 (2009).
- ⁵¹ *Therasense, Inc. v. Becton, Dickinson & Co.*, 649 F.3d 1276, 1290 (Fed. Cir. 2011).
- ⁵² *Id.* (quoting *Star Scientific, Inc. v. R.J. Reynolds Tobacco Co.*, 537 F.3d 1357, 1366 (Fed. Cir. 2008)).
- ⁵³ 552 F.3d 1033 (9th Cir. 2009).