Precedential Patent Case Decisions During October 2020

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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

Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).

This is a decision on appeal from TTAB case 92060308. The TTAB entered default judgment as a sanction against Corcamore, which resulted in the cancellation of Corcamore's trademark registration for SPROUT. Corcamore appealed. The Federal Circuit affirmed. This case deals with trademark law.

Legal issue: 15 USC 1064, standard for determining if a party has a statutory cause of action, petition for cancellation.

The Federal Circuit held that "the *Lexmark* analytical framework is the applicable standard for determining whether a person is eligible under § 1064 to bring a petition for the cancellation of a trademark registration." However, that did not affect the outcome because the Federal Circuit found that, under the *Lexmark* framework, Orcamore had a cause of action.

> Corcamore makes two arguments on appeal. First, Corcamore contends that SFM lacks standing to bring a petition for cancellation of a registered trademark. Corcamore contends that the Board erred as a matter of law when it applied this court's analysis in *Empresa Cubana* instead of the analytical framework established by the Supreme Court in *Lexmark*. Second, Corcamore argues that the Board abused its discretion in granting default judgment as a sanction. We first address the standing issue. [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]
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> Whether a party is entitled to bring or maintain a statutory cause of action is a legal question that we review de novo. *Empresa Cubana*, 753 F.3d at 1274 (citing *Lexmark*, 572 U.S. at 129). In this appeal, we review de novo whether SFM pleaded sufficient facts to establish entitlement to challenge Corcamore's registered trademark under § 1064. [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]
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> We first observe that there exists confusion in the law stirred by the inconsistent use of the term "standing." As Justice Scalia observed, certain issues often discussed in terms of "standing" are more appropriately viewed as requirements for establishing a statutory cause of action. *Lexmark*, 572 U.S. at

128 n.4. That is the case here. To be clear, this appeal does not involve the traditional legal notions of Article III standing. This appeal focuses instead on the requirements that a party must satisfy to bring or maintain a statutory cause of action, such as a petition to cancel a registered trademark under 15 U.S.C. § 1064. [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

Corcamore contends that we should reverse the Board's ruling because it applied the standard articulated by this court in *Empresa Cubana* instead of the analytical framework established in *Lexmark*. We hold that the *Lexmark* analytical framework is the applicable standard for determining whether a person is eligible under § 1064 to bring a petition for the cancellation of a trademark registration. However, because we discern no meaningful, substantive difference between the analytical frameworks expressed in *Lexmark* and *Empresa Cubana*, we do not agree that the Board reached the wrong result in this case. In *Lexmark*, the Supreme Court established two requirements for determining whether a party is entitled to bring or maintain a statutory cause of action: a party must demonstrate (I) an interest falling within the zone of interests protected by the statute and (ii) proximate causation. 572 U.S. at 129–34. The Court explained that those two requirements "suppl[y] the relevant limits on who may sue" under a statutory cause of action. *Id.* at 134. The Court made clear that the zone-of-interests requirement applies to all statutory causes of action, and that proximate causation generally applies to all statutory causes of action. *Id.* at 129, 133.

In *Lexmark*, the Court addressed the cause of action for false advertising provided in 15 U.S.C. § 1125(a). *Id.* at 129–37. The Court held that in order for a person to "come within a zone of interests in a suit for false advertising under § 1125(a), a plaintiff must allege an injury to a commercial interest in reputation or sales." *Id.* at 131–32. The Court explained that the zone-of-interests test is "not especially demanding," and that "the benefit of any doubt goes to the plaintiff." *Id.* at 130 (citation and internal quotation marks omitted). The Court further explained that the purpose of the zone-of-interests test is to "foreclose[] suit only when a plaintiff's interests are so marginally related to or inconsistent with the purposes implicit in the statute that it cannot reasonably be assumed that Congress authorized that plaintiff to sue." *Id.* (citation and internal quotation marks omitted). [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

As to the second requirement, proximate causation, the Court noted that it is "generally presume[d]" that "a statutory cause of action is limited to plaintiffs whose injuries are proximately caused by violations of the statute." *Id.* at 132. The Court explained that "the proximate-cause requirement generally bars suits for alleged harm that is 'too remote' from the defendant's unlawful conduct." *Id.* at 133 (citation omitted). Regarding false advertising, the Court held that "a plaintiff suing under § 1125(a) ordinarily must show economic or reputational

injury flowing directly from the [alleged false advertising]." *Id.* The Court explained, however, that the proximate-causation requirement "is not easy to define," has "taken various forms," and "is controlled by the nature of the statutory cause of action." *Id.* The relevant question, the Court explained, is "whether the harm alleged has a sufficiently close connection to the conduct the statute prohibits." *Id.* [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

Empresa Cubana was this court's first post-*Lexmark* appeal to address the requirements to bring a cancellation proceeding under § 1064. 753 F.3d at 1274–76.1 We recognized *Lexmark*'s impact on the false advertising cause of action under § 1125(a), but we addressed *Lexmark* only in passing and, in particular, did not address whether the *Lexmark* framework applies to § 1064. Instead, we relied on our precedents in *Ritchie v. Simpson*, 170 F.3d 1092 (Fed. Cir. 1999) and *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 1029 (CCPA 1982), and concluded that petitioner had a cause of action under § 1064 because it demonstrated "a real interest in cancelling the [registered trademarks at issue] and a reasonable belief that the [registered trademarks] are causing it damage." *Id.* at 1274. [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

Here, the Board determined that the *Lexmark* frame-work does not apply to § 1064 because *Lexmark* addresses § 1125(a), a different statutory provision. *See* J.A. 11–12 (explaining that "*Lexmark* involved a case of false advertising in a civil action arising under § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a); that is not the statutory provision(s) at issue in this Board cancellation"). The Board's interpretation of *Lexmark* is unduly narrow. [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

To be clear, § 1064, like § 1125(a), is a statutory cause of action provided in the Lanham Act. *See Empresa Cubana*, 753 F.3d at 1275–76 (holding that appellant demonstrated entitlement to a "statutory cause of action" under the Lanham Act). A "cause of action" consists of two elements: operative facts and the right or power to seek and obtain redress for infringement of a legal right which those facts show. *See* 1A C.J.S. Actions§ 53; *see also Cause of Action*, Black's Law Dictionary (11th ed. 2019) ("A group of operative facts giving rise to one or more bases for suing.") [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

Congress created in § 1064 a group of operative facts that grant to "any person" the right to petition for cancellation of a registered mark if that person "believes that he is or will be damaged . . . by the registration of a mark on the principal register." 15 U.S.C. § 1064. Whether a specific person alleging a specific injury meets these operative facts requires us to interpret § 1064. *See*

Lexmark, 572 U.S. at 128. To that end, we apply the "traditional principles of statutory interpretation" articulated in *Lexmark*: zone of interests and proximate causation. *Id.* [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

The *Lexmark* analytical framework applies to § 1064 and § 1125(a) because both are statutory causes of action. As Justice Scalia exhorted, the zone-of-interests requirement "applies to all statutorily created causes of action"and it "applies unless it is expressly negated." *Lexmark*, 572 U.S. at 129. The proximate-causation requirement generally applies to all statutory causes of action, even where a statute does not expressly recite a proximate-causation requirement. *See Id.* at 132 ("generally presum[ing]" that the proximate-causation requirement applies to all statutory causes of action); *see also Id.* (identifying three exemplary federal causes of action where the Supreme Court "incorporate[d] a requirement of proximate causation"). In view of the Supreme Court's instructions, we see no principled reason why the analytical framework articulated by the Court in *Lexmark* should not apply to § 1064. [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

The Board's conclusion to the contrary fails to recognize that *Lexmark* binds all lower courts not only regarding § 1125(a) but also with respect to the analytical framework the Court used to reach its decision. *See, e.g., Seminole Tribe of Florida v. Florida*, 517 U.S. 44, 67 (1996) ("When an opinion issues for the Court, it is not only the result but also those portions of the opinion necessary to that result by which we are bound."); *County of Allegheny v. Am. Civil Liberties Union, Greater Pittsburgh Chapter*, 492 U.S. 573, 668 (1989) (Kennedy, J., concurring in the judgment in part and dissenting in part) ("As a general rule, the principle of stare decisis directs us to adhere not only to the holdings of our prior cases, but also to their explications of the governing rules of law."). Once the Supreme Court adopts "a rule, test, standard, or interpretation . . . that same rule, test, standard, or interpretation must be used by lower courts in later cases." *United States v. Duvall*, 740 F.3d 604, 609 (D.C. Cir. 2013) (Kavanaugh, J., concurring in the denial of rehearing en banc). *Lexmark* established the analytical framework to be used for determining eligibility requirements for all statutory causes of action, including under § 1064, absent contrary Congressional intent. Like all lower tribunals, we are obligated to apply that framework where applicable. We thus hold that the *Lexmark* zone-of-interests and proximate-causation requirements control the statutory cause of action analysis under § 1064. [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

The zone-of-interests requirement and the real-interest requirement share a similar purpose and application. The purpose of the zone-of-interests test is to "foreclose[] suit only when a plaintiff's interests are so marginally related to or

inconsistent with the purposes implicit in the statute that it cannot reasonably be assumed that Congress authorized that plaintiff to sue." *Lexmark*, 572 U.S. at 130 (citation and quotation marks omitted). Likewise, a purpose of the real-interest test is to "distinguish [parties demonstrating a real interest] from mere intermeddlers or . . . meddlesome parties acting as self-appointed guardians of the purity of the Register." *Selva & Sons, Inc. v. Nina Footwear, Inc.*, 705 F.2d 1316, 1325–26 (Fed. Cir. 1983) (citation and internal quotation marks omitted). Also like the zone-of-interests test, a petitioner can satisfy the real-interest test by demonstrating a commercial interest. *Compare Lexmark*, 572 U.S. 131–32 ("[T]o come within a zone of interests in a suit for false advertising under § 1125(a), a plaintiff must allege an injury to a commercial interest in reputation or sales." (emphasis added)), with *Empresa Cubana*, 753 F.3d at 1275 ("[T]he desire for a registration with its attendant statutory advantages is a legitimate commercial interest, so to satisfy the requirements for bringing a cancellation proceeding." (emphasis added)). Given those similarities in purpose and application, a party that demonstrates a real interest in cancelling a trademark under § 1064 has demonstrated an interest falling within the zone of interests protected by § 1064. [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

Similarly, a party that demonstrates a reasonable belief of damage by the registration of a trademark demonstrates proximate causation within the context of § 1064. Congress incorporated a causation requirement in § 1064, which provides a right to bring a cause of action "by any person who believes that he is or will be damaged . . . by the registration of a mark on the principal register." § 1064 (emphasis added). While our precedent does not describe the causation requirement as one of "proximate causation," it nonetheless requires petitioner's belief of damage to have "a sufficiently close connection," *Lexmark*, 572 U.S. at 133, to the registered trademark at issue. For example, in *Ritchie v. Simpson*, 170 F.3d 1092, 1098 (Fed. Cir. 1999), we explained that possession of "a trait or characteristic that is clearly and directly implicated in the proposed mark" demonstrates a reasonable belief of damage. In *Jewelers Vigilance Comm., Inc. v. Ullenberg Corp.*, 823 F.2d 490, 493 (Fed. Cir. 1987), we explained that a petitioner can demonstrate "standing" by asserting "some direct injury to its own established trade identity if an applicant's mark is registered." [2] The direct connection between the belief of damage and the registered mark suffices to demonstrate proximate causation. *Cf. Lexmark*, 572 U.S. at 133 (holding that "a plaintiff suing under § 1125(a) ordinarily must show economic or reputational injury flowing directly from the deception wrought by the defendant's advertising." (emphasis added)). This direct connection also satisfies the purpose of the proximate-causation requirement—barring suits for alleged harm that is "too remote" from the unlawful conduct. *Id.* at 133. Given these similarities, a party that can demonstrate a reasonable belief of damage by the registration of a mark also demonstrates damage proximately caused by the registered mark. [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

We therefore hold that the Board correctly determined that SFM falls within the class of parties whom Congress has authorized to sue under the statutory cause of action of § 1064. *Cf. Lexmark*, 572 U.S. at 137–40. We are not persuaded that we should disturb the result reached by the Board. In other words, SFM is entitled under § 1064 to petition for cancellation of the trademark registration to SPROUT. [Corcamore, LLC v. SFM, LLC, 2019-1526 (Fed. Cir. 10/27/2020).]

Tecsec, Inc. v. Adobe Inc., 2019-2192, 2019-2258 (Fed. Cir. 10/23/2020).

This is a decision on appeals from the E.D. Va. district court case 1:10-cv-00115-LO-TCB.

The district court excluded all evidence of induced infringement for a substantial time period. TecSec appealed the exclusion and certain jury instructions.

The district court rejected Adobe's assertion that the claims were ineligible under 35 USC 101. Adobe cross-appealed the district court's ineligibility determination.

So the Federal Circuit reversed in part, and remanded (apparently, for the fourth time, in this case).

Legal issue: 35 USC 271(b) induced infringement, subjective intent standard.

The Federal Circuit concluded that the district court erred by failing to consider a subject standard for willful blindness required by *Global-Tech*.

A defendant is liable for "induced infringement under § 271(b)" if the defendant took certain affirmative acts to bring about the commission by others of acts of infringement and had "knowledge that the induced acts constitute patent infringement." *Global-Tech Appliances, Inc. v. SEB S.A.*, 563 U.S. 754, 765–66 (2011); *see Commil USA, LLC v. Cisco Systems, Inc.*, 135 S. Ct. 1920, 1928 (2015); *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, 843 F.3d 1315, 1331 (Fed. Cir. 2016). The intent element requires "knowledge that the induced acts constitute patent infringement," which can be established by a proper finding of "willful blindness." *Global-Tech*, 563 U.S. at 766–71; *see Commil*, 135 S. Ct. at 1926–28 (reiterating requirement of knowledge of infringing character of induced conduct, not just knowledge of patent). This intent element was the basis for the district court's primary rationale for its motion-in-limine ruling, a ruling that assumed that the induced conduct was in fact infringing. [Tecsec, Inc. v. Adobe Inc., 2019-2192, 2019-2258 (Fed. Cir. 10/23/2020).]

The intent standard focuses on, and can be met by proof of, the defendant's subjective state of mind, whether actual knowledge or the subjective beliefs (coupled with action to avoid learning more) that characterizes willful blindness. *Global-Tech*, 563 U.S. at 769. As a logical matter, a defend-ant may have the liability-supporting subjective state of mind even if a person could believe, with objective reasonableness (though wrongly), that the induced conduct was not infringing. To make the point in terms of this case, Adobe may have had the requisite knowledge of infringement if it believed (as we ultimately held in

2013) that the March 3, 2011 claim construction was incorrect, even if that construction was objectively reasonable. [Tecsec, Inc. v. Adobe Inc., 2019-2192, 2019-2258 (Fed. Cir. 10/23/2020).]

The district court in this case erred when it concluded as a matter of law that, after the district court's (later reversed) claim construction on March 3, 2011, Adobe "lacked the requisite intent to induce infringement." J.A. 27. The court explained that it had "reasonably, though erroneously, ruled in Adobe's favor on infringement," and, accordingly, Adobe was entitled to rely on that ruling as proof that the relevant induced acts were noninfringing. *Id.* That reasoning makes dispositive what Adobe, with objective reasonableness, could have believed. The *Global-Tec*h inducement standard, however, can be met by proof of what Adobe in fact subjectively believed. For example, Adobe might have believed that the March 2011 claim-construction ruling was erroneous (though reasonable) and would likely be reversed (as it was in 2013). Thus, the district court's March 2011 ruling "could, at most, create a factual question, not an entitlement to a no-knowledge finding as a matter of law." *Smith & Nephew*, 603 F. App'x at 989–90. [Tecsec, Inc. v. Adobe Inc., 2019-2192, 2019-2258 (Fed. Cir. 10/23/2020).]

For those reasons, we conclude that the district court legally erred in its primary rationale for ruling out inducement after March 3, 2011, namely, that the claim-construction ruling of that date furnished an objectively reasonable basis for a belief that use of the accused products did not infringe, even if Adobe did not have such a belief. [Tecsec, Inc. v. Adobe Inc., 2019-2192, 2019-2258 (Fed. Cir. 10/23/2020).]

Legal issue: FRE 403, prejudice, whether a party has the right to decide whether to move to exclude evidence found to be prejudicial against.

The Federal Circuit concluded that the district court erred by excluding evidence beneficial to the plaintiff on the basis that it would prejudice the plaintiff, contrary to the plaintiff's request.

The district court's second ground for its motion-in-limine ruling was that "allowing TecSec to argue [post-March 3, 2011] induced or willful infringement . . . would taint the trial and any verdict with undue prejudice and juror confusion." J.A. 28. Whether we review that ruling de novo or for an abuse of discretion, we conclude that the district court erred in relying on this rationale to preclude TecSec from proving inducement after March 3, 2011. [Tecsec, Inc. v. Adobe Inc., 2019-2192, 2019-2258 (Fed. Cir. 10/23/2020).]

In defending the district court's rationale, Adobe invokes Rule 403 of the Federal Rules of Evidence, which provides that a court "may exclude relevant evidence if its probative value is substantially outweighed by a danger of," among

other factors, "unfair prejudice" or "confusing the issues." But the district court in this case went beyond excluding a single piece, or even a fixed set, of evidence and leaving TecSec to present such other relevant, admissible evidence as it may have on inducement in the period at issue. Instead, the court foreclosed the introduction of any evidence on the issue of post-March 3, 2011 inducement of infringement. This is materially different from any application of Rule 403 Adobe has identified. *Cf. General Dynamics Corp. v. United States*, 563 U.S. 478, 484–85 (2011) (distinguishing case involving "purely evidentiary dispute" over state-secret privilege, where "the privileged information is excluded and the trial goes on without it," from case involving foreclosure of a claim). [Tecsec, Inc. v. Adobe Inc., 2019-2192, 2019-2258 (Fed. Cir. 10/23/2020).]

The Federal Circuit concluded that the district court erred by providing no justification for making a determination contrary to TecSec, the plaintiff's wishes to try its inducement claim, that admission of any evidence of inducement, was too severely prejudicial *against SecTec*, to admit it.

> The district court reasoned that if TecSec was allowed to argue inducement of infringement after that date, Adobe would be prejudiced were it not allowed to introduce the March 3, 2011 claim construction and the stipulation by TecSec that, under that construction, Adobe's customers did not directly infringe. J.A. 28. The court then concluded that "it would also be substantially and unduly prejudicial and confusing for the jury to see a prior ruling in this case and TecSec's stipulation that Adobe's products did not infringe." J.A. 28–29. On that basis, the district court precluded TecSec from offering any proof of post-March 3, 2011 inducement. *** Adobe's motion, besides what it suggested on the legal-impossibility point, was limited to arguing for Adobe's ability to introduce the claim-construction ruling and TecSec's stipulation. It did not call for TecSec to identify all evidence of intent—as a motion for summary judgment would have done—so that the district court could determine if there was a triable issue of post-March 3, 2011 inducement of infringement. *** As Adobe acknowledges in this court, *see* Cross-Appellant's Principal and Response Br. at 15, 20, when the district court stated that it would be "substantially and unduly prejudicial and confusing for the jury to see" the claim-construction ruling and TecSec's stipulation, J.A. 28–29, the court was determining that the evidence Adobe was entitled to introduce would be "unduly prejudicial" to TecSec. But TecSec never stated that, if that evidence had to be admitted at Adobe's behest, TecSec would drop its inducement claim for the post-March 3, 2011 period. To the contrary, after the district court opined at the oral argument that admitting that evidence would be "far too prejudicial," ECF 1294 at 36, TecSec reiterated its intent to present the inducement case even if that evidence were admitted. TecSec's Supp. MIL Br. (ECF 1283-1) at 7. The court furnished no justification for making that determination itself instead of leaving to TecSec the determination that the prejudice to TecSec was too severe for the issue to be tried

at all. Accordingly, we reverse the district court's decision to preclude TecSec from introducing evidence of post-March 3, 2011 inducement of infringement. [Tecsec, Inc. v. Adobe Inc., 2019-2192, 2019-2258 (Fed. Cir. 10/23/2020).]

American Axle & Manufacturing, Inc. v. Neapco Holdings LLC, 2018-1763 (Fed. Cir. 10/23/2020).

This is a decision on an appeal from the D. Del. district court case 1:15-cv-01168-LPS.

American, moved to stay issuance of the mandate pending the filing of a petition for writ of certiorari in the Supreme Court. The Federal Circuit denied the motion.

Legal issue: FCR 41, whether Practice Note for FCR 41 displaced the governing stay standard.

The Federal Circuit concluded that the Practice Note for FCR 41 did not displace the governing stay standard, if they conflicted, and in fact they did not conflict. Therefore, American cited no authority for the prospect that further district court proceedings while the case is on review constituted irreparable injury.

The Federal Circuit first restated the standard for grant of a motion to stay the mandate.

> Federal Rule of Appellate Procedure 41 provides that a motion for stay of the mandate "must show that the petition would present a substantial question and that there is good cause for a stay." Fed. R. App. P. 41(d)(1). The Advisory Committee Notes state that "[t] he Supreme Court has established conditions that must be met before it will stay a mandate." Fed. R. App. P. 41, advisory committee's note to 1994 amendment (citing Robert L. Stern et al., Supreme Court Practice§ 17.19 (6th ed. 1986)). In this respect, the Advisory Committee Notes refer to the standard established by the in-chambers opinions of the individual justices. *See Stern et al., supra*, § 17.19. The Supreme Court itself has approved this standard in *Hollingsworth v. Perry*, 558 U.S. 183, 190 (2010). [American Axle & Manufacturing, Inc. v. Neapco Holdings LLC, 2018-1763 (Fed. Cir. 10/23/2020).]

> This standard requires that the applicant show "(1) a reasonable probability that four Justices will consider the issue sufficiently meritorious to grant certiorari; (2) a fair prospect that a majority of the Court will vote to reverse the judgment below; and (3) a likelihood that irreparable harm will result from the denial of a stay. In close cases the Circuit Justice or the Court will balance the equities and weigh the relative harms to the applicant and to the respondent." *Id.* [American Axle & Manufacturing, Inc. v. Neapco Holdings LLC, 2018-1763 (Fed. Cir. 10/23/2020).]

> As a matter of Federal Circuit law, we interpret the Rule as requiring application of the standard articulated by the Supreme Court in *Hollingswor*th and the Justices' in-chambers opinions. *See Biodex Corp. v. Loredan Biomedical, Inc.*, 946 F.2d 850, 858 (Fed. Cir. 1991) (Federal Circuit law, not regional circuit law, governs such matters). [American Axle & Manufacturing, Inc. v. Neapco

Holdings LLC, 2018-1763 (Fed. Cir. 10/23/2020).]

Applying that standard to the facts in this case, the Federal Circuit stated that:

> In this case, AAM has not made the required showing of a likelihood of irreparable injury absent a stay. With respect to claim 22 and related claims, the decision of this court requires no further action by the district court since the claims have been held to be unpatentable. *** With respect to claim 1 and related claims, the decision of this court remands to the district court for further proceedings. AAM argues that there is "good cause for a stay" because it "intends to petition for certiorari with regard to the entirety" of our judgment and argues that "[s]ignificant burdens and expenses would accrue" should the mandate issue because "the parties and district court would continue to litigate issues related to claim 1." *Id.* at 12–13. Continued litigation with respect to claim 1 cannot be irreparable injury. *** AAM has cited no authority suggesting that the prospect of further district court proceedings while the case is on review could constitute irreparable injury. AAM points to the Practice Note to this court's Rule 41, which reminds litigants that their right to seek certiorari is unaffected by the issuance of the mandate and, "[c]onsequently, a motion to stay the mandate should advance reasons for the stay beyond the mere intention to apply for certiorari, e.g., to forestall action in the trial court or agency that would necessitate a remedial order of the Supreme Court if the writ of certiorari were granted." Fed. Cir. R. 41 practice note. But that Practice Note would not displace the governing stay standard if they conflicted. Even by its own terms, moreover, the Practice Note's language does not support a conclusion that the trial court proceedings that might occur regarding claim 1 and related claims would support a stay. Under the standard applied by the Supreme Court, this is not a situation in which the Court would issue a "remedial order" staying our mandate if certiorari were granted since the only claimed irreparable injury is litigation cost. [American Axle & Manufacturing, Inc. v. Neapco Holdings LLC, 2018-1763 (Fed. Cir. 10/23/2020).]

St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).

This is a decision on appeals from PTAB cases IPR2018-00105 and IPR2018-00106. St. Jude filed the two IPR petitions against one patent owned by Snyders. The PTAB found that St. Jude had shown that some claims were unpatentable, but failed to show that other claims were unpatentable. Both parties appealed on various claims. The Federal Circuit affirmed the PTAB in one IPR and reversed on some claims in the other IPR.

Legal issue: 35 USC 112, claim construction, "band," inconsistent arguments.

The Federal Circuit held that substantial evidence could not support St. Jude's argument for anticipation based upon Leonhardt, because St. Jude's argument was inconsistent with St. Jude's asserted claim construction. The PTAB had expanded St. Jude's proposed construction of the claimed "band" to mean "a structure generally in the shape of a closed strip or ring." Despite

expanding the scope of the claimed "band" proposed by St. Jude, the PTAB found that Leonhardt did not disclose such a band. Instead, the PTAB found that Leonhardt disclosed a structure that "covered the entire length of the frame, like a 'sleeve,' and was therefore not a 'strip' or 'ring.'"

> In IPR-105, the Board rejected St. Jude's argument that Leonhardt anticipated the '782 patent. *** The Board determined that Leonhardt's graft material—the component in Leonhardt that St. Jude argued was the required "band"—did not meet the band limitation. St. Jude challenges that determination on the ground that, in making it, the Board failed "to apply its own construction, and instead appl[ied] a narrower implicit construction" of "band." St. Jude Opening Br. at 28. We disagree. [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]
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> In the respect relevant on appeal, the Board adopted as the governing claim construction for "band" the proposal that St. Jude itself advanced, except for making one small change that broadened, rather than narrowed, St. Jude's proposal. St. Jude proposed that "band" be construed to mean "'[a] structure generally in the shape of a circular strip or ring; a band can be integrated with the frame.'" *IPR-105 Decision* at *5. Relying on a district court's analysis in related litigation, the Board rejected the "can be integrated with the frame" portion of St. Jude's proposal, and St. Jude does not dispute that conclusion. *Id.* at *5–6. As to the rest, the Board concluded that "circular" was too limiting, as it might exclude oval shapes, so it substituted "closed" to arrive at its construction: "a structure generally in the shape of a closed strip or ring." [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]
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> The Board later concluded that the Leonhardt graft material does not qualify, because, like a sleeve, it extends in width (or "length," in the patent's language) over the entire structure it wraps around. *IPR-105 Decision* at *8–9. In reaching this conclusion, the Board relied on the terms "strip" and "ring"—which came from and are accepted by St. Jude. *Id.* ("graft material 24 cannot be considered a strip or ring"). St. Jude's argument is that this conclusion changed the claim construction. But the Board in fact expressly relied on the now-accepted claim construction. [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]
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> St. Jude's argument that the Board must have changed the construction is meritless. St. Jude argues that no width restriction can be part of the ordinary skilled artisan's understanding of the term "band"—that no matter how wide (or "long," in the patent's terms) is the material making a loop around a structure (here, the frame), it necessarily counts as a "band." In support, St. Jude quotes a dictionary definition of "band" ("[a] thin strip of flexible material used to encircle

or bind one object or to hold a number of objects together") and contends that the specification "explicitly disclaims any restriction on the length of a band." St. Jude Opening Br. at 30–31. [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]

One problem with these contentions is that they are flawed on their own terms. The dictionary definition does not exclude any width constraint from being part of the relevant understanding. Indeed, "thin strip" in the quoted definition suggests the possibility of such a constraint, as do the words "strip or stripe" and "narrow strip" in the immediately succeeding definitions in the same dictionary entry for "band." American Heritage Dictionary of the English Language 143 (3d ed. 1992). And the specification material cited by St. Jude goes no further than showing that the specification does not affirmatively specify any particular limit on a band's width ("length," in the patent's terms). *See* '782 patent, col. 9, lines 24–28 (reciting examples of certain "lengths" and adding that a band "may have other lengths"). The specification does not "explicitly disclaim[] any restriction on the length of a band." St. Jude Opening Br. at 31. [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]

The more fundamental problem with St. Jude's basis for its argument, however, is that it simply does not address the terms "strip" and "ring," which St. Jude itself proposed and now accepts as the defining terms of the claim construction. The relied-on dictionary definitions and specification passages address "band" but not "strip" or "ring." St. Jude has offered nothing at all to indicate that "strip" and "ring" cannot have any width ("length," in the patent's terms) constraint in the relevant skilled artisan's understanding. If St. Jude wanted to argue that "band" precludes any such constraint, it should have proposed a claim construction that did so. It did not. The adopted claim construction therefore governs, and St. Jude has no persuasive argument that all width constraints are alien to the key terms of that construction, "strip" and "ring." Nor has St. Jude made any argument that, if some width constraint is within a skilled artisan's understanding of "strip" or "ring," the Board lacked substantial evidence to find that the full-length sleeve-like covering of Leonhardt does not qualify. We therefore reject St. Jude's challenge to the decision in IPR-105. [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]

Note: It is unclear whether St. Jude's proposed claim construction was due to a misunderstanding or a result of the claim construction squeeze, due to its claim construction in the corresponding infringement litigation.

Legal issue: 35 USC 112, claim construction, "sized and shaped," specification disavowal.

The Federal Circuit held the PTAB erred in construing the claimed "sized and shaped"

limitation, and under a proper construction, Bessler did not anticipate, and therefore reversed the PTAB's conclusion that Bessler anticipated. The Federal Circuit concluded that the claimed "sized and shaped" limited the claim to a size and shaped designed with the native heart valve in place, and Bessler did not anticipate because Bessler was designed to replace a native valve after that valve had been removed from the heart (and therefore different in size and shape from the claimed valve.). The Federal Circuit gave weight to the fact that the specification specifically discussed Bessler, and unequivocally stated that the disclose invention improved over Bessler, making it unreasonable to construed the claimed "flexibly resilient frame sized and shaped for insertion between the upstream region and downstream region" to read on Bessler.

The relevant claim recitations read:

> An artificial valve for repairing a damaged heart valve having a plurality of cusps separating an upstream region from a downstream region... comprising ... a flexibly resilient frame sized and shaped for insertion in a position between the upstream region and the downstream region, the frame having a plurality of peripheral anchors for anchoring the frame in the position between the upstream and the downstream region and a central portion located between the plurality of peripheral anchors. [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]

The Federal Circuit stated:

> We agree with Snyders that the Board erred in construing the "sized and shaped" limitation and that Bessler therefore does not anticipate claims 1, 2, 6, and 8. We do not reach the other cross-appeal arguments.

The Federal Circuit went on to construe the claim, concluding it distinguished Bessler.

> Claim 1 of the '782 patent recites an "artificial heart valve for repairing a damaged heart valve having a plurality of cusps, separating an upstream region from a downstream region . . . comprising . . . a flexibly resilient frame sized and shaped for insertion between the upstream region and downstream region." '782 patent, col. 10, lines 22–27. The language provides some support for the reading advanced by Snyders in preference to the Board's construction. The requirement that the frame be "sized and shaped" a certain way suggests a focus on how the frame is fitted to the surrounding material (which depends on whether the native valve remains), a focus that goes beyond mere linear "position" between two regions, *IPR-106 Decision* at *9. The claim's reference to "repairing a damaged heart valve," without any reference to removal, suggests that the native valve remains. So too does the claim's reference to the damaged heart valve "having a plurality of cusps," which appears superfluous if claim 1 is interpreted to include embodiments where the damaged valve and its cusps are removed. *See Wasica Fin. GmbH v. Cont'l Auto. Sys., Inc.*, 853 F.3d 1272, 1288 n.10 (Fed. Cir. 2017) ("It is highly disfavored to construe terms in a way that renders them void,

meaningless, or superfluous."); *Bicon, Inc. v. Straumann Co.*, 441 F.3d 945, 950 (Fed. Cir. 2006) ("[C]laims are interpreted with an eye toward giving effect to all terms in the claim."). [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]

We turn to the '782 patent's specification, which we conclude resolves the interpretive question in this case under the standard requiring the "broadest reasonable interpretation in light of the specification." 37 C.F.R. § 42.100(b) (2016); *see also Phillips v. AWH Corp.*, 415 F.3d 1303, 1315 (Fed. Cir. 2005) (en banc) (explaining that the specification "is the single best guide to the meaning of a disputed term"). The specification states that "the frame is sized and shaped for insertion between the plurality of cusps C of the damaged heart valve in a position between an upstream region and a downstream region." '782 patent, col. 5, lines 48–51 (emphasis added). That language indicates that "sized and shaped" is not meant to refer only to placement in a position between the upstream and downstream regions, but also to fitting between the cusps of the intact native valve. [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]

Moreover, the specification stresses that the artificial heart valve it discloses can be inserted without removing the native valve and that this is an improvement on the prior art. *See* '782 patent, col. 1, lines 37–42 ("[M]any [previous] valves also require the damaged native heart valve to be removed prior to implanting the artificial valve."); *id.*, col. 1, lines 40–42 ("Removing the native valve increases the risk that a portion of the valve will migrate through the body and block vessels downstream from the heart."); *id.*, col. 2, lines 21–25 ("Among the several objects and features of the present invention may be noted the provision of an artificial heart valve which accommodates implantation without removing the damaged native heart valve . . . ."). Of particular note, the specification expressly describes Bessler as presenting problems that the Snyders invention overcomes, stating that the procedure disclosed in Bessler is too invasive because it "includes excision, vacuum removal of the native valve, cardiopulmonary bypass and backflushing of the coronary arterial tree." *Id.*, col. 2, lines 14–20 (emphasis added). [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]

The specification passages, including its specific description of overcoming deficiencies in Bessler, go beyond stating a general preference for leaving the native valve intact. Those passages make it unreasonable to read the "sized and shaped for insertion" claim language as covering an artificial valve fitted for the space left after removing the native valve. [St. Jude Medical, LLC v. Snyders Heart Valve LLC, 2019-2108, 2019-2109, 2019-2140 (Fed. Cir. 10/15/2020).]

Warsaw Orthopedic, Inc. v. Rick C. Sasso, M.D., 2019-1583 (Fed. Cir. 10/14/2020).

This is a decision on an appeal from the N.D. Ind. district court case 3:18-cv-00437-JD-MGG. The district court dismissed Warsaw's DJ complaint, without prejudice. Warsaw appealed.

Dr. Sasso sued Warsaw and Medtronic in state court, alleging breach of contract for failing to pay royalties for certain products, pursuant to a contract for IP rights (aka, a license). Warsaw alleged that, claims that covered those certain products, were invalid, as indicated by reexamination certificates of the underlying patents. During pendency of the state action, Warsaw filed the instant federal DJ action. Then, the jury in the state court case found for Dr. Sasso and awarded damages, and Warsaw filed an appeal in a state court. The federal court then dismissed the DJ action, without prejudice, citing the federal abstention doctrine.

Legal issue: 28 USC 2201, declaratory judgement, district court's discretion to abstain.

The Federal Circuit concluded that the district court acted within its discretion because the issue of contract interpretation was on appeal in state court, because federal action on the federal issues was not precluded, and because the facts of this case more closely fit the *Wilton/Brillhart* rather than the *Colorado River* facts. In view of the criteria in those two cases, the Federal Circuit identified no claim in the state court case over which a federal court would have exclusive jurisdiction; and the Federal Circuit identified no district court erroneous finding of fact, erroneous interpretation of the law, or was found the district court decision clearly unreasonable, arbitrary or fanciful.

> The Declaratory Judgment Act states that courts may grant declaratory relief, 28 U.S.C. § 2201(a), and the Supreme Court has explained that the Act confers "unique and substantial discretion in deciding whether to declare the rights of litigants," *Wilton v. Seven Falls Co.*, 515 U.S. 277, 286 (1995). Also, the Court had stated in *Brillhart v. Excess Insurance Co. of America*, 316 U.S. 491 (1942), that federal courts may and reasonably should abstain from exercising declaratory jurisdiction when the issues "can better be settled in [a] proceeding pending in . . . state court." *Id*. at 495. [Warsaw Orthopedic, Inc. v. Rick C. Sasso, M.D., 2019-1583 (Fed. Cir. 10/14/2020).]

> As summarized in *Envision Healthcare, Inc. v. PreferredOne Insurance Co.*, 604 F.3d 983 (7th Cir. 2010): "Under what is known as the *Wilton/Brillhart* abstention doctrine, district courts possess significant discretion to dismiss or stay claims seeking declaratory relief, even though they have subject matter jurisdiction over such claims." *Id*. at 986. The propriety of a district court's *Wilton/Brillhart* abstention is reviewed on the standard of abuse of discretion, that is, whether the action "is based on clearly erroneous findings of fact, is based on erroneous interpretations of the law, or is clearly unreasonable, arbitrary or fanciful." *iLOR, LLC v. Google, Inc.*, 631 F.3d 1372, 1376 (Fed. Cir. 2011). [Warsaw Orthopedic, Inc. v. Rick C. Sasso, M.D., 2019-1583 (Fed. Cir. 10/14/2020).]

> Medtronic and Dr. Sasso discuss, but do not resolve, whether the criterion for measuring abstention discretion is the potentially more flexible measure of *Wilton/Brillhart* or the standard of *Colorado River Water Conservation District v. United States*, 424 U.S. 800 (1976). In *Colorado River*, the Court stated that abstention "is an extraordinary and narrow exception to the duty of a District Court to adjudicate a controversy properly before it," stating that abstention is appropriate "only in the exceptional circumstances where the order to the parties to repair to the state court would clearly serve an important countervailing interest." *Id*. at 813. [Warsaw Orthopedic, Inc. v. Rick C. Sasso, M.D., 2019-1583 (Fed. Cir. 10/14/2020).]
>
> The thrust of precedent applying *Colorado River* is that a federal proceeding should not be stayed in favor of a state proceeding when the federal proceeding includes a claim over which federal courts have exclusive jurisdiction. *See, e.g., Cottrell v. Duke*, 737 F.3d 1238, 1248 (8th Cir. 2013) ("[W]e join the Second, Seventh, and Ninth Circuits and hold that the *Colorado River* doctrine may not be used to stay or dismiss a federal proceeding in favor of a concurrent state proceeding when the federal proceeding contains a claim over which Federal courts have exclusive jurisdiction."). The district court here selected the standard of *Wilton/Brillhart* as attuned to the situation at hand. Dist. Ct. Op. at *2. We agree that this was reasonable on the facts here, for there had already been a trial in the state court and it is now on appeal at the Indiana Court of Appeals. The district court also referred to the Northern District's 2014 rebuff of Medtronic's attempted removal to federal court, *see supra* n.3, although the district court remarked that this prior action is not *res judicata. Id.* at *1 n.2. [Warsaw Orthopedic, Inc. v. Rick C. Sasso, M.D., 2019-1583 (Fed. Cir. 10/14/2020).]

After considering the facts and applying them to the standard, the Federal Circuit found no abuse.

> On the entirety of the circumstances, we conclude that the district court exercised "common-sense accommodation of judgment," *id*., and did not abuse its discretion in abstaining and dismissing without prejudice. [Warsaw Orthopedic, Inc. v. Rick C. Sasso, M.D., 2019-1583 (Fed. Cir. 10/14/2020).]

UGI Sunbury LLC v. A Permanent Easement for 1.7575 Acres, 18-3126, 18-3127, 949 F.3d 825 (3rd Cir. 2/11/2020).

This is an appeal from M. D. Pa. district court case 3:16-cv-00788. The district court awarded a value for an easement. UGI appealed.

Legal issue: FRE 702, admissibility of expert testimony, and the role it plays in bench trials.

The third circuit held that FRE 702 applies when the trier of fact is the court, and that the court must apply Rule 702 to assess an expert's qualifications, reliability, and fit before weighing the expert's opinions to decide a triable issue.

We start with a clarification about the role Rule 702 plays in bench trials. As we have explained, "a trial judge acts as a gatekeeper to ensure that any and all expert testimony or evidence is not only relevant, but also reliable." *Pineda v. Ford Motor Co.*, 520 F.3d 237, 243 (3d Cir. 2008) (internal quotation marks omitted). As gatekeeper, a trial judge has three duties: (1) confirm the witness is a qualified expert; (2) check the proposed testimony is reliable and relates to matters requiring scientific, technical, or specialized knowledge; and(3) ensure the expert's testimony is "sufficiently tied to the facts of the case," so that it "fits" the dispute and will assist the trier of fact. *Daubert*, 509 U.S. at 591(quoting *United States v. Dowling*, 753 F.2d 1224, 1242 (3d Cir. 1985)). The text of Rule 702 contains no exception to these requirements, so if they are not satisfied, an expert cannot testify before the "trier of fact." Fed. R. Evid. 702. [UGI Sunbury LLC v. A Permanent Easement for 1.7575 Acres, 18-3126, 18-3127, 949 F.3d 825, 832 (3rd Cir. 2/11/2020).]

Rule 702 applies whether the trier of fact is a judge or a jury. By using the term "trier of fact," rather than specifying judge or jury, Rule702 does not distinguish between proceedings. Contrast that language with Federal Rule of Evidence 403,permitting a court to "exclude relevant evidence if its probative value is substantially outweighed by a danger of . . . misleading the jury." Fed. R. Evid. 403. Given that Rule 702 was "amended in response to *Daubert*. . . and to the many cases applying *Daubert*, including *Kumho Tire*,"and its text continues to employ the broad "trier of fact" instead of the more specific "jury," district courts must apply Rule 702 to assess an expert's qualifications, reliability, and fit before weighing the expert's opinions to decide a triable issue. Fed. R. Evid. 702 advisory committee's note to 2000 amendments ("The trial judge in all cases of proffered expert testimony must find that it is properly grounded, well-reasoned, and not speculative before it can be admitted."); *see also* Fed. R. Evid. 1101(a) (applying the Federal Rules of Evidence to proceedings before district courts). [UGI Sunbury LLC v. A Permanent Easement for 1.7575 Acres, 18-3126, 18-3127, 949 F.3d 825, 832-33 (3rd Cir. 2/11/2020).]

Of course, district courts do retain "latitude" to decide "how" to apply those requirements in a bench trial. *Kumho Tire*, 526 U.S. at152. So a district court has leeway about "whether or when special briefing or other proceedings are needed to investigate"the facts relevant to qualification and admissibility of expert testimony. *Id.* Or it may conditionally admit the expert testimony subject to a later Rule 702 determination. *Cf. In re Unisys*, 173 F.3d 145, 155-58 (3d Cir. 1999) ("When the role of the gatekeeper to admit or exclude evidence (the judge) and the role of the factfinder to assess and weigh the evidence that was admitted (the jury) are one and the same, the judge who becomes the factfinder as well as the gatekeeper must be given great deference by this Court[] and . . . should not be required to waste judicial time."). But that"is not discretion to abandon the

gatekeeping function" or "perform the function inadequately. Rather, it is discretion to choose among reasonable means of excluding expertise[.]" *Kumho Tire*, 526 U.S. at 158–59 (Scalia, J., concurring). That is why the failure to conduct any form of"assessment" of an expert and the proposed testimony before admitting the testimony is an abuse of discretion. *Daubert*, 509 U.S. at 592–93; *see Padillas v. Stork-Gamco, Inc.*, 186 F.3d 412, 418 (3d Cir. 1999). Here, in sidestepping Rule 702 altogether and declining to perform any assessment of Shearer's testimony before trial, the District Court ignored the rule's clear mandate. *Daubert*, 509 U.S. at 592. [UGI Sunbury LLC v. A Permanent Easement for 1.7575 Acres, 18-3126, 18-3127, 949 F.3d 825, 833 (3rd Cir. 2/11/2020).]

Some courts go further and suggest that *Daubert*'s requirements are "relax[ed]" in the context of bench trials. *David E. Watson, P.C. v. United States*, 668 F.3d 1008, 1015 (8th Cir. 2012) (citation omitted); *see also, e.g., United States v. Brown*, 415 F.3d 1257, 1268 (11th Cir. 2005) (holding that Rule 702's requirements are "more relaxed in a bench trial situation, where the judge is serving as factfinder and we are not concerned about dumping a barrage of questionable scientific evidence on a jury" (internal quotation marks and citation omitted)). That proposition arguably fights the text of Rule 702, which applies to all "trier[s] of fact" and imposes conditions on whether an expert "may testify," Fed. R. Evid. 702. And it ignores the reality that we "judges lack the scientific training that might facilitate the evaluation of scientific claims or the evaluation of expert witnesses who make such claims." Stephen Breyer, Introduction to Comm. on Sci., Tech., and Law, in Reference Manual on Scientific Evidence 4 (3d ed. 2011). We have yet to address this issue and, especially as the parties have not raised it, we need not today. Because even cases applying a "relaxed" standard in bench trials agree that Rule 702's requirements of "relevance and reliability . . . must nevertheless be met." *E.g., Seaboard Lumber Co. v. United States*, 308 F.3d 1283, 1302 (Fed. Cir. 2002). And here, without question, they were not. [UGI Sunbury LLC v. A Permanent Easement for 1.7575 Acres, 18-3126, 18-3127, 949 F.3d 825, footnote 4 (3rd Cir. 2/11/2020).]

Immunex Corporation v. Sanofi-Aventis U.S. LLC, 2019-1749, 2019-1777 (Fed. Cir. 10/13/2020).

Legal issue: 35 USC 144, consideration of post appeal activity on the review

The Federal Circuit concluded that its review was limited to the decision from which the appeal was taken, and therefore, for example, the terminal disclaimer filed and approved during the appeal, did not change the standard for claim construction.

After appellate briefing was complete, Immunex filed with the Patent and Trademark Office ("PTO") a terminal disclaimer of its patent. The PTO promptly accepted it, and Immunex's patent therefore expired on May 26, 2020, just over two months before oral argument. *** This court "shall review the decision from which an appeal is taken on the record before the Patent and Trademark Office."

35 U.S.C. § 144. Our predecessor court has refused to consider terminal disclaimers filed after the Board's decision. *In re Thorington*, 418 F.2d 528, 533–34 (CCPA 1969); *In re Heyl*, 379 F.2d 1018 (CCPA 1967). In this situation, we do the same. Accordingly, in this case we will review the Board's claim construction under the BRI standard. [Immunex Corporation v. Sanofi-Aventis U.S. LLC, 2019-1749, 2019-1777 (Fed. Cir. 10/13/2020).]

Legal issue: 35 USC 112 claim construction, "human antibody" in the context of a specification contrasting "partially human" with "fully" or "completely human."

Based primarily upon the related characterizations of antibodies as partially, or fully/completely human in the specification, the Federal Circuit agreed with the PTAB that "human antibody" covered antibodies that were only partially human.

> We begin claim construction by looking to the language of the claim itself. *Allergan Sales, LLC v. Sandoz, Inc.*, 935 F.3d 1370, 1374 (Fed. Cir. 2019). But nothing in the claim's language restricts "human antibodies" to those that are fully human. *** Many patentees do expressly define "human antibody." *See, e.g., Abbott GbmH & Co. v. Centocor Ortho Biotech, Inc.*, 870 F. Supp.2d 206, 247 (D. Mass. 2012) (noting express definition of "human antibody"). Here, however, we are without an express definition. But the usage of "human" throughout the specification confirms its breadth. The specification contrasts "partially human" with "fully" or "completely human." E.g., '487 patent col. 19 ll. 41–44, col. 20 ll. 57–60, col. 21 ll. 1–2. For example, the specification states that "[a]ntibodies of the invention include, but are not limited to, partially human (preferably fully human) monoclonal antibodies." Id. at col. 20 ll. 57–60. And elsewhere, it notes that "[t]he desired antibodies are at least partially human, and preferably fully human." Id. at col. 19 ll. 41–44. [Immunex Corporation v. Sanofi-Aventis U.S. LLC, 2019-1749, 2019-1777 (Fed. Cir. 10/13/2020).]

The Federal Circuit also noted that the prosecution history supported the PTAB's construction.

Legal issue: 35 USC 112 claim construction, impact of a prior district court claim construction on a PTAB claim construction.

The Federal Circuit reiterated that the PTAB is not bound by a prior judicial construction of a claim term.

> In litigation that prompted this IPR, a district court construed "human" to mean "fully human" only. *See Immunex Corp. v. Sanofi*, No. CV 17-02613 SJO, 2018 WL 6252460, at *12–14 (C.D. Cal. Aug. 24, 2018). That claim construction order issued two months before the oral hearing in this IPR, and the parties discussed it in their briefing and at oral argument before the Board. [Immunex Corporation v. Sanofi-Aventis U.S. LLC, 2019-1749, 2019-1777 (Fed. Cir. 10/13/2020).]

The Board did not adopt the district court's construction. After conducting a full analysis of the parties' arguments, the Board concluded that it reached a different interpretation "based on the broader applicable case law." Final Written Decision, 2019 WL 643041, at *7. [Immunex Corporation v. Sanofi-Aventis U.S. LLC, 2019-1749, 2019-1777 (Fed. Cir. 10/13/2020).]

Immunex chides the Board for not explaining more fully its departure from the district court's narrower *Phillips*-based construction. Citing *Power Integrations, Inc. v. Lee*, 797 F.3d 1318, 1326 (Fed. Cir. 2015), Immunex contends that the Board must explain in detail why, under a broader legal standard, it reaches a broader construction than a district court does. [Immunex Corporation v. Sanofi-Aventis U.S. LLC, 2019-1749, 2019-1777 (Fed. Cir. 10/13/2020).]

The Board's misstep in *Power Integrations*, however, was not merely failing to explain the difference between a Phillips construction and the BRI. Rather, the Board there both "failed to acknowledge the district court's claim construction" and "devoted a substantial portion of its analysis" to an issue not raised by the parties, focusing on a "red herring" and failing to adequately address the substance of the patentee's primary argument. *Id*. at1324–25; *see also id.* at 1323 (stating that the Board "fundamentally misconstrued [the] principal claim construction argument"). Indeed, the problem was not that the Board's construction was broader. Rather, the Board had left unaddressed a specific interpretive aspect of the claim term upon which its anticipation determination was based, stymying review. *See id.* at 1325 (concluding that the Board's opinion "provides . . . an inadequate predicate upon which to evaluate its decision to reject claim 1 . . . as anticipated"). [Immunex Corporation v. Sanofi-Aventis U.S. LLC, 2019-1749, 2019-1777 (Fed. Cir. 10/13/2020).]

Regardless, in *Power Integrations* we reiterated that the Board "is not generally bound by a previous judicial construction of a claim term." *Id.* at 1326; *see also Mayne Pharma Int'l Pty. Ltd. v. Merck Sharp & Dohme Corp.*, 927 F.3d 1232, 1242 (Fed. Cir. 2019) ("[W]e are not persuaded that the Board erred in discounting the district court's construction because the court construed the claims under the narrower, *Phillips* standard."). And we emphasized that the Board need not "in all cases assess a previous judicial interpretation of a disputed claim term." *Power Integrations*, 797 F.3d at 1327. Rather, we require the Board to provide "reasoning in sufficient detail to permit meaningful appellate review." *Id.* And the Board's opinion was sufficiently detailed to permit meaningful appellate review. We conclude that the Board did not err by not saying more. [Immunex Corporation v. Sanofi-Aventis U.S. LLC, 2019-1749, 2019-1777 (Fed. Cir. 10/13/2020).]

Antennasys, Inc. v. Aqyr Technologies, Inc., 2019-2244 (Fed. Cir. 10/7/2020).

This is a decision on an appeal from the D. NH. district court case 1:17-cv-00105-PB. The district court granted SJ in favor of defendants Windmill and AQYR.

The Federal Circuit tortured us, by marking this case precedential. Basically, this decision stands for the proposition that poor lawyering can result in legal confusion. As the Federal Circuit concluded after a long analysis generally leading to dead ends and unanswered questions:

> This exercise has been an extremely frustrating one for the court. We suspect the district court will feel the same way. But just as bad facts can make bad law, misdirected lawyering can do the same. We refuse to take the parties' invitation to rule on these issues in the first instance and on an incomplete record. For the foregoing reasons, we must vacate the district court's grant of summary judgment and remand for proceedings consistent with this opinion. [Antennasys, Inc. v. Aqyr Technologies, Inc., 2019-2244 (Fed. Cir. 10/7/2020).]

I will make no attempt here, to make explain this decision, because in any case I find no precedential law stated in it.

Glaxosmithkline LLC v. Teva Pharmaceuticals USA, Inc., 2018-1976, 2018-2023 (Fed. Cir. 10/2/2020).

This is a decision on appeals from the D. Del. case 1:14-cv-00878-LPS-CJB. The jury found inter alia the claims infringed and not invalid. The jury found specifically that Teva induced infringement during two periods of time:

(1) from the date of reissue of the method of treatment patent to when Teva amended its label, as required by the FDA. In time period (1), Teva's label stated Carvedilol is indicated to reduce cardiovascular mortality in clinically stable patients who have survived the acute phase of a myocardial infarction and have a left ventricular ejection fraction of = 40% (with or without symptomatic heart failure)."

(2) from when Teva amended its label to refer to treatment of congestive heart failure, as required by the FDA, until when the reissued patent expired. Teva amended its label to include the indication for treatment of congestive heart failure, as required by the FDA. This amendment was in response to the issue of GSK's reissue patent because the reissue patent's (representative) claim 1 was amended to include this recitation, referring to treatment of congestive heart failure: "wherein the administering comprises administering to said patient daily maintenance dosages for a maintenance period to decrease a risk of mortality caused by congestive heart failure, and said maintenance period is greater than six months." And presumably GSK amended its FDA filings accordingly. And presumably, that filing prompted the FDA to require Teva to update its label information.

The jury assessed damages based on a combination of lost profits and royalty, and found that the infringement was willful.

The district court granted Teva's JMOL of non-infringement. Glaxosmithkline appealed. A majority of the Federal Circuit panel, consisting of Judges Newman and Moore, reversed the JMOL of non-infringement, reinstating the jury's verdict of induced infringement.

The Federal Circuit majority did not address the fact that the damages award did not

specify separate damages for the skinny label and full label periods.

Chief Judge Prost dissented. As background to her dissent, note that 21 USC 355(j)(2)(A)(viii) requires an ANDA to include a statement that a "method of use patent [for which a 21 USC 355 application for marketing approval was filed or approved]... does not claim a use for which the [ANDA] applicant is seeking approval." In other words, the ANDA must state that it is for a use that would not infringe a patented and FDA approved use of the same drug. In dissent, Chief Judge Prost stated:

> This case is about whether Teva induced infringement of GSK's reissue patent, RE40,000, by marketing its generic carvedilol of for unpatented uses through a "skinny label." The clear answer: Teva did not. Congress provided for skinny labels for exactly these circumstances, see 21 U.S.C. § 355(j)(2)(A)(viii), such that the lone method covered in the '000 patent would not foreclose access to more affordable carvedilol. And Teva acted exactly as Congress intended. Teva waited until GSK's pa-tent covering the carvedilol compound expired to launch its product covering two unpatented indications—hypertension and post-MI LVD. So, when GSK's '000 reissue patent later issued—reciting a narrow method of treating a third indication, CHF—Teva's skinny label did not even suggest using its product according to the patented method. At the FDA's direction, Teva amended its label years later to include the patented method, but there was still no inducement via the full label. Nothing changed in the market, and doctors' prescribing decisions were not affected. By that time, GSK could not rely on Teva's ANDA as an artificial act of infringement. Thus, to prove induced infringement, GSK had to show that Teva actually caused doctors to directly infringe the '000 patent. It failed to do so. *** The district court got it right: no evidence established that Teva actually caused the doctors' infringement for either label. No communication from Teva encouraged doctors to use generic carvedilol to practice the patented method. [Glaxosmithkline LLC v. Teva Pharmaceuticals USA, Inc., 2018-1976, 2018-2023 (Fed. Cir. 10/2/2020)(Prost, C.J., dissenting).]

Note: The majority decided this case on the standard of review, whether the jury verdict was supported by substantial evidence. This case appears to have no broad applicability on the effect of 21 USC 355(j)(2)(A)(viii) on induced infringement.