

Federal Circuit Holds that § 271(a) “Use” Occurs When an Invention is “Put Into Service”

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Centillion Data Systems, LLC (Centillion) filed an action against Qwest alleging infringement of its patent, which discloses a system for collecting, processing, and delivering information from a service provider (such as telephone company) to a customer. The district court granted summary judgment of noninfringement to Qwest on the basis that no single party practiced all of the limitations of the patent and that Qwest’s customers did not “use” the patented system under 35 U.S.C. § 271(a). That is, the district court found no infringement because Centillion did not show that Qwest’s customers directed or controlled elements of the patented claim were performed by Qwest.

Regarding “use” under § 271(a), the Federal Circuit wrote in *Centillion Data Systems, LLC v. Qwest Communications Int., Inc.*, ___ F.3d ___, 2011 WL 167036 (Fed. Cir. Jan. 20, 2011), “that to ‘use’ a system for purposes of infringement, a party must put the invention into service, *i.e.*, control the system as a whole and obtain a benefit from it.” In order to put the system into service, the Federal Circuit found that “the end user must be using all portions of the claimed invention.”

Here, Centillion’s patented claim included some features actually performed by Qwest’s customers and other “back-end” system functions performed by Qwest. One type of operation included on-demand functionality, whereby a Qwest customer could seek information from Qwest’s back-end system by creating a specific query and then downloading the result. The other operation type entailed Qwest’s back-end system creating periodic summary reports after a Qwest user subscribed, which were thereafter available for download.

The Federal Circuit found that both operation types constituted “use” under § 271(a) as a matter of law because in both operation types, it was the user who initiated demand for the service, which caused Qwest’s back-end system to generate the requisite reports as a result. The Federal Circuit explained that this was “use” because “but for the customer’s actions, the entire system would never have been put into service.”

Historically, patents whose claims could not possibly be performed by any one party were largely considered to merely be poorly drafted patents and essentially unassertable. But, with the recent line of authorities from the Federal Circuit that have endorsed the joint infringement theory of direct infringement liability and now with *Centillion* and its holding regarding “use” under § 271(a), patentees will once again likely be in the attic searching for old patents to dust off to assert under these en vogue infringement theories.

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