

Federal Circuit Patent Updates - December 2015

DECEMBER 2015

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Redline Detection, LLC v. Star Envirotech, Inc. (No. 2015-1047, 12/31/15) (Lourie, Wallach, Hughes)

December 31, 2015 5:08 PM

Wallach, J. Affirming PTAB decisions in an *inter partes* review (IPR) denying petitioner's request to submit supplemental information (an expert declaration and other exhibits) under 37 C.F.R. § 42.123(a) and ruling that petitioner failed to prove obviousness. In denying the motion to supplement, the PTAB noted that petitioner did not make "any attempt to justify the submission of an expert declaration after filing its petition and after a decision to institute has been made except to note that the move was cost effective ".

A full version of the text is available in PDF form.

Commil USA, LLC v. Cisco Systems, Inc. (No. 2012-1042, 12/28/15) (Prost, Newman, O'Malley)

December 28, 2015 4:12 PM

Prost, C. J. On remand from the Supreme Court, reversing judgment of infringement because substantial evidence did not support the jury verdict of infringement under the district court's claim construction. "In all of Commil's expert testimony, nowhere does Commil's expert provide evidence or reasonable support for his opinion that tracking separate state information for each device is the same as running, for each connected device, a separate 'set of procedures required to initiate and maintain short-range communication between two or more devices'."

Wilmer Hale represented the defendant-appellant Cisco Systems.

A full version of the text is available in PDF form.

Vehicle Intelligence v. Mercedes-Benz USA, LLC (No. 2015-1411, 12/28/15) (Moore, Clevenger, Reyna)

December 28, 2015 11:54 AM

Per Curiam. Affirming judgment that claims were invalid as drawn to patent-ineligible subject matter under 35 U.S.C. § 101. Claims to methods and systems that screen equipment operators for impairment, selectively test those operators, and control the equipment if an impairment is detected covered only abstract ideas coupled with routine data-gathering steps and conventional computer activity. "[W]hile assessing the preemptive effect of a claim helps to inform the *Mayo/Alice* two-step analysis, the mere existence of a non-preempted use of an abstract idea does not prove that a claim is drawn to patent-eligible subject matter. If we adopt Vehicle Intelligence's argument, all a patentee would need do to insulate itself from a § 101 challenge would be to identify a single prior art reference in the specification and state that its invention improves upon that reference."

A full version of the text is available in PDF form.

South Alabama Medical Science c. Gnosis S.P.A. (No. 2015-1020, 12/4/15) (Newman, Plager, Hughes)

December 4, 2015 6:31 PM

Hughes, J. In a companion case to *Merk v. Gnosis*, the Court affirmed the Board's obviousness finding for the same reasons, while rejecting its analysis of licensing as a secondary consideration. Newman, J., dissented.

A full version of the text is available in PDF form.

Merck & CIE v. Gnosis S.P.A. (No. 2014-1779, 12/17/15) (Newman, Plager, Hughes)

December 17, 2015 4:09 PM

Hughes, J. Affirming PTAB holding in IPR that claims directed to methods of using folates to lower homocysteine were obvious. The prior art did not teach away and there was an insufficient nexus between the claimed invention and secondary considerations of commercial success, licensing, copying and industry praise. Substantial evidence supported the finding of a lack of nexus where commercial products included prior art elements beyond those found in the claim. Newman, J. dissented based on her view that the Court should not review IPR appeals under the substantial evidence standard.

A full version of the text is available in PDF form.

In re Distefano (No. 2015-1453, 12/17/15) (Prost, Taranto, Hughes)

December 17, 2015 1:28 PM

Prost, J. Reversing PTAB's holding of anticipation and conclusion that claim limitation in a patent directed to web page design was not entitled to patentable weight under the "printed matter" doctrine.

A full version of the text is available in PDF form.

The Dow Chemical Company v. Nova Chemicals Corporation (No. 2014-1431, 2014-1462,

12/17/15) (Prost, Newman, Lourie, Dyk, Moore, O'Malley, Reyna, Wallach, Taranto, Chen, Hughes)

December 17, 2015 10:12 AM

Denying petition en banc relating to the standards for deciding a claim of indefiniteness. Moore, J., concurred (joined by Newman, O'Malley, Taranto and Chen, in part) to make clear that extrinsic evidence can be relied on to determine a claim is indefinite and that fact findings made incident to the ultimate legal conclusion of indefiniteness receive deference on appeal. O'Malley, J. (joined by Reyna) dissented based on the view that the panel lacked jurisdiction over the appeal.

A full version of the text is available in PDF form.

Apple Inc. v. Samsung Electronics Co., Ltd.. (No. 2014-1802, 12/16/15) (Prost, Newman, Lourie, Dyk, Moore, O'Malley, Reyna, Wallach, Taranto, Chen, Hughes, Stoll)

December 16, 2015 3:50 PM

Per Curiam. Denying petition for rehearing en banc, but granting panel rehearing to clarify that the fact that "a patented feature is one of several features that cause consumers to make their purchasing decisions" weighs in favor of granting an injunction.

WilmerHale represented the plaintiff-appellant Apple Inc.

A full version of the text is available in PDF form (*Apple Inc. v. Samsung Electronics Co., Ltd.* [Order]; *Apple Inc. v. Samsung Electronics Co., Ltd.* [Opinion]).

Openwave Systems, Inc. v. Apple Inc. (No. 2015-1108, 12/15/15) (Moore, O'Malley, Chen)

December 15, 2015 10:44 AM

O'Malley, J. Affirming claim construction and summary judgment of non-infringement of claims directed to mobile devices. The specification's repeated disparagement of features of the prior art amounted to a disclaimer of subject matter otherwise within the claims' ordinary meaning.

A full version of the text is available in PDF form.

Prolitec, Inc. v. ScentAir Technologies, Inc. (No. 2015-1020, 12/4/15) (Prost, Newman, Taranto)

December 4, 2015 4:11 PM

Prost, C. J. Affirming PTAB determinations of unpatentability and denial of motion to amend in an inter partes review (IPR). "Prolitec's expert cannot rewrite the intrinsic record of the '683 patent to narrow the scope of the patent and the claim element 'mounted.'... Prolitec's expert opinion ... was inconsistent with the intrinsic record of the '683 patent and was properly rejected by the Board." An optional inclusion of a feature in the prior art anticipates a claim that excludes the feature. Regarding the motion to amend, affirming the Board's denial of the motion "on a merits assessment of the entire record developed on the motion, not just on the initial motion itself," including "that the patentee's burden on a motion to amend includes the burden to show

patentability over prior art from the patent's original prosecution history." Newman, J., dissents.

A full version of the text is available in PDF form.

Commonwealth Scientific v. Cisco Systems, Inc. (No. 2015-1066, 12/3/15) (Prost, Dyk, Hughes)

December 3, 2015 2:19 PM

Prost, C. J. Vacating damages judgment and remanding for the district court to revise its damages award. The district court erred in not accounting for the asserted patent's standard-essential (SEP) status and in its reasons for discounting a relevant license agreement. "[T]he district court did not err in valuing the asserted patent with reference to end product licensing negotiations" between the parties. However, "reasonable royalties for SEPs generally-and not only those subject to a RAND commitment-must not include any value flowing to the patent from the standard's adoption." "[D]amages awards for SEPs must be premised on methodologies that attempt to capture the asserted patent's value resulting not from the value added by the standard's widespread adoption, but only from the technology's superiority."

A full version of the text is available in PDF form.

MCM Portfolio LLC v. Hewlett-Packard Company (No. 2015-1091, 12/2/15) (Prost, Dyk, Hughes)

December 2, 2015 1:22 PM

Dyk, J. Affirming invalidation of claims in an inter partes review (IPR) proceeding. IPR is constitutional under Article III and the Seventh Amendment.

A full version of the text is available in PDF form.

CardSoft, LLC v. VeriFone Inc. (No. 2014-1135, 12/2/15) (Prost, Taranto, Hughes)

December 2, 2015 10:41 AM

Hughes, J. On remand from the Supreme Court, again reversing district court judgment of infringement because of incorrect claim construction. "Because this case does not involve the factual findings to which we owe deference under Teva, we again reverse the district court's construction" "[A[s we have repeatedly held after Teva, it is not enough that the district court may have heard extrinsic evidence during a claim construction proceeding-rather, the district court must have actually made a factual finding in order to trigger Teva's deferential review. ... In this case, we review the district court's construction de novo, as the district court did not make any factual findings based on extrinsic evidence that underlie its constructions of the disputed claim term."

A full version of the text is available in PDF form.

Ariosa Diagnostics, Inc. v. Sequenom, Inc. (No. 2014-1139, 12/2/15) (en banc)

December 2, 2015 8:33 AM

Precedential order denying rehearing en banc in a case invalidating claims on prenatal paternity

tests under 35 U.S.C. § 101. Lourie, Moore, and Dyk, JJ., concur; Newman, J., dissents.

A full version of the text is available in PDF form.