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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

IMPACT ENGINE, INC.,  
  
Plaintiff,  
  
v.  
  
GOOGLE LLC,  
  
Defendant.

Case No.: 3:19-cv-01301-CAB-BGS  
  
**ORDER GRANTING MOTION TO  
STRIKE INEQUITABLE CONDUCT  
DEFENSE**  
  
[Doc. No. 65]

This matter is before the Court on Plaintiff Impact Engine, Inc.’s motion to strike Defendant Google, LLC’s inequitable conduct defense. The motion has been fully briefed, and the Court deems it suitable for submission without oral argument. For the following reasons, the motion is granted without leave to amend.

**I. Background**

On March 4, 2020, Impact Engine filed a supplemental complaint, which is the operative complaint in this action. [Doc. No. 53.] The supplemental complaint includes claims for infringement of eight Impact Engine patents from the same patent family,<sup>1</sup>

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<sup>1</sup> The patents are: U.S. Patent No. 7,870,497 (the “497 Patent”); U.S. Patent No. 8,356,253 (the “6,253 Patent”); U.S. Patent No. 8,930,832 (the “832 Patent”); U.S. Patent No. 9,361,632 (the “632 Patent”); U.S. Patent No. 9,805,393 (the “393 Patent”); U.S. Patent No. 10,068,253 (the “8,253 Patent”); U.S. Patent No. 10,565,618 (the “618 Patent”); and U.S. Patent No. 10,572,898 (the “898 Patent”).

1 covering systems and methods that automate the process of constructing and distributing  
2 professional quality advertisement media. [Doc. No. 53-2 at 20.]

3 In its answer to the supplemental complaint, Google asserted an inequitable conduct  
4 affirmative defense for the first time. [Doc. No. 55.] After Impact Engine informed Google  
5 that it intended to move to strike the inequitable conduct defense from Google’s answer,  
6 Google filed an amended answer with additional allegations related to the inequitable  
7 conduct defense. [Doc. No. 57.] In its amended answer to Impact Engine’s supplemental  
8 complaint, Google asserts the inequitable conduct defense as to six of the eight patents at  
9 issue in the supplemental complaint (the ‘832 Patent; the ‘632 Patent; the ‘393 Patent; the  
10 ‘8,253 Patent; the ‘618 Patent; and the ‘898 Patent). [Doc. No. 57 at 20-29.] Impact Engine  
11 now moves to strike Google’s inequitable conduct defense. [Doc. No. 65.]

## 12 II. Discussion

13 “Inequitable conduct is an equitable defense to patent infringement that, if proved,  
14 bars enforcement of a patent.” *Therasense, Inc. v. Becton, Dickinson and Co.*, 649 F.3d  
15 1276, 1285 (Fed. Cir. 2011) (en banc). The Federal Circuit has described it as the “atomic  
16 bomb” of patent law because a finding of inequitable conduct renders the entire patent  
17 unenforceable, incurable by reissue or reexamination at the PTO. *Id.* at 1288 (internal  
18 citations omitted).

19 To successfully prove inequitable conduct, the accused infringer must present  
20 evidence that the applicant (1) made an affirmative misrepresentation of a material fact,  
21 failed to disclose material information, or submitted false material information; and (2)  
22 intended to deceive the [Patent and Trademark Office (“PTO”).]” *Star Scientific, Inc., v.*  
23 *R.J. Reynolds Tobacco Co.*, 537 F.3d 1357, 1365 (Fed. Cir. 2008); *Exergen Corp. v. Wal-*  
24 *Mart Stores, Inc.*, 575 F.3d 1312, 1327 n.3 (Fed. Cir. 2009). At least a threshold level of  
25 each element – i.e., both materiality and intent to deceive – must be proven by clear and  
26 convincing evidence. *Star Scientific*, 537 F.3d at 1365. Further because an inequitable  
27 conduct defense sounds in fraud, it must satisfy the heightened pleading standards of  
28 Federal Rule of Civil Procedure 9(b), including “identification of the specific who, what,

1 when, where, and how of the material misrepresentation or omission committed before the  
2 PTO.” *Exergen*, 575 F.3d. at 1327. “A pleading that simply avers the substantive elements  
3 of inequitable conduct, without setting forth the factual bases for the allegation, does not  
4 satisfy Rule 9(b).” *Id.* at 1326-27.

5 Here, according to Google’s opposition brief, the “crux” of its inequitable conduct  
6 defense is that each of the individuals who prosecuted the six patents in question on Impact  
7 Engine’s behalf “submitted patent claims to the PTO knowing that the claims lacked  
8 written description . . . .” [Doc. No. 73 at 6.] To that end, the amended answer alleges that  
9 Impact Engine’s agents “knowingly and intentionally presented claims that they knew were  
10 unsupported by the specification that accompanied the application.” [Doc. No. 57 at ¶¶  
11 164, 171, 178, 185, 192, 199.] In its opposition brief, Google cites to no authority  
12 supporting this inequitable conduct theory, arguing only that no court has rejected it. This  
13 Court will not expand the affirmative defense of inequitable conduct to embrace Google’s  
14 novel theory.

15 Google does not identify any specific misrepresented fact or material omission or  
16 false material information that was submitted to or withheld from the PTO during the  
17 prosecution of the patents. Google simply alleges that claims of the continuation patents  
18 asserted by Impact Engine are not supported by their common specification, a validity  
19 challenge under 35 U.S.C. §112. Google makes no allegations that the inventors or  
20 prosecuting attorney intentionally misled the patent examiner with false or misleading  
21 statements in the written description to obtain those claims.

22 Google’s theory of inequitable conduct is a conclusory statement that the inventors  
23 and prosecuting attorney all knew that the claims they sought, and were granted, were not  
24 supported by the written description. This assertion does not support a claim of fraudulent  
25 intent to deceive the PTO. Without some allegation of misrepresented fact or material  
26 omission in the written description made or withheld to allow the claims to issue, there is  
27 no fraud. There is only disagreement that the examiner, who was in full possession of the  
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1 written description, wrongly concluded that the requirements for § 112 were met when the  
2 claims were allowed.

3 Google has already once amended its inequitable conduct defense, expanding the  
4 length of its allegations from one paragraph to almost nine full pages. [Doc. No. 55; Doc.  
5 No. 57.] Despite substantial alterations, Google’s allegations fail to meet even the pleading  
6 standards of Rule 8(a), much less the heightened requirements in Rule 9(b). No amount of  
7 additional specificity as to Google’s allegation that Impact Engine’s agents failed to inform  
8 the PTO that the claims they presented were not supported by the specification would be  
9 sufficient to state a plausible inequitable conduct defense. As such, Impact Engine’s  
10 motion is granted without leave to amend.

11 **III. Disposition**

12 For the foregoing reasons, Impact Engine’s motion to strike Google’s inequitable  
13 conduct defense is **GRANTED**, and Google’s inequitable conduct defense is  
14 **DISMISSED**.

15 It is **SO ORDERED**.

16 Dated: June 22, 2020



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18 Hon. Cathy Ann Bencivengo  
19 United States District Judge  
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