ARE Patent Litigation Alert:
Federal Circuit Affirms Dismissal of Another False Marking Case and Clarifies Meaning of “Patented Article”

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On April 29, 2011, the U.S. Court of Appeals for the Federal Circuit issued another decision further clarifying the law on false patent marking under 35 U.S.C. § 292. In Juniper Networks, Inc. v. Shipley, No. 2010-1327, Slip op. (Fed. Cir. Apr. 29, 2011), the Court affirmed the dismissal with prejudice of an amended complaint alleging a false marking violation, "[b]ecause Juniper’s Amended Complaint does not reasonably allege an ‘unpatented article’ within the meaning of 35 U.S.C. § 292 . . . ."

In *Juniper*, the Court reaffirmed the principles set forth in its prior decisions in Stauffer v Brooks Brothers, Inc., 619 F.3d 1321 (Fed. Cir. 2010) and BP Lubricants USA, Inc., Misc. Dkt. No. 960, 2011 U.S. App. LEXIS 5015 (Fed. Cir. Mar. 15, 2011), supporting the heightened pleading requirements necessary under Fed. R. Civ. P. 9(b) and the premise that there is a low bar to establishing standing for *qui tam* actions, because there is always injury to the government when there is false marking. *See also* Charles R. Macedo, *‘ANY’ Person Has Standing for False Marking Claim in Use*, J. Int. Prop. L. & Pr., Nov. 11, 2010(available at http://www.arelaw.com/publications/view/anypersonhasclaim); Abraham Kasdan, Ph.D., Charles R. Macedo, David A. Boag, *"Any" Person Has Standing For False Marking Claim*, ARE LAW Alert, Sept. 7, 2010 (available at http://www.arelaw.com/publications/view/falsemarkingclaim).

Unlike prior decisions, *Juniper* addresses the requirement that "an unpatented article" be falsely marked, and explores the meaning of this statutory term in the context of a website. While *Juniper* confirmed that "websites can qualify as unpatented articles within the scope of § 292", it also held that the website in question was not in fact marked as practicing the patents-at-issue.

Significantly, *Juniper's* analysis focused on the merits of plaintiff's allegations in context of the web pages at issue. On appeal, the Federal Circuit agreed with the district court that the website in question was not asserted to be practicing the patents in question, nor protected by the software which practiced the patents in question. Rather, the website merely identifies a particular software called "Dynamic Firewall" which was in turn identified as "functioning" to practice the two patents-at issue. Since this software itself was the “unpatented article” in question and had ceased functioning in 1999, no false marking claim could be made. In order to state a claim under § 292, "the mismarked article must actually exist." Moreover, any action

based on false marking of this software would be time barred under 28 U.S.C. § 2462.

In sum, *Juniper* provides the following guidance for false marking claims under § 292:

1. As set forth in *Stauffer v. Brooks Brothers*, there is a low bar to meeting standing requirements for *qui tam* actions;
2. As set forth in *In re BP Lubricants USA, Inc.*, heightened pleading requirements under Fed. R. Civ. P. 9(b) must be met;
3. Falsely marking software or a website as practicing a patent can be a basis for claim; and
4. Only "existing" mis-marked articles can be the basis for a claim; and
5. Courts will analyze the "context" of the details of the assertion at the pleading stage to discern if information is false.

For more information on false marking claims, please contact one of our attorneys.

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