
Federal Circuit Patent Updates - December 2010

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Shum V. Intel Corp. (2009 1385, 1419) (Newman, Lourie, Prost)

December 22, 2010 9:57 AM

(Prost) Upholding judgment with respect to inventorship claims and state law claims under California law arising from a failed business venture. Under California law, a co-shareholder did not owe Shum a fiduciary duty and he lacked standing to sue for any alleged breach of the duty to the corporation. The court also affirmed judgment in favor of the defendants with respect to claims of fraudulent concealment, intentional misrepresentation, breach of contract and unjust enrichment.

WilmerHale represented the Defendants-Appellees on appeal.

A full version of the text is available [here](#).

Shum V. Intel Corp. (2010 1109) (Newman, Lourie, Prost)

December 22, 2010 9:48 AM

(Prost) Affirming district court's award of costs to Intel even though it did not prevail on all claims. Although under Rule 54(d), there can only be one "prevailing party," the plaintiff's success on an inventorship claim did not deprive Intel of its status as the prevailing party where the inventorship decision did not materially alter the legal relationship of the parties. Newman dissented.

WilmerHale represented the Defendants-Appellees on appeal.

A full version of the text is available [here](#).

WiAV Solutions LLC V. Motorola, Inc. (2010 1266) (Rader, Linn, Dyk)

December 22, 2010 9:42 AM

(Dyk) Reversing judgment that third-party licensing rights by the patentee deprived the plaintiff

licensee of standing. “This court therefore holds that an exclusive licensee does not lack constitutional standing to assert its rights under the licensed patent merely because its license is subject not only to rights in existence at the time of the license but also to future licenses that may be granted only to parties other than the accused. If the accused neither possesses nor can obtain such a license, the exclusive licensee’s exclusionary rights with respect to that accused party are violated by any acts of infringement that such party is alleged to have committed, and the injury predicate to constitutional standing is met.”

A full version of the text is available [here](#).

Lazare Kaplan International, Inc. V. Photocscribe Technologies, Inc. (2009 1251) (Lourie, Friedman, Linn)

December 22, 2010 9:27 AM

(Linn) Affirming in part and reversing in part a judgment of non-infringement and unenforceability of patents directed to laser devices and methods for use with gems. The district court erred in interpreting one claim element too narrowly. With respect to a second claim limitation, the plaintiffs waived their objection because they did not object to the court’s jury instruction. With respect to a third limitation, the dispute between the parties presented an issue of fact rather than an issue of claim interpretation and, in any event, the plaintiffs waived their claim construction argument. A claim of prior invention was sufficiently corroborated to support the jury’s verdict of invalidity. The district court’s judgment of unenforceability based on inequitable conduct was reversed based on lack of sufficient evidence of intent.

A full version of the text is available [here](#).

Spansion, Inc. V. International Trade Commission (2009 1460, 1461, 1462, 1465) (Louie, Friedman, Linn)

December 21, 2010 12:57 PM

(Linn) Affirming finding of infringement of patents directed to semiconductor chip packaging. The International Trade Commission need not consider the eBay factors in entering an exclusion order.

A full version of the text is available [here](#).

Akamai Technologies, Inc. v. Limelight Networks, Inc. (2009 1372, 1380, 1416, 1417) (Rader, Linn, Prost)

December 20, 2010 12:54 PM

(Linn) Affirming JMOL of non-infringement and claim construction of patents relating to internet content delivery. “This court therefore holds as a matter of Federal Circuit law that there can only be joint infringement when there is an agency relationship between the parties who perform the method steps or when one party is contractually obligated to the other to perform the steps.” Here, the defendant’s customers did not act as the defendant’s agents. “To the contrary, the agreement merely provides the customers with the tools to allow them to exercise their independent discretion

and control over how and in what respect they implement the system. [Defendant's] customers did not perform the actions of tagging and serving as [Defendant's] agents and were not contractually obligated to perform those actions. Instead, the evidence leaves no question that [Defendant's] customers acted principally for their own benefit and under their own control."

A full version of the text is available [here](#).

***Prometheus Laboratories, Inc. v. Mayo Collaborative Services* (2008 1403) (Rader, Lourie, Bryson)**

December 17, 2010 12:41 PM

(Lourie) Reversing judgment of invalidity and, on remand from the Supreme Court, again finding that method claims directed to determining optimal drug dosages satisfy 35 U.S.C. §101. "The asserted claims are in effect claims to methods of treatment, which are always transformative when one of a defined group of drugs is administered to the body to ameliorate the effects of an undesired condition." The Court also found that the claimed transformative steps were not "merely insignificant extra-solution activity... While it is true that the administering and determining steps gather useful data, it is also clear that the presence of those two steps in the claimed processes is not 'merely' for the purpose of gathering data. Instead, the administering and determining steps are part of a treatment protocol, and they are transformative." Also, the presence of "wherein" clauses directed to mental steps did not detract from the patentability of the claims as a whole.

A full version of the text is available [here](#).

***In Re Vistaprint Ltd.* [ORDER] (Miscellaneous Docket No. 954) (Gajarsa, Schall, Moore)**

December 15, 2010 12:36 PM

(Schall) Denying petition for writ of mandamus. "Our holding today does not mean that, once a patent is litigated in a particular venue the patent owner will necessarily have a free pass to maintain all future litigation involving that patent in that venue. However, where, as here, the trial court performed a detailed analysis explaining that it is very familiar with the only asserted patent and the related technology, and where there is a co-pending litigation before the trial court involving the same patent-in-suit, and pertaining to the same underlying technology and accusing similar services, we cannot say the trial court clearly abused its discretion in denying transfer."

A full version of the text is available [here](#).

***Taylor Brands, LLC v. BG II Corp.* [ORDER] (2010 1151, 1294, 12/9/10) (Lynn, Dyk, Prost)**

December 9, 2010 12:32 PM

(Dyk) Denying appellee's motion to dismiss a notice of appeal. Appellant's consent to the form, but not the substance, of a judgment did not waive its right to appeal that judgment. Also granting appellee's motion to dismiss another notice of appeal due to appellant's lack of standing.

A full version of the text is available [here](#).

Erbe Elektromedizin GMBH v. Canady Tech. LLC. (2008 1425, 1426) (Rader, Newman, Prost)

December 9, 2010 12:26 PM

(Prost) Affirming summary judgment of non-infringement of patent related to argon gas-enhanced electrosurgical products. The district court construed the term “low flow rate” to mean “a rate of flow less than about 1 liter/minute and producing flow velocities less than 19 km/hour such that the gas exiting through the distal end opening forms a non-laminar inert gas temperature.” That construction was correct in view of the patentee’s disclaimer during prosecution. Also affirming summary judgment of antitrust, trademark and trade dress claims. Newman concurred in part and dissented in part.

A full version of the text is available [here](#).

In Re BNY Convergenx Group, LLC. [ORDER] (Miscellaneous Docket No. 961) (Lourie, Mayer, Dyk)

December 8, 2010 12:57 PM

(Dyk) Denying petition for writ of mandamus seeking to direct trial court to dismiss for lack of personal jurisdiction.

A full version of the text is available [here](#).

Research Corp. Technologies, Inc. v. Microsoft Corp. (2010 1037) (Rader, Newman, Plager)

December 8, 2010 11:57 AM

(Rader) Reversing summary judgment of invalidity. Post-Bilski decision finding that method claims directed to digital image halftoning claim patentable subject matter. “[T]his court perceives nothing abstract in the subject matter of the processes claimed in the [asserted] patents. The [asserted] patents claim methods (statutory ‘processes’) for rendering a halftone image of a digital image by comparing, pixel by pixel, the digital image against a blue noise mask.” Also affirming decision that some claims are not entitled to the benefit of their parent applications’ filing dates and reversing decision that another claim is not entitled to the benefit of its parent applications’ filing date.

A full version of the text is available [here](#).

The Western Union Co. v. Moneygram Payment Systems, Inc. (2010 1080, 1210) (Rader, Lourie, Prost)

December 7, 2010 11:52 AM

(Lourie) Reversing denial of JMOL motion on obviousness and finding patents related to performing money transfers invalid. “[W]e find the use of an electronic transaction device where the prior art employed a fax machine to be an unpatentable improvement at a time when such a transition was commonplace in the art.” The Court rejected patentee’s secondary consideration arguments stating, “[p]laintiff failed to establish that investments made by itself and by [defendant] in developing formless money transfer systems different from [the prior art] have any relation to the

patentable features of the claimed inventions.”

WilmerHale represented the defendant-appellant, Moneygram Payment Systems, Inc.

A full version of the text is available [here](#).

In Re Acer America Corp. (Misc. No. 942) (Gajarsa, Schall, Moore)

December 3, 2010 9:03 AM

Per Curiam. Precedential order granting mandamus to transfer case from the Eastern District of Texas to the Northern District of California. The fact that one defendant of many was headquartered in Texas (not the Eastern District) was not enough to preclude transfer.

A full version of the text is available [here](#).