In the United States Court of Federal Claims

No. 01-33C
(Filed September 3, 2004)

* * * * * * * * * * * * * * * * * * * *	
PAYMASTER TECHNOLOGIES, INC., Plaintiff,	Patents; infringement; invalidity, 35 U.S.C. § 112 (2000); implied license; obviousness, 35 U.S.C. § 103(a); anticipation; on-sale bar, 35 U.S.C. § 102(b); joint inventorship, 35 U.S.C. § 116; reasonable royalty.
v.	
THE UNITED STATES, Defendant.	
* * * * * * * * * * * * * * * * * * * *	

Paul L. Brown, Chicago, IL, for plaintiff. Ronald R. Snider, Snider & Associates, Washington, DC, of counsel.

Robert G. Hilton, Washington, DC, with whom was Assistant Attorney General Peter D. Keisler, for defendant. John Fargo, Commercial Litigation Branch, Department of Justice, and Stephen Lobaugh, United States Postal Service, of counsel.

ERRATA

MILLER, Judge.

Please substitute the attached page 24 for the original filed in the opinion issued on August 16, 2004. The last sentence in the second full paragraph contained a typographical error.

s/ Christine O. C. Miller

Christine Odell Cook Miller
Judge

> putting an image on it, and the[n] imprinting it. But in fact it's a very, very complex thing that involves extremely hard work on the part of Bob Koper and his staff, extremely diligent and excellent work, as well as on the part of Moore, on the part of Portals, and myself.

Tr. at 1149-50. Mr. French played the part of the reluctant co-inventor, who, rather than claiming that the invention was his, recognized the contributions of Mr. Koper and others to solving the USPS's problem of easily altered PMOs. In fact, when Mr. French learned about plaintiff's patent, he did not react like a slighted co-inventor: "I didn't care one way or another. Mr. Koper took the attitude that the [PMO form set] wasn't my business to why, when or how. As far as I was concerned, that's the Postal Service['s] business. And I'm not a patent attorney. Quite frankly, it all seemed like a lot of goobly-gook to me at the time." Id. at 1168.

At the conclusion of his testimony, Mr. French again praised plaintiff's efforts at solving the PMO problem: "Mr. Koper's company and the others were a very, very, very big part to that, and without dedicated people like Mr. Koper, none of it would have happened." Tr. at 1171. Mr. French was a dedicated USPS employee seeking to solve a problem with altered PMOs. He enlisted the help of plaintiff, which developed, in accordance with Mr. French's specifications, a PMO imprinting system and form set.

Trial revealed that Mr. Koper was involved with the real-world realization of the invention, whereas Mr. French was focused on implementing the new PMO form set. Defendant did not meet its burden to prove that Mr. French was an unnamed joint inventor.

4. On-sale bar

An inventor will not be entitled to a patent if the invention was "on sale in this country, more than one year prior to the date of the application for patent in the United States." 35 U.S.C. § 102(b). The on-sale bar cannot arise unless the invention was "(1) the subject of a commercial offer for sale and (2) 'ready for patenting' prior to the critical date." Honeywell Int'l v. Hamilton Sundstrand Corp., 370 F.3d 1131,1145 (Fed. Cir. 2004). "A sale is 'a contract between parties to give and pass rights of property for consideration which the buyer pays or promises to pay the seller for the thing bought or sold.'" Zacharin v. United States, 213 F.3d 1366, 1370 (Fed. Cir. 2000) (quoting In re Caveney, 761 F.2d 671, 676 (Fed. Cir. 1985)).

Defendant must show that the invention was ready for patenting with either "proof of reduction to practice before the critical date; or [with] proof that prior to the critical date the