Precedential Patent Case Decisions During July 2019

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I. Introduction

This paper abstracts what I believe to be the significant new points of law from the precedential decisions in patent cases this month. Cases captions relating to the PTAB are in **red** text. Case captions of extraordinary importance are in **blue** text.

II. Abstracts and New Points of Law

Automotive Body Parts Association v. Ford Global Technologies, LLC, 2018-1613 (Fed. Cir. 7/23/2019; Sealed opinion dated 7/11/2019).

This is a decision on an appeal by the Automotive Body Parts Association (ABPA) from the E.D. Mich. case 2:15-cv-10137-LJM-RSW. The district court *sua sponte* entered summary judgement denying ABPA's request for a DJ of invalidity and unenforceability of two design patents, based upon ABPA's theories of patent exhaustion and permissible repair. ABPA appealed. The Federal Circuit affirmed.

Legal issue: 35 USC 171, "ornamental" requirement, as it relates to elements of an assembly.

The Federal Circuit held that the aesthetic appeal of a design to consumers is inadequate to render that design functional, even in this context of a consumer preference for a particular design to match other parts of a whole assembly.

> Here, we decide what types of functionality invalidate a design patent and determine whether long-standing rules of patent exhaustion and repair rights applicable to utility patents also apply to design patents. Automotive Body Parts Association (ABPA) asks us to hold that the aesthetic appeal—rather than any mechanical or utilitarian aspect—of a patented design may render it functional. And it asks us to expand the doctrines of exhaustion and repair to recognize the "unique nature" of design patents. Both theories invite us to rewrite established law to permit ABPA to evade Ford Global Technologies, LLC's patent rights. We decline ABPA's invitation and affirm the district court's summary judgment. [Automotive Body Parts Association v. Ford Global Technologies, LLC, 2018-1613 (Fed. Cir. 7/23/2019; Sealed opinion dated 7/11/2019).]

> We hold that, even in this context of a consumer preference for a particular design to match other parts of a whole, the aesthetic appeal of a design to consumers is inadequate to render that design functional. As the Supreme Court acknowledged almost 150 years ago, "giving certain new and original appearances to a manufactured article may enhance its salable value, [and] may enlarge the demand for it." *Gorham Mfg. Co. v. White*, 81 U.S. 511, 525 (1871). But

regardless of the market advantage conferred by a patented appearance, competitors may not utilize a protected design during the patent's life. *See id.*; see also 35 U.S.C. § 289. To hold that designs that derive commercial value from their aesthetic appeal are functional and ineligible for protection, as ABPA asks, would gut these principles. The very "thing . . . for which [the] patent is given, is that which gives a peculiar or distinctive appearance," its aesthetic. *Gorham*, 81 U.S. at 525. If customers prefer the "peculiar or distinctive appearance" of Ford's designs over that of other designs that perform the same mechanical or utilitarian functions, that is exactly the type of market advantage "manifestly contemplate[d]" by Congress in the laws authorizing design patents. *Id*. [Automotive Body Parts Association v. Ford Global Technologies, LLC, 2018-1613 (Fed. Cir. 7/23/2019; Sealed opinion dated 7/11/2019).]

Legal issue, related to 35 USC 282(b), defense of permissible repair of a component, for a design patent that is specific to the component.

The Federal Circuit held that making and using designs covered by Ford's design patents, for replacement parts (such replacement headlamps), without Ford's authorization, was infringement and not permissible repair.

ABPA's right of repair argument is equally unpersuasive. The right of use transferred to a purchaser by an authorized sale "include[s] the right to repair the patented article." *Kendall Co. v. Progressive Med. Tech., Inc.*, 85 F.3d 1570, 1573 (Fed. Cir. 1996). *** ABPA argues that purchasers of Ford's F-150 trucks are licensed to repair those trucks using replacement parts that embody Ford's hood and headlamp design patents. But straightforward application of long-standing case law compels the opposite conclusion. *** ABPA attempts to distinguish *Aiken* and its progeny by asserting that these cases apply only to utility patents. *** We disagree. In our view, the breadth of the term "article of manufacture" simply means that Ford could properly have claimed its designs as applied to the entire F-150 or as applied to the hood and headlamp. To determine what repair rights apply, we look to what Ford actually claimed. As always, "the name of the game is the claim." *Arlington Indus., Inc. v. Bridgeport Fittings, Inc.*, 632 F.3d 1246, 1255 n.2 (Fed. Cir. 2011) (quoting Giles S. Rich, *The Extent of the Protection and Interpretation of Claims–American Perspectives*, 21 Int'l Rev. Indus. Prop. & Copyright L. 497, 499, 501 (1990)). Ford chose to claim designs as applied to portions of particular components, and the law permits it to do so. *See, e.g., Samsung*, 137 S. Ct. at 435; *Gorham*, 81 U.S. at 512. That the auto-body components covered by Ford's patents may require replacement does not compel a special rule. Just as the patentee in *Aiken* could have only claimed the needles in conjunction with the knitting machine, Ford could have only claimed its design as applied to the whole truck. Unfortunately for ABPA, Ford did not do so; the designs for Ford's hood and headlamp are covered by distinct patents, and to make and use those designs without Ford's authorization is to infringe. *See Aiken*, 1 F.

Cas. at 247. [Automotive Body Parts Association v. Ford Global Technologies, LLC, 2018-1613 (Fed. Cir. 7/23/2019; Sealed opinion dated 7/11/2019).]

Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007, 2018-2012 (Fed. Cir. 7/12/2019).

This is a decision on appeals from PTAB cases IPR2017-00099 and IPR2017-00100. The PTAB found the challenged claims not shown unpatentable. Samsung appealed. The Federal Circuit vacated and remanded.

Legal issue: Article III standing to appeal, patent pool, impact on royalties due to invalidation of a patent in the pool.

The Federal Circuit held that the increase in royalties Samsung would obtain as a result of invalidation of the challenged patent gave Samsung standing to appeal.

> Samsung's standing argument turns on its relationship to Infobridge and the '772 patent. According to uncontroverted evidence provided by Samsung, the '772 patent is licensed as part of a "pool" of patents, including some owned by Samsung, that have been declared essential to the H.265 standard. Appellant's Br. 59. Licensees pay a fixed royalty for the pooled patents and then members who own patents in the pool divide that royalty based on the number of patents in the pool. By the express terms of the license, if a pool patent is declared invalid, it is removed from the pool and the other members thereafter receive a higher proportion of the fixed royalty. Members of the pool, like Samsung, therefore stand to gain if another pool pa-tent is invalidated and removed from the pool. [Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007, 2018-2012 (Fed. Cir. 7/12/2019).]

> Against this backdrop, Samsung argues that it is being "depriv[ed]" of royalty payments and that "[t]his deprivation of royalties is the kind of 'concrete and particularized' economic injury that satisfies the Article III requirement." *Id*. (quoting *Phigenix*, 845 F.3d at 1171). We agree with Samsung that, under the facts and circumstances of this case, its injury confers Article III standing. *See, e.g., Chou v. Univ. of Chicago*, 254 F.3d 1347, 1359 (Fed. Cir. 2001) ("If Chou has indeed been deprived of an interest in proceeds from licensing the invention . . . then she will have suffered an injury-in-fact, i.e., the loss of those benefits"). This injury can be traced directly to the validity of Info-bridge's patent and would be redressed by a favorable decision for Samsung. While other licensing and royalty structures might compel a different result where other standard-essential patents are involved, the unique pool license here satisfies us that Samsung has standing in this appeal. [Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007, 2018-2012 (Fed. Cir. 7/12/2019).]

Legal issue: 35 USC 102(b), public accessibility factor, web site postings.

The Federal Circuit, agreed with the Board that the focus on public accessibility of a

paper developed by a large group of people collaborating on developing standards, was on whether the paper was accessible those outside the large group, not on the number of collaborators.

> Samsung argues that the Board failed to consider whether access by members of the JCT-VC could make the WD4 reference publicly accessible. Appellant's Br. 45 ("The Board improperly required Samsung to prove access outside the JCT-VC . . . membership . . . ." (emphasis added)). This error is critical, Samsung insists, because the JCT-VC was composed of more than 250 members who were skilled artisans following the development of H.265 and video coding in general. *Id.* According to Samsung, sharing the WD4 reference among JCT-VC members is like an academic presenting a paper at a conference, which we have said can make a work publicly accessible. *Id.* at 44 (collecting cases). [Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007, 2018-2012 (Fed. Cir. 7/12/2019).]
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> We are not persuaded by Samsung's analogy. Like the Board, we find *SRI* is instructive. There, the reference at issue was emailed to the organizer of an upcoming symposium, Dr. Bishop. SRI, 511 F.3d at 1190. Based on that record, the district court concluded on summary judgment that the email made the work publicly accessible. *Id.* at 1194. On appeal, we remanded based on various disputed facts. As relevant here, we noted that the evidence suggested "only one non-SRI person, Dr. Bishop, knew about the availability of [the reference]." *Id.* at 1196 (citing *Application of Bayer*, 568 F.2d 1357 (CCPA 1978)). This "militate[d] against a finding of public accessibility." *Id*. at 1197. We reached a similar result in Bayer, where the reference at issue, a student thesis, was only accessible to members of a faculty review committee. 568 F.2d. at 1361 (concluding that "[a]ccessibility to appellant's thesis by the three members of the graduate committee under the circumstances of the present case" did not demonstrate that the work was publicly accessible); *see also SRI*, 511 F.3d at 1196 (noting the similarity between "only one non-SRI per-son" having access to a reference and "the knowledge of the thesis's availability by the three professors in Bayer"). [Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007, 2018-2012 (Fed. Cir. 7/12/2019).]
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> Taken together, these cases suggest that a work is not publicly accessible if the only people who know how to find it are the ones who created it. This is why SRI focused on the knowledge of those outside the authoring organization and why Bayer discounted the knowledge of various professors on a faculty committee reviewing student theses. To hold otherwise would disincentivize collaboration and depart from what it means to publish something. [Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007, 2018-2012 (Fed. Cir. 7/12/2019).]

The Board's analysis is consistent with this principle and its underlying conclusions are supportable. Unlike the conference attendees in *GoPro, Inc. v. Contour IP Holding LLC*, 908 F.3d 690 (Fed. Cir. 2018) or *Medtronic, Inc. v. Barry*, 891 F.3d 1368 (Fed. Cir. 2018), JCT-VC members were part of ongoing, collaborative efforts to draft the WD4 reference. For example, Mr. Bross testified that the WD4 reference was "developed by the Joint Collaborative Team on Video Coding (JCT-VC)." J.A. 7936; see also J.A. 5326 (noting that "[t]he JCT-VC produced . . . the HEVC specification Working Draft 4 (WD4)"). Even if Mr. Bross was the lead author of the WD4 reference, we cannot say on this record that the Board erred in treating the other JCT-VC members who knew about this ongoing project like the faculty advisers in *Bayer* or in-house employees in *SRI*. The Board therefore properly focused on whether those outside of the JCT-VC knew about the JCT-VC website in considering whether posting the WD4 reference on the website made it publicly accessible. [Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007, 2018-2012 (Fed. Cir. 7/12/2019).]

Legal issue: 35 USC 102(b), printed publication, public accessibility factor, listserve postings.

The Federal Circuit concluded that the posting of a paper to an email listserv for a standards setting group, where access to the listserv was open to interested members of the public not part of the group, and some evidence that "interested individuals" other than members of the group were on the listserv, resulted in the paper being sufficiently accessible to qualify as a printed publication.

Samsung last argues that the WD4 reference was publicly accessible because Mr. Bross emailed it to the JCT-VC listserv. On this point, Mr. Bross testified that the listserv included 254 JCT-VC members and other "interested individuals." J.A. 7947–48. Mr. Bross further testified that "any person could subscribe to the JCT-VC reflector by re-questing a subscription at the JCT-VC reflector management site" and "anyone with a valid e-mail address requesting subscription was typically approved." J.A. 7948. [Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007, 2018-2012 (Fed. Cir. 7/12/2019).]

The Board credited this evidence, at least in part. For example, the Board found that Mr. Bross emailed a link to the WD4 reference to the listserv in October 2011. *Final Written Decision*, 2018 WL 1940480 at *9. It also agreed that the listserv may have included "others who may have opted into the [listserv]." *Id*. The Board, however, found this evidence insufficient to establish public accessibility because it could not determine that "those 254 individuals represented a significant portion of those interested and skilled in the art." *Id*. Instead, the Board viewed the email as a "limited distribution" that did not show the work was "generally disseminated to persons interested and ordinarily skilled in the art." *Id.* [Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007,

2018-2012 (Fed. Cir. 7/12/2019).]

Samsung argues that the Board erred by confusing access with accessibility. We agree. Our cases have consistently held that the standard for public accessibility is whether a person of ordinary skill in the art could, after exercising reasonable diligence, access a reference. *Jazz*, 895 F.3d at 1355–56 ("A reference is considered publicly accessible upon a satisfactory showing that such document has been disseminated or otherwise made available to the extent that persons interested and ordinarily skilled in the subject matter or art, exercising reasonable diligence, can locate it. If accessibility is proved, there is no requirement to show that particular members of the public actually received the information." (internal quotation marks and citations omitted)); *In re Lister*, 583 F.3d 1307, 1314 (Fed. Cir. 2009) ("[O]ur cases have held that once accessibility is shown, it is unnecessary to show that anyone actually inspected the reference."); *Constant v. Advanced Micro-De-vices, Inc.*, 848 F.2d 1560, 1569 (Fed. Cir. 1988) ("If accessibility is proved, there is no requirement to show that particular members of the public actually received the in-formation."). Thus, a petitioner need not establish that specific persons actually accessed or received a work to show that the work was publicly accessible. [Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007, 2018-2012 (Fed. Cir. 7/12/2019).]

The Board departed from this well-established principle by repeatedly faulting Samsung for not proving that the WD4 reference was "generally" or "widely" disseminated. *Final Written Decision*, 2018 WL 1940480 at *9. In fact, a limited distribution can make a work publicly accessible under certain circumstances. *See, e.g., GoPro*, 908 F.3d at 694. But the Board's analysis stopped short of considering whether those circumstances were present here. The Board also faulted Samsung for failing to show that the email recipients "represented a significant portion of those interested and skilled in the art." *Final Written Decision*, 2018 WL 1940480 at *9. That was not Samsung's burden. *See, e.g., Mass. Inst. of Tech. v. AB Fortia*, 774 F.2d 1104 (Fed. Cir. 1985) (distribution to six conference attendees made work publicly accessible). The Board's decision to reject Samsung's evidence because it did not establish that enough interested and ordinarily skilled artisans actually obtained the WD4 reference was therefore erroneous. [Samsung Electronics Co., Ltd. v. Infobridge Pte. Ltd., 2018-2007, 2018-2012 (Fed. Cir. 7/12/2019).]

Indivior Inc. v. Dr. Reddy's Laboratories, S.A., 2017-2587, 2018-1010, 2018-1058, 2018-1062, 2018-1114, 2018-1115, 2018-1176, 2018-1177, 2018-1949, 2018-2045 (Fed. Cir. 7/12/2019).

This is a decision on appeals from multiple parties in the D. Del. district court cases 1:13-cv-01674-RGA; 1:14-cv-00422-RGA; 1:14-cv-01451-RGA; 1:14-cv-01574-RGA; 1:16-cv-00178-RGA; 1:15-cv-00477-RGA; and 1:15-cv-01016-RGA involving four patents

owned by Indivior and directed to pharmaceutical films. The dispute on appeal focused on two patents (the ’514 and the ’150). The issues on appeal included validity and infringement. The district court found various claims valid and infringed and other claims invalid. A Federal Circuit majority consisting of Judges Lourie and Newman affirmed. Judge Mayer dissented because he would have found the challenged claims invalid as obvious. I did not find the judicial dispute over obviousness worth abstracting, and abstract other issues below.

Legal issue: FRCP 59, judicial discretion to alter or amend a judgment.

The Federal Circuit majority concluded a district court did not abuse its discretion, given the facts of this case, by balancing desirability of consistency across judgments with finality and judicial efficiency, to decide to denying a party a right to belatedly amend its claim construction.

> We agree with Indivior that the district court did not abuse its discretion. While Rule 59 gives a court authority to alter or amend a judgment, that authority is exercised only in limited circumstances, such as to prevent a manifest injustice. *See United States ex rel. Schumann v. AstraZeneca Pharm. L.P.*, 769 F.3d 837, 848–49 (3d Cir. 2014). Watson argues that it is manifestly unjust that different generic products will be treated differently depending on how their cases were litigated. But it is neither unusual nor unjust for a party to be bound by its litigation decisions, particularly here where Watson was fully aware of but did not request the claim construction it now seeks. The district court found that, while there is an interest in consistency across judgments, there is also a public interest in finality and judicial efficiency, *Rule 59 Decision*, 2017 WL 3820943, at *2, and we discern no abuse of discretion in the court’s balancing of those factors in this particular case. Furthermore, Watson acknowledges that it can still seek a judgment of noninfringement based on the amended ANDA process even if it fails to secure Rule 59 relief. Under these circumstances, we conclude that the court acted within its discretion in declining to reopen its judgment based on a claim construction argument that Watson knew of yet failed to raise. [Indivior Inc. v. Dr. Reddy's Laboratories, S.A., 2017-2587 et al (Fed. Cir. 7/12/2019).]

Legal issue: 35 USC 112, indefiniteness, claim defining properties of elements of the claim, at different times.

The Federal Circuit majority concluded that there was no indefiniteness when a claim defined the properties, during fabrication, of one element of the claimed manufacture.

> At the district court, the parties’ indefiniteness dispute focused on claim 62’s recitation of a “cast film comprising a flowable watersoluble or water swellable film-forming matrix.” ’514 patent col. 73 ll. 49–50. Watson alleged that this limitation is indefinite because a cast film in its final dosage form is not flowable, and the claim thus required a physical impossibility. *** We agree with Indivior that the claim is not indefinite. The only sensible reading of the claim is that the cast film is made from a matrix that is flowable before drying and is not simultaneously dry and flowable. *** For example, in *Gemtron Corp. v.*

Saint-Gobain Corp., 572 F.3d 1371, 1375–76 (Fed. Cir. 2009), the patentee claimed a refrigerator shelf "comprising" a lower wall having a certain resilience. Since the specification made clear that the resilience only referred to resilience during assembly, we held that the lower wall only required that property during assembly. Id. at 1378–79, 1380–81. The '514 patent likewise makes clear that the matrix is flowable only at a certain time—before drying. The word "comprising" in isolation does not sustain Watson and Teva's nonsensical interpretation of a flowable dried film that is contrary to both the specification and the claim language. We thus affirm the district court's judgment that the '514 patent has not been shown to be invalid as indefinite. [Indivior Inc. v. Dr. Reddy's Laboratories, S.A., 2017-2587 et al (Fed. Cir. 7/12/2019).]

Legal issue: Infringement, interaction of the doctrine of equivalents (DOE) and the doctrine of dedication-disclaimer.

The Federal Circuit majority restated that the doctrine of dedication-disclaimer trumps the DOE, and precludes DOE infringement.

The district court held that DRL's product does not infringe under the doctrine of equivalents because the '150 patent disclosed PVP as an alternative to HCP but did not claim it, thereby dedicating it to the public. Id. at *4–5. *** We agree with DRL that the disclosure-dedication rule applies here and that the district court correctly found that DRL's product does not infringe under the doctrine of equivalents. When a patentee discloses subject matter but does not claim it, the patentee dedicates the unclaimed subject matter to the public and cannot recapture it through the doctrine of equivalents. *Johnson & Johnston Assocs. Inc. v. R.E. Serv. Co.*, 285 F.3d 1046, 1054 (Fed. Cir. 2002) (en banc). The rule descends from the essential notice function of claims. As the Supreme Court long ago explained, "[t]he public is notified and informed, by the most solemn act on the part of the patentee, that his claim to invention is for such and such an element or combination, and for nothing more." *Mahn v. Harwood*, 112 U.S. 354, 361 (1884). [Indivior Inc. v. Dr. Reddy's Laboratories, S.A., 2017-2587 et al (Fed. Cir. 7/12/2019).]

Legal issue: Vacatur of invalidity judgment due to mootness due to a prior invalidity holding.

The Federal Circuit concluded that vacatur of the district court decision finding certain claims invalid for obviousness was proper because the claims subject to the district court's invalidity-for-obviousness judgement were held finally invalid by the PTAB, and the Federal Circuit had affirmed the PTAB's holding.

We last address Indivior's challenge to the district court's judgment that claims 15–19 are invalid as obvious. *Watson Decision*, 2016 WL 3186659, at *11. In a parallel inter partes review proceeding, the Patent Trial and AppealBoard held

claims 15–19 unpatentable as anticipated and obvious, *BioDelivery*, 2015 WL 4045328, at *16, which we affirmed, 667 F. App'x 997 (Fed. Cir. 2016). Indivior argues that the Board's unpatentability decision and our subsequent affirmance moot the parties' dispute over the validity of claims 15–19 and requests vacatur of the district court's judgment of invalidity. No party raises any objection to vacatur. Indivior argues that, "in general, when a claim is cancelled, the patentee loses any cause of action based on that claim, and any pending litigation in which the claims are asserted becomes moot." Indivior Cross-Appellant Br. 89 (quoting *Fresenius USA, Inc. v. Baxter Int'l, Inc.*, 721 F.3d 1330, 1340 (Fed. Cir. 2013)). We agree that the Board's decision and our affirmance mooted any dispute over the district court's decision regarding claims 15–19 of the '832 patent. We also agree that vacatur is proper because mootness was not caused by Indivior's voluntary action. *See U.S. Bancorp Mortg. Co. v. Bonner Mall P'ship*, 513 U.S. 18, 24–25 (1994). Indeed, Indivior opposed the inter partes review, appealed the decision, and sought review en banc. No party contends on appeal that vacatur would be inappropriate in these circumstances. [Indivior Inc. v. Dr. Reddy's Laboratories, S.A., 2017-2587 et al (Fed. Cir. 7/12/2019).]

Cisco Systems, Inc. v. TQ Delta, LLC, 2018-1806, 2018-1917 (Fed. Cir. 7/11/2019).

This is a decision on appeals from PTAB cases IPR2016-01466 and IPR2016-01160 against 8,611,404. The PTAB found claims 1-20 not unpatentable over prior art. The Federal Circuit held that decision moot for claims 6, 11, 16, and 20, and vacated and remanded.

Legal issue: Mootness, determination of the same issue in another appeal.

The Federal Circuit concluded that its conclusion that claims 6, 11, 16, and 20 were unpatentable in their other decision on the same ground raised in these appeals mooted the appeal with respect to these claims.

The instant appeal is the companion to concurrently issuing appeal No. 2018-1799, where we determined that claims 6, 11, 16, and 20 of Appellee TQ Delta, LLC's ("TQ Delta") U.S. Patent No. 8,611,404 ("the '404 patent") are unpatentable as obvious over the same combination of prior art analyzed in this appeal. *See TQ Delta, LLC v. Dish Network, LLC*, No. 2018-1799, slip op. 19 (Fed. Cir. July 10, 2019). *** Because we have already determined that claims 6, 11, 16, and 20 of the '404 patent would have been obvious, see TQ Delta, *slip op.* at 19, the issue of patentability of these claims is mooted in this appeal, *see ArcelorMittal v. AK Steel Corp.*, 856 F.3d 1365, 1370 (Fed. Cir. 2017) ("A case becomes moot—and therefore no longer a Case or Controversy for purposes of Article III—when the issues presented are no longer live or the parties lack a legally cognizable interest in the outcome." (internal quotation marks omitted) (citing *Already, LLC v. Nike, Inc.*, 568 U.S. 85, 91 (2013))). The remaining claims being challenged on appeal are the patentability of claims 1–5, 7–10, 12–15, and 17–19 ("the Challenged Claims"). We have jurisdiction pursuant to 28 U.S.C. § 1295(a)(4)(A) (2012). We vacate and remand. [Cisco Systems, Inc. v. TQ Delta,

LLC, 2018-1806, 2018-1917 (Fed. Cir. 7/11/2019).]

TQ Delta, LLC, v. Dish Network LLC, 2018-1799 (Fed. Cir. 7/10/2019).

This is a decision on an appeal from PTAB case IPR2016-01470. The PTAB determined that claims 6, 11, 16, and 20 of USP 8,611,404 were unpatentable for obviousness. TQ appealed. The Federal Circuit affirmed.

Legal issue: 5 USC 706(2)(A) and 5 USC 554(b), notice and opportunity to be heard, claim construction relied upon in a final decision.

TQ argued that the PTAB relied upon a new claim construction in its final decision, and that violated TQ's right to notice and opportunity to be heard. The Federal Circuit disagreed, noting that TQ was aware of the underlying issue of the claim term reading on the prior art, throughout the proceeding. The Federal Circuit made a point to note that there was no prior claim construction, prior to the final decision.

The Federal Circuit first restated the relevant law.

> "IPR proceedings are formal administrative adjudications subject to the procedural requirements of the Administrative Procedure Act ('APA')." *SAS Inst., Inc. v. Complement Soft, LLC.*, 825 F.3d 1341, 1351 (Fed. Cir. 2016), rev'd on other grounds sub nom., *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348 (2018); see APA, 60 Stat. 237 (1946) (codified in scattered sections of 5 U.S.C. (2012)). Pursuant to the APA, we will set aside a PTAB decision that is "arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law." 5 U.S.C. § 706(2)(A). In the context of IPR proceedings, the PTAB "may not change theories in midstream without giving respondents reasonable notice of the change and the opportunity to present argument under the new theory." *SAS*, 825 F.3d at 1351 (internal quotation marks and citation omitted); see 5 U.S.C. § 554(b) ("Persons entitled to notice of an agency hearing shall be timely informed of . . . the matters of fact and law asserted."). [2] The APA and due process require "notice" and a "fair opportunity" to be heard. *Belden Inc. v. Berk-Tek LLC*, 805 F.3d 1064, 1080 (Fed. Cir. 2015). [TQ Delta, LLC, v. Dish Network LLC, 2018-1799 (Fed. Cir. 7/10/2019).]

The Federal Circuit then examined the relevant facts, and concluded that the PTAB had not construed the claim term when instituting review. Consequently, there was no change in construction, and therefore no violation of notice and opportunity to be heard.

> The PTAB did not violate TQ Delta's APA rights. The PTAB never construed the "reinitialize" limitation in its Decision to Institute IPR as TQ Delta contends, and it, therefore, did not change course by construing the term in the Final Written Decision. *See id.* Rather, in its Decision to Institute, the PTAB summarized DISH's arguments ad-dressing how a PHOSITA would interpret the disclosures in Bowie. J.A. 229. In the Final Written Decision, the PTAB explained what its understanding of the limitation was in the context of the prior art. J.A. 29 (explaining that "[the PTAB is] still persuaded that Bowie teaches exiting low power mode and restoring full power mode 'without needing to

reinitialize the transceiver' because we interpret that phrase to be satisfied as long as the entire initialization process is not needed"); *see also HTC Corp. v. Cellular Comm'cns Equip., LLC*, 701 F. App'x 978, 981 (Fed. Cir. 2017) (explaining the PTAB "engaged in claim construction when it proceeded to determine whether [the prior art] disclosed [certain] limitations" because, "[d]espite the heading under which the [PTAB]'s analysis took place, [its] ruling about the requirement of separate components was clearly a claim construction" by "establish[ing] the scope and boundaries of the subject matter that is patented" (internal quotation marks omitted) (quoting *Netword, LLC v. Centraal Corp.*, 242 F.3d 1347, 1350 (Fed. Cir. 2001))). Thus, the PTAB did not "change course" by construing the limitation in the Final Written Decision because it did not construe the term in its Decision to Institute. [TQ Delta, LLC, v. Dish Network LLC, 2018-1799 (Fed. Cir. 7/10/2019).]

General Electric Company v. United Technologies Corporation, 2017-2497 (Fed. Cir. 7/10/2019).

This is a decision on an appeal from PTAB case IPR2016-00531. The PTAB found the claims not obvious in view of prior art asserted by GE. GE appealed. The Federal Circuit dismissed.

Judge Reyna wrote the opinion of the court, and Judge Hughes wrote a concurring opinion. Notably, this appeal was pending from not later than December 2017, and only now, nineteen months later, has a decision.

The appeal-from-the-PTAB standing issue cases are interesting from another aspect, which is that they require the Federal Circuit to evaluate evidence in support or opposed to standing, submitted for this first time, on appeal. This decision is also notable because it restates the relatively new law on appeal-from-the-PTAB Article III standing. Therefore, I will list each legal point as a legal issue, even though they are not necessarily new precedential points of law.

Legal issue: Article III standing to appeal from a PTAB decision, burden of proof to show standing to appeal.

The Federal Circuit restated that the appellant from a PTAB final decision has the burden of proof to show Article III standing, when standing is not apparent from the record below.

> GE has the burden of showing that it suffered an injury in fact sufficient to confer Article III standing to appeal. *See DaimlerChrysler Corp. v. Cuno*, 547 U.S. 332, 342 (2006). [General Electric Company v. United Technologies Corporation, 2017-2497 (Fed. Cir. 7/10/2019).]

Legal issue: Article III standing to appeal from a PTAB decision, requirement to make a record before the Federal Circuit showing standing when standing is not apparent from the PTAB record.

The Federal Circuit restated that an appellant must make a record in the Federal Circuit showing it has Article III standing, when the record before the PTAB fails to show such standing.

> ...It is undisputed that GE did not establish before the Board that it had standing to appeal the Board's Final Written Decision. *See JTEKT*, 898 F.3d at 1220. Therefore, GE must create a record in this court with the "requisite proof of an injury in fact" sufficient to show that it has standing to appeal. *Id*. (quoting *Phigenix*, 845 F.3d at 1171–72). [General Electric Company v. United Technologies Corporation, 2017-2497 (Fed. Cir. 7/10/2019).]

Legal issue: Article III standing to appeal from a PTAB decision, timing requirement to show standing before the Federal Circuit does not necessarily require the evidence of standing be submitted at the first appropriate time.

The Federal Circuit did not decide the issue of standing based upon evidence submitted by the appellant in support of standing at the first appropriate time. Instead, it allowed the appellant to supplement the record, and then decided standing on the supplemental record. Prior Federal Circuit case law specified that a party appealing to the Federal Circuit had to submit evidence *in support of* standing, "at the first appropriate time," whether in response to a motion to dismiss or in the opening brief, see *Phigenix*, discussed in "Precedential Patent Case Decisions During January 2017," Rick Neifeld, February 9, 2017. Because the record below failed to contain evidence that GE had standing, GE should have presented its evidence of standing not later than in GE's opening brief. UTC raised the standing issue by motion. It is not apparent from the opinion whether UTC's motion was filed before or after GE's opening brief.

> On December 29, 2017, UTC moved to dismiss GE's appeal for lack of standing. UTC asserted that GE lacked standing because it failed to demonstrate a sufficient injury in fact. In support, UTC pointed to this court's decisions holding that an appellant does not automatically possess standing to appeal an adverse Board decision by virtue of serving its petitions in the challenged IPR. GE submitted a response on January 16, 2018, including the Declaration of Alexander E. Long, GE's Chief IP Counsel and General Counsel of Engineering for GE Aviation ("First Long Declaration"). [General Electric Company v. United Technologies Corporation, 2017-2497 (Fed. Cir. 7/10/2019).]

However, GE had the burden of proof. Even assuming the evidence GE submitted in response to UTC motion was submitted at "the first appropriate time," the Federal Circuit failed to decide the standing issue based upon that evidence. And that evidence was clearly insufficient to show standing, because the Federal Circuit eventually concluded that even with additional evidence submitted by GE in response to an order from the Federal Circuit, that GE had not met its burden to show standing.

> We heard oral argument on November 7, 2018. Much of oral argument focused on whether GE had constitutional standing to appeal and whether general statements made in the First Long Declaration were sufficient to establish standing. We subsequently ordered GE to supplement the First Long Declaration and submit any additional declarations that would provide greater specificity

> regarding the asserted injury GE contends provides sufficient standing to appeal in this matter. We provided UTC with an opportunity to respond. [General Electric Company v. United Technologies Corporation, 2017-2497 (Fed. Cir. 7/10/2019).]

Note: So it seems that the Federal Circuit should have decided and denied standing and dismissed, based upon GE's response to UTC's motion. I question whether the Federal Circuit's action was appropriate since it had previously determined that "an appellant should produce the evidence establishing its standing ... 'at the first appropriate' time," *Phigenix, supra*. "Should" means "must" and therefore it is clear that GE did not comply with this requirement and it seems that the Federal Circuit's precedent required it to hold against GE for failing to meet GE's burden in response to UTC's motion. In any case, this decision contradicts *Phigenix* on this point and is a basis to argue for a second bite at the evidentiary apple on standing issues before the Federal Circuit.

Legal issue: Article III standing to appeal from a PTAB decision, competitor standing doctrine.

The PTAB restated the competitor standing doctrine, which requires a showing that government action alters competitive conditions, and concluded that GE failed to show competitor standing because of PTAB's upholding claims as not unpatentable did not "alter the status quo of the field of competition."

> We recently addressed the "competitor standing" doctrine in *AVX Corp. v. Presidio Components, Inc.*, 923 F.3d 1357 (Fed. Cir. 2019). There, we concluded that the appellant lacked Article III standing because it had "no present or nonspeculative interest in engaging in conduct even arguably covered by the patent claims at issue." *Id.* at 1363. We explained that competitor standing has been found when government action alters competitive conditions. *Id.* at 1364 (citing *Clinton v. City of New York*, 524 U.S. 417, 433 (1998)). In those circumstances, the government "provides benefits to an existing competitor or expands the number of entrants in the petitioner's market, not an agency action that is, at most, the first step in the direction of future competition." *Id*. at 1364 (quoting *New World Radio, Inc. v. FCC*, 294 F.3d 164, 172 (D.C. Cir. 2002)). [General Electric Company v. United Technologies Corporation, 2017-2497 (Fed. Cir. 7/10/2019).]
>
> For the competitor standing doctrine to apply, the government action must change the competitive landscape by, for example, creating new benefits to competitors. Put another way, the government action must alter the status quo of the field of competition. Here, the Board's upholding of claims 7–11 of the '605 patent did not change the competitive landscape for commercial airplane engines. *See id.* ("The government action is the upholding of specific patent claims, which do not address prices or introduce new competitors, but rather give exclusivity rights over precisely defined product features."). Therefore, we see no competitive harm to GE sufficient to establish standing to appeal. [General Electric Company

v. United Technologies Corporation, 2017-2497 (Fed. Cir. 7/10/2019).]

Legal issue: Article III standing to appeal from a PTAB decision, standing based upon economic losses, actual or imminent additional R&D costs, or threat of suit.

The Federal Circuit concluded that GE had failed to show standing because GE failed to show that it had incurred actual or imminent additional R&D or development costs as a result of the subject patent, or threat of suit based upon the subject patent.

> We similarly reject GE's economic losses argument. GE contends that it has been injured by increased research and development costs sustained by attempts to design engines that could implicate the '605 patent and engines that do not implicate the '605 patent. Yet, GE provides no further details. It fails to provide an accounting for the additional research and development costs expended to design around the '605 patent. It provides no evidence that GE actually designed a geared-fan engine or that these research and development costs are tied to a demand by Boeing for a geared-fan engine. The only evidence that GE actually designed a geared-fan engine is the engine that it designed in the 1970s. Any economic loss deriving from the 1970s engine is not an imminent injury. *See Lujan*, 504 U.S. at 560 (stating that injury in fact must be actual or imminent). Aside from a broad claim of research and development expenditures, GE has provided no evidence that these expenses were caused by the '605 patent. See id. (requiring "a causal connection between the injury and the conduct complained of"). Therefore, GE's broad claim of economic loss is insufficient to confer standing. [General Electric Company v. United Technologies Corporation, 2017-2497 (Fed. Cir. 7/10/2019).]
>
> There is also no evidence that GE is in the process of designing an engine covered by claims 7–11 of the '605 patent. Nor has GE demonstrated that it has definite plans to use the claimed features of the '605 patent in the airplane engine market. *See JTEKT*, 898 F.3d at 1221 (holding appellant lacked standing because it had not established that it had "concrete plans for future activity that creates a substantial risk of future infringement"). UTC has not sued or threatened to sue GE for infringing the '605 patent. Appellee Br. 36. Therefore, GE's future harm argument fails. [General Electric Company v. United Technologies Corporation, 2017-2497 (Fed. Cir. 7/10/2019).]

Legal issue: Article III standing to appeal from a PTAB decision, standing based 35 USC 315(e) statutory estoppel.

The Federal Circuit also restated its law that statutory estoppel for a PTAB petitioner, where injury is speculative (as in this case where the appellant does not currently infringe) is insufficient to provide Article III standing, on appeal.

> GE also contends that estoppel under 35 U.S.C. § 315(e) creates injury in

fact for standing purposes. We have previously rejected the estoppel argument as a basis for Article III standing. Where, as here, the appellant does not currently practice the patent claims and the injury is speculative, we have held that the estoppel provision does not amount to an injury in fact. *See, e.g., AVX Corp.*, 923 F.3d at 1362–63; *Phigenix*, 845 F.3d at 1175–76; *Consumer Watchdog v. Wis. Alumni Research Found.*, 753 F.3d 1258, 1262 (Fed. Cir. 2014). We see no need to reach a different conclusion on this record. [General Electric Company v. United Technologies Corporation, 2017-2497 (Fed. Cir. 7/10/2019).]

Focal Therapeutics, Inc. v. Senorx, Inc., IPR2014-00116, paper 19 (PTAB 7/21/2014) (Order by APJ Bonilla, for a panel consisting of APJs Green, Prats, and Bonilla)(emphasis in the original)(designated precedential 7/10/2019).

This is an Order entered by the PTAB in IPR2014-00116, and made precedential this month.

Legal issue: 37 CFR 42.5, conduct of IPR proceedings, when counsel can confer with the witness relating to cross-examination and re-cross.

The PTAB made precedential that counsel could confer with their witness after cross-examination had ended and after re-cross examination had ended, that is, prior to beginning re-direct.

As noted above, the Testimony Guidelines state that '[o]nce the *cross-examination* of a witness has commenced, and until *cross-examination* of the witness has concluded," counsel may not, for example, "suggest to the witness the manner in which any questions should be answered." *Id*. at 48772 (emphasis added). "Cross-examination" here refers to either cross-examination or re-cross, but does not refer to the entire time frame between when cross-examination commences, and until re-cross examination concludes. The prohibition of conferring with the witness ends once cross-examination concludes, and, if relevant, begins again when re-cross commences, and continues until re-cross concludes. The prohibition does not exist, however, during the time frame between conclusion of cross-examination and start of re-cross. As noted by our colleagues in *Google Inc. and Apple Inc. v. Jongerius Panoramic Tech., LLC*, IPR2013-00191, Paper 48, 3 (PTAB, Feb. 6, 2014), counsel is "permitted to confer with the witness before redirect examination begins." [Focal Therapeutics, Inc. v. Senorx, Inc., IPR2014-00116, paper 19 (PTAB 7/21/2014) (Order by APJ Bonilla, for a panel consisting of APJs Green, Prats, and Bonilla)(emphasis in the original)(designated precedential 7/10/2019).]

Westech Aerosol Corporation v. 3M Company, 2018-1699 (Fed. Cir. 7/5/2019).

This is a decision on appeal from the W.D. Wash. district court case 3:17-cv-05067-RBL. The district court dismissed Westech's complaint, for improper venue. During the appeal, 3M moved for attorney's fees arguing the appeal was frivolous.

Legal issue: Frivolous appeal, sanctions.

The Federal Circuit concluded that under the special circumstances of failing to plead facts supporting venue before the district court, at a time when the burden of proof on venue had not been decided, and subsequently maintaining an appeal after Federal Circuit law settled the burden and placed it on the appellant, was not frivolous as filed, but was frivolous as argued due to evolution of the case law, but was (barely) insufficient to justify sanctions.

> We conclude that Westech's appeal, while lacking merit, is not frivolous as filed. It was highly imprudent of Westech to initiate an appeal in light of the district court's dismissal without prejudice and our holding in *Cray*, which was cited by the district court. As discussed above, Westech alleged no facts in its second amended complaint to show venue was proper in the Western District of Washington despite the district court's admonition that Westech amend its complaint consistent with its Rule 11 obligations. But at the time of filing the appeal, the question of who had the burden to show the defendant had a regular and established place of business in the judicial district was not settled; our opinion in *ZTE* explicitly detailing the burden of the plaintiff to establish venue had not issued. On the other hand, Westech's appeal is frivolous as argued. Westech disregards controlling law, here *Cray* and *ZTE*, despite being aware of both cases during pendency of this appeal. *** We do not however, believe such misconduct warrants sanctions under these circumstances. Westech's behavior on appeal borders on sanctionable, but we cannot fault Westech for pursuing an appeal when the question of who shoulders the burden of establishing proper venue under §1400(b) had yet to be answered. It is due to the unique procedural posture here and the sequence of events in the evolution of this court's patent venue law that we deny 3M's motion for sanctions. [Westech Aerosol Corporation v. 3M Company, 2018-1699 (Fed. Cir. 7/5/2019).]

In re Global IP Holdings LLC, 2018-1426 (Fed. Cir. 7/5/2019).

This is a decision on an appeal from PTAB case 14/632,238. The PTAB affirmed the examiner's rejection of the claims under 35 USC 112 for violating the written description requirement. Global appealed. The Federal Circuit vacated and remanded.

Legal issue: 35 USC 112, written description, predictability and criticality.

The Federal Circuit held that the PTAB's conclusion that predictability was irrelevant to whether broad claims were supported by a narrow disclosure was legal error, and that disclosed criticality or importance of expressly disclosed species may be relevant to the existence of written description.

> We hold that the Board legally erred in its analysis of whether the '233 patent complies with the written description requirement under § 112, first paragraph. The Board found that the '233 patent's specification was insufficient "*regardless of the predictability of results* of substituting alternatives, or the actual criticality of thermoplastics in the overall invention." *Decision*, 2017 WL 6882664, at *3 (emphasis added). This statement conflicts with *Ariad*, which

instructs that "the level of detail required to satisfy the written description requirement varies depending on the nature and scope of the claims and on the complexity and predictability of the relevant technology." 598 F.3d at 1351(emphasis added). Contrary to the Board's statement, the *predictability* of substituting generic plastics for thermoplastics in the skins and cellular cores of vehicle load floors is relevant to the written description inquiry. [In re Global IP Holdings LLC, 2018-1426 (Fed. Cir. 7/5/2019).]

In addition to predictability, we have held that the criticality or importance of an unclaimed limitation to the invention can be relevant to the written description inquiry. *See In re Peters*, 723 F.2d 891, 893–94 (Fed. Cir. 1983). In *Peters*, the original claims required, among other things, a metal tip having a tapered shape. *Id*. at 892. The patent owner filed a reissue application seeking to broaden the claims to cover both tapered and non-tapered tips. *Id*. The Board held that the broadened claims sought by the reissue application were not supported by the original disclosure because the only tips disclosed were tapered. *Id*. at 893. We disagreed, holding that "[t]he broadened claims merely omit an unnecessary limitation that had restricted one element of the invention to the exact and non-critical shape disclosed in the original patent." *Id*. We reasoned that the disclosed tip configuration was not critical because no prior art was overcome based on the tip shape and "one skilled in the art would readily understand that in practicing the invention it is unimportant whether the tips are tapered." *Id*. [In re Global IP Holdings LLC, 2018-1426 (Fed. Cir. 7/5/2019).]

We see nothing in *Ariad* rejecting the analysis in *Peters*. In *Ariad*, we identified a number of factors that bear on whether a written description disclosing a species supports generic claims, including "the existing knowledge in a particular field, the extent and content of the prior art, the maturity of the science or technology, [and] the predictability of the aspect at issue." *Ariad*, 598 F.3d at 1351(quoting *Capon v. Eshhar*, 418 F.3d 1349, 1359 (Fed. Cir. 2005)). *Ariad* did not present an exhaustive list of relevant factors, and we hold that, in some cases, the criticality or importance of the expressly disclosed species may be relevant to whether an inventor had possession of a claimed genus. [In re Global IP Holdings LLC, 2018-1426 (Fed. Cir. 7/5/2019).]

Enzo Life Sciences, Inc. v. Roche Molecular Systems, Inc., 2017-2498, 2017-2499, 2017-2545, 2017-2546 (Fed. Cir. 7/5/2019).

This is a decision on appeals from the D. Del. district court cases: 1:12-cv-00106-LPS: 1:12-cv-00274-LPS; 1:12-cv-00275-LPS; and 1:13-cv-00225-LPS. The district court found the claims invalid for lack of enablement. Enzo appealed. The Federal Circuit affirmed.

Legal issue: 35 USC 112, enablement, scope of claim and unpredictability of specifies within the scope of the claim having a claimed limitation.

The Federal Circuit noted that the claim covered tens of thousands of chemical species

and Enzo admitted that each species would have to have been tested to see if it had the claimed limitation. Accordingly, it affirmed the judgment of lack of enablement.

The Federal Circuit first noted the relevant claim limitation was not apparently one the parties had focused on.

> ...The claims are not directed to any specific polynucleotide, nor do they focus on the chemistry or linker used to attach a label, the number of labels to attach to a polynucleotide, or where within the polynucleotide to attach those labels. Instead, the claims encompass *all* polynucleotides with labels attached to a phosphate, as long as the polynucleotide remains hybridizable and detectable upon hybridization. *** In our view, the issue in this appeal is not simply whether the specification enables labeling; the question is whether it enables creation of a labeled probe that is both hybridizable and detectable upon hybridization. Many of the alleged factual disputes raised by Enzo and many of the arguments raised by Appellees relate to the details of *creating* the labeled polynucleotide. For example, Roche and BD contend that the specification fails to sufficiently dis-close internal phosphate labeling. But even if we assume that the specification teaches one of skill in the art how to create the broad range of labeled polynucleotides covered by the claims, as explained below, the specification still fails to teach one of skill in the art which combinations will produce a polynucleotide that is hybridizable and detectable upon hybridization, as required by the claim language. [Enzo Life Sciences, Inc. v. Roche Molecular Systems, Inc., 2017-2498, et al (Fed. Cir. 7/5/2019).]
>
> With this focus on the functionality required by the claims, we agree with Appellees that our decision in *Wyeth* and *Cordis Corp. v. Abbott Laboratories*, 720 F.3d 1380(Fed. Cir. 2013), controls this case. In *Wyeth*, we affirmed a grant of summary judgment and held the asserted claims invalid for lack of enablement because it would have required undue experimentation to determine which compounds in the claimed class would have the required functionality. *** The facts in this appeal largely mirror those in *Wyeth*. As in *Wyeth*, the asserted claims here require not just a particular structure, but a particular functionality (i.e., the labeled polynucleotides must be hybridizable and detectable upon hybridization). As explained below, the specification fails to teach one of skill in the art whether the many embodiments of the broad claims would exhibit that required functionality. *** Given such unpredictability in the art, and considering the testimony of Enzo's expert that each labeled polynucleotide would need to be tested to determine whether it is hybridizable and detectable upon hybridization, the breadth of the claims here is particularly concerning in the enablement inquiry. *See In re Fisher*, 427 F.2d 833, 839 (CCPA 1970) ("In cases involving unpredictable factors, such as most chemical reactions and physiological activity, the scope of enablement obviously varies inversely with the degree of unpredictability of the factors involved."). *** Indeed, Enzo's expert explained

that the number of possible polynucleotides that would fit within the limitations of claim 1 would be at least "tens of thousands." J.A. 6438 p. 120 l. 20–p. 121 l. 11 (Backman deposition). [Enzo Life Sciences, Inc. v. Roche Molecular Systems, Inc., 2017-2498, et al (Fed. Cir. 7/5/2019).]

Athena Diagnostics, Inc. v. Mayo Collaborative Services, LLC, 2017-2508 (Fed. Cir. 7/3/2019).

This is an Order denying en banc review of the panel decision in *Athena Diagnostics, Inc. v. Mayo Collaborative Services, LLC*, 2017-2508 (Fed. Cir. 2/6/2019). The panel decision was on an appeal from the D. Mass district court case 1:15-cv-40075-IT. The district court held Athena's claims 6-9 invalid under 35 UCS 101 and dismissed Athena's complaint pursuant to FRCP 12(b)(6). Athena appealed. Judge Lourie wrote the majority opinion, joined by Judge Stool. Judge Newman dissented. The Federal Circuit panel majority affirmed, holding that the addition of admittedly conventional techniques to obtain a result relating to the natural law, was "directed to" the natural law ("to supply an inventive concept the sequence of claimed steps must do more than adapt a conventional assay to a newly discovered natural law; it must represent an inventive application beyond the discovery of the natural law itself. Because claims 7–9 fail to recite such an application, they do not provide an inventive concept. ").

Nine separate opinions accompany the Order denying en banc review. I summarize points from nine opinions below.

LOURIE, Circuit Judge, with whom REYNA and CHEN, Circuit Judges, joined, would have limited the 101 judicial exceptions to patentable subject matter to "only claims directed to the natural law itself, e.g., E=mc2, F=ma, Boyle's Law, Maxwell's Equations, etc."

HUGHES, Circuit Judge, with whom PROST, Chief Judge, and TARANTO, Circuit Judge, joined, concluded that "the bottom line for diagnostics patents is problematic. But ... [a]s an inferior appellate court, we are bound by the Supreme Court."

DYK, Circuit Judge, with whom HUGHES, Circuit Judge, joined (and with whom CHEN, Circuit Judge, joins as to Parts IV, V, and VI), stated the following, in the identified sections.

In section II, "novelty under § 102, obviousness under § 103, and enablement and written description under § 112 cannot adequately guard against the dangers of overclaiming."

In section III, "The problem with § 101 arises not in implementing the abstract idea approach of *Alice*, but rather in implementing the natural law approach of *Mayo*. Although *Mayo*'s framework is sound overall, I share the concerns expressed by my dissenting colleagues that the Mayo test for patent eligibility should leave room for sufficiently specific diagnostic patents."

In section IV, "Under *Mayo*, a natural phenomenon itself, no matter how narrow and specific, cannot supply the requisite "inventive concept." *See Mayo*, 566 U.S. at 77–78, 88–89. Thus, it would be desirable for the Supreme Court to refine the *Mayo* framework to allow for sufficiently specific diagnostic patent claims with proven utility."

In section V, "the *Mayo* framework should be refined in limited respects. *** For there to

be a patent eligible application of a natural law, there must be a 'discover[y],' 35 U.S.C. § 101, and the claims must recite a specific application of that 'discovery' with established utility."

In section VI, "Because at least some of the claims here recite specific applications of the newly discovered law of nature with proven utility, this case could provide the Supreme Court with the opportunity to refine the *Mayo* framework as to diagnostic patents."

CHEN, Circuit Judge "In sum, I do not think the claims here can withstand *Mayo*'s scrutiny. [5] But perhaps when read "as a whole" under *Diehr*, claims such as claims 7 and 9 in this case could be viewed as methods of testing for a specific medical condition, employing a sequence of steps that physically transform materials. By no means do the claims cover a natural principle in the abstract. Rather, this sounds like a contribution to the "useful arts" stated in Article I, Section 8, Clause 8 of the U.S. Constitution. *** Even though Athena's claims likely would be found patent-eligible under *Diehr*'s framework, it is not an inferior court's role to dodge the clear, recent direction of the Supreme Court."

MOORE, Circuit Judge, with whom O'MALLEY, WALLACH, and STOLL, Circuit Judges, joined "Our decisions have ignored the truth that claims to specific, narrow processes, even if those processes involve natural laws, are not directed to the natural laws themselves. *** our § 101 jurisprudence has largely ignored Congress' explicit instruction that a discovery can be the basis for a patentable invention *** We have misread *Mayo* and how it fits within the framework of the judicially created exceptions to § 101 for laws of nature, natural phenomena, and abstract ideas."

NEWMAN, Circuit Judge, with whom WALLACH, Circuit Judge, joined "There is no support in the Court's precedent for our abandonment of the invention as a whole in determining eligibility under section 101. *** When viewed on correct law and precedent, Athena's diagnostic method meets the requirements of section 101.The appropriate analysis of patentability is under sections 102, 103, and 112; not section 101."

Kolcraft Enterprises, Inc. v. Graco Children's Products, Inc., 2018-1259, 2018-1260 (Fed. Cir. 7/2/2019).

This is a decision on appeals from IPR2016-00816 and IPR2016-00826. The PTAB found design patents D604,970 and D616,23 obvious in view of prior art. Kolcraft appealed. The Federal Circuit affirmed.

Legal issue: Priority of invention, rule requiring corroboration of inventor testimony.

The Federal Circuit first restated the rule, then affirmed the Board's finding that the evidence of priority of invention lacked corroboration by a non-inventor, and therefore failed to show priority of invention. One apparently critical failing of Kolcraft was failing to place into evidence the meta data (such as, I postulate, file creation date and file modification date) relating to files relied upon to show conception, so that there was no non-inventor evidence supporting alleged dates.

Inventor testimony of conception must be corroborated by other, independent information. *Apator Miitors ApS v. Kamstrup A/S*, 887 F.3d 1293, 1295 (Fed. Cir. 2018) (citing *Mahurkar v. C.R. Bard, Inc.*, 79 F.3d 1572, 1577 (Fed. Cir. 1996); *Hahn v. Wong*, 892 F.2d 1028, 1032–33 (Fed. Cir. 1989)). Whether there is sufficient corroboration is governed by a "rule of reason" analysis, which requires all pertinent evidence to be examined to determine whether the inventor's testimony is credible. *In re NTP, Inc.*, 654 F.3d 1279, 1291 (Fed. Cir. 2011); *Kridl v. McCormick*, 105 F.3d 1446, 1450 (Fed. Cir. 1997). [Kolcraft Enterprises, Inc. v. Graco Children's Products, Inc., 2018-1259, 2018-1260 (Fed. Cir. 7/2/2019).]

Kolcraft relies on inventor deposition testimony, the Inventor Declaration, and Exhibits A–H to show that the inventors of the '970 and '231 patents conceived and diligently reduced to practice the patented inventions before January 7, 2004. All cited evidence of prior conception, however, originated with the inventors of the '970 and '231 patents. *** Therefore, substantial evidence supports the Board's finding that the Inventor Declaration and Exhibits A–H do not corroborate dates of prior conception sufficient to antedate Chen '393. *** That the Board did not consider the unredacted Inventor Declaration or inventor deposition testimony (even if not waived) is immaterial here because both are supported solely by the inventors themselves. [Kolcraft Enterprises, Inc. v. Graco Children's Products, Inc., 2018-1259, 2018-1260 (Fed. Cir. 7/2/2019).]

In the same vein, specifics regarding Exhibits A–H are supported solely by Troutman and Bretschger. The inventors declare that the drawings and prototypes depicted in Exhibits A–H were created on "a date prior to January 7, 2004." J.A. 1182. But these dates are supported only by inventor testimony. Therefore, Exhibits A–H fail to independently corroborate any inventor testimony showing prior conception. *See Hahn*, 892 F.2d at 1032–33 ("The inventor, however, must provide independent corroborating evidence in addition to his own statements and documents."); *Kridl*, 105 F.3d at 1450 (stating that corroboration is "independent confirmation of the inventor's testimony"). [Kolcraft Enterprises, Inc. v. Graco Children's Products, Inc., 2018-1259, 2018-1260 (Fed. Cir. 7/2/2019).]

Kolcraft also argues that the metadata associated with the Exhibits shows the dates when they were created. Yet the metadata is not part of the record. The only other discussion of metadata as possible corroborating evidence is found in the deposition testimony of inventor Troutman, which is insufficient to corroborate inventor testimony of prior conception. *See Chen v. Bouchard*, 347 F.3d 1299, 1310 (Fed. Cir. 2003) ("Evidence of the inventive facts must not rest alone on the testimony of the inventor himself."); *see also Brown v. Barbacid*, 276 F.3d 1327, 1335 (Fed. Cir. 2002) (stating that "the physical evidence in this case may not single-handedly corroborate" inventor testimony). [Kolcraft Enterprises,

Inc. v. Graco Children's Products, Inc., 2018-1259, 2018-1260 (Fed. Cir. 7/2/2019).]