

Post-Abandonment Practice and Avoiding Inequitable Conduct

Patent prosecution costs can weigh heavily on cash-strapped clients, who may still face USPTO rejections after spending significant money. Unfortunately (and often), cash-strapped clients are not responsive. And to be fair, even steady-paying clients may have shifting priorities. One option for cash-strapped clients is to not respond to a rejection, which will prompt a Notice of Abandonment. However, while this seems on its face to be final, it does not necessarily end the patenting process – petitions to revive are still possible.

Freshhub, Inc. v. Amazon.com, Inc. (2024)

The Federal Circuit, in *Freshhub*, provides guidance on post-abandonment practices for avoiding specific intent inferences and inequitable conduct. This case centers around a patent application that stood abandoned (for non-response) from 2012 to 2017. In 2011, a rejection was mailed and reported to the client by the patent counsel. The client did not respond to its counsel. As such, no response was filed, and a Notice of Abandonment was mailed and duly reported to the client. Down the road, the patent owner executed a general assignment document that listed the application as abandoned.

Fast forward to 2017, patent counsel signed a petition to revive for unintentional abandonment under 37 CFR § 1.137(a). The petition was granted, and a patent followed. In *Freshhub*'s lawsuit against Amazon, Amazon asserted that the patent counsel's actions from 2012 and 2017 leading up to the petition to revive amounted to inequitable conduct.

The Federal Circuit disagreed, holding that "to prevail on inequitable conduct, the accused infringer must prove that the applicant misrepresented or omitted material information with specific intent to deceive the PTO." *Therasense, Inc. v. Becton, Dickinson and Co.*, (Fed. Cir. 2011). Here, the Federal Circuit deferred to the district court, which held that Amazon did not prove intentional abandonment. Thus, no specific intent could be inferred, and accordingly, no inequitable conduct could be found.

Practice Tips

When faced with a rejection and a non-responsive client, it is important to follow normal, reasonable practices. Continue to report the actions and statements from the USPTO, but do not provide commentary. Often, the Examiner will call to confirm the status of the case if no response is mailed. In these cases, one course of action is for the patent counsel to report the telephone call to the client and refrain from giving the Examiner any further comment. These actions should lead to the Notice of Abandonment, which, again according to normal practices, should be reported without commentary, optionally with an outline of the generic revival procedures.

Now, to be sure, no patent attorney wants to specialize in post-abandonment practice. That said, abandonments are not the end of the patent process. Counsel and their clients should implement normal, reasonable procedures that do not unintentionally imply specific intent of inequitable conduct.



Keith D. Fredlake

Member

kfredlake@cozen.com
Phone: (202) 747-0768
Fax: (202) 861-1905



Jeffrey T. Gendzwill

Co-Chair,
Patent
Prosecution

jgendzwill@cozen.com
Phone: (202) 463-2502
Fax: (202) 861-1905

Related Practice Areas

- Intellectual Property
- Patents