

THE RESURRECTION OF THE DUTY TO INQUIRE AFTER *THERASENSE, INC. V. BECTON, DICKINSON & CO.*

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ABSTRACT

*Balancing a duty to a tribunal and a duty to a client can paralyze a lawyer. The task raises difficult questions about how to reconcile competing obligations as an advocate and as an officer of the court. Individuals licensed to prosecute patent applications must decide how to honor both their obligations to the Patent and Trademark Office (PTO) and their obligation to successfully prosecute patent applications. This burden can result in willful blindness, where the patent attorney or patent agent (“patent practitioner”) limits inquiry into information that may bar a patent application. The recent Federal Circuit opinion in *Therasense* may have eliminated the judicial “duty to inquire” doctrine that kept these obligations in balance. This Issue Brief argues that there is a need to protect against willful blindness and proposes a resurrection of the eliminated doctrines.*

INTRODUCTION

Prior to *Therasense, Inc. v. Becton, Dickinson & Co.*,¹ individuals licensed to prosecute applications on behalf of inventors—patent practitioners²—had an affirmative “duty to inquire” into information relevant to the prosecution of a patent.³ This duty barred patent practitioners

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¹ 649 F.3d 1276 (Fed. Cir. 2011) (en banc).

² This Issue Brief refers to patent attorneys and patent agents collectively as “patent practitioners.” See 37 C.F.R. § 11.6 (2012) (defining “patent attorney” and “patent agent”).

³ *Brasseler, U.S.A. I.L.P. v. Stryker Sales Corp.*, 267 F.3d 1370, 1382 (Fed. Cir. 2001).

from willfully ignoring information deemed “material.”⁴ In *Therasense*, however, the Federal Circuit left the enforcement of this duty in peril by holding that there was no inequitable conduct even though the patent practitioner “should have known” of the materiality of undisclosed information.⁵

The enforcement of the duty to inquire should survive *Therasense*. Without such enforcement, patent practitioners are unlikely to fully inquire into potentially material information to avoid finding information that may harm the client’s or the attorney’s interests and make it difficult to balance existing ethical obligations to the PTO and the client. A thorough inquiry, however, is in the public’s interest. To encourage inquiry, courts should ensure that patent practitioners cannot avoid a finding of inequitable conduct by willfully blinding themselves to material facts. Two doctrinal avenues are open: Courts may either hold that willful blindness constitutes knowledge of the materiality of the undisclosed information, or they may carve out an exception for egregious actions to avoid knowledge. Either way, it is imperative to adopt a doctrinal innovation that will encourage inquiry after *Therasense*.

I. *THERASENSE* ELIMINATED THE ENFORCEMENT OF THE DUTY TO INQUIRE

The Federal Circuit’s en banc opinion in *Therasense* heightened the standards needed to establish inequitable conduct. In *Therasense*, the patent holder omitted information by not disclosing to an examiner at the PTO that statements presented in prosecuting the patent in dispute were contradictory to statements made in prosecuting the patent’s European counterpart.⁶ Individuals commit inequitable conduct if they “misrepresent[] or omit[] material information . . . with the specific intent to deceive the PTO.”⁷ “Inequitable conduct is an equitable defense to patent infringement that, if proved, bars enforcement of a patent.”⁸ Prior to *Therasense*, courts had

⁴ *Id.* at 1380 (“Where an applicant knows of information the materiality of which may so readily be determined, he or she cannot intentionally avoid learning of its materiality.”).

⁵ See *Therasense*, 649 F.3d at 1290 (“A finding that the misrepresentation or omission amounts to gross negligence or negligence under a ‘should have known’ standard does not satisfy this [specific] intent requirement [of inequitable conduct].” (citing *Kingsdown Med. Consultants, Ltd. v. Hollister Inc.*, 863 F.2d 867, 876 (Fed. Cir. 1988))).

⁶ *Id.* at 1318.

⁷ *Am. Calcar, Inc. v. Am. Honda Motor Co.*, 651 F.3d 1318, 1334 (Fed. Cir. 2011) (citing *Star Scientific, Inc. v. R.J. Reynolds Tobacco Co.*, 557 F.3d 1357, 1365 (Fed. Cir. 2008)).

⁸ *Therasense*, 649 F.3d at 1285.

“embraced . . . reduced standards for intent and materiality to foster full disclosure to the PTO.”⁹ In *Therasense*, the Federal Circuit observed that although “honesty at the PTO is essential,” these reduced standards had led to “overuse[]” of inequitable conduct.¹⁰

In response, the Federal Circuit altered the standard for materiality. Before *Therasense*, the Federal Circuit’s definition of materiality tracked the PTO’s evolving definition of materiality.¹¹ In *Therasense*, however, the court defined a “but-for materiality” standard, under which information is material if the PTO would not have allowed the claim *but for* the inequitable conduct.¹²

The court also heightened the standard for intent. The court held that the “absence of a good faith explanation for failing to disclose” or a finding that a patent practitioner “should have known” and reported undisclosed information was no longer sufficient for a finding of intent to deceive the PTO.¹³ Under the new intent standard for omitted information, an “accused infringer must prove by clear and convincing evidence that the applicant knew of the reference, knew that it was material, and made a deliberate decision to withhold it.”¹⁴ The court also divorced the relationship between intent and materiality by holding that stronger evidence of one would not redeem weaknesses in proving the other.¹⁵

The en banc opinion in *Therasense* did not address whether a duty to inquire survived the heightened standard for intent—perhaps because the duty to inquire was not implicated in the facts of *Therasense*. In *Therasense*, there was an inconsistency in the position taken by the

⁹ *Id.* at 1288 (explaining that the court had previously found inequitable conduct based on “gross negligence” or a “broad view of materiality,” and had allowed weaknesses in proof of materiality if there was strong evidence of intent and vice versa).

¹⁰ *Id.* at 1290 (explaining that “low standards for intent and materiality have inadvertently led to many unintended consequences, among them, increased adjudication cost and complexity, reduced likelihood of settlement, burdened courts, strained PTO resources, increased PTO backlog, and impaired patent quality”).

¹¹ *See id.* at 1288 (explaining that “[t]ying the materiality standard for inequitable conduct to PTO rules, which understandably change from time to time, has led to uncertainty and inconsistency in the development of the inequitable conduct doctrine” (citing *Digital Control, Inc. v. Charles Mach. Works*, 437 F.3d 1309, 1316 (Fed. Cir. 2006))).

¹² *Id.* at 1291–92 (reasoning that there is no “unfair benefit” without “but-for materiality”).

¹³ *Id.*

¹⁴ *Id.* at 1290.

¹⁵ *Id.*

applicant in front of the US and European PTOs.¹⁶ Prior to the en banc opinion, a panel of the Federal Circuit held that the attorneys did not violate a duty to inquire because the “record [did] not show, and no party ha[d] argued that [the attorneys] were on notice, at the time of the withholding” of this inconsistency.¹⁷

While the en banc *Therasense* court did not explicitly address the duty to inquire, the opinion disincentivizes patent practitioners from seeking out material information. By heightening the knowledge component of the intent requirement, the Federal Circuit in *Therasense* removed sanctions for avoiding knowledge. After *Therasense*, the patent practitioner who does not inquire will not have actual knowledge of material information, which may not satisfy the new, heightened standard for inequitable conduct. At the same time, the court permitted penalties for having knowledge of material information. An inquiring patent practitioner risks finding information that may bar the practitioner from prosecuting a patent application. If the practitioner does not reveal this discovered information and the patent issues, she faces a finding of inequitable conduct. Further, the practitioner who inquires must reconcile ethical responsibilities to her client and to the PTO. The change in penalties and ethical complexities associated with inquiring make it unlikely a practitioner will inquire without an enforced duty.

A. The Federal Circuit Likely Eliminated Sanctions for Avoiding Knowledge

The PTO and the Patent Trial and Appeal Board may place sanctions on practitioners who advocate positions without fully inquiring into the factual information underlying those positions. Under the PTO’s regulations, before “signing, filing, submitting, or . . . advocating . . . any paper” before the USPTO, individuals involved with filing and prosecuting a patent application have a duty to engage in “inquiry reasonable under the circumstances” that “allegations and other factual contentions have evidentiary support or . . . are likely to have evidentiary support” and “denials of factual contentions are warranted on the evidence, or . . . are reasonable based on a lack of information.”¹⁸ This rule is based on Rule 11 of the Federal Rules of Civil Procedure.¹⁹

¹⁶ *Therasense, Inc. v. Becton, Dickinson & Co.*, 593 F.3d 1289, 1320 (Fed. Cir. 2010), *rev’d en banc*, *Therasense*, 649 F.3d 1276 (Fed. Cir. 2011).

¹⁷ *Id.*

¹⁸ 37 C.F.R. § 11.18(b) (2012).

¹⁹ Linda K. McLeod & Stephanie H. Bald, *Ethical Issues in U.S. Trademark Prosecution and Practice*, 10 J. MARSHALL REV. INTELL. PROP. L. 365, 379 (2010).

Despite these available sanctions, the PTO does not “proactively pursue” practitioners’ failure to inquire. In 1988, the PTO “abandoned” any practice of finding fraud and inequitable conduct during the pendency of an application, “leaving issues of fraud or inequitable conduct to the courts.”²⁰ Currently, the PTO generally imposes sanctions only in response to the “few cases” brought by the public to the Office of Enrollment and Discipline (OED)²¹ and “final court determinations.”²² A court’s finding of inequitable conduct can result in the PTO taking “disciplinary action” against the patent practitioner.²³

The PTO itself recognizes that the threat of these sanctions is insufficient to encourage practitioners to inquire into material information and disclose adverse information. In arguing in an amicus brief against changing the standards for both materiality and intent, the PTO claimed that “[t]he prospect of agency disciplinary action for disclosure violations is unrealistic . . . because the Office is required by statute to file any charges within five years . . . and it seldom learns of inequitable conduct within that period of time. In addition, the PTO . . . rarely has access to relevant facts regarding inequitable conduct, because it lacks investigative resources.”²⁴

The recent changes under the Leahy-Smith America Invents Act²⁵ (AIA) seem unlikely to encourage the PTO to begin enforcing the duty to inquire. Under the AIA changes, after a patent has issued, an individual in a supplemental examination can expose withheld information in hopes that

²⁰ 6 CHISUM ON PATENTS § 19.03(6); *see also* *Therasense*, 649 F.3d at 1306 (Bryson, J. dissenting) (“[T]he PTO has concluded that a court is the best forum in which to consider alleged breaches of the disclosure duty in the context of an inequitable conduct defense.”).

²¹ *About OED*, OFFICE OF ENROLLMENT AND DISCIPLINE (Jan. 3, 2013, 11:26 AM), <http://www.uspto.gov/ip/boards/oed/news/index.jsp> (explaining that among the many responsibilities of the OED is “investigat[ing] allegations of misconduct by practitioners”).

²² Scott A. McKeown, *USPTO Required to Police Fraud Under H.R. 1249?*, OBLON, SPIVAK, MCCLELLAND, MAIER & NEUSTADT, L.L.P. (Apr. 20, 2011), <http://www.patentspostgrant.com/lang/en/2011/04/uspto-fraud-squad>.

²³ *See* 6 CHISUM ON PATENTS § 19.03(6)(j) (explaining that a patent practitioner may be subject to “disciplinary action” for violating the “duty of candor” to the PTO); *see also* 35 U.S.C. § 32 (2012) (explaining when the PTO can suspend or exclude a patent practitioner).

²⁴ *Therasense*, 649 F.3d at 1305–06 (Bryson, J. dissenting); *see also* 28 U.S.C. § 2462 (2012) (“Except as otherwise provided by Act of Congress, an action, suit or proceeding for the enforcement of any civil fine, penalty, or forfeiture, pecuniary or otherwise, shall not be entertained unless commenced within five years from the date when the claim first accrued.”).

²⁵ Pub. L. No. 112-29, 125 Stat. 284 (2011) (codified in scattered sections of 35 U.S.C.).

the PTO will not find the withheld information material, thereby avoiding sanction for inequitable conduct. Although the patent practitioner still risks sanctions through the PTO,²⁶ “[t]he USPTO has made clear that the agency is ill-suited to pursue investigations into inequitable conduct due to a lack of resources, [and] subpoena power.”²⁷ Therefore, it seems unlikely that this new provision under the AIA will dramatically encourage the PTO to investigate into the circumstances of withholding the information.

Under the supplemental examination provision, it also seems unlikely that a practitioner who has ignored material information and received a patent without PTO detection of this material information will suddenly seek out this information and disclose it to the patent office. First, supplemental examination is available only to the patent owner,²⁸ so the attorney would have to have his client institute this process, which seems unlikely given that the material information could still invalidate the claims of the patent. Second, the patent practitioner still faces possible PTO sanctions.²⁹ Third, supplemental examination is unavailable once a patent owner has notice of a pleading in civil court related to a patent.³⁰ Therefore, once the patent practitioner knows this patent will be analyzed by the courts, the practitioner and client have no PTO escape.

Prior to *Therasense*, inequitable conduct provided a way for courts to sanction and thereby enforce the duty to inquire, with the litigants paying for the investigation. Where a patent practitioner “should have known that the withheld reference would be material to the PTO’s consideration, the failure to disclose the reference [was] sufficient proof of the existence of an intent to mislead the PTO.”³¹ Where a patent practitioner “avoid[ed] actual knowledge” the “‘should have known’ factor be[came] operative.”³² As the Federal Circuit explained in *Brasseler, U.S.A. I.L.P. v. Stryker Sales*

²⁶ See 35 U.S.C. § 257(f)(2) (2012) (“Nothing in this section [on supplemental examination] shall be construed . . . to limit the authority of the Director to investigate issues of possible misconduct and impose sanctions for misconduct in connection with matters or proceedings before the Office.”).

²⁷ McKeown, *supra* note 22.

²⁸ 35 U.S.C. § 257(a) (2012) (“A patent owner may request supplemental examination of a patent . . .”).

²⁹ 35 U.S.C. § 257(f)(2) (2012).

³⁰ 35 U.S.C. § 257(c)(2)(A) (2012) (“[Supplemental examination] shall not apply to an allegation pled with particularity in a civil action.”).

³¹ *Driscoll v. Cebalo*, 731 F.2d 878, 885 (Fed. Cir. 1984) (citing *Kansas Jack, Inc. v. Kuhn*, 719 F.2d 1144, 1152 (Fed. Cir. 1983)).

³² See *FMC Corp. v. Hennessy Indus., Inc.* 836 F.2d 521, 526 n.6 (Fed. Cir. 1987) (explaining that avoiding actual knowledge may take the form of “cultivat[ing] ignorance, or disregard[ing] numerous warnings that material information or prior art may exist”).

Corp.,³³ the duty to learn of potential information that requires disclosure arose under two circumstances: (1) where the patent practitioner was “on notice of the likelihood that specific, relevant, material information exists and should be disclosed;” and (2) where the patent attorney was aware of information which “suggests the existence of specific information” that may be material and “ascertained with reasonable inquiry.”³⁴

After *Therasense*, establishing an intent to withhold omitted material information requires proof by “clear and convincing evidence” that (1) the person “knew” of the undisclosed reference, (2) “knew” of its materiality, and (3) made a “deliberate decision to withhold” the material information.³⁵ Since the judicial standard now requires actual knowledge, it seems that a failure to inquire is no longer sufficient for a finding of an intent to deceive the PTO. The PTO itself does not appear poised to enforce a duty to inquire. Therefore, the threat of inequitable conduct appears to be moribund, removing a powerful sanction for practitioners who avoid learning of material information.

B. The Costs of Inquiring, Without the Possibility of Sanction, Discourage Learning of Material Information

Despite *Therasense*, patent practitioners continue to have a duty to inquire under the PTO’s regulations.³⁶ The high costs of complying with the duty, however, will encourage patent practitioners to narrowly construe what this duty entails. Patent practitioners face an immediate personal cost if they embark on an inquiry and discover information that could bar a patent application. In *Brasseler*, for example, the patent attorneys knew of prior sales of an invention, but did not investigate whether the date of such sales barred a patent application for the invention.³⁷ Had the attorneys inquired, however, they would have been unable to file the application, potentially losing income from this work.

The current financing model for patent prosecution further incentivizes willful blindness in the absence of an enforced duty to inquire. “Over the past few decades, patent practitioners have developed . . . the use of flat fees, contingent fees and royalties.”³⁸ In the case of flat fees, patent practitioners earn money based on work product, and a patent practitioner

³³ 267 F.3d 1370 (Fed. Cir. 2001).

³⁴ *Id.* at 1382.

³⁵ *Therasense, Inc. v. Becton, Dickinson & Co.*, 649 F.3d 1276, 1290 (Fed. Cir. 2011) (en banc).

³⁶ 37 C.F.R. § 11.18(b)(2) (2012).

³⁷ *Brasseler*, 267 F.3d at 1383.

³⁸ Kenneth R. Shurtz, *How Far Should the PTO Regulate Business Relationships of Patent Practitioners?*, 5 HASTINGS BUS. L.J. 169, 186 (2009).

that wants to earn more money is incentivized to file and prosecute even meritless applications to produce more work product in the form of patent applications and office actions. In the case of contingent fees and royalties, a patent practitioner still has an incentive to push through meritless patent application because any payment under these financial arrangements comes from an issued patent, not a patent practitioner's opinion that the application is not patentable.

A practitioner concerned with the interests of the client also faces costs to the client for inquiring. Judge Bryson, dissenting in *Therasense*, went so far as to argue that even if the patent practitioner *finds* material information, she likely would not disclose it due to the costs to the client's interests.³⁹ It is in the best interest of the client to avoid immediate invalidation from disclosure of material information during prosecution and risk unenforceability in litigation for inequitable conduct.⁴⁰ Bryson noted that no matter how faithful the practitioner is to PTO obligations, even "an open door may tempt a saint."⁴¹

However, the client's interests after discovering material information are not as clear at Judge Bryson alleges. A finding of inequitable conduct, described by the Federal Circuit as the "atomic bomb" of patent law,⁴² creates substantial costs of its own. Inequitable conduct in regards to a "single claim renders an entire patent unenforceable"⁴³ and "can spread from a single patent to render unenforceable other related patents and applications."⁴⁴ Further, a finding of inequitable conduct "may also spawn antitrust and unfair competition claims," justify an award of attorneys' fees, or provide an "exception to attorney-client privilege."⁴⁵ The attorney also personally faces the possibility of disciplinary action for a

³⁹ *Therasense*, 649 F.3d at 1305–06 (Byson, J. dissenting) ("[T]here will be no inducement for the applicant to be forthcoming. If the applicant withholds prior art or misleadingly discloses particular matters and succeeds, he obtains a patent that would not have issued otherwise. Even if the nondisclosure or misleading disclosure is later discovered, under the majority's rule the applicant is no worse off, as the patent will be lost only if the claims would otherwise be held invalid.").

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.* at 1288 (quoting *Aventis Pharma S.A. v. Amphastar Pharm., Inc.*, 525 F.3d 1334, 1349 (Fed. Cir. 2008) (Rader, J., dissenting)).

⁴³ *Id.* (citing *Kingsdown Med. Consultants, Ltd. v. Hollister Inc.*, 863 F.2d 867, 877 (Fed. Cir. 1988)).

⁴⁴ *Id.*

⁴⁵ *Id.* at 1289.

finding of inequitable conduct as explained above, not to mention reputational damage.⁴⁶

More likely, the patent practitioner will not inquire at all, to preserve the interests of both client and attorney. The practitioner has little expectation of sanctions for avoiding knowledge and avoids the risk of discovering material information. Discovering material information has several associated costs, including possible concession of the patentability of an application or risking a finding of inequitable conduct if the practitioner does not concede. Under this enforcement structure, patent practitioners are “encourage[d] or even require[d] . . . to engage in riskier behavior” to prevent knowledge of material information that might subject them to a finding of inequitable conduct.⁴⁷

C. Avoiding Knowledge Reconciles Ethical Responsibilities to the Practitioner’s Client and the PTO

In May of 2013, new rules went into effect regarding patent practitioners’ professional obligations to the PTO.⁴⁸ The purpose of the revisions was to align the PTO Code of Professional Responsibility with the Model Rules of Professional Conduct of the American Bar Association.⁴⁹

However, even under the new rules, a patent practitioner still faces conflicting ethical responsibilities and is encouraged to avoid knowledge of material information. A patent practitioner has duties of loyalty and advocacy to her client. At the same time, however, the patent practitioner must reconcile these duties to the client with duties of truthfulness to the PTO,⁵⁰ and must “make inquiry reasonable under the circumstances” into contentions made to the PTO.⁵¹ The easiest way to do this is to avoid inquiring into material information that may result in information that the practitioner is ethically obligated to reveal, but that may injure the practitioner’s obligations to the client. For example, the patent practitioner

⁴⁶ Katherine E. White, “*There’s a Hole in the Bucket: The Effective Elimination of the Inequitable Conduct Doctrine*,” 11 J. MARSHALL REV. INTELL. PROP. L. 716, 719 (2012) (“[I]nequitable conduct charges damage a patent attorney’s reputation as a bad actor.”).

⁴⁷ Jason Rantanen and Lee Petherbridge, *Therasense v. Becton Dickinson: A First Impression*, 14 YALE J.L. & TECH. 226, 254 (2012).

⁴⁸ *Changes to Representation of Others Before The United States Patent and Trademark Office*, OFFICE OF THE FEDERAL REGISTER (Apr. 3, 2013) <https://www.federalregister.gov/articles/2013/04/03/2013-07382/changes-to-representation-of-others-before-the-united-states-patent-and-trademark-office>.

⁴⁹ *USPTO Rules of Professional Conduct*, OFFICE OF ENROLLMENT AND DISCIPLINE (July. 17, 2013, 1:44 PM), <http://www.uspto.gov/ip/boards/oed/ethics.jsp>.

⁵⁰ 37 C.F.R. § 1.56 (2012).

⁵¹ 37 C.F.R. § 11.18(b) (2012).

may not ask about prior sales or unnamed inventors. This is especially problematic going forward under the changes in the legal landscape brought about by the America Invents Act (AIA), where uncertainty remains on statutory application bars. For example, a patent practitioner prosecuting an application post-AIA may not inquire about secret commercial uses because it is not clear whether such secret uses, especially pre-AIA, will bar an application.⁵²

Often patent practitioners are patent attorneys with additional expectations and ethical responsibilities not expressly incorporated into the professional obligations required of all patent practitioners before the PTO. The PTO currently reports an approximate 1:3 ratio of active patent agents to active patent attorneys.⁵³ Attorneys serve as advocates, and “[a]s an advocate, a lawyer zealously asserts the client’s position under the rules of the adversary system.”⁵⁴ It is difficult for an attorney to advocate with information that endangers her client’s case before the PTO because the duty of candor⁵⁵ requires the attorney to poison the application by revealing this information.

The PTO has underscored the duty of the patent practitioner to poison the application by adding Rule 11.106 as part of the May 2013 PTO Code of Professional Responsibility revisions. Rule 11.106 prioritizes disclosure to the PTO by stating, “A practitioner shall disclose to the Office information necessary to comply with applicable duty of disclosure provisions.”⁵⁶

It is easy to advocate without possessing all relevant information in patent prosecution, when it is unlikely that the patent attorney will be surprised by revealed material information. Under an “adversarial system . . . advocacy for two opposing parties will eventually illuminate the truth.”⁵⁷ However, during prosecution, the patent practitioner principally faces an examiner who reviews the patent application to make sure the application conforms to statutory requirements for patent applications.⁵⁸ The

⁵² Dennis Crouch and Jason Rantanen, *Did the AIA Eliminate Secret Prior Art?* (Oct. 10, 2012), <http://www.patentlyo.com/patent/2012/10/did-the-aia-eliminate-secret-prior-art.html>.

⁵³ *Patent Attorneys/Agents Search...*, U.S. PATENT AND TRADEMARK OFFICE (Aug. 26, 2013, 4:45 PM), <https://oedci.uspto.gov/OEDCI/query.jsp> (citing 10,749 active agents and 31,213 active attorneys).

⁵⁴ MODEL RULES OF PROF’L CONDUCT, Preamble (2012).

⁵⁵ 37 C.F.R. § 1.56 (2012).

⁵⁶ 37 C.F.R. § 11.106 (2013).

⁵⁷ Joe Kelly, *The Genesis Of Corruption In Criminal Lawyers*, 25 GEO. J. LEGAL ETHICS 591, 601 (2012).

⁵⁸ The AIA changes may make patent prosecution more adversarial by allowing increased opportunities for third parties to show the PTO material information

examiner has no interest in disallowing the patent application. Rather, the examiner is incentivized to allow the patent application because the PTO only generates revenue for allowances.⁵⁹ Further, an examiner can maximize the credit the examiner receives through a quick allowance under the new examiner count system, which rewards the examiner less and less the longer the examiner reviews the application.⁶⁰ The length of time the examiner reviews a rejected application is driven by the applicant who responds to office actions and makes requests for continued examination. An examiner can end this review through allowance. Further, the large backlog of patent applications confronting the typical patent examiner is itself an incentive to quickly dispose of patent applications. In 2011, the PTO reported a backlog of more than 1.2 million pending utility patent applications.⁶¹ Allowances obviate lengthy examiner reviews of an application, allowing the examiner to begin reviewing a new application and earn additional credit.

In patent prosecution, there is only one advocate, the patent practitioner, who wields great control over the facts presented. The patent attorney's advocacy is limited by duties to the PTO. Under Rule 11.303 under the PTO Rules of Professional Conduct, "[a] practitioner shall not knowingly . . . make a false statement of fact or law to a tribunal or fail to correct a false statement of material fact or law previously made to the tribunal by the practitioner."⁶² Tribunals include the PTO,⁶³ so when the patent attorney initially files the patent application with the PTO, the attorney is within the reach of this rule. If the PTO rejects a patent application, the application faces several levels of tribunal review including

including Post Grant Review. However, this process is based on the European Patent Office procedure, under which on average only 5 percent of granted patents are opposed. See Susan J. Marsnik, *Will The America Invents Act Post-Grant review Improve the Quality of Patents? A Comparison with the European Patent Office Opposition.*, UNIV. OF ST. THOMAS ETHICS AND BUS. LAW FACULTY PUBL'NS 2, 6 (Sept. 24, 2012), available at <http://ssrn.com/abstract=2151444>.

⁵⁹ Arti K. Rai, *Growing Pains in the Administrative State: The Patent Office's Troubled Quest for Managerial Control*, 157 U. PA. L. REV. 2051, 2062 (2009) ("[U]nder the current fee structure, a large percentage of the front-end examination cost is recouped through back-end issuance fees as well as maintenance fees, which are considerably higher than front-end filing fees Not only do applicants who secure and maintain patents dramatically subsidize those whose patents are denied, but the current fee structure also sets up an obvious financial incentive for the PTO to grant patents.").

⁶⁰ Gene Quinn, *USPTO's New Examiner Count System Go into Effect*, IPWATCHDOG, (Feb. 26, 2010), <http://www.ipwatchdog.com/2010/02/26/usptos-new-examiner-count-system-go-into-effect/id=9310/>.

⁶¹ Marsnik, *supra* note 58, at 4.

⁶² 37 C.F.R. § 11.303 (2013).

⁶³ 37 C.F.R. § 11.1 (2013).

the Patent Trial and Appeal Board and the Federal Circuit. Litigated patents face district court tribunals and possibly appeals of this court's decision. The patent attorney acting as an advocate will want to achieve successful patent applications on the client's behalf. The attorney's duties to the tribunal however, will prevent false statements, so the easiest way—indeed, perhaps the only way—for the patent attorney to satisfy both duties is to intentionally avoid learning material information that may bar a patent application and thereby falsify the attorney's statement that the subject matter of the patent application is patentable.

Similarly, Rule 11.304 of the PTO Rules of Professional Conduct declares that “a practitioner shall not . . . unlawfully obstruct another party's access to evidence or unlawfully . . . conceal a document or other material having potential evidentiary value.”⁶⁴ To prevent concealing or obstructing information to the PTO or third parties opposing an application, the attorney is forced to engage in willful blindness to continue to advocate for the client.

A patent practitioner faces risks to his own and his client's interests when inquiring into material information that may bar patentability, and is further encouraged by existing ethical obligations to severely limit inquiry. Therefore, the recent Federal Circuit's change in standards to prevent meritless inequitable conduct claims likely sacrificed adherence to the duty to inquire.

II. THE DUTY TO INQUIRE SERVES A USEFUL PURPOSE

Preserving the duty to inquire provides valuable public benefit, guides the patent practitioners through vague or underenforced ethical duties, and reconciles Federal Circuit and Supreme Court precedent.

A. The Duty to Inquire Serves the Public Interest

The duty to inquire helps ensure the quality of patents and lowers the likelihood of granting a monopoly on information already in the public domain. The “scope of the patent claims” defines the “boundary of a patent monopoly.”⁶⁵ Knowledge of material information may drive the modification of claims to carve out a narrower area not already in the public domain. Patents are invalid if the scope of the claims covers material already in the public domain,⁶⁶ and can be invalidated in litigation if a challenger shows that the claims fall short of the statutory requirements for

⁶⁴ *Id.*

⁶⁵ *Dawson Chem. Co. v. Rohm and Haas Co.*, 448 U.S. 176, 221 (1980).

⁶⁶ *See* 35 U.S.C. § 102 (2012) (requiring patentable material to be novel).

patentability.⁶⁷ If the patent is not invalidated, however, the public is harmed when an invention the public had understood to be in the public domain is removed and put under a monopoly.

Further, uncovering material information after the patent practitioner files the application imposes costs on the PTO, competitors, and the public. The change in standards required in *Therasense* will shift the burden of determining if a patent meets statutory requirements to the PTO because it “reduce[s] the care and patent quality responsibilities [of] applicants.”⁶⁸ If the PTO does not discover this information and issues the patent, society pays a cost through reduced competition, thus allowing the monopoly patent-holder to set the prices for products at a higher price.⁶⁹ Professors Jason Rantanen and Lee Petherbridge postulate that patent-litigation costs will go up because *Therasense* will increase the proportion of low-quality patents that are likely to be invalidated in litigation, and competitors will likely spend more money to litigate a patent if they can invalidate it.⁷⁰

These costs—the cost to the PTO of analyzing the patents, the cost to the public of honoring the patent holder’s monopoly, and the cost to competitors of litigating the patent—could be avoided if the patent practitioner initially screened inventions for patentability before pursuing a patent. Rantanen and Petherbridge contend that patent practitioners and applicants are best situated to ensure that patents meet the statutory requirements because often the information is at the “applicant’s fingertips” and the PTO does not have the necessary “resources to ensure that only deserving inventions receive patents.”⁷¹ The duty to inquire forces the patent practitioner to find information that may help in this initial screening without shifting the burden to the PTO.

Even if the patent practitioner finds information that may not bar patentability, federal regulation provides that “[t]he public interest is best served, and the most effective patent examination occurs when, at the time an application is being examined, the [PTO] is aware of and evaluates the teachings of all information material to patentability.”⁷² It is difficult for the PTO to be aware of all material information without the help of the patent

⁶⁷ See, e.g., *Microsoft Corp. v. i4i Ltd. Partnership*, 131 S.Ct. 2238, 2239–40 (2011) (“[Microsoft] sought a declaration that the patent was invalid under § 102(b)’s on-sale bar, which precludes patent protection for any ‘invention’ that was ‘on sale in this country’ more than one year prior to the filing of a patent application.”).

⁶⁸ Rantanen & Petherbridge, *supra* note 47, at 239.

⁶⁹ *Id.* at 243.

⁷⁰ See *id.* at 245 (postulating that the change in *Therasense* will produce more “low-quality patents” and “competitor[s] will resist liability more vigorously”).

⁷¹ *Id.* at 239.

⁷² 37 C.F.R. § 1.56(a) (2012).

practitioner in inquiring and supplying that information. For example, if an inventor kept his process out of the public domain but commercially produced for sale a product of this process for over a year, his patent application should be barred.⁷³ However, the PTO may never learn of this activity without the inquiry of the patent practitioner and subsequent disclosure.

If the material information never surfaces, the patent owner holds a monopoly in violation of statutes carefully crafted to “draw[] a line between the things which are worth to the public the embarrassment of an exclusive patent, and those which are not.”⁷⁴ Without the duty to inquire, the public’s interest suffers from improper monopolies.

B. Patent Practitioners Need Clear Guidance with Enforcement not Provided by Existing Ethical Duties

Even in the absence of a duty to inquire enforced through penalties for inequitable conduct, patent practitioners still have ethical considerations that may discourage willful blindness. A single patent attorney may have ethical considerations as an attorney,⁷⁵ an engineer,⁷⁶ and an agent of the PTO.⁷⁷ However, when these guidelines are explored, it becomes apparent that they are vague and unenforceable guidelines that do not limit an attorney’s role as an advocate. In contrast, under the pre-*Therasense* duty to inquire, a patent practitioner had guidance on when to inquire—and enforcement through sanctions derived from a finding of inequitable conduct.⁷⁸ A court-defined and enforced standard for the duty to inquire is

⁷³ See *ResQNet.com, Inc. v. Lansa, Inc.*, 594 F.3d 860, 866 (Fed. Cir. 2010) (explaining that “where a patented method is kept secret and remains secret after a sale of the unpatented product of the method[, s]uch a sale prior to the critical date is a bar if engaged in by the patentee or patent applicant” (quoting *In re Caveney*, 761 F.2d 671, 675 (Fed. Cir. 1985))).

⁷⁴ See *Graham v. John Deere Co.* 383 U.S. 1, 9 (1966) (quoting Thomas Jefferson, Letter to Isaac McPherson (Aug. 13, 1813), in 6 WRITINGS OF THOMAS JEFFERSON 175, 180–181 (H.A. Washington ed., Washington, D.C., Taylor & Maury 1854)) (explaining the purpose of the patent monopoly). Jefferson, notably, was also the author of the 1793 Patent Act.

⁷⁵ See, e.g., MODEL RULES OF PROF’L CONDUCT R. 8.4(c) (2012) (requiring attorneys not engage “knowingly” in “dishonesty, fraud, deceit or misrepresentation”).

⁷⁶ See, e.g., NAT’L SOC’Y OF ENGINEERS, CODE OF ETHICS FOR ENGINEERS, Rule II.3 (2007), available at <http://www.nspe.org/resources/pdfs/Ethics/CodeofEthics/Code-2007-July.pdf> (requiring licensed professional engineers to “be objective and truthful in professional reports, statements, or testimony”).

⁷⁷ See, e.g., 37 C.F.R. § 1.56(a) (2012) (requiring PTO agents and attorneys to disclose information “material to patentability”).

⁷⁸ See *supra* notes 31–34 and accompanying text.

still needed to ensure that patent practitioners fulfill all ethical obligations and disclose information needed by the PTO.

1. PTO ethical duties impose guidelines without enforcement

The PTO requires that “[e]ach individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the Office, which includes a duty to disclose to the [PTO] all information known to that individual to be material to patentability.”⁷⁹ This requirement burdens the patent practitioner with revealing information, but does not require the practitioner to actively acquire information. Without a duty to inquire, the fact that both the applicant and the patent practitioner have a duty to disclose information is insufficient to ensure that the PTO has all the information necessary to decide on an application. Even if the applicant has the information and the inventor also owes a duty of candor to the PTO, the inventor may not have the training to know what information is material to patentability until prompted by the attorney. In this situation, the duty to inquire guides a useful exchange of information that provides the material information the PTO needs.

To aid in a patent practitioner’s “duty of disclosure,” the Manual of Patent Examining Procedure (MPEP) provides helpful suggestions for what an attorney should inquire into, such as “possible public uses and sales.”⁸⁰ These suggestions indicate that the duty to disclose has implications for inquiry and that willful blindness will not satisfy the ethical responsibilities of the patent practitioner to disclose material information to the PTO. Once again, there is no mechanism to ensure that these duties are honored.⁸¹ The court-defined duty of inquiry, however, did enforce very similar duties, and did so effectively. For example, in *Brasseler*, the court noted that it is not inequitable conduct for an attorney to rely on information disclosed by the client unless there is reason to doubt this information, and cited the suggested questions set forth in MPEP § 2004.⁸² By protecting attorneys following the suggestions of the MPEP, the court enforced these suggestions by the PTO. If the court-defined duty of inquiry disappears, however, so does enforcement of the PTO’s duty of inquiry.

2. Attorney ethical duties impose vague, uncertain guidelines

⁷⁹ 37 C.F.R. § 1.56 (2012) (emphasis added).

⁸⁰ U.S. PAT. & TRADEMARK OFFICE, MANUAL OF PATENT EXAMINING PROCEDURE § 2004 (8th ed., 9th rev. Aug. 2012).

⁸¹ *See id.* (explaining that “it is not appropriate to attempt to set forth procedures by which attorneys, agents, and other individuals may ensure compliance with the duty of disclosure”).

⁸² *Brasseler, U.S.A. I.L.P. v. Stryker Sales Corp.*, 267 F.3d 1370, 1382–83 & n.4 (Fed. Cir. 2001).

Patent practitioners that are also attorneys have an ethical duty under Rule 8.4 of the Model Rules of Professional Conduct to not “knowingly assist or induce another to violate the Rules of Professional Conduct.”⁸³ “Knowingly” denotes “actual knowledge” but such “knowledge may be inferred.”⁸⁴ If either the practitioner or the applicant violates the Rules of Professional Conduct, the practitioner is ethically responsible. It is “professional misconduct” to “engage in conduct involving dishonesty, fraud, deceit or misrepresentation”⁸⁵ or “engage in conduct that is prejudicial to the administration of justice.”⁸⁶ Choosing not to inquire may allow an inference of knowledge of the materiality of the reference under this rule. Willful blindness may evidence dishonest behavior, or submitting an incomplete record of potentially material information may misrepresent the scope of material information. It is more likely that willful blindness is prejudicial to the administration of justice, because it can result in the issuing of a patent that unjustly takes useful inventions out of the public domain or prevents subsequent inventors from claiming these inventions. These are unfair results to the public or to the inventor, and contrary to the statutory scheme devised by Congress in granting patents.

In the end, however, Rule 8.4 is vague at best for patent attorneys, and instructs only what an attorney should not do. Incorporating Rule 8.4 into the May 2013 revisions to the PTO Rules of Professional Conduct by adding Rule 11.804 did little to clarify what a patent practitioner should do.⁸⁷ Neither Rule 8.4 nor Rule 11.804 defines unethical behavior with the determinacy to stand against the tide of incentives to avoid learning of material information. A clearly defined duty—with corresponding judicial enforcement—is needed.

3. Scientific ethical duties suggest that a patent practitioner should not engage in willful blindness, but lack clear guidelines

Many patent practitioners also have scientific backgrounds, with associated ethical guidelines. For example, out of the thirty-two approved Bachelor’s degrees to qualify as a patent agent or attorney, eighteen are engineering majors.⁸⁸ The National Society of Engineers has developed its

⁸³ MODEL RULES OF PROF’L CONDUCT R. 8.4(a) (2012).

⁸⁴ MODEL RULES OF PROF’L CONDUCT R. 1.0(f) (2012).

⁸⁵ MODEL RULES OF PROF’L CONDUCT R. 8.4(c) (2012).

⁸⁶ MODEL RULES OF PROF’L CONDUCT R. 8.4(d) (2012).

⁸⁷ See *ABA and USPTO Rule Comparison Chart*, OFFICE OF ENROLLMENT AND DISCIPLINE, <http://www.uspto.gov/ip/boards/oed/AbavsUSPTO.pdf> (last visited Aug. 26, 2013) (comparing Rule 8.4 and Rule 11.804).

⁸⁸ *General Requirements Bulletin for Admission to the Examination for Registration to Practice in Patent Cases Before the United States Patent and Trademark Office*, USPTO (Mar. 2012), available at http://www.uspto.gov/ip/boards/oed/GRB_March_2012.pdf.

own ethical guidelines⁸⁹ that are enforced under state authority by civil penalties for those licensed as “professional engineers.”⁹⁰ These engineering rules are relevant in the context of patent prosecution because they were developed to protect the professional reputation of the engineers, and engineers often use their engineering training in developing and prosecuting patent applications.

These guidelines direct patent practitioners away from willful blindness. Under the guidelines, engineers “shall not attempt to injure, maliciously or falsely, directly or indirectly, the professional reputation, prospects, practice or employment of other engineers.”⁹¹ There is no requirement here that the engineers violating this rule know that the person they are injuring is another engineer. If the patent practitioner through willful blindness allows a patent application to file before another engineer-applicant, and that patent application should not have been filed, the patent practitioner risks injuring the professional reputation of the inventor he represents and the prospects or employment of the later engineer-applicant.

Furthermore, patent practitioners bound by engineers’ ethical duties have enhanced duties to engage in fact finding. For example, the guidelines provide that “[e]ngineers shall be objective and truthful in professional reports, statements, or testimony. They shall include all relevant and pertinent information in such reports.”⁹² Likely, a patent application would be viewed as a professional report, as it includes a specification of the relevant science.⁹³ This duty to include all information indicates that engineers are expected to seek out and find such relevant information.

Engineers also have affirmative duties to “strive to serve the public interest.”⁹⁴ In addition, engineers and attorneys both have duties to avoid deceptive acts.⁹⁵ Yet neither the ethical guidelines for engineers nor those for attorneys provide clarity on how patent practitioners are to avoid deceptive acts or what constitutes deception.

⁸⁹ NAT’L SOC’Y OF ENGINEERS, *supra* note 76.

⁹⁰ *See, e.g.*, N.C. GEN. STAT. § 89C-21(a)(4) & (c) (2013), *available at* <http://www.ncbels.org/forms/g89c.pdf> (authorizing a board comprising professional engineers to impose sanctions based on ethics violations adopted by the board up to amount of \$5,000).

⁹¹ NAT’L SOC’Y OF ENGINEERS, *supra* note 76, Rule III.7.a.

⁹² *Id.* Rule II.3.a.

⁹³ *See* 35 U.S.C § 112(a) (2012) (“The specification shall contain a written description of the invention, and of the manner and process of making and using it.”).

⁹⁴ NAT’L SOC’Y OF ENGINEERS, *supra* note 76, Rule III.2.

⁹⁵ *See, e.g., id.* Rule II.5.

Accordingly, although the ethical duties imposed upon engineers generally align with the responsibility of patent practitioners to inquire, they do not direct a course of action that would engage in inquiry. Where the PTO has provided suggestions, these suggestions are not enforced. Without clear guidelines, practitioners—operating as advocates, concerned about the potential costs of inquiring—will move further away from learning material information. Thus, neither PTO rules, attorney ethical standards, nor engineering ethical standards substitute for the pre-*Therasense*, judicially enforced duty to inquire.

C. A Duty to Inquire Reconciles Federal Circuit and Supreme Court Precedent to Proscribe Willful Blindness in Patent Law

Prior Federal Circuit opinions supported the duty to inquire because it prohibited “cultivat[ing] ignorance” to avoid actual knowledge.⁹⁶ Without the duty to inquire, there is little to encourage a patent practitioner to learn material information. In *Therasense*, the Federal Circuit’s expressed goal, in changing the materiality and knowledge standards, was to limit the amount of information submitted to the PTO and the number of claims of inequitable conduct.⁹⁷ However, honoring a duty to inquire would result in production of information only if the inquiry resulted in a finding of materiality. This production of information would expose any validity issues with the patent well before issuance and inequitable conduct challenges.

In sacrificing the duty to inquire in exchange for potentially reducing claims of inequitable conduct, the Federal Circuit has effectively nullified its case law prohibiting patent practitioners from engaging in willful blindness. Scholars have further suggested that excluding willful blindness may even be inconsistent with the Supreme Court’s recent holding in *Global-Tech Appliances, Inc. v. SEB S.A.*⁹⁸

In *Global-Tech*, the Supreme Court held that willful blindness could establish knowledge in the context of patent *infringement*.⁹⁹ The Court identified two elements for determining when willful blindness exists and establishes knowledge: “(1) the defendant must subjectively believe that there is a high probability that a fact exists, and (2) the defendant must take deliberate actions to avoid learning of that fact.”¹⁰⁰ Under this standard,

⁹⁶ See *supra* note 32 and accompanying text.

⁹⁷ *Therasense, Inc. v. Becton, Dickinson & Co.*, 649 F.3d 1276, 1290 (Fed. Cir. 2011) (en banc).

⁹⁸ 131 S. Ct. 2060 (2011).

⁹⁹ *Id.* at 2068–2071.

¹⁰⁰ *Id.* at 2070.

some think willful blindness must implicate liability for inequitable conduct, as well.¹⁰¹

This standard is useful in the context of inequitable conduct for many of the same policy reasons cited by the Court in *Global-Tech*. The Court noted that “defendants who behave in this manner are just as culpable as those who have actual knowledge”¹⁰² and “persons who know enough to blind themselves to direct proof of critical facts in effect have actual knowledge of those facts.”¹⁰³ These statements pertain no less forcefully to inequitable conduct. Accordingly, the knowledge requirement in the heightened inequitable conduct standards should be satisfied by or inferable from a finding of willful blindness.

The Supreme Court in *Global-Tech* used broad strokes in applying willful blindness to patent law. The Court found that willful blindness is widely accepted in the criminal context and reasoned that these principles apply in the realm of patent infringement.¹⁰⁴ The Court—over a sharp dissent—allowed no special protection for those “who actively encourage others to violate patent rights and who take deliberate steps to remain ignorant of those rights.”¹⁰⁵ The Court’s direct application of the criminal standard of willful blindness to the patent context indicates that carving out willful blindness from inequitable conduct in patent prosecution may be inconsistent with the policy announced in *Global-Tech Appliances*.

That the *Global-Tech Appliances* standard is applicable to patent prosecution is further evidenced by the recent district court decision in *Hokto Kinoko Co. v. Concord Farms, Inc.*¹⁰⁶ In that case, decided after *Therasense*, the court ruled that the willful blindness standard announced in *Global-Tech* applied to misrepresentations before the PTO where a party registered a federal trademark for goods to which the party did not affix the

¹⁰¹ See, e.g., Kevin E. Noonan, *Global-Tech Appliances, Inc. v. SEB S.A.*, PATENT DOCS (May 31, 2011), <http://www.patentdocs.org/2011/06/global-tech-appliances-inc-v-seb-sa-2011.html> (noting the potential applicability of the concept of willful blindness to inequitable conduct as already applied in the context of inducing infringement); D. Christopher Ohly, *Therasense: Another Case For Rejection Of Rigid Rules*, 23 INTEL. PROP. & TECH. L.J. 14, 20 (2011) (suggesting that the *Therasense* opinion may be inconsistent with the possible broader implications of *Global-Tech Appliances*).

¹⁰² *Global-Tech*, 131 S. Ct. at 2069.

¹⁰³ *Id.* (citing *United States v. Jewell*, 532 F.2d 697, 700 (9th Cir. 1976) (en banc)).

¹⁰⁴ See *id.* (“[E]very Court of Appeals—with the possible exception of the District of Columbia Circuit . . . —has fully embraced willful blindness, applying the doctrine to a wide range of criminal statutes.”).

¹⁰⁵ *Id.* at 1269 n.8.

¹⁰⁶ 810 F.Supp.2d 1013 (C.D. Cal. 2011).

trademark or intend to affix the trademark.¹⁰⁷ Practitioners who file documents related to trademarks have the same statutory duty to inquire.¹⁰⁸ It seems incongruous that practitioners should be subject to stricter enforcement of this duty for trademark applications, but not for patent applications.

III. COURTS SHOULD RESURRECT THE DUTY TO INQUIRE

The need for the duty to inquire and the incentive imbalance left in the wake of *Therasense* creates a need for some enforceable standard that prohibits willful blindness. Courts are institutionally well-situated for the task of defining and enforcing the standard, as willful blindness should be a fact-bound inquiry elucidated through concrete cases, and adverse litigants have the best incentive and resources to expose the relevant facts. The best way to do this is for the Federal Circuit to clarify that willful blindness remains a viable and enforced doctrine post-*Therasense*. Alternatively, courts could directly adopt the new standards proposed in *Global-Tech* that currently apply to patent infringement. As a final option, the courts could create an exception to the current standards for particularly egregious willful blindness.

A. The Court-defined Duty to Inquire Provides Enforced Guidelines that Balance a Practitioner's Responsibilities to the Client and the PTO

The duty to inquire into potential information that requires disclosure arises under two circumstances: (1) where the patent attorney is “on notice of the likelihood that specific, relevant, material information exists and should be disclosed,” and (2) where the patent attorney is aware of information which “suggests the existence of specific information” that may be material and “ascertained with reasonable inquiry.”¹⁰⁹ Pre-*Therasense* willful blindness doctrine was workable and congruent with a patent practitioner’s other duties, and the Federal Circuit should affirm that it remains viable and enforceable post-*Therasense*.¹¹⁰ Because the attorney essentially has to have a lead that there was information to find, the attorney

¹⁰⁷ *Id.* at 1043–44. *But see Sovereign Military Hospitaller Order of Saint John of Jerusalem of Rhodes & of Malta v. Florida Priory of Knights Hospitallers of Sovereign Order of Saint John of Jerusalem, Knights of Malta, Ecumenical Order*, 702 F.3d 1279, 1291–92 (11th Cir. 2012) (declining to extend the holding of *Global-Tech* from patent law into the context of trademark law).

¹⁰⁸ 37 C.F.R. § 11.18(b) (2012) (applying to all correspondence filed in the PTO).

¹⁰⁹ *Brasseler, U.S.A. I, L.P. v. Stryker Sales Corp.*, 267 F.3d 1370, 1382 (Fed. Cir. 2001).

¹¹⁰ For an outline of the doctrine, *see supra* notes 31–34 and accompanying text.

is not required “to pursue a fishing expedition.”¹¹¹ This allows the attorney to advocate without constant suspicion of the client’s patent.

The case law has also drawn a fact-intensive distinction between willful blindness and mere negligence, limiting the responsibilities of the patent practitioner in the latter case. The Federal Circuit has recognized exceptions to the attorney’s duty to inquire when the attorney relies on information provided by clients¹¹² or on the work of other attorneys.¹¹³ This ensures that the patent practitioner does not face liability for inquiring but finding incorrect information. It also protects attorney-client trust by allowing the patent practitioner to rely on the client.

Finally, the duty to inquire supports the principle described in both Federal Circuit and Supreme Court precedent that a party who engages in willful blindness has culpability. The Federal Circuit, by removing “should have known” as a standard for determining intent, did not expressly foreclose willful blindness. The Federal Circuit equated “should have known” with gross negligence or negligence.¹¹⁴ Similarly, the Supreme Court has said willful blindness does not implicate negligence or reckless intent.¹¹⁵ Therefore, an interpretation of *Therasense* that aligns with Federal Circuit and Supreme Court case law must preserve the possibility of finding inequitable conduct for willful blindness.

B. Courts Can Resurrect the Duty to Inquire by Finding that Failing to Inquire Constitutes Knowledge

A practitioner’s failure to inquire could rise to the heightened level of knowledge required for intent to deceive after *Therasense*. If the patent attorney is “on notice” of material information,¹¹⁶ this may constitute sufficient knowledge of at least the materiality of the reference to satisfy the heightened-knowledge component of intent to deceive the PTO necessary to find inequitable conduct. Alternatively, when a patent practitioner is aware of information which “suggests” material information and the practitioner

¹¹¹ *Brasseler*, 267 F.3d at 1382.

¹¹² *See id.* at 1382–83 (finding there is no duty to inquire when the attorney relies on his client, unless there is a reason to doubt the client).

¹¹³ *See Cordis Corp. v. Boston Scientific Corp.*, 658 F.3d 1347, 1360–61 (Fed. Cir. 2011) (finding no inequitable conduct where an inventor prosecuting a patent application pro se thought a reference was immaterial based on the advice of an attorney performing a search of the prior art).

¹¹⁴ *Therasense, Inc. v. Becton, Dickinson & Co.*, 649 F.3d 1276, 1290 (Fed. Cir. 2011) (en banc).

¹¹⁵ *Global-Tech Appliances v. SEB S.A.*, 131 S. Ct. 2060, 2071 (May 31, 2011).

¹¹⁶ *See Brasseler*, 267 F.3d at 1383 (explaining that a practitioner has a duty to inquire when the patent practitioner is “on notice of the likelihood that specific, relevant, material information exists and should be disclosed”).

can easily review this information,¹¹⁷ this may be sufficient to infer knowledge, because a patent practitioner who has a duty to inquire should look. Such a holding would be supported by the reasoning of *Global-Tech Appliances*: “[P]ersons who know enough to blind themselves to direct proof of critical facts in effect have actual knowledge of those facts.”¹¹⁸

Yet another alternative, if the duty to inquire alone is insufficient to define a standard of behavior that supports the heightened knowledge component of intent after *Therasense*, is for courts to directly adopt the two-prong analysis in *Global-Tech Appliances*, finding knowledge when (1) the patent practitioner subjectively believes that there is a high probability that material information exists, and (2) the patent practitioner takes deliberate actions to avoid learning of this material information.¹¹⁹ Unfortunately, this test, like many of the other ethical duties imposed on patent practitioners, illuminates what not to do as opposed to what to do. Still, adopting this test would provide some disincentives for engaging in willful blindness by providing sanctions for this behavior.

C. Alternatively, Courts Can Recognize an Exception to the Heightened Inequitable Conduct Standard

Currently, the Federal Circuit recognizes an exception to the but-for materiality requirement where there is evidence of an affirmative act of “egregious misconduct.”¹²⁰ While there is currently no judicially recognized exception to the specific intent requirement, the benefits of preventing willful blindness and maintaining ethical obligations may suggest that courts could apply the egregious misconduct doctrine in such circumstances.

In *Therasense*, the court found that a person would not engage in egregious conduct unless she felt that it would affect issuance of the patent application. From this behavior, the court could infer that the patent would not have issued with the disclosure. Similarly, courts could view willful

¹¹⁷ *See id.* at 1382 (explaining that a patent practitioner has a duty to inquire when the practitioner is aware of information which “suggests the existence of specific information” that may be material and “ascertained with reasonable inquiry”).

¹¹⁸ *Global-Tech*, 131 S. Ct. at 2069 (citing *United States v. Jewell*, 532 F.2d 697, 700 (9th Cir. 1976) (en banc)).

¹¹⁹ *Id.* at 2070.

¹²⁰ *See Therasense, Inc. v. Becton, Dickinson & Co.*, 649 F.3d 1276, 1292 (Fed. Cir. 2011) (en banc) (finding a person would not engage in egregious conduct unless the person felt that it would affect issuance of the patent application); *see also id.* at 1292–93 (finding “filing of an unmistakably false affidavit” is egregious and failure to disclose prior art is not egregious); *Powell v. Home Depot U.S.A., Inc.*, 663 F.3d 1221, 1235 (Fed. Cir. 2011) (finding a patentee’s failure to update the PTO regarding a lack of grounds to expedite an application is not egregious).

blindness as constituting egregious behavior, and infer not only knowledge of the materiality but a specific intent to deceive the PTO.

The court in *Therasense* does not foreclose the possibility that an intent exception could exist. The court says “[b]ecause direct evidence of deceptive intent is rare, a district court may infer intent from indirect and circumstantial evidence,”¹²¹ where the intent to deceive is “the single most reasonable inference able to be drawn from the evidence.”¹²²

CONCLUSION

The recent *Therasense* opinion likely hindered enforcement of the duty to inquire into information that could potentially bar a patent application. Without enforcement, patent practitioners have little incentive to protect the public interest in disclosure. Thus, the duty to inquire is needed both to prevent willful blindness, which harms the public interest, and to the support ethical duties of the practitioner as an attorney, scientist, or agent of the PTO. Judicial enforcement of the duty to inquire will buttress Supreme Court and Federal Circuit precedent. Several solutions to resurrect the duty to inquire are possible, including introducing the standard that a lack of inquiry constitutes knowledge, adopting alternative willful blindness standards, and creating an exception to the current heightened standard for intent to deceive the PTO. The Federal Circuit’s policies to prevent patent practitioners from cultivating ignorance must be enforced through some mechanism or such policies will be ignored.

¹²¹ *Therasense*, 649 F.3d at 1290 (citing *Larson Mfg. Co. of S.D., Inc. v. Aluminart Prods. Ltd.*, 559 F.3d 1317, 1340 (Fed. Cir. 2009)).

¹²² *Id.* (citing *Star Scientific Inc. v. R.J. Reynolds Tobacco Co.*, 537 F.3d 1357, 1366 (Fed. Cir. 2008)).