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Federal Circuit Patent Updates - December 2009

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Forest Group v. Bon Tool **(Rader, Plager, Moore)**

December 28, 2009 12:58 PM

(Moore) Affirming-in-part and vacating-in-part judgment of false patent marking and remanding. The patentee falsely marked with an intent to deceive after a summary judgment ruling concerning the patent in a related case. However, a single penalty of $500 for such false marking was erroneous because "35 U.S.C. § 292 [which refers to a fine of "not more than $500 for every such offense"] requires courts to impose penalties on a per article basis" (although "[t]his does not mean that a court must fine those guilty of false marking $500 per article marked"). Also noting that "the clear language of the statute allows" "'a new cottage industry' of false marking litigation by plaintiffs who have not suffered any direct harm," and affirming finding of no exceptional case.

A full version of the text is available here.

International Seaway Trading Corp. v. Walgreens Corp. **(Bryson, Clevenger, Dyk)**

December 28, 2009 12:50 PM

(Dyk) Affirming-in-part and vacating-in-part summary judgment of invalidity of design patents directed to “casual, lightweight footwear.” In Egyptian Goddess, the Court “abandoned the point of novelty test for design patent infringement and held that the ordinary observer test should serve as the sole test for design patent infringement.” Here, the Court extended its decision in *Egyptian Goddess* stating, “we now conclude that the ordinary observer test must logically be the sole test for anticipation [of design patents].” Also, although the district court correctly determined that the “ordinary observer test is the sole test for design patent invalidity under § 102” and “that the exterior features of the patented designs were substantially similar to the [prior art], the court erred by failing to consider the insoles of the patents-in-suit in its invalidity analysis.” Although the insole is not visible when a shoe is worn, it is visible during the shoe’s normal use lifetime and therefore should have been considered in the anticipation analysis. Clevenger dissented.

A full version of the text is available here.

***I4I v. Microsoft* (Schall, Prost, Moore)**

December 22, 2009 12:56 PM

(Prost) Affirming jury's findings of infringement and validity of patent directed to computer editing program. Also affirming district court's claim construction, $200 million damage award, $40 million award of enhanced damages, and issuance of permanent injunction but modifying the injunction's effective date. The Court addressed the consequences of plaintiff's failure to file pre-verdict JMOL motions. Regarding damages, the Court stated, "[had plaintiff] filed a pre-verdict JMOL, it is true that the outcome might have been different. Given the opportunity to review the sufficiency of the evidence, we could have considered whether the $200 million damages award was 'grossly excessive or monstrous'. . . However, we cannot. Instead of the more searching review permitted under Rule 50(b), we are constrained to review the verdict under the much narrower standard applied to denials of new trial motions." Regarding obviousness, the Court stated, "[defendant] has waived its right to challenge the factual findings underling the jury's implicit obviousness verdict because it did not file a pre-verdict JMOL on obviousness . . ." The Court also rejected an argument that the burden of proof for invalidating a patent should be lower for prior art that had not been considered by the PTO.

A full version of the text is available here.

In *Re Nintendo Co., Ltd.* [order] (Rader, Clevenger, Dyk)

December 17, 2009 12:54 PM

(Rader) Granting petition for writ of mandamus directing transfer from the Eastern District of Texas to the Western District of Washington. "This court has held and holds again in this instance that in a case featuring most witnesses and evidence closer to the transferee venue with few or no convenience factors favoring the venue chosen by the plaintiff, the trial court should grant a motion to transfer."

A full version of the text is available here.

***International Seaway Trading Corp. v. Walgreens Corp.* (Bryson, Clevenger, Dyk)**

December 17, 2009 12:50 PM

(Dyk) Affirming-in-part and vacating-in-part summary judgment of invalidity of design patents directed to "casual, lightweight footwear." In Egyptian Goddess, the Court "abandoned the point of novelty test for design patent infringement and held that the ordinary observer test should serve as the sole test for design patent infringement." Here, the Court extended its decision in *Egyptian Goddess* stating, "we now conclude that the ordinary observer test must logically be the sole test for anticipation [of design patents]." Also, although the district court correctly determined that the "ordinary observer test is the sole test for design patent invalidity under § 102" and "that the exterior

features of the patented designs were substantially similar to the [prior art], the court erred by failing to consider the insoles of the patents-in-suit in its invalidity analysis." Although the insole is not visible when a shoe is worn, it is visible during the shoe's normal use lifetime and therefore should have been considered in the anticipation analysis. Clevenger dissented.

A full version of the text is available here.

Intellectual Science and Technology, Inc. v. Sony Electronics, Inc. **(Rader, Archer, Gajarsa)**

December 16, 2009 2:23 PM

(Rader) Affirming summary judgment of non-infringement of claims directed to information processing and optical discs, The plaintiff"s expert declaration of infringement was no more than an unsupported conclusion that was insufficient to raise an issue of fact.

A full version of the text is available here.

Tyco Healthcare Group L.P. v. Ethicon Endo-Surgery, Inc. **(Michel, Newman, Prost)**

December 16, 2009 2:16 PM

(Michel) Affirming dismissal without prejudice of case for lack of standing where agreement was interpreted as not transferring patents-in-suit to the plaintiff. Newman, dissented.

A full version of the text is available here.

Source Search Technologies, Llc. v. LendingTree Llc. **(Rader, Plager, Schall)**

December 16, 2009 2:12 PM

(Rader) Reversing summary judgment that patent directed to computerized procurement service for matching buyers and vendors was infringed, but obvious, based on disputed issues of fact. Also finding claim term not indefinite.

A full version of the text is available here.

Hewlett-Packard Co. v. Acceleron Llc. **(Newman, Moore, Michel)**

December 16, 2009 2:09 PM

(Michel) Reversing dismissal of declaratory judgment action for lack of case or controversy in a decision that "undoubtedly marks a shift from past declaratory judgment cases." Jurisdiction was based on letters from non-practicing entity advising HP of patents which might be relevant to its product lines.

A full version of the text is available here.

Ultimax Cement Manufacturing Corp. v. CTS Cement Manufacturing Corp. **(Lourie, Dyk, Prost)**

December 16, 2009 2:04 PM

(Lourie) In case involving claims to quick-drying cement, (1) claim construction reversed where district court had improperly relied on dictionary definition contrary to specification (2) summary judgment of laches reversed where there was a dispute of fact over when patentee knew or should have known of alleged infringement (3) summary judgment that formula was indefinite reversed where correction of typographical error in claim was not subject to reasonable debate.

A full version of the text is available here.

Perfect Web Technologies, Inc. v. InfoUSA, Inc. **(Linn, Dyk, Prost)**

December 16, 2009 2:01 PM

(Linn) Affirming summary judgment that patent directed to managing bulk e-mail, where fourth step in four step process was a a matter or common sense, although not shown in the prior art. Because the ordinary skill in the art was low, no expert testimony was necessary. "Long felt need" evidence was dismissed where there was no testimony to explain "how long this need was felt" or nexus to the claimed invention.

A full version of the text is available here.

In Re Hoffman-La Roche, Inc. **(Lourie, Friedman, Gajarsa)**

December 16, 2009 1:59 PM

(Gajarsa) Granting petition for writ of mandamus and ordering transfer of case from Eastern District of Texas where there was no relevant factual connection to the District.

The full version of the text is available here.