
Federal Circuit Patent Updates - August 2016

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***In re Natural Alternatives, LLC* (No. 2015-19191136, 8/31/16) (Newman, Clevenger, O'Malley)**

August 31, 2016 4:08 PM

O'Malley, J. Reversing Board decision of obviousness in reexamination of claims related to deicing road surfaces.

A full version of the text is [available in PDF form](#).

***Veritas Technologies LLC v. Veeam Software Corporation* (No. 2015-1894, 8/30/16) (Lourie, O'Malley, Taranto)**

August 30, 2016 12:16 PM

Taranto, J. Vacating Board's denial of motion to amend in an IPR. Also affirming the Board's construction and decision that the original claims were obvious. The Board improperly denied patentee's motion to amend by requiring the patentee to address "whether each newly added feature in each proposed claim, as distinct from the claimed combination of features, was independently known in the prior art... In this case, we fail to see how describing the combination is meaningfully different from describing what is new about the proposed claims, even in comparison to the unamended claims."

A full version of the text is [available in PDF form](#).

***Liberty Ammunition, Inc. v. US* (No. 2015-5057, -5061, 8/26/16) (Prost, Newman, Stoll)**

August 26, 2016 10:40 AM

Stoll, J. Reversing decision of the Court of Federal Claims ("CFC") and finding that the Government did not violate § 1498. Also affirming denial of contract claim, finding that the Army official who signed the non-disclosure agreement did not have authority to enter the agreement on behalf of the Government. The CFC improperly construed "reduced area of contact" because the CFC did not use the proper baseline of comparison for that relative term. Under the proper construction there

was no infringement and under the CFC's construction the claim would have been indefinite. Also reversing the CFC's construction of "intermediate opposite ends" and finding no infringement under the proper construction of that term. "While the open-ended term 'including' does precede 'intermediate opposite ends,' our prior decisions have warned against using terms such as 'comprising,' or 'including' as 'weasel word[s] with which to abrogate limitations.' [Citation omitted] The trial court's refusal to limit the projectile's interface so that it does not extend all the way to the forward or trailing ends of the projectile goes against this admonition and significantly diminishes the 'intermediate opposite ends' limitation, almost to the point of rendering it a nullity." Newman, J. concurred-in-part and dissented-in-part.

A full version of the text is [available in PDF form](#).

***Semcon Tech, LLC v. Micron Technology Inc.* (No. 2015-1936, 8/19/16) (Prost, Bryson, Stoll)**

August 19, 2016 3:19 PM

Bryson, J. Reversing summary judgment of anticipation although patentee did not file an expert declaration disputing defendant's expert. Textual arguments regarding the allegedly anticipatory reference and apparent inconsistencies between deposition and declaration were sufficient to demonstrate a dispute of fact.

A full version of the text is [available in PDF form](#).

***ScriptPro LLC v. Innovation Associates, Inc.* (No. 2015-1565, 8/15/16) (Moore, Taranto, Hughes)**

August 15, 2016 10:41 AM

Moore, J. Reversing summary judgment of invalidity of claims for lack of written description. "Because the specification does not limit the scope of the invention in the manner the district court described, the asserted claims are not invalid for lacking such a limitation." "In [*Gentry Gallery* and *ICU Medical*], the specifications clearly limited the scope of the inventions in ways that the claims clearly did not. ... Such is not the case here. ... Not every claim must contain every limitation or achieve every disclosed purpose."

A full version of the text is [available in PDF form](#).

***Vapor Point LLC v. Moorhead* (No. 2015-1801, 8/10/16) (O'Malley, Chen, Stoll)**

August 10, 2016 3:29 PM

Per Curiam. Affirming judgment correcting inventorship, dismissing the action with prejudice, and denying exceptional case status and attorneys' fees. "All inventors, even those who contribute to only one claim or one aspect of one claim of a patent, must be listed on that patent." O'Malley, J., concurred.

A full version of the text is [available in PDF form](#).

***Arendi S.A.R.L. v. Apple Inc.* (No. 2015-2073, 8/10/16) (Moore, Linn, O'Malley)**

August 10, 2016 10:14 AM

O'Malley, J. Reversing PTAB decision of obviousness in an IPR “[b]ecause the Board misapplied our law on the permissible use of common sense in an obviousness analysis.” “It is true that common sense and common knowledge have their proper place in the obviousness inquiry. ... Hence, we do consider common sense, common wisdom, and common knowledge in analyzing obviousness.” “But there are at least three caveats to note in applying 'common sense' in an obviousness analysis. First, common sense is typically invoked to provide a known *motivation to combine*, not to supply a missing claim limitation. ... Second, in *Perfect Web*, the only case Appellees identifies in which common sense was invoked to supply a limitation that was admittedly *missing* from the prior art, the limitation in question was unusually simple and the technology particularly straightforward. ... Third, our cases repeatedly warn that references to 'common sense'—whether to supply a motivation to combine or a missing limitation—cannot be used as a wholesale substitute for reasoned analysis and evidentiary support, especially when dealing with a limitation missing from the prior art references specified.”

A full version of the text is [available in PDF form](#).

***In Re Warsaw Orthopedic, Inc.* (No. 2015-1050, 8/9/16) (Prost, Bryson, Wallach)**

August 9, 2016 12:14 PM

Wallach, J. Affirming—in-part, vacating—in-part, and remanding rejection of claims in IPR. One issue regarding a rejection was remanded to the PTAB for additional explanation.

A full version of the text is [available in PDF form](#).

***In Re CSB-System International, Inc.* (No. 2015-1832, 8/9/16) (Newman, Moore, Stoll)**

August 9, 2016 10:42 AM

Stoll, J. Affirming rejection of all claims in reexamination as unpatentable over the prior art. Although the Board should have applied the *Phillips* standard of claim construction rather than the broadest reasonable interpretation standard used by the examiner because the patent expired during the reexamination (after the examiner issued a final rejection but before consideration by the Board), the Board's claim construction was still correct even under the *Phillips* standard.” “When a patent expires during a reexamination proceeding, the PTO should thereafter apply the *Phillips* standard for claim construction. We hold as much regardless of whether this means that the Board applies a different standard than the examiner.”

A full version of the text is [available in PDF form](#).

***Innovention Toys LLC v. MGA Entertainment Inc.* (No. 2014-1731, 8/5/16) (Lourie, Plager, Taranto)**

August 5, 2016 3:19 PM

Taranto, J. Upon remand from the Supreme Court, vacating the district court's rulings regarding enhanced damages and remanding for reconsideration in light of *Halo Electronics, Inc. v. Pulse*

Electronics, Inc., 136 S. Ct. 1923 (2016). “On the record in this case, ... the predicate of willful misconduct is established by the jury's finding that MGA was subjectively willful under the second part of the *Seagate* standard. ...The Supreme Court in *Halo* did not question our precedents on jury determination of that issue. ...Nor did it doubt that a finding favorable to the patentee on the second part of the *Seagate* standard suffices to establish the subjectively willful misconduct that, when present, moves the enhancement inquiry to the stage at which the district court exercises its discretion [to decide whether punishment is warranted in the form of enhanced damages].”

A full version of the text is [available in PDF form](#).

***Halo Electronics, Inc. V. Pulse Electronics, Inc.* (No. 2013-1472, 8/5/16) (Lourie, O'Malley, Hughes)**

August 5, 2016 12:22 PM

Lourie, J. Upon remand from the Supreme Court, vacating the district court's unenhanced damages award and remanding for further proceedings consistent with the Supreme Court's opinion on enhanced damages. “We remand for the district court to exercise its discretion and to decide whether, taking into consideration the jury's unchallenged subjective willfulness finding as one factor in its analysis, an enhancement of the damages award is warranted.”

A full version of the text is [available in PDF form](#).

***Multilayer Stretch Cling Film v. Berry Plastics Corporation* (No. 2015-1420, 8/4/16) (Dyk, Plager, Taranto)**

August 4, 2016 12:10 PM

Dyk, J. Vacating summary judgment of noninfringement because of erroneous claim construction and remanding, but affirming judgment that a dependent claim was invalid under 35 U.S.C. § 112, ¶4. In interpreting a Markush claim, “[u]se of the transitional phrase 'consisting of' to set off a patent claim element creates a very strong presumption that that claim element is 'closed' and therefore excludes any elements, steps, or ingredients not specified in the claim.” (quotation omitted) “[T]o overcome the exceptionally strong presumption that a claim term set off with 'consisting of' is closed to unrecited elements, the specification and prosecution history must unmistakably manifest an alternative meaning....They do not here.” As a consequence, a dependent claim to the Markush claim that permitted additional elements was invalid under 35 U.S.C. § 112, ¶4. “A dependent claim that contradicts, rather than narrows, the claim from which it depends is invalid.” However, the Markush claim was construed to permit mixtures of the recited elements, distinguishing *Abbott Labs. v. Baxter Pharm. Prods., Inc.*, 334 F.3d 1274, 1280 (Fed. Cir. 2003). Taranto, J., dissented in part.

A full version of the text is [available in PDF form](#).

***Electric Power Group, LLC v. Alstom S.A.* (No. 2015-1778, 8/1/16) (Taranto, Bryson, Stoll)**

August 1, 2016 3:38 PM

Taranto, J. Affirming summary judgment of invalidity of patents relating to performance monitoring of an electric power grid. “Though lengthy and numerous, the claims do not go beyond requiring collection, analysis, and display of available information in a particular field, stating those functions in general terms, without limiting them to technical means for performing the functions that are arguably an advance over conventional computer and network technology. The claims, defining a desirable information-based result and not limited to inventive means of achieving the result, fail under § 101.”

A full version of the text is [available in PDF form](#).

***GPNE Corp. v. Apple Inc.* (No. 2015-1825, 8/1/16) (Prost, Taranto, Chen)**

August 1, 2016 2:10 PM

Prost, J. Affirming decision of non-infringement of patents related to two-way paging. Also affirming construction of “node” as “pager with two-way data communications capability that transmits wireless data communications on a paging system that operates independently from a telephone network.” Patentee argued unsuccessfully that claim differentiation precluded including “pager” in the construction. “Claim differentiation is ‘not a hard and fast rule,’ but rather a presumption that will be overcome when the specification or prosecution history dictates a contrary construction. [citation omitted] Because the specification and the prosecution history so consistently describe ‘nodes’ and ‘pagers,’ such is the case here.” Regarding other portions of the construction, “[w]e agree with [patentee] that the phrase ‘operates independently from the telephone system’ appears in only one sentence of the Detailed Description section, but disagree that it was improper for the district court to limit the claims in this way.” Also, the district court’s duty to construe claims under *O2 Micro* “is not without limit. Where a district court has resolved the questions about claim scope that were raised by the parties, it is under no obligation to address other potential ambiguities that have no bearing on the operative scope of the claim.”

WilmerHale represented the Defendant-Appellee, Apple Inc.

A full version of the text is [available in PDF form](#).

***Murata Machinery USA, Inc. v. Daifuku Co., Ltd.* (No. 2015-2094, 8/1/16) (Reyna, Chen, Stoll)**

August 1, 2016 12:10 PM

Stoll, J. Affirming refusal to lift a stay of litigation and vacating denial of motion for preliminary injunction in interlocutory appeal. “The AIA § 18(b)(1) requirement that district courts must consider the burden of litigation when faced with a CBM stay request does not bar courts from choosing to consider it in the IPR context. Indeed, the legislative history confirms that ‘Congress’s desire to enhance the role of the PTO and limit the burden of litigation on the courts and parties was not limited to the CBM review context.’” Regarding denial of motion for preliminary injunction, here “the sum and substance of the district court’s decision regarding [patentee’s] preliminary injunction motion is found in a single paragraph, which concluded: ‘Because the court has now declined to lift the stay, the Motion for Preliminary Injunction is denied without prejudice to renew at a later date, if

appropriate.' [citation omitted] This cursory treatment of [patentee's] preliminary injunction motion does not satisfy the Rule 52(a)(2) requirement that the deciding court must state factual findings and legal conclusions supporting its action... We hold that when a district court denies a preliminary injunction motion, it must provide an adequate reason for its decision beyond merely noting that the case has been stayed."

A full version of the text is [available in PDF form](#).

***Wi-LAN USA, Inc. v. Apple Inc.* (No. 2015-1256, 8/1/16) (Lourie, Bryson, Chen)**

August 1, 2016 10:22 AM

Chen, J. Affirming claim constructions and affirming summary judgment of non-infringement of patents related to wireless communication. "Here, we find the specification's consistent references to multiple 'specified connections' to weigh in favor of a construction excluding embodiments where the intermediary node is capable of maintaining only one 'specified connection.'" Also, to "allocate" something is to distribute it among multiple recipients. Thus when the claims describe allocating bandwidth to a specified connection, they imply that the intermediary node distributes the bandwidth among multiple specified connections."

A full version of the text is [available in PDF form](#).