
Federal Circuit Patent Updates - February 2016

FEBRUARY 2016

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***Luminara Worldwide, LLC v. Liown Electronics Co. Ltd.* (No. 2015-1617, 2/29/16) (Moore, O'Malley, Taranto)**

February 29, 2016 1:44 PM

Moore, J. Vacating preliminary injunction and remanding. Defendant raised a substantial question of validity about the one claim for which the preliminary injunction issued. Also, licensee had standing to bring suit. "A patentee that merely retains the right to practice the patent does not risk losing a substantial right if the claims are invalidated or the patent held unenforceable. The retained right to practice a patent is not the same as a retained right to exclude others from doing so."

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

***Eon Corp. IP Holdings LLC v. Silver Spring Networks, Inc.* (No. 2015-1237, 2/29/16) (Prost, Bryson, Hughes)**

February 29, 2016 10:12 AM

Prost, J. Reversing judgment of infringement. The district court erred by not resolving the parties' dispute over the meaning of the "portable" and "mobile" claim terms. No reasonable jury could find infringement under any permissible construction of those terms. Bryson, J. dissented.

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

***Apple Inc. v. Samsung Electronics Co., Ltd.* (No. 2015-1171, 2015-1195, 2015-1994, 2/26/16) (Prost, Dyk, Reyna)**

February 26, 2016 3:10 PM

Dyk, J. Affirming and reversing judgments regarding infringement and validity for several patents relating to mobile phones. Regarding secondary considerations, no "reasonable jury could find testimony by a single expert about his personal experience with one device as evidence of an industry-wide long-felt need." Also, when "the feature that is copied is present in the prior art, that

copying is not relevant to prove nonobviousness.” Prior art describing wall-mounted devices was analogous to and combinable with mobile phone art. Also, patentee's citations in an information disclosure statement can inform what prior art is analogous: the “nature of the prior art listed in an information disclosure statement can be informative as to the field of endeavor.” Also, the “district court correctly included software as part of the corresponding structure for the 'means for transmission.'”

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

***PPC Broadband, Inc. v. Corning Optical Communications* (No. 2015-1364, 2/22/16) (Moore, O'Malley, Wallach)**

February 22, 2016 5:48 PM

Moore, J. Vacating Board decision of obviousness in *inter partes* review because the Board's construction of “reside around” was unreasonably broad. “The Board seems to have arrived at its construction by referencing the dictionaries cited by the parties and simply selecting the broadest definition therein.” “We will not adopt the position advocated by [petitioner] that the broadest reasonable construction is always the one which covers the most embodiments. Above all, the broadest reasonable construction must be *reasonable* in light of the claims and specification. The fact that one construction may cover more embodiments than another does not categorically render that construction reasonable.” Also, when “the preamble has this general purpose, and is not being used as a claim limitation itself, the construction canon which presumes that different terms should be given different meanings has less applicability.”

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

***PPC Broadband, Inc. v. Corning Optical Communications* (No. 2015-1361, -1366, -1368, -1369, 2/22/16) (Moore, O'Malley, Wallach)**

February 22, 2016 4:07 PM

Moore, J. Vacating Board decision in *inter partes* reviews that some claims related to electrical conductors are obvious, affirming decision that other claims are obvious, and remanding. The Court affirmed the Board's construction of “continuity member” under the broadest reasonable interpretation standard and noted that the result would be different if claims had been construed under *Phillips*. “This case hinges on the claim construction standard applied—a scenario likely to arise with frequency. And in this case, the claim construction standard is outcome determinative.” The Court held that under the broadest reasonable interpretation standard, “continuity member” did not require consistent or continuous contact. The Court vacated the finding of obviousness for claims containing additional limitations that required continuous contact. Regarding secondary considerations, “[when] the patentee has presented undisputed evidence that its product is the invention disclosed in the challenged claims, it is error for the Board to find to the contrary without further explanation.” The opinion contains additional discussion of secondary considerations.

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

***Nuance Communications v. Abbyy USA Software House* (No. 2014-1629, -1630, 2/22/16) (Prost, Dyk, Chen)**

February 22, 2016 1:55 PM

Prost, J. Affirming refusal to hold a second trial on unselected patents. “Although clearer guidance from the district court as to the consequences of [patentee’s] decision to narrow the case might have been preferable, ultimately the responsibility was on [patentee] to timely notify the district court as to any objection to the court’s procedures. Because it did not do so, and instead made the tactical litigation decision to move forward only on a subset of patents without contemporaneous objection, [patentee] is not entitled to another trial on the remaining patents.” Also affirming claim construction decision. “At the Markman hearing, the district court found in [patentee’s] favor by adopting the plain and ordinary meaning of the term ‘identifying.’ The fact that shortly before trial [patentee] became dissatisfied with its own proposed construction and sought a new one does not give rise to an *O2 Micro* violation.”

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

***Acco Brands Corporation v. Fellowes, Inc.* (No. 2015-1045, 2/22/16) (Newman, Chen, Hughes)**

February 22, 2016 10:16 AM

Chen, J. Reversing Board determination that the examiner did not set forth a prima facie case of obviousness in an inter partes reexamination and remanding. “[Even] if one possible obvious combination falls outside of the claims, it fails to undercut the fact that the other possible obvious combination lies within their scope. The examiner therefore successfully set out a prima facie case that [the claims] would have been obvious.

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

***Zoltek Corp. v. US* (No. 2014-5082, 2/19/16) (Newman, Clevenger, Moore)**

February 19, 2016 2:33 PM

Newman, J. On appeal from the Court of Federal Claims, reversing decision that broadened reissue claims lack written description. “It is not an improper broadening amendment when a reissue applicant, with the considered agreement of the reissue Examiner, substitutes a preparatory step known to those skilled in the art at the time of the invention with a requirement to start with the product of that known preparatory step.” Also reversing decision that claims relating to fabrication of carbon fiber sheet products were obvious and remanding. “[The] government’s argument appears to be that since [its expert] is a renowned scientist in this field, and since [its expert] was able to reproduce the Figure 4 graph, it was obvious to do so. This was error...” The Court also concluded “that in the circumstances of this case, taking note of the government’s official invocation of state secret privilege, the CFC acted within its discretion in limiting trial initially to issues of validity.”

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

***The Ohio Willow Wood Company v. Alps South, LLC* (No. 2015-1132, -1133, 2/19/16) (Dyk, Bryson, Wallach)**

February 19, 2016 9:44 AM

Bryson, J. Affirming decision of unenforceability due to inequitable conduct during a reexamination. Also affirming decision not to extend the determination of unenforceability to other related patents. Actions of an employee of the patentee who was a point of contact between patentee's litigation and reexamination counsel constituted the inequitable conduct. Failure to disclose letters that had been received by the patentee was inequitable conduct. Failure to disclose exhibits to a summary judgment motion filed under seal in the litigation did not constitute inequitable conduct.

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

***High Point Sarl v. T-Mobile USA, Inc.* (No. 2015-1235, 2/18/16) (Reyna, Mayer, Chen)**

February 18, 2016 11:31 AM

Per Curiam. Affirming judgment that patent rights were exhausted by authorized sales of equipment substantially embodying the asserted claims

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

***Lismont v. Alexander Binzel Corporation* (No. 2014-1846, 2/16/16) (Lourie, Reyna, Chen)**

February 16, 2016 3:14 PM

Chen, J. Affirming summary judgment that inventorship claim was barred by laches. Litigation in foreign countries about counterparts to US patent did not prevent application of laches. "For other litigation to excuse a plaintiff's delay, however, the defendant must have adequate notice of the other proceedings as well as plaintiff's intention to pursue its patent rights upon completion of the other proceedings... We agree with the district court that the mere initiation of patent litigation in a foreign jurisdiction and the existence of United States patents are not sufficient to notify a defendant that the plaintiff will eventually seek to assert its patent rights in the United States."

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

***Lexmark International, Inc. v. Impression Products, Inc.* (No. 2014-1617, 2/12/16) (en banc)**

February 12, 2016 4:11 PM

Taranto, J. En banc decision reaffirming holdings of earlier CAFC decisions regarding patent exhaustion in light of recent Supreme Court cases: 1) "a patentee, when selling a patented article subject to a single-use/no-resale restriction that is lawful and clearly communicated to the purchaser, does not by that sale give the buyer, or downstream buyers, the resale/reuse authority that has been expressly denied;" and 2) "a U.S. patentee, merely by selling or authorizing the sale of a U.S.-patented article abroad, does not authorize the buyer to import the article and sell and use it in the United States." "A buyer may still rely on a foreign sale as a defense to infringement, but only

by establishing an express or implied license—a defense separate from exhaustion, as Quanta holds—based on patentee communications or other circumstances of the sale.” Dyk and Hughes, JJ., dissent.

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

***Nike, Inc. v. Adidas AG* (No. 2014-1719, 2/11/16) (Chen, Mayer, Stoll)**

February 11, 2016 3:49 PM

Chen, J. Affirming in part, vacating in part, and remanding PTAB denial of a motion to amend in an IPR proceeding. “Under the particular circumstances presented here ..., we conclude that the Board should have explicitly acknowledged and evaluated Nike’s secondary considerations evidence.” However, “[r]ecognizing that the Board operates under stringent time constraints, we do not hold that it is obliged to explicitly address conclusory and unsupported arguments raised by a litigant.” “[D]espite correctly reciting the Idle Free standard that multiple substitute claims are permissible if they are patentably distinct from each other, the Board nevertheless did not engage in any such analysis comparing proposed substitute claims 48 and 49.” A “portion of the Board’s analysis on whether Nike’s proposal of claim 48 and 49 constituted a reasonable number of substitute claims for originally issued claim 19 lacks critical fact-findings needed for any obviousness determination.” A statement of the patent owner “simply stating that its proposed claims were patentable over prior art known to [patent owner], but not part of the record of the proceedings” was adequate to satisfy the patent owner’s burden under 37 C.F.R. § 42.20(c) “absent an allegation of conduct violating the duty of candor.”

WilmerHale represented appellant Nike on appeal.

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

***TransWeb, LLC v. 3M Innovative Properties* (No. 2014-1646, 2/10/16) (Wallach, Bryson, Hughes)**

February 10, 2016 5:22 PM

Hughes, J. Affirming judgment of invalidity in light of a prior public use, inequitable conduct, Walker Process antitrust violation, and an award of trebled attorney fees as antitrust damages. Regarding the necessary corroboration of oral testimony of a prior public use, “[w]e treat the ultimate determination of whether such oral testimony is sufficiently corroborated as a question of fact, which we review for clear error.” “[T]here are no hard and fast rules as to what constitutes sufficient corroboration, and each case must be decided on its own facts.” Attorney fees for defending the infringement suit “appropriately flow[ed] from the unlawful aspect of ... [the] antitrust violation and thus are an antitrust injury that can properly serve as the basis for antitrust damages.”

WilmerHale represented appellant 3M on appeal.

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

***Synopsys, Inc. v. Lee* (No. 2015-1275, 2015-1183, 2/10/16) (Newman, Dyk, Wallach)**

February 10, 2016 3:18 PM

Dyk, J. Dismissing as moot appeal of an Administrative Procedure Act suit challenging PTAB practice of issuing final decisions on fewer than all of the claims raised in a petition for IPR, in light of the *Synopsys v. Mentor* case above. “Where a party challenges agency action alternatively in two separate suits, and a decision in one case resolves the issues presented in the companion case, the companion case becomes moot.” Newman, J., dissents.

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

***Synopsys, Inc. v. Mentor Graphics Corporation* (No. 2014-1516, 2/10/16) (Newman, Dyk, Wallach)**

February 10, 2016 1:55 PM

Dyk, J. Affirming PTAB decisions in an IPR that claims were not invalid and denying a motion to amend, and holding that the Board need not address every claim raised in the petition for review in its final decision. “[W]e find no statutory requirement that the Board’s final decision address every claim raised in a petition for inter partes review. Section 318(a) only requires the Board to address claims as to which review was granted.” Newman, J., dissents.

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

***Convolve, Inc. v. Compaq Computer Corp.* (No. 2014-1732, 2/10/16) (Dyk, Taranto, Hughes)**

February 10, 2016 10:17 AM

Hughes, J. Affirming in part, vacating in part, reversing in part, and remanding summary judgment of noninfringement. The district court erred by importing limitations into certain claim steps and in granting summary judgment based on intervening rights. In determining whether intervening rights apply following reexamination, “amendments made during reexamination do not necessarily compel a conclusion that the scope of the claims has been substantively changed. ... This is true even where the claims at issue were amended during reexamination after a rejection based on prior art.”

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

***Rosebuds LMS Inc. v. Adobe Systems Incorporated* (No. 2015-1428, 2/9/16) (Moore, Hughes, Stoll)**

February 9, 2016 4:50 PM

Moore, J. Affirming summary judgment of no liability for pre-issuance damages under 35 U.S.C. § 154(d) because the defendant had no actual notice of the published patent application that led to the asserted patent. “Constructive knowledge would not satisfy the actual notice requirement. ... [H]owever, § 154(d)’s requirement of actual notice [does not] require[] an affirmative act by the applicant giving notice of the published patent application to the infringer.” “[T]he ordinary meaning of “actual notice” also includes knowledge obtained without an affirmative act of notification.” “Nor

does our construction of 35 U.S.C. § 287(a) apply to § 154(d). ... Section 287(a) explicitly requires an act of notification, unlike § 154(d), which merely requires 'actual notice'." "Knowledge of related patents ... is ... legally insufficient to establish actual notice of the published patent application."

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

***Trivascular, Inc. v. Samuels* (No. 2015-1631, 2/5/16) (Moore, O'Malley, Wallach)**

February 5, 2016 4:13 PM

O'Malley, J. Affirming PTAB decision in an inter partes review (IPR) that the petitioner failed to prove the challenged claims obvious. "[T]he Board is not bound by any findings made in its Institution Decision. At that point, the Board is considering the matter preliminarily without the benefit of a full record. The Board is free to change its view of the merits after further development of the record, and should do so if convinced its initial inclinations were wrong." "[T]here is a significant difference between a petitioner's burden to establish a 'reasonable likelihood of success' at institution, and actually proving invalidity by a preponderance of the evidence at trial."

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

***Tireme Medical, LLC v. Angioscore, Inc.* (No. 2015-1504, 2/5/16) (Prost, Dyk, Chen)**

February 5, 2016 10:44 AM

Dyk, J. Reversing dismissal of suit for correction of inventorship for lack of standing and remanding. "When the owner of a patent assigns away all rights to the patent, neither he nor his later assignee has a 'concrete financial interest in the patent' that would support standing in a correction of inventorship action," but questions of fact as to whether such an assignment occurred here by reason of a Consulting Agreement could not be resolved on a motion to dismiss.

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

***Trustees of Columbia Univ. v. Symantec Corporation* (No. 2015-1146, 2/2/16) (Prost, Dyk, Hughes)**

February 2, 2016 3:12 PM

Dyk, J. Affirming in part judgments of noninfringement and invalidity as to certain claims but reversing judgment of noninfringement as to other claims because of an incorrect claim construction. "Our case law does not require explicit redefinition or disavowal" in order to narrow a claim term from its ordinary meaning.

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