

Davis v. Brouse McDowell, L.P.A.

No. 09-1395, Fed. Cir. (Newman, Bryson, Moore*)

If the well-pleaded complaint presents multiple theories supporting a claim, that claim “may not form the basis for § 1338(a) jurisdiction unless patent law is essential to each of those theories.”

On March 2, 2010, the Federal Circuit affirmed the district court’s summary judgment dismissing Davis’ malpractice suit that had alleged the defendants’ failure to file three PCT applications relating to the IP-Exchange, a social networking platform targeted at intellectual property professionals and non-professionals. The defendants had removed the suit to federal district court from the Court of Common Pleas for Summit County, Ohio. The Federal Circuit stated:

Section 1338(a) provides that federal district courts have exclusive jurisdiction over actions “arising under any Act of Congress relating to patents.” [J]urisdiction extends to those cases “in which a well-pleaded complaint establishes either that federal patent law creates the cause of action or that the plaintiff’s right to relief necessarily depends on resolution of a substantial question of federal patent law, in that patent law is a necessary element of one of the well-pleaded claims.” If the well-pleaded complaint presents multiple theories supporting a claim, that claim “may not form the basis for § 1338(a) jurisdiction unless patent law is essential to each of those theories.” Ms. Davis’s cause of action for legal malpractice arises under Ohio state law. Therefore, we must determine whether patent law is a “necessary element” of a claim presented in her complaint.

. . .

Defendants argue that patent law is a necessary element of Ms. Davis’s malpractice claim relating to the U.S. applications. Specifically, Defendants assert—and the district court agreed—that Ms. Davis’s claim should be subject to Ohio’s “case-within-a-case” doctrine. This doctrine applies in certain malpractice cases to require the plaintiff to prove that she would have been successful in the underlying matter but for the alleged malpractice. . . . Ms. Davis’s theory of recovery “places the merits of the underlying [patent prosecution] directly at issue.” . . . Because the case-within-

a-case doctrine applies, Ms. Davis must prove, by a preponderance of the evidence, that she would have obtained patents on her inventions but for Mr. Thomson's alleged negligence. The patentability of Ms. Davis's inventions is controlled by U.S. patent law. Therefore, patent law is a necessary element of one of the legal malpractice claims presented in Ms. Davis's complaint, and the district court properly exercised jurisdiction pursuant to 28 U.S.C. § 1338(a).

To prevail on a claim for legal malpractice based on negligent representation, the plaintiff must establish that the attorney owed a duty to the plaintiff; that the attorney breached that duty and failed to conform to the standard required by law; and that "there is a causal connection between the conduct complained of and the resulting damage or loss." [T]o satisfy the causation prong of the malpractice standard Ms. Davis must prove, by a preponderance of the evidence, that she would have received patents on her inventions but for Mr. Thomson's alleged negligence in preparing and filing the applications.

Ms. Davis's patent law expert, Mr. O'Shaughnessy, devoted the majority of his report to explaining the ways in which the applications Mr. Thomson prepared and filed, as well as his legal advice, were deficient. We agree with the district court that Mr. O'Shaughnessy's report provides sufficient evidence to establish a genuine issue of material fact as to whether Mr. Thomson breached a duty he owed to Ms. Davis as her attorney. Mr. Thomson went on vacation, missed filing dates, and, by his own admission, filed an application which he realized contained a poorly drafted specification and claims which he intended to repair at a later time. This is certainly not standard or adequate patent attorney representation, especially if, as Ms. Davis alleges, he did not inform her of his intention to proceed this way. However, even if Ms. Davis can establish that Mr. Thomson breached a duty to her, she must still also prove causation, i.e., that absent his breach she would have obtained a patent. . . . Mr. O'Shaughnessy's report did not even address the patentability of Ms. Davis's inventions under foreign patent law. The district court observed that Mr. O'Shaughnessy had not performed a prior art search or a "patentability analysis," nor had he identified particular claims that could be made for Ms. Davis's inventions. Therefore, the court

found that Mr. O’Shaughnessy’s patentability opinion lacked adequate foundation and could not be relied upon by Ms. Davis as evidence of patentability. We agree Because that is the only evidence of patentability that Ms. Davis proffered with respect to her U.S. applications—and because she proffered no evidence at all with respect to her PCT applications—we agree with the district court that she failed to establish a genuine issue of material fact as to the patentability of her inventions.

The previous statements are for information purposes only, and do not constitute legal advice. Questions regarding the matters discussed above, and any requests to be subscribed to the free electronic distribution of this publication, may be directed to Lawrence M. Sung, Ph.D., at +1 202.346.7850 or lsung@dl.com, or to any other Dewey & LeBoeuf LLP attorney with whom you regularly consult.

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