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## Federal Circuit Patent Updates - May 2010

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***Tivo, Inc. v. Echostar Corp.***

May 19, 2010 3:08 PM

(Per Curiam.) Granting rehearing en banc to address issues concerning the use and conduct of contempt proceedings.

WilmerHale represents the appellee in the appeal.

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

***Randall May International, Inc. v. DEG Music Products, Inc. (Michel, Newman, Lourie)***

May 19, 2010 3:06 PM

(Michel, C.J.) Reversing claim construction and summary judgment of literal infringement and breach of contract. "[T]his court's jurisdictional power to hear the infringement claims under [28 U.S.C.] § 1292(c) extends as well to the breach of contract claims for which an accounting has yet to be determined."

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

***Orion IP, LLC v. Hyundai Motor Co. (Gajarsa, Plager, Linn)***

May 19, 2010 3:04 PM

(Gajarsa, J.) Reversing jury verdict of no anticipation, but affirming judgment of no inequitable conduct. Testimonial and documentary evidence regarding a prior art publication established anticipation of the claims. Regarding inequitable conduct, "[t]o make an inference of intent to deceive, the inference must not only be based on sufficient evidence and be reasonable in light of that evidence, but it also must be the single most reasonable inference able to be drawn from the evidence to meet the clear and convincing standard."

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

***Alfred E. Mann Foundation for Scientific Research v. Cochlear Corp.* (Michel, Newman, Dyk)**

May 19, 2010 3:03 PM

(Michel, C.J.) Reversing dismissal for lack of standing. The plaintiff patent owner retained substantial rights in the patents, including the right to sue, despite granting an exclusive license to another company, and therefore had standing to sue. "[T]he nature and scope of the licensor's retained right to sue infringers is the most important factor in determining whether an exclusive license transfers sufficient rights to render the licensee the owner of the patent."

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

***Taltech Ltd. v. Esquel Enterprises Ltd.* (Mayer, Friedman, Gajarsa)**

May 19, 2010 3:01 PM

(Mayer, J.) Affirming award of attorney fees and costs, but reversing post-judgment interest rate. Inequitable conduct and abusive litigation tactics supported an exceptional case finding and an award of attorney fees. There is no requirement that misrepresentations to the PTO be tied to the reason claims are allowed in order to be material. Regarding intent, "[the patentee's] assertion of unequivocal untruths about a reference, simultaneous with presentation of the reference, in order to minimize the reference's impact on the examiner shows [the patentee's] intent to deceive." Post-judgment interest was to be determined as of the date of the judgment after remand from an earlier appeal, not the date of the original judgment that was vacated. Gajarsa, J., dissents, saying "[t]his case exemplifies the ongoing pandemic of baseless inequitable conduct charges that pervade our patent system."

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

***Photocure ASA v. Kappos* (Newman, Rader, Linn)**

May 19, 2010 2:57 PM

(Newman, J.) Affirming district court reversal of PTO denial of a patent term extension under 35 U.S.C. § 156. Interpreting the terms "drug product" and "active ingredient" in the statute.

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

***Ortho-McNeil Pharmaceutical, Inc. v. Lupin Pharmaceuticals, Inc.* (Newman, Rader, Linn)**

May 19, 2010 1:39 PM

(Newman, J.) Affirming judgment sustaining patent term extension for a patent on an enantiomer of a racemic compound that had previously been approved by the FDA. "[T]he enantiomer is a different drug product from the racemate ...."

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

***Boehringer Ingelheim International GMBH v. Barr Laboratories, Inc.***

May 19, 2010 1:32 PM

(Per Curiam.) Order denying rehearing and rehearing en banc regarding a decision concerning the safe harbor provision of 35 U.S.C. § 121. Gajarsa and Dyk, JJ., dissented from the denial of rehearing en banc.

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

***Rolls-Royce PLC v. United Technologies Corp. (Michel, Rader, Schall)***

May 19, 2010 11:16 AM

(Rader, J.) Affirming determination of nonobviousness in a proceeding under 35 U.S.C. § 146. "In the obviousness analysis, secondary considerations are often some of the best 'independent evidence of nonobviousness'."

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

***Robertson v. Timmermans (Linn, Plager, Dyk)***

May 19, 2010 11:11 AM

(Plager, S.J.) Vacating Board decision of priority in an interference because the copied claims had been construed in light of the disclosure of the party who copied the claims, not in light of the disclosure from which the claims originated.

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

***Optium Corp. v. Emcore Corp. (Newman, Mayer, Prost)***

May 19, 2010 10:01 AM

(Newman, J.) Affirming summary judgment of no inequitable conduct because of no evidence of intent to deceive. Although the inventors knew of a material reference that they did not disclose to the PTO, there was no evidence from which deceptive intent was proven or could be inferred. High materiality did not presume intent or shift the burden to the inventors to explain the nondisclosure. Prost, J., concurred.

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

***Therasense Inc. v. Becton, Dickinson and Co. (Michel, Friedman, Newman, Mayer, Lourie, Rader, Bryson, Gajarsa, Linn, Dyk, Prost, Moore)***

May 5, 2010 7:49 AM

Per Curiam. Granting petition for rehearing en banc and requesting additional briefing on the following issues regarding inequitable conduct: (1) Should the materiality-intent-balancing framework be modified or replaced? (2) If so, how? In particular, should the standard be tied directly to fraud or unclean hands? If so, what is the appropriate standard for fraud or unclean hands? (3) What is the proper standard for materiality? What role should the PTO's rules play in defining materiality? Should a finding of materiality require that but for the alleged misconduct, one or more claims would not have issued? (4) Under what circumstances is it proper to infer intent from materiality? (5) Should the balancing inquiry (balancing materiality and intent) be abandoned? (6) Whether the standards for materiality and intent in other federal agency contexts or at common law shed light on the appropriate standards to be applied in the patent context?

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

***Bradford Co. v. Conteyor North America, Inc.* (Lourie, Clevenger, Rader)**

May 5, 2010 7:45 AM

(Lourie, J.) Reversing summary judgment of non-infringement of patents relating to shipping containers and remanding so the district court can consider infringement with a revised construction of the term “coupled to.” Claim differentiation supports a construction of “coupled to” that allows indirect attachment. Also affirming decision limiting priority date of a CIP patent to its own filing date. Patentee argued during prosecution that the CIP's parent did not teach a limitation of the CIP's claims and “arguments made to persuade an examiner to allow an application trump an ambiguous disclosure that otherwise might have sufficed to obtain an earlier priority date.” Also vacating dismissal of foreign defendant for lack of personal jurisdiction.

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

***Avid Identification Sys. v. Crystal Import Corp.* (Mayer, Linn, Prost)**

May 5, 2010 7:43 AM

(Prost, J.) Affirming holding of unenforceability, due to inequitable conduct, of patent related to implantable chips used for identifying animals. Patentee's president, who was not an inventor, was “substantively involved” within the meaning of 37 C.F.R. § 1.56(c)(3)” and owed a duty of candor to the PTO. “What constitutes ‘substantive[] involve[ment] in the preparation or prosecution of the application,’ the issue on which this case turns, has not previously been addressed by this court. We read ‘substantively involved’ to mean that the involvement relates to the content of the application or decisions related thereto, and that the involvement is not wholly administrative or secretarial in nature.” “Our holding does not automatically extend the duty of candor to all individuals who contact one of the inventors or sign the small entity affidavit. Nor does our holding extend the duty generally to all individuals on the commercial side of product development. We simply hold that the district court may properly consider a variety of factors, such as an individual's position within the company, role in developing or marketing the patented idea, contact with the inventors or prosecutors, and representations to the PTO in deciding whether that individual is ‘substantively involved’ within the meaning of § 1.56(c)(3) and thus owes a duty of candor to the

PTO.” Demonstration by patentee’s president of a precursor product at a livestock trade show was material even though the jury found the patent valid over that disclosure. Linn, J. concurred in part and dissented in part.

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

***Alza Corp. v. Andrax Pharmaceuticals, LLC. (Dyk, Schall, Prost)***

May 5, 2010 7:41 AM

(Prost, J.) Affirming judgment of invalidity, due to lack of enablement, of patent relating to treatment of Attention Deficit and Hyperactivity Disorder. The claims covered both osmotic and non-osmotic dosage forms and the specification failed to enable the non-osmotic form.

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

***Medtronic Navigation, Inc. v. Brainlab Medizinische Computersysteme GMBH (Newman, Lourie, Bryson)***

May 5, 2010 7:38 AM

(Bryson, J.) Reversing award of attorneys fees. After a verdict finding infringement of patents directed to surgical navigation devices, the district court granted defendant’s motion for JMOL, entered judgment of non-infringement and subsequently held that the case was exceptional under 35 U.S.C. § 285 and awarded attorney fees. The Court found that plaintiff’s claims were not frivolous and it was not obligated to concede non-infringement in light of the district court’s claim construction. “The district court’s characterization of [plaintiff’s] claims as frivolous is undermined by the fact that the court denied [defendant’s] motions for summary judgment and denied each of its motions for JMOL filed during the trial. Absent misrepresentation to the court, a party is entitled to rely on a court’s denial of summary judgment and JMOL, as well as the jury’s favorable verdict, as an indication that the party’s claims were objectively reasonable and suitable for resolution at trial.” Lourie, J. concurred.

WilmerHale represented the plaintiffs-appellants, Medtronic Navigation, Inc., Medtronic Sofamor Danek, Inc., and Sofamor Danek Holdings, Inc. in the appeal from the attorney fee award.

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

***Clearplay, Inc. v. Abecassis (Bryson, Archer, Prost)***

May 5, 2010 7:35 AM

(Bryson, J.) Transferring case to Eleventh Circuit due to lack of appellate jurisdiction. The case relates to a license agreement that resulted from settlement of a patent infringement action. “[W]hile it is possible that patent law issues could arise in the course of litigating any one of [plaintiff’s] claims, it is equally clear that none of those claims necessarily turns on an issue of

patent law. That is, in the case of each asserted claim, there is at least one theory of relief that would not require the resolution of a patent law issue.”

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

***Gillig v. Nike, Inc.* (Linn, Plager, Dyk)**

May 5, 2010 7:34 AM

(Dyk, J.) Affirming dismissal of trade secret claims, reversing dismissal of inventorship claims, and remanding. In an initial case, which was dismissed, defendant was alleged to have improperly used another’s trade secrets to develop a new golf club. In the present case, defendant was again alleged to have improperly used the trade secrets and plaintiff also alleged that it was an inventor of patents owned by defendant and sought to correct inventorship of those patents. Although the district court properly dismissed the trade secret claims, the inventorship claims were not barred by res judicata.

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

***Harari v. Hollmer* (Bryson, Archer, Prost)**

May 5, 2010 7:31 AM

(Prost, J.) Reversing dismissal of junior party from interference and remanding to Board. The junior party’s incorporation by reference to an earlier application was sufficient.

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