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BEST MODE—INTENT TO CONCEAL*

The patent statute may be likened to a vast pie into which the judiciary periodically sticks its collective thumb, pulls out a plum, and proceeds to have a great deal of fun with a newly discovered (or, at least, newly focused upon) concept. One such concept is the best mode requirement of the first paragraph of 35 USC 112.[1] After almost a century of benign neglect, the best mode requirement was extracted from the statutory pie by Judge Rich's opinion in *In re Nelson*[2] which stated that:

> One cannot read the wording of section 112 without appreciating that strong language has been used for the purpose of compelling complete disclosure. There always exists, on the part of some people, a selfish desire to obtain patent protection without making full disclosure, which the law, in the public interest, must guard against. Hence section 112 calls for description in "full, clear, concise, and exact terms" and the "best mode" requirement does not permit an inventor to disclose only what he knows to be his second-best embodiment, retaining the best for himself.[3]

After *Nelson,* development of the best mode requirement has been fast and furious, and not without considerable controversy and perceived wafflings in court interpretations of the requirement.[4] This segment of today's discussion of

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1 "The specification . . . shall set forth the best mode contemplated by the inventor of carrying out his invention."

2 280 F.2d 172, 126 USPQ 242 (CCPA 1960).

3 126 U.S.P.Q. at 253 (CCPA 1960). The early history of the development of the best mode requirement after Judge Rich's seminal declaration is traced in McDougall, "The Courts Are Telling Us: 'Your Client's Best Mode Must Be Disclosed'," 59 JPOS 321 (1977).

4 In addition to Mr. McDougall's excellent article, see the author's article entitled "Recent Developments in the CCPA Relating to the First Paragraph of 35 USC 112" at Part II, "The Best-Mode Requirement," 55 JPOS 5-15 (1973); Walterscheid, "Insufficient Disclosure Rejections" at Part VI, "Best Mode Rejections," 62 JPOS 546 (1980); Carlson, "The Best Mode Disclosure Requirement in Patent Practice," 60 JPOS 171 (1978); "Editor's Note," 60 JPOS 197 (1978); "Editor's Note," 62 JPOS 227 (1980); "Editorial Epilogue," 59 JPOS 336 (1977); Herbert, "Failure to Disclose the 'Best Mode': What the Public Doesn't Know Will Hurt Them," 64 JPOS 12 (1982); and 2 Pat. L. Persp. §2.9[2.4], "Best Mode."

conflicts-in-need-of-resolution-by-the-CAFC deals with one such controversy: the perceived difference in opinion between the Second and Third Circuits on the one hand and the First and Sixth Circuits on the other over whether a violation of the best mode requirement can only be found if the inventor "intentionally concealed" what the court has previously labelled as part of the inventor's best mode.[5] Since the CCPA started the whole modern-day interest in the best mode requirement, it is not surprising to find that it has several opinions more or less on point. What is considerably more surprising is to find that these opinions have been far from uniform on this point, and that it is accordingly impossible to predict with any certainty what the CAFC will do with respect to this issue based solely on a review of what the CCPA has done—or, at least, said.

Before embarking upon a brief discussion of the cases, it is worth stating what I mean by "intentionally concealing" an inventor's best mode or a part of his best mode. Since the disclosure of a patent application has presumably received the inventor's approval prior to filing, everything which is disclosed or not disclosed in the application is intentionally disclosed or not disclosed in one broad sense of the word "intentional." However, when I refer to an "intentional omission" from an application's disclosure of a particular fact or technique, I mean considerably more than that. I mean, and I believe that the courts have (usually) meant, (1) that the inventor appreciated that the omitted fact or technique was important in the sense that knowledge of that fact or technique would permit the invention to be practiced better (in the sense that better quality could be obtained, the same quality could be obtained quicker or more cheaply, or the like); (2) that the inventor appreciated that those of ordinary skill in the art would probably not be aware of the omitted fact or technique unless he told them about it; and (3) that the inventor or his assignee consciously decided not to disclose the omitted fact or technique in order to derive some economic advantage from the fact that he or it knew

5 This perceived difference in opinion has been deemed worthy of an entire subsection unto itself by the authors of PLP: "Concealment as a Requirement for Best Mode Rejection," 2 Pat. L. Persp. §2.9[2.4-3].

the omitted fact or technique but that others in the art would not know the omitted fact or technique.

A. *The Opinions of the Regional Circuit Courts Allegedly Requiring Specific Intent to Conceal*

The cases arguably requiring both knowledge *and* specific intent to conceal a best mode are generally traced to *Benger Laboratories, Ltd.* v. *R.K Laros Co.* (Kirkpatrick, S.D.J.[6]). That was an action for patent infringement of a U.S. reissue patent in which one of the defenses was "invalidity, by reason of . . . failure to disclose the best mode of carrying out the invention."[7] The patentee's problems were exacerbated by the facts that the alleged best mode was disclosed in the patentee's foreign priority application, was not disclosed in the original U.S. application,[8] and then had been added back to the disclosure of the reissue patent.[9] The claims were drawn to a medicinal product and a process for preparing the medicinal product by "combining, in contact with water, a . . . [first chemical composition] with . . . [a second chemical composition], said . . . [second chemical composition] being formed in situ in contact with the . . . [first chemical composition] by a double decomposition reaction between an ionizable ferric salt and an alkali base."[10] The alleged best mode for so combining the two chemical

6 135 USPQ 11 (E.D. Pa. 1962), *aff'd.* 133 USPQ 693 (3d Cir. 1963) *per curiam).* It may be of some significance that Judge Kirkpatrick was for many years a regular visiting judge at the CCPA. Among other things, Judge Kirkpatrick delivered the CCPA's opinion in In re Honn, 364 F.2d 454, 150 USPQ 652 (CCPA 1966), a leading CCPA precedent on the legislative history and meaning of the best mode requirement.

7 135 USPQ at 12.

8 The opinion refers to the application which matured into the original patent as "the parent application." However, neither the original application nor the reissue application was continued. Accordingly, the references in the opinion to "the parent application" must be taken as referring to the application which matured into the original patent.

9 Thus, the alleged best mode *was* disclosed in the patent in suit, but it had not been disclosed in the patentee's original U.S. application. An additional defense, not discussed in these materials, was "invalidity, by reason of . . . improper reissue," 135 USPQ at 12, on the grounds, *inter alia,* that the alleged best mode had been "omitted from the American application . . . intentionally and not by error or inadvertence" and that the insertion of the alleged best mode into the disclosure via the reissue "added new matter to the patent." 135 USPQ at 16.

10 135 USPQ at 13.

compositions which was omitted from the original U.S. application consisted of dissolving the first chemical composition and the alkali base in hot water *before* adding the ferric salt.[11]

Judge Kirkpatrick held that the defendant did not prove either that the step of dissolving two of the chemical compositions in hot water before adding the third composition was "the best mode" for producing the medicinal product or, even if it was the best mode, that the inventors were aware of that at the time the original U.S. application was filed. The inventors had, in fact, originally practiced their invention in that fashion, but Judge Kirkpatrick accepted their explanation that "during their development work, [they had] used a batch of dried dextran [the first chemical composition] which the plaintiff [patentee] happened to have on hand and which, in its dried state, was difficult to get into solution and that, in order to dissolve it, they invariably heated the water."[12] This pre-heating step was disclosed in their foreign priority application, but Judge Kirkpatrick accepted their explanation that "they did not attribute any particular significance to it"[13] and that that was why it was omitted from their U.S. application.

Thus, the holding of this case is that the inventors were not aware that the pre-heating step was significant[14] (at least unless dried dextran was being used to make the product, and the implication of the opinion is that that would not normally be the case), and accordingly Judge Kirkpatrick's comments on the possible additional requirement of "intent to conceal" are technically dictum. Although the defendant argued that "[t]he absence of specific mention of this pre-heating step from the specification . . . [evidenced] an intent to conceal it,"[15] Judge Kirkpatrick did *not* say that a finding of an affirmative intent to conceal the best mode was a condition precedent to a finding of invalidity on the ground

11 135 USPQ at 16.
12 *Id.*
13 *Id.*
14 As Judge Kirkpatrick put it, "Even if there is a better method, . . . [the inventor's] failure to disclose it will not invalidate his patent if he does not know of it or if he does not appreciate that it is the best method." 134 USPQ at 15.
15 135 USPQ at 16.

of failure to disclose the best mode. He merely said that the defendant had failed to prove that the pre-heating step was a best mode and that, even if it was, the defendant had failed to prove that the inventors were aware that the pre-heating step was a best mode.

On appeal, the brief *per curiam* opinion of the Third Circuit arguably goes a little farther than Judge Kirkpatrick had. According to it:

> With respect to defendant's contention that plaintiff failed to state the best method of carrying out its invention . . . , the trial court rightly concluded from the evidence as a whole that at the time of the American application there was a real question as to which was the best method; that there was a sufficient disclosure, good faith *and no concealment on the part of the plaintiff.*[16]

However, the circuit court also by no stretch of the imagination held that a finding of an affirmative intent to conceal the best mode was a condition precedent to a finding of invalidity on the ground of failure to disclose the best mode.

The second regional circuit court opinion which is cited as requiring proof of both knowledge *and* specific intent to conceal a best mode is *Carter-Wallace, Inc. v. Riverton Laboratories, Inc.*, 167 USPQ 656 (2d Cir. 1970), noted at 2 Pat L. Persp. §2.9[2.-4] p. 2-1068. That was also an action for patent infringement, and again one of the defenses was that the inventors had failed to disclose the best mode of "carrying out . . . [their] invention," this time in the application which had matured into the patent suit. However, the allegedly undisclosed best mode was very different. The patent contained claims to three chemical compounds *per se,* and the specification asserted that those compounds possessed "marked anticonvulsant properties * * * possessing an action of considerable duration and intensity"[17] and, that one of the three compounds (meprobamate) additionally "possessed a marked paralyzing action."[18] The specification supported the assertion that all three compounds possessed anticonvulsant properties "by reference

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16 137 USPQ at 693; emphasis supplied.
17 167 USPQ at 657.
18 167 USPQ at 658.

to tests conducted on mice,"[19] and it supported the assertion that meprobamate additionally possessed a paralyzing action "by reference to pharmacological studies on unnamed animals."[20] The alleged undisclosed best mode was that the inventors "intended the drug [i.e., meprobamate] primarily for treatment of humans."[21] (No doubt the examiner thought that the assignee of the application intended to sell the drug for use as a medicine for mice, or perhaps as a rodenticide which operated by paralyzing mice until they could be stepped upon!)

The defendant proved that the assignee had been conducting clinical tests upon human beings at the time the continuation-in-part application which matured into the patent in suit was filed, yet the results of the tests were not "reveal [ed]"[22] to the Patent Office in the continuation-in-part application. The court found, however, that the failure to reveal the results of the clinical tests on humans in the CIP application was fully justified:

> the district court specifically found that as of that date [i.e., the date of the filing of the CIP application] the clinical tests had not progressed sufficiently to justify any claim as to the efficacy of meprobamate in the treatment of humans. That this finding is supported by the evidence is not subject to serious dispute. We hold, therefore, that under the circumstances of this case, . . . the statutory requirement that the inventor disclose the best mode contemplated by him for the use of the invention . . . [did not require] a disclosure by him [sic; them] of the results of the tests on humans.[23]

Thus, *Riverton* is also a case where the *holding* is that the inventors did not have sufficient knowledge concerning the allegedly concealed best mode as of the critical date to require them to disclose what they did know (or hope) to

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19 *Id.*

20 *Id.*

21 *Id.* The court evinced considerable doubt that "failure to reveal a specific therapeutic use for . . . [a claimed] compound" could be "categorized as a 'best mode' problem" in the first place, 167 USPQ at 659, but it did not rest its holding on that point.

22 167 USPQ at 659. Concerning the possibility that an applicant is required to "update" his best-made disclosure upon filing a CIP application, see Walterscheid, op. cit. supra note 4 at pages 561–563.

23 *Id.*

the Patent Office. However, again the court went somewhat beyond the facts before it, saying:

> Although it might be a different matter were it shown that the inventor intentionally *concealed* the facts that the invention was useful in the treatment of humans and that he intended to use it solely for their treatment, no such showing was made in this case.[24]

Thus, there is some implication in *Riverton* that a showing of intentional concealment might be a *sufficient* condition for a finding of invalidity on the ground of failure to disclose the best mode,[25] but there is not even dictum to the effect that such a showing is a *necessary* condition for a finding of invalidity on that ground.

B. *The Opinions of the Regional Circuit Courts Holding That Specific Intent to Conceal is Not Necessary*

The first opinion of a regional circuit court cited for the proposition that specific intent to conceal a known best mode is *not* necessary to invalidate a patent is *Dale Electronics, Inc.* v. *R.C.L. Electronics, Inc.*, 180 USPQ 225 (1st Cir. 1973). Again an action for patent infringement, this case involved, *interalia*, a patent on an electrical resistor embedded in a metal housing and a patent on a method of producing such a resistor. Both patents described a method of injecting an "insulative fluid" between the resistor and the metal housing, and both described the insulative fluid broadly as selected from "materials in the classification of epoxys [sic], phenolics or silicones."[26] However, the inventor had testified (1) that he had failed to make many such materials work; (2) that, to find a particular material in those classifications which would work, "one would have to experiment"[27]; and (3) that, at the time he filed the two patent applications, he "knew a specific material that worked very well"[28]; but (4)

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24 Id; emphasis in the original.

25 Query, though, whether a court would actually invalidate a patent (or a claim in a patent) on a showing that the applicant had willfully and intentionally concealed a mode which he had then thought to be better than the mode or modes which he did disclose but which ultimately turned out to be worse in every relevant respect than the mode or modes which he did disclose.

26 180 USPQ at 229.

27 *Id.*

28 *Id.*

that he did not disclose that particular material in his application.

The patentee's defense, such as it was, was that "the nondisclosure of . . . [the specific material] was not intentional."[29] Under the circumstances, the court might have simply said that it did not believe the patentee. However, giving the patentee the benefit of the doubt, what the court said was:

> We do not accept the proposition that where an inventor, as here, clearly knows a specific material that will make possible the successful reproduction of the effects claimed [sic] by his patent, but does not disclose it, speaking instead in terms of broad categories, he may nevertheless be considered as having described the best mode contemplated by him. The statutory language seems to contemplate precisely this situation. In Indiana General Corp. v. Krystinel Corp., 297 F. Supp. 427, 161 USPQ 82 (S.D.N.Y. 1969), *aff'd*, 421 F.2d 1023, 164 USPQ 321 (2d Cir. 1970), the court upheld a finding of failure to disclose best mode, but at the same time refused to order attorney's fees, finding no deliberate fraud. Unintentional obtuseness or obfuscation might be reason not to penalize someone; we do not see it as a reason for granting a seventeen year monopoly.[30]

Thus, leaving aside the court's rather unartful language, *Dale Electronics* can reasonably be characterized as a case where the court *held* that a finding of intent not to disclose (in the sense of willfully choosing not to reveal something which the inventor knew he was under a duty to reveal) is *not* a necessary condition for a holding of invalidity on the basis of failure to disclose the inventor's best mode.

The fourth regional circuit court opinion I was asked to review was *Union Carbide Corp.* v. *Borg-Warner Corp.*, 193 USPQ 1 (6th Cir. 1977), noted at 2 Pat. L. Persp. §2.9[2.-4-3], p. 2-1082.[31] This opinion is notable both because it was delivered by Judge Miller (then of the CCPA and now of the CAFC) and because it is devoted entirely to the best mode issue, rather than merely dealing with it in passing. All

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29 180 USPQ at 229–30.

30 180 USPQ at 230.

31 Prevailing counsel in this case included Mr. McDougall, the author of the excellent article cited in fn. 3 *supra*.

claims in suit were directed to a process for molding foamed thermoplastic products, and the best mode issue arose from the inventor's failure to disclose a particular valve and a particular extruder used to perform the process. The evidence showed that the type of valve shown in the patent left an undesirable slug of unfoamed or semifoamed plastic in the foamed product when the process was performed repeatedly, that the inventor had recognized this problem and designed an alternative valve which eliminated the problem before the application which matured into the patent in suit was filed, that the new valve had been successfully tested in scale-up operations before that application was filed, and that the new valve was disclosed in a subsequently filed U.S. patent application. As for the extruder, other employees of the assignee had designed a particular type of extruder with "a specially designed screw"[32] which solved a gas leakage problem experienced when a conventional single-stage screw extruder was used, but that "specially designed screw" was also not disclosed in the patent. Finally, and I suspect that this was of substantial significance, the evidence showed that the patentee "had signed up fifty-four licensees, each of which had paid for a 'know-how package' (in addition to nonexclusive rights under the . . . [patent in suit and the patent on the new valve]) containing extensive written specifications, including the 'secret' extruder design of appellant's pilot plant."[33]

The district court found that both the new valve and the extruder with the "specially designed screw" were undisclosed parts of the best mode contemplated by the inventor at the time he filed the application which matured into the patent in suit, and the circuit court affirmed both findings. Of interest here, however, is the court's disposition of the patentee's argument that "there must be evidence of deliberate withholding of something critical pertaining to the best mode [before a patent can be invalidated on that ground]."[34] The patentee had cited *Flick-Reedy Corp.* v. *Hydro-Line Mfg. Co.*, 146 USPQ 694 (7th Cir. 1965), *cert.*

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32 193 USPQ at 5; emhasis omitted.
33 *Id.*
34 193 USPQ at 7–8; footnote omitted.

den., 148 USPQ 771 (1966), where a patent had been invalidated for failure to disclose what was termed a "critical" feature, and *In re Gay*, 135 USPQ 311 (CCPA 1962), discussed *infra*, which is the leading CCPA opinion standing for the proposition that actual intent to conceal a known best mode must be shown in order to support a best mode rejection. Judge Miller stated that "[w]e have no quarrel with the results in the above-cited cases."[35] However, citing and quoting extensively from the *Dale Electronics* opinion, he continued as follows:

> we are not persuaded that the failure to set forth the best mode contemplated by an inventor of carrying out his invention must rise to the level of active concealment or grossly inequitable conduct in order to warrant invalidation of a patent.[36]

Thus, although the facts once again might have justified the court in saying that the two elements of the best mode *had* been actively concealed (permanently in one case; until the filing of a subsequent patent application in the other), the court went out of its way to say that no such finding was required. Rather, some level of *mens rea* short of "active concealment" or "grossly inequitable conduct" in connection with failure to disclose a best mode was said to be sufficient to justify invalidation of a patent.

C. *The Opinions of the CCPA Dealing With the Concealment Controversy*

After *Nelson*, the next CCPA opinion dealing with best mode was *In re Gay*, 135 USPQ 311 (CCPA 1962), also an opinion by Judge Rich. The best mode section of the opinion primarily deals with the interrelationship between the statutory best mode requirement and the requirement of 37 CFR 1.71(b) that "The specification . . . must describe completely a specific embodiment of the process, machine, manufacture, composition of matter or improvement invented, and must explain the mode of operation or principle when-

35 193 USPQ at 8.
36 *Id.*

ever applicable."[37] However, the opinion does contain a brief but often-quoted passage which is highly relevant to the topic at hand:

> Manifestly, the sole purpose of . . . [the best mode requirement] is to restrain inventors from applying for patents while at the same time *concealing* from the public preferred embodiments of their inventions which they have in fact conceived.[38]
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> As we view . . . [the best mode requirement], we think that an inventor is in compliance [sic] therewith if he does not *conceal* what he feels is a preferred embodiment of his invention.[39]

On the facts, the court was persuaded that the inventor had not "concealed" preferred embodiments of his invention. The feature in question was the size and arrangement of the performations in a rice boiling bag, and a review of the applicant's specification[40] persuaded the court[41] that "it is manifest that appellant does not consider either perforation size, positioning, or number to be particularly crucial aspects of his invention, and that this fact would be appreciated by one skilled in the art who read the instant specification."[42]

The next important CCPA best mode case is *In re Honn*, 150 USPQ 652 (CCPA 1966), in which the opinion of the court was delivered by Senior District Judge Kirkpatrick,[43] author of the previously discussed *Benger Laboratories*

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37 This aspect of the *Gay* opinion, and Judge Rich's further extension of the *Gay* logic in *In re Locher*, 173 USPQ 172 (CCPA 1972), are a primary focus of the author's discussion of the best mode requirement in the article cited *supra* in footnote 4.

38 It should be noted that Judge Rich's view of the sweep of the best mode requirement evidently does not require that a "contemplated" best mode have been actually reduced to practice and thus verified before the statute requires its disclosure in a patent specification.

39 135 USPQ at 315; emphasis applied.

40 Note, of course, that in litigation an alleged infringer would no doubt have probed far more deeply into the matter, and there is no reason to think that Judge Rich was suggesting that this issue should be decided in litigation solely by reviewing the specification of the patent in suit.

41 To be more precise, persuaded four members of the court. Chief Judge Worley concurred in the result.

42 135 USPQ at 316.

43 The discussion of *Honn* in "Editorial Epilogue," 59 JPOS 336 (1977) by Examiner-in-Chief Bjorge, who was clerking for Judge Kirkpatrick at the time of the *Honn* opinion and who was an Associate Solicitor at the time of writing of the "Editorial Epilogue," is of considerable interest. Examiner-in-Chief Bjorge's sug-

opinion. Like *Gay, Honn* principally involved the requirement in 37 CFR 1.71(b) that the specification "describe completely a specific embodiment." However, for our purposes the significance of *Honn* is its tracing of the legislative history of the best mode requirement to a provision of R.S. 4920 which permitted the invalidation of a patent on a showing that "for the purpose of deceiving the public the description and specification filed by the patentee in the Patent Office was made to contain less than the whole truth relative to his invention or discovery . . ." As observed by Examiner-in-Chief Bjorge, "It is evident from . . . [the legislative history] recounted . . . [in Honn] that the 'best mode' provision partakes somewhat of an inequitable conduct defense to patent validity . . ."[44] Moreover, as will be readily appreciated, such a history-based interpretation of the best-mode requirement does indeed suggest that the CAFC will require specific intent to conceal as a condition precedent to a holding of invalidity (or unallowability) on the basis of failure to disclose a best mode contemplated by the inventor at the time of filing of the application.[45]

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gestions for what information concerning best modes examiners might "require" applicants to divulge are certainly thought-provoking.

44 59 JPOS at 336 (1977). See also Steierman v. Connelly, 192 USPQ 433 (PTOBPI 1975), and the author's comment in 1973 that, in view of the CCPA's then-recent holding in Norton v. Curtiss, 167 USPQ 532 (CCPA 1970), "whether or not an application should be stricken on the ground that fraud had been committed or attempted in connection therewith is an issue ancillary to priority, . . . the . . . question [of with what specificity a best mode must be described if the applicant has, in fact, discovered what he at the time of filing believes to be a "best" among the various embodiments embraced by his claims] can presumably now be raised in an interference, with *failure to disclose one's best mode as the requirement is interpreted by the CCPA being but a particular form of fraud on the Patent Office*." Gholz, *op. cit supra* note 4, at pages 10–11 note 118.

45 A related question (which is, however, beyond the scope of these materials) is the *extent* of the effect of a finding of a failure to disclose a best mode. If a failure to disclose a best mode is indeed but a particular form of fraud on the Patent and Trademark Office, then, under the traditional doctrine, a finding of a failure to disclose a best mode *relevant to any claim* should result in the invalidation of *the entire patent* or in the striking of *the entire application*. If, however, failure to disclose a best mode is treated as merely a failure to comply with one of the statutory provisions of the first paragraph of 35 USC 112, then the analysis should proceed on a claim-by-claim basis, and one claim may be invalid (or non-allowable) for failure to disclose the best mode of practicing the subject matter of that particular claim while other claims in the same patent or application are valid (or allowable). *Cf.* Plastic Container Corp. v. Continential Plastics of Oklahoma, Inc.,

However, as Mr. Justice Holmes observed, "The life of the law has not been logic,"[46] and recent opinions of the CCPA have considerably shaken (though not destroyed) the authority of *Gay* and *Honn*. The beginnings of this process may be found in *Weil* v. *Fritz,* 202 USPQ 447 (CCPA 1979) (Baldwin, J.), noted at 2 Pat. L. Persp. §2.9[2.-4-3], p. 2-1084, which was an opinion in an interference proceeding and which is chiefly known for its signaling of the beginning of the end of the doctrine that failure to disclose the best mode contemplated by the inventor is not ancillary to priority.[47] In fact, its only relevance to the issue before us is the court's paraphrase of what it characterized as *the board's* view that "the party Weil had the burden of proof in showing that Fritz et al. had concealed *(intentionally or otherwise)* the best mode for carrying out the invention."[48] That is, the importance of *Weil* v. *Fritz* to this discussion is the implication which may be drawn from the foregoing sentence that it is possible to "conceal" a best mode otherwise than inten-

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203 USPQ 27 (10th Cir. 1979), cert. den., 204 USPQ 696 (1980), In re Bosy, 149 USPQ 789 (CCPA 1966) and In re Brebner, 173 USPQ 169 (CCPA 1972) (Almond, J.), all of which suggest that the analysis should be conducted on a claim-by-claim basis.

46 Holmes, *Common Law* 1 (1881).

47 In Weil v. Fritz the court held that the issue of failure to disclose the best mode contemplated by the inventor in an earlier application on which the interferant was relying for date priority was ancillary to priority. In Tofe v. Winchell, 209 USPQ 379 (CCPA 1981) (Nies, J.), the court held that the issue of failure to disclose the best mode contemplated by the inventor was ancillary to priority even though the party which had allegedly failed to disclose its best mode was not relying for date priority purposes on the filing date of the application alleged not to disclose the best mode known to him at the time of filing that application.

It may be of at least historical interest that precisely the same progression was followed from Vandenberg v. Reynolds, 113 USPQ 275 (CCPA 1957), which held that the issue of whether an interferant improperly altered an application before filing is ancillary to priority where the interferant is relying on that application for date priority purposes, to Norton v. Curtiss, 167 USPQ 552 (CCPA 1970), which held that the broader issue of fraud on the Patent Office is ancillary to priority regardless of whether the fraud related to an application on which the interferant is relying for date priority. See 167 USPQ at 535-36. Moreover, Norton v. Curtiss held that alleged fraud *by an applicant* is ancillary to priority, and Langer v. Kaufman, 175 USPQ 172 (CCPA 1972), extended that holding to alleged fraud *by a patentee*. However, Judge Nies' dissent in U.S. Department of Energy v. Daugherty, 215 USPQ 4 (CCPA 1982), indicates that at least one CAFC judge is hesitant to take this next logical step with respect to a party's failure to disclose its best mode.

48 202 USPQ at 450; emphasis applied.

tionally. This suggestion was, however, pure dictum, for both the board and the court found that the party Weil had *not* carried its burden of proof of showing that the party Fritz et al. had concealed its best mode under either standard.

The next case of interest to us is *In re Sherwood,* 204 USPQ 537 (CCPA 1980) (Baldwin, J.), noted at 2 Pat. L. Persp. §2.9[2.-4-3], page 2-1085. That was an appeal from the decision of the Board of Appeals affirming the rejection of all claims as unpatentable under 35 USC 101 for being directed to non-statutory subject matter and under 35 USC 112, first paragraph, for being based on a specification which failed to disclose the best mode contemplated by the inventor at the time the application was filed. In brief, this was a computer program case, the specification flatly asserted that "[t]he best mode contemplated by the inventor of carrying out the invention is to perform the processing steps of the invention on a large scale digital computer with the processed data imprinted into visible form on any of the presently available plotting devices,"[49] but, in conformity with one school of thought for dealing with the prevailing legal climate at the time the application was filed, the specification disclosed only *analog* computer apparatus for performing the processing steps of the invention.[50] The board found that the appellant's failure to disclose anything beyond the above-quoted sentence concerning how a large scale digital computer would actually perform the processing steps of the invention constituted concealment of the best mode. Fortunately for the appellant, the court decided that the above sentence, coupled with a disclosure of the mathematical equations involved and the general level of skill in the art, was sufficient to "[delineate] the best mode in a manner sufficient to require only the application of routine skill to produce a workable digital computer program."[51] However, this time the court seemingly adopted what it had charac-

49 204 USPQ at 540.

50 The *Sherwood* facts are very reminiscent of the *Riverton* facts, *supra,* in that in both cases the attorney's efforts to avoid one problem which might have been created by a candid disclosure of the true invention involved him in an unfortunate and socially dysfunctional best mode problem.

51 204 USPQ at 544.

terized in *Weil* v. *Fritz* as the board's view, reasoning as follows:

> The board correctly recognized that there is no objective standard by which to judge the adequacy of a best mode disclosure. Instead, only evidence of concealment (accidental or intentional) is to be considered. That evidence, in order to result in affirmance of a best mode rejection, must tend to show that the *quality* of an applicant's best mode disclosure is so poor as to effectively result in concealment.[52]

That is, *Sherwood* does suggest, albeit in dictum, that, either "accidentally or intentionally," the quality of a best mode disclosure could be so poor as to "effectively" result in concealment of the best mode. While it is far from clear exactly what Judge Baldwin was driving at, the overall impression is certainly substantially at variance with the strict *mens rea* analysis of *Gay* and *Honn*, and it certainly justified the authors of *Patent Law Perspectives* in referring to "[t]he CCPA's now suspect decision in *Gay*."[53]

However, it soon developed that any obituaries being written for *In re Gay's* higher standards were premature. In *In re Bundy*, 209 USPQ 48 (CCPA 1981) (Nies, J.), the court cited *Gay* approvingly (albeit with regard to a different point), distinguished *Sherwood* on the facts, and concluded:

> The question [of satisfaction of the best mode requirement] is one of concealment, i.e., whether an applicant has *withheld* what he considers to be the best mode of carrying out his invention.[54]

On the facts, the court held that the PTO had not even made a prima facie showing of concealment which would have required the appellant to rebut the PTO's showing.

The antepenultimate opinion of interest here is *U.S. Department of Energy* v. *Daugherty*, 215 USPQ 4 (CCPA 1982)—which, despite its unusual title, was simply a garden variety interference appeal. The majority professed not to reach the best mode issue, but the majority's opinion, authored by Judge Rich (who it will be recalled also authored *In re Gay*), nonetheless contains the following relevant passage:

52 204 USPQ at 544; footnotes omitted; emphasis in the original.
53 2 Pat. L. Persp. at 2-1088.
54 209 USPQ at 52; emphasis in the original.

The "best mode" question, if regarded as distinct from the enablement issue, might present a closer question because a strict "best mode" issue involves knowledge of facts peculiarly within the possession and control of Daugherty, specifically, the state of mind of the Daugherty patentees at the time they filed their application. Were they deliberately concealing something? See In re Gay, 50 C.C.P.A. 725, 309 F.2d 769, 135 U.S.P.Q. 311 (1962). However, appellants' so-called "best mode" attack is really no more than a side effect of its lack-of-enablement attack. It does not allege that Daugherty failed to disclose his "best mode"; it alleges that Daugherty disclosed no mode at all.[55]

Judge Rich's passing comment concerning the best mode issue was no doubt elicited by and in response to Judge Nies' dissent. Because of her disagreement with the majority over a preliminary procedural issue, Judge Nies did reach the best mode issue, and, in a stunning reversal of what had seemed to be her views in *Bundy*, she went back to *Sherwood*, asserting that:

> it is clear to me that the thrust of . . . [DOE's] best mode challenge is not failure to disclose any mode [as concluded by the majority]. Rather, it is that Daugherty failed to disclose an example of what they knew to be their best mode, i.e., it was concealed (whether intentionally or not) in view of the poor quality of the disclosure. In re Sherwood, 613 F. 2d 809, 816, 204 USPQ 537, 544 (CCPA 1980), cert. denied, 450 U.S. 994 (1981).[2]
>
> [2]In re Gay, supra, which the majority cites as requiring an intentional concealment of best mode, was modified sub silentio by In re Sherwood, 613 F. 2d 809, 816, 204 USPQ 537, 544 (CCPA 1980), cert. denied, 450 US 994 (1981). In any event, if . . . [DOE's] best mode attack is directed to intentional concealment, such an attack amounts to an allegation of fraud which is ancillary to priority and should, therefore, have been considered. Langer v. Kaufman, 59 CCPA 1261, 465 F. 2d 915, 175 USPQ 172 (1972).[56]

55. 215 USPQ at 11. Compare In re Glass, 181 USPQ 31, 35 (CCPA 1974).

56. 215 USPQ at 12. Judge Nies' citation of Langer v. Kaufman is curious, since that was the opinion that extended the holding of Norton v. Curtiss, 167 USPQ 552 (CCPA 1970) (fraud allegedly committed by an applicant is ancillary to priority), by holding the fraud allegedly committed by a patentee is also ancillary to priority. Elsewhere in her opinion Judge Nies argues that the PTO lacks authority to hold that a patentee failed to disclose his best mode "inasmuch as the patent must be presumed valid. 35 USC 282." 215 USPQ at 13. This aspect of Judge Nies' opinion is criticized at page 52 in Gholz, "Interferences" in *Federal Circuit Patent Law Update* (Patent Resources Group, 1983).

Interestingly, Judge Baldwin, who had delivered the *Sherwood* opinion, joined Judge Rich's majority opinion rather than Judge Nies' dissenting opinion.

Finally we have *General Motors Corp.* v. *ITC*, 215 USPQ 484 (CCPA 1982) (Nies, J.), an appeal from an ITC holding of patent validity decided less than one month before the CAFC came into existence. The respondent had argued that the inventors' failure to disclose a possible manufacturing problem (referred to as a "spring leaning problem") and their solution to it constituted failure to disclose a part of their best mode. One of the inventors (Winbigler) had testified that the problem did occasionally crop up but that, in effect, the solution to the problem was trivially obvious. The court[57] affirmed the ITC's rejection of the best mode defense, reasoning as follows:

> the evidence introduced by GM does not "tend to show that the *quality* of [the disclosures] is so poor as to effectively result in [accidental or intentional] concealment [of the best mode]." In re Sherwood, 613 F. 2d 809, 816, 204 USPQ 537, 544 (CCPA 1980), cert. denied, 450 U.S. 994 (1981). There is no evidence that the spring leaning problem was intentionally left out of the patent disclosures and none to counter Winbigler's testimony that, if such leaning occurs, one of ordinary skill in the art would easily recognize that it is predictable and would know how to correct it.[58]

D. *Predictions of How The CAFC Will Handle The Question*

Part of the mandate from our moderator was to "cover the pros and cons of each conflicting rule AND (a) your prediction of what the CAFC *will* do or (b) your prediction of what the CAFC *should* do—or both." In this case, the pros and cons are fairly obvious. The major pro (for not requiring actual intent to conceal) is that it will encourage patent attorneys to encourage inventors to make fuller, more useful disclosures of their inventions, which will pre-

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57 It should be noted that Judge Rich was not a member of the panel which decided this case. Judge Friedman, then chief judge of the United States Court of Claims and now a judge of the CAFC, sat in his stead.

58 215 USPQ at 490; bracketed material in the original.

sumptively "promote the progress of . . . [the] useful arts." The major con is that it will give defense counsel (and imaginative examiners[59]) one more technique for nit-picking over inventors' disclosures. Both the pros and the cons are not insignificant, and clearly the issue requires a careful balancing of conflicting equities. My personal evaluation of the conflicting equities leads me to the conclusion that failure to disclose a best mode should only be found in the circumstances outlined at the outset—i.e., when the inventor not only appreciates the importance of a particular feature, but also appreciates that others skilled in the art will probably not be aware of that feature unless informed of it by the inventor and, with full consciousness of the first two points, thereupon decides *not* to disclose the feature. However, I do not think that it would be tragic if my view were not accepted.

As for my prediction of what the CAFC *will* do, it is hard to say. It obviously depends in large part on which judge gets the first case involving a fully developed best mode issue. As one scholar who studied this question and noted the disparity between Judge Rich's views and Judge Nies' views concluded:

> To the extent that *Gay* can be construed as requiring an intentional concealment of the best mode, Judge Nies is correct in concluding [in *Daugherty*] *that it is inconsistent with Sherwood*. However, it is far too soon to conclude which of the two views will ultimately prevail.[60]

* * *

> [T]he standard set forth in *Sherwood* for evaluating a best mode disclosure presumably reflects the current state of the law for cases in which Judge Nies delivers the opinion, while *Daugherty* set[s] forth the standard for cases in which Judge Rich delivers the opinion. Where neither of these two judges delivers the opinion, which standard the other judge[s] will adopt is anybody's guess.[61]

59 See Examiner-in-Chief Bjorge's suggestions at 59 JPOS 338 (1977).

60 Lewris, "35 U.S.C. §112 Issues in the Federal Circuit and Its Predecessor Courts, 1981–83," at page 102 footnote 190, in *Federal Circuit Patent Law Update* (Patent Resources Group, 1983).

61 Lewris, *op. cit. supra* note 60 at page 104.

My own guess is that, if Judge Rich's health holds up, his views are very likely to prevail. Or, to paraphrase the old song, "You may bet your money on the bob-tailed nag, but I'm going to bet on the *Gay*."