Honeywell v. Hamilton Sundstrand: *Festo* Extended

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On June 2, 2004, the Court of Appeals for the Federal Circuit issued an important en banc decision regarding prosecution history estoppel and the doctrine of equivalents. In *Honeywell International, Inc. v. Hamilton Sundstrand, Corp.*, --- F.3d --- (Fed. Cir. 2004) (en banc), the Federal Circuit held that the presumption of prosecution history estoppel applies when an allowable dependent claim depending from a rejected independent claim is rewritten as an independent claim and the original, rejected independent claim is cancelled. The Court expressly applied its holding to two separate situations: (i) where the dependent claim includes a further limitation on a limitation already found in the original independent claim, and, somewhat surprisingly, (ii) where the dependent claim includes a claim limitation not found in the original independent claim.

The claims at issue in *Honeywell* each contained a limitation directed to "adjustable inlet guide vanes." As filed, however, the "adjustable inlet guide vanes" limitation was only found in claims that depended from broader independent claims, and, during prosecution, these broader independent claims were rejected by the Patent Office as obvious in light of prior art. The dependent claims with the "adjustable inlet guide vanes" limitation were rejected only for depending from a rejected independent claim, and, according to the Patent Office, would be allowable if rewritten in independent form. To gain allowance, the applicants cancelled each rejected independent claim and rewrote the three dependent claims with the "adjustable inlet guide vanes" limitation to expressly incorporate the limitations of each corresponding cancelled independent claim.

Simplifying for purposes of discussion, two types of claims were at issue in *Honeywell*. The first was an apparatus claim that included elements AB'CDEFG, wherein element B' included the "adjustable inlet guide vanes" limitation, which circumscribed a preexisting limitation in the corresponding rejected independent claim. The second was a method claim that included elements ABCD, wherein element D was the "adjustable inlet guide vanes" limitation, which was a limitation not present in the corresponding rejected independent claim.

The Federal Circuit began its analysis in *Honeywell* by holding that, as a general proposition, under the holdings and facts of the seminal *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997), *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722 (2002), and *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 344 F.3d 1359 (Fed. Cir. 2003) (en banc) cases, it was "clear that the addition of a new claim limitation can give rise to a presumption of prosecution history estoppel, just like an amendment that narrows a preexisting claim limitation." The *Honeywell* Court then addressed rewriting dependent claims in independent form by stating that if rewriting a dependent claim into independent form, coupled with the cancellation of the original, independent claim, results in a narrowing amendment, then a presumption of surrender arises. The critical question to the Federal Circuit is whether an amendment narrows the overall claim scope of an independent claim to secure a patent.

Applying these propositions to the claims at issue in *Honeywell*, the Federal Circuit held that a presumptive surrender of equivalents lied for each of the independent claims at issue, regardless of whether an amendment merely limited a preexisting claim element or whether it added a completely new element to the claim at issue. Although, the Federal Circuit expressly held that the scope of the presumptive surrender applies only to the amended or newly added limitation—not to any unamended limitations—the presumptive

surrender applies to the entire scope of equivalents, even for a newly added limitation.

Judge Newman's lone, spirited dissent provides a compelling case for a better reading of the doctrine of equivalents, and perhaps foreshadows the return of the doctrine of equivalents to the Supreme Court:

> My colleagues not only impose the presumptive surrender of *Festo*, but also presume estoppel against the entire universe of technology. That is, instead of presuming surrender of the territory between the original scope of the claimed element and the scope of that element after a narrowing amendment—the rule developed in *Festo*—the court now presumes unlimited surrender when an element was not originally claimed at all and therefore presents no outer limit of surrendered territory.

Newman concluded her dissent with these thoughts:

> Today's new rule solves no problem, rights no wrong, addresses no unmet need. Future applicants may attempt to obtain access to the doctrine of equivalents through avoiding dependent claims. Patent applications will cost more, since independent claims carry a heavier fee than dependent ones. There will be more opportunities for mistakes, and insignificant changes in the wording of limitations that would have been incorporated by reference will be fodder for litigation. Examination will probably take longer, because the use of dependent form adds organization to the claims and makes them easier to understand. The losers are those patentees who had no reason to foresee today's new rule, and future patentees who will have to cope with it.

Judge Newman's comments notwithstanding, the effect of the *Honeywell* decision is really to advance the effect of *Festo*. Now, more than ever, to avoid a concession of equivalents, claim amendments during prosecution need to be avoided. To do so, clients need to work closely with their patent attorneys to accurately define claim scope before filing a patent application. Likely, this will require thorough prior art searches and analyses to foresee the references that the Patent Office will apply against filed claims. Armed with this information, claims should be drafted to realistically reflect the scope a particular invention deserves—and no broader.