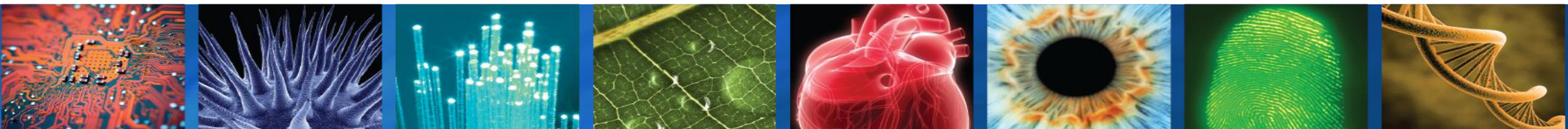


# Subject Matter Conflicts in Patent Law

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# The Problem

- Two separate inventors independently create two inventions that are “similar” or “close” at roughly the same time.
- May a law firm represent both inventors?

## *Maling v. Finnegan*

- Decided by the Massachusetts Supreme Court on December 23, 2015.
- It is the first reported decision from any court addressing this type of subject matter conflict in patent law.

# The Allegations Of Maling's Complaint

Finnegan agreed to represent Maling in connection with a new screwless eyeglass hinge.

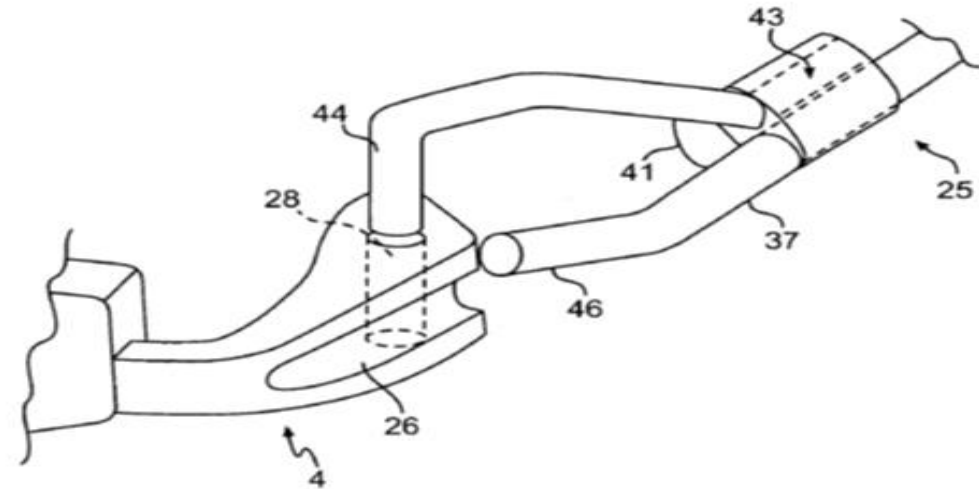
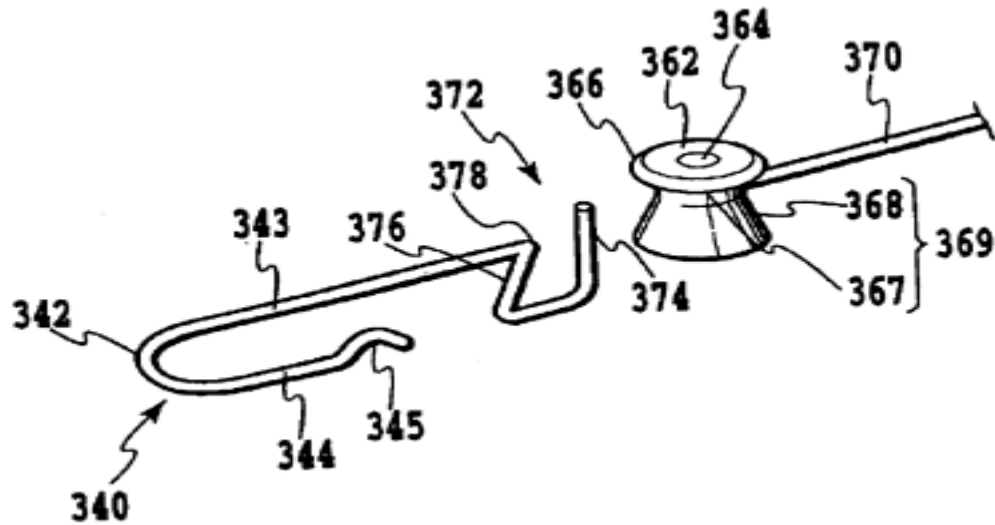
Unknown to Maling, Finnegan already represented a competitor, Masunaga, in connection with a pending screwless eyeglass hinge patent application.

Finnegan successfully obtained four patents for Maling and one patent for Masunaga.

Maling's invention proved to be less valuable than he expected because such a similar invention existed.

Because Maling had a close competitor, he could not interest investors in his invention.

# The “Similar” Inventions



**Masunaga Hinge**  
**Figure 11**  
**U.S. Pat. No. 6,767,096**

**Maling Hinge**  
**Figure 15**  
**U.S. Pat. No. 7,101,039**

# Procedural History

- The trial court dismissed the Complaint for failure to state a claim. Maling appealed.
- The Supreme Judicial Court of Massachusetts *sua sponte* transferred the case from the court of appeals to itself.

# Question Presented

- Whether ... an actionable conflict of interest arose when ... attorneys in different offices of the same law firm simultaneously represented the plaintiff and a competitor in prosecuting patents on similar inventions, without informing the plaintiffs or obtaining their consent to the simultaneous representation.

# The Relevant Rule of Professional Conduct

A conflict exists if:

1. An attorney is “directly adverse” to his own client; or
2. There is a substantial risk that the attorney’s representation of one client will be “materially limited” by his representation of another client.



# The Representations Were Not Directly Adverse

“In the instant case, Maling and Masunaga were not adversaries in the traditional sense, as they did not appear on opposite sides in litigation. Rather, they each appeared before the USPTO in separate proceedings to seek patents for their respective screwless eyeglass devices.”

“Direct adverseness requires a conflict as to the legal rights and duties of the clients, not merely conflicting economic interests.”

Analogous to two competitors each seeking broadcast licenses from the FCC.

Direct adversity would arise if a reasonable patent attorney would believe that an interference was likely.

## No Material Limitation Conflict

Maling alleged in conclusory fashion that Finnegan chose to represent Masunaga's interests at his expense.

But the complaint contained no factual allegations supporting any claim that Finnegan obtained weaker patents for Maling or stronger patents for Masunaga because of the simultaneous representation.

# Applications Filed Under The America Invents Act

- The AIA establishes a first to file system.
- The first filed application will be prior art to the second filed application.
- Interferences are abolished.
- The impact of the AIA is not addressed in *Maling v. Finnegan*.

# First AIA Scenario

- The first application is filed before you are contacted by the second client.
- The first application is prior art to the second client's application.
- You are ordinarily free to take the second case.
- However, you need to be cautious ...
  - The first filed application may be unpublished.
  - You may need to distinguish the first filed application.

## Second AIA Scenario

- The second application arrives before the first application is filed.
- Neither inventor's work has been published.
- Is there a conflict?

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