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### Shepardizing Patents?

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## Shepardizing Patents?

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Guest Post by [Professor Jorge L. Contreras](#)

### *A Patent Information Experiment*

On Saturday, June 12, I did a little experiment to see what information I could find about patents that I knew to have been challenged. I first searched for U.S. Patent No. 7,446,338, issued in 2008 to Casio for a “Display Panel.” As expected, the official [USPTO Patent Full-Text and Image Database](#) provided me with the text of the patent document and a link to its PDF image. The USPTO’s new [PatentsView](#) interface gave me a bit more information, mostly about forward citations of the patent, including a spiffy world map locating the citations geographically. [Google Patents](#) indicates when a patent has expired or is scheduled to expire and displays a timeline of litigation involving the patent. The ‘338 patent was subject to litigation in the Western and Eastern Districts of Texas and at the Patent Trial and Appeal Board (PTAB). Clicking on these entries took me to a database run by [Unified Patents](#), which lists docket entries in these matters and is accessible via a free sign-up. But to see the Complaint in one of the West Texas matters, Unified Patents redirected me to a database operated by [MaxVal-IP](#), which, on the day I searched, gave me the dreaded error “404- File or directory not found.” I then moved on to PTAB action IPR2020-00320, filed on Dec. 18, 2019. The Unified docket showed the IPR as terminated following a Mar. 12, 2021 settlement between Apple and the patent owner (now a company called Solas OLED) and allowed me to access the [Termination Order](#). But when I searched Lex Machina, the paid IP litigation analysis engine now owned by LexisNexis, I found that Samsung, one of the IPR plaintiffs, continued the IPR action after Apple settled, and that on June 6, the PTAB [issued a Final Written Decision](#) finding all challenged claims (1-3 and 5-13) to be unpatentable (the patent has a total of 22 claims).

When I searched for U.S. Pat. No. 5,710,001, one of Myriad Genetics’ *BRCA1* gene patents issued in 1998, several claims of which were invalidated in [Assn. for Molecular Pathology v. Myriad Genetics, 569 U.S. 576 \(2013\)](#), [Google Patents](#) displayed the initiation of the earlier district court litigation on its timeline, but the link took me to the paid [Darts-IP database run by Clarivate](#), to which I don’t have access. [Lex Machina](#) only includes data about district court cases, but did correctly report that the District Court found all challenged claims of the Myriad patent to be invalid. The LexisNexis [TotalPatent One](#) service, which also allows patent searches, added information about patent families, fee status, assignees and, not surprisingly, links to judicial decisions and dockets.

And when I searched for U.S. Pat. No. [10,533,994](#), one of the fluidic system patents originally assigned to Theranos and [asserted in 2020](#) against the maker of a COVID-19 diagnostic test, I found no indication that the founders of Theranos were under federal indictment for fraud, that they never developed the patented device, or that the current owner of the patent, Fortress Investments, had publicly [pledged to license it royalty-free](#) to anyone offering COVID-19 tests.

### *Contextual Patent Information*

All of the information about a patent beyond its four corners – the validity status of its claims, whether it has been pledged to the public, licensed, made available for licensing, abandoned, declared essential to a technical standard, declared unenforceable for inequitable conduct and much more – is what Professor Colleen Chien has termed “contextual” patent information ([\*Contextualizing Patent Disclosure\*, 69 Vand. L. Rev. 1849 \(2016\)](#)). This type of information can be extremely useful to innovators, researchers, litigants, businesses and other members of the public. As Professor Chien writes, “contextual information can ... signal which inventions are important from an economic point of view, are unimportant from a risk management perspective (insofar as they are expired or pledged to defensive uses), and may be the subject of broader technology and know-how transfers” (p. 1854).

Some contextual information, to the extent that it has been properly reported by the patent holder, is already relatively easy to find – this includes patent assignment records (through [USPTO Patent Assignment Search](#) and [TotalPatent One](#)), government interest statements (through the [USPTO’s Patent View system](#)), and maintenance/expiration data (through [Google Patents](#) and [TotalPatent One](#)). This is a good start.

But as my informal Saturday morning experiment illustrates, contextual information is not always readily accessible or consistent, and even in the best case it is spread across a variety of public and private data sources (even the USPTO could do a better job of consolidating available information about a patent into a single record). Thus, there is significant room for improvement.

### *The Genius of Shepard’s*

I am pretty sure that every law student in the United States still learns to use the venerable Shepard’s citation system. Those of us who were educated during the Bronze Age and earlier know *Shepard’s* as a set of ponderous, maroon-bound volumes that were last seen as set pieces for *Harry Potter*. Today’s law students recognize *Shepard’s* as a component of the ubiquitous LexisNexis legal search engine. But its basic function has remained the same. Look up a judicial decision and Shepard’s will tell you, using simple color-coded icons (red stop sign, yellow triangle, green diamond, etc.) whether the case has been overruled, upheld, questioned and/or cited. (For a fascinating history of *Shepard’s* and legal citation indices in general, see [Patti Ogden, \*Mastering the Lawless Science of Our Law: A Story of Legal Citation Indexes\*, 85 L. Libr. J. 1 \(1993\)](#)).

### The 7 *Shepard's* Signals

*Shepard's* reports on the LexisNexis® services display one of the following 7 *Shepard's* Signal indicators:

-  **Red Stop Sign:** Warning - Negative treatment indicated  
**Note:** A red *Shepard's* signal does not always mean the case is not good law. It is to alert you that there is possible negative history or treatment and needs review. For example, a case can be reversed in part where the parts of the case that are not reversed may still be applicable.
-  **Red Exclamation Mark in White Circle:** Negative case treatment indicated for statute
-  **Orange Square:** Validity questioned by citing references
-  **Yellow Triangle:** Caution - Possible negative treatment indicated
-  **Green Diamond:** Positive treatment indicated
-  **Blue Circle with A:** Cited and neutral analysis indicated
-  **Blue Circle with I:** Cited references available

Any document that is printed, downloaded, or emailed contains an **As** of date for the *Shepard's* Signal.

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### *Shepard's* for Patents?

Trademark issues aside, there is no reason that *Shepard's* (or a variation thereof – maybe using yellow moons, orange stars, pink hearts and green clovers?) can't be adapted for patents. The concept is simple. The record for every U.S. patent could include a set of regularly-updated signals conveying key contextual information for that patent. As with cases, the signals themselves would not convey detailed information, but would indicate that the interested reader should seek additional information (preferably through a hyperlink within the signal itself).

The implementation of such a system would admittedly require substantial up-front work, but several organizations including LexisNexis/*Shepard's*/Lex Machina, Google and the USPTO, or some combination thereof, would be well-situated to undertake such a project.

If implemented, here are some of the contextual information categories that would be useful for such a patent signaling system:<sup>1</sup>

**Invalidity** – have some or all of the patent claims been disclaimed as invalid under [35 U.S.C. §§ 253\(a\) or 288](#), or challenged or invalidated by the PTAB or a court, or have claims survived challenges in litigation? The appealability/finality of these determinations could be indicated, as could the ground for invalidity (e.g., 101, 102, 103, 112).

**Enforceability** – has the patent been rendered, or challenged as, unenforceable for other reasons, such as inequitable conduct, patent misuse or [standards deception](#)?

**Licenses** – has the patent been licensed on an exclusive or non-exclusive basis? While many licenses are not publicly disclosed, licenses that are material to the business of publicly-traded companies are accessible through the Securities and Exchange Commission's [EDGAR database](#). Other licenses can

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<sup>1</sup> [Chien](#), p. 1877, Table 2, offers a comprehensive taxonomy of many types of contextual patent information that exist, though not all of these lend themselves to the simple signaling system suggested here and some (such as assignment, maintenance, expiration and government interest status) are already be available in a relatively (though not perfect) format.

become available through litigation discovery, freedom of information requests and other means (see discussion [here](#)).

**Available for licensing** – is the patent holder willing to consider granting licenses to third parties, as shown in the USPTO’s recent [Patents 4 Partnerships platform](#) (discussed in a [prior Patently-O post by Chien](#)).

**Pledges and Dedications to the Public** – has the patent been pledged by its owner for public use (see, e.g., the [Open COVID Pledge](#), which I discuss at length [here](#), subjected to a binding “covenant not to sue” (as was the trademark in *Already, LLC v. Nike, Inc.*, 568 U.S. 85 (2013)), or dedicated to the public under [35 U.S.C. § 253\(b\)](#)? There is currently no centralized repository for information regarding such commitments (see my proposal for creating a registry of pledges [here](#)), though various [academic](#) and [nonprofit](#) organizations maintain informal lists.

**Standards Declarations** – has the patent been declared essential to a technical standard? If so, the patent holder may have committed to license it on royalty-free or fair, reasonable and non-discriminatory (FRAND) terms. While some SDOs have searchable public databases of declared essential patents (e.g., [ETSI](#) and [IETF](#)), and some [academic projects](#) have consolidated some of this information, it is not generally linked to individual patent records.

In a world where patents play an increasingly important role in the technology development and innovation landscape, it is critical that reliable information about the status and history of patents be made available to the public. The USPTO has made a public commitment to the “[discoverability, accessibility, and usability of public patent and trademark data](#)”, and as such it can help to collect, organize and display contextual patent data in a simple and user-friendly fashion. A uniform “Shepardization” system for patents, which clearly flags issues for potential licensees, defendants and innovators and alerts the public to the potential investment and threat value of individual patents, would help to make the markets in which patents exist more transparent and efficient.