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## Federal Circuit Patent Updates - September 2016

SEPTEMBER 2016

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***Lyda v. CBS Corporation* (No. 2015-1952, 9/30/16) (Reyna, Hughes, Stoll)**

September 30, 2016 4:07 PM

Stoll, J. “We hold that Form 18 does not apply to a claim of joint patent infringement. Because Mr. Lyda’s Amended Complaint fails to state a claim for relief under the Twombly/Iqbal pleading standard, we affirm the dismissal under Rule 12(b)(6).”

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

***Intellectual Ventures I LLC v. Symantec Corp.* (No. 2015-1726, -1769, -1770, -1771, 9/30/16) (Dyk, Mayer, Stoll)**

September 30, 2016 2:19 PM

Dyk, J. Affirming district court finding that two patents were directed to patent-ineligible subject matter but reversing finding that a third patent was directed to eligible subject matter. The three patents were directed to methods of screening emails and other data files for unwanted content, methods of routing e-mail messages based on specified criteria (i.e., rules) and, using computer virus screening in the telephone network. Mayer, J. concurred; Stoll, J. dissented in part.

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

***Drone Technologies, Inc. v. Parrot S.A.* (No. 2015-1892, -1955, 9/29/16) (Newman, Schall, Chen)**

September 29, 2016 11:08 AM

Schall, J. Holding that district court abused its discretion in issuing discovery orders and default judgment for failure to comply with orders.

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

***Husky Injection Molding System v. Athena Automation Ltd.* (No. 2015-1726, 9/23/16) (Lourie, Plager, Stoll)**

September 23, 2016 4:51 PM

Lourie, J. Dismissing an appeal from a PTAB decision in an IPR for lack of jurisdiction. “[W]e conclude that we lack the authority to review the Board’s determination in its institution decision that assignor estoppel does not apply at the Patent and Trademark Office.” Extensive discussion of when the CAFC may, and may not, review a challenge to the PTAB’s IPR institution decisions. “The above-discussed cases establish a two-part inquiry for determining whether we may review a particular challenge to the decision whether to institute....” In an cross-appeal of the PTAB decision declining to invalidate certain claims for anticipation, vacating the PTAB holding regarding one prior art reference not incorporating another by reference. “The incorporation standard relies only on the reasonably skilled artisan and his or her ability to deduce from language, however imprecise, what a host document aims to incorporate.” Plager, J., concurred in part and dissented in part.

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

***Cox Communications, Inc. v. Sprint Communication Company* (No. 2016-1013, 9/23/16) (Prost, Newman, Bryson)**

September 23, 2016 1:48 PM

Prost, C. J. Reversing judgment that claims were indefinite and invalid. “Because ‘processing system’ does not prevent the claims, read in light of the specification and the prosecution history, from informing those skilled in the art about the scope of the invention with reasonable certainty, we reverse.” “As *Nautilus* instructs, the dispositive question in an indefiniteness inquiry is whether the ‘claims,’ not particular claim terms, ... fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention.” Newman, J., concurred.

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

***Affinity Labs of Texas, LLC v. DirecTV, LLC* (No. 2015-1845, 9/23/16) (Prost, Bryson, Wallach)**

September 23, 2016 10:02 AM

Bryson, J. Affirming judgment that claims were invalid under 35 U.S.C. § 101. “The claim simply recites the use of generic features of cellular telephones, such as a storage medium and a graphical user interface, as well as routine functions, such as transmitting and receiving signals, to implement the underlying idea.” “The Supreme Court and this court have repeatedly made clear that merely limiting the field of use of the abstract idea to a particular existing technological environment does not render the claims any less abstract.” “Even if all the details contained in the specification were imported into the ‘379 claims, the result would still not be a concrete implementation of the abstract idea.”

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

***Affinity Labs of Texas, LLC v. Amazon.com Inc.* (No. 2015-2080, 9/23/16) (Prost, Bryson, Wallach)**

September 23, 2016 8:12 AM

Bryson, J. Affirming judgment that claims were invalid under 35 U.S.C. § 101. “Like the district court, we hold that the concept of delivering user-selected media content to portable devices is an abstract idea, as that term is used in the section 101 context.” “[T]he claims do no more than describe a desired function or outcome, without providing any limiting detail that confines the claim to a particular solution to an identified problem. The purely functional nature of the claim confirms that it is directed to an abstract idea, not to a concrete embodiment of that idea.”

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

***ClassCo, Inc. v. Apple, Inc.* (No. 2015-1853, 9/22/16) (Taranto, Bryson, Stoll)**

September 22, 2016 3:18 PM

Stoll, J. Affirming PTAB holding in an IPR that claims were obvious. “*KSR* does not require that a combination only unite old elements without changing their respective functions. ... Instead, *KSR* teaches that “[a] person of ordinary skill is also a person of ordinary creativity, not an automaton.” “The rationale of *KSR* does not support ClassCo’s theory that a person of ordinary skill can only perform combinations of a puzzle element A with a perfectly fitting puzzle element B. To the contrary, *KSR* instructs that the obviousness inquiry requires a flexible approach. “ Even though the Board erred in dismissing some of the patentee’s evidence of nonobviousness, “[a]fter weighing ClassCo’s evidence of nonobviousness in light of the other three *Graham* factors, we find no error in the Board’s ultimate conclusion of obviousness.”

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

***WesternGeco L.L.C. v. Ion Geophysical Corp.* (No. 2013-1527, 9/21/16) (Dyk, Wallach, Hughes)**

September 21, 2016 5:23 PM

Dyk, J. Upon remand from the Supreme Court for further consideration in light of *Halo*, vacating and remanding the district court’s judgment denying enhanced damages for willful infringement under 35 U.S.C. § 284 and reinstating the earlier opinion and judgment in all other respects. “After *Halo*, the objective reasonableness of the accused infringer’s positions can still be relevant for the district court to consider when exercising its discretion” whether to enhance damages. Wallach, J., dissented in part.

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

***Yeda Research and Development v. Abbott GmbH & Co. KG* (No. 2015-1662, 9/20/16) (Reyna, Wallach, Hughes)**

September 20, 2016 9:57 AM

Reyna, J. Affirming district court decision that a patent was supported by the written description of, and therefore entitled to the effective filing date of, a priority foreign application, and therefore was not anticipated by intervening prior art. “Under the doctrine of inherent disclosure, when a specification describes an invention that has certain undisclosed yet inherent properties, that

specification serves as adequate written description to support a subsequent patent application that explicitly recites the invention's inherent properties.”

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

***Wi-Fi One, LLC v. Broadcom Corporation* (No. 2015-1944, 9/16/16) (Dyk, Bryson, Reyna)**

September 16, 2016 4:17 PM

Bryson, J. Affirming PTAB holding in an IPR that claims were anticipated. The CAFC is prohibited from reviewing the PTAB's determination in instituting IPR that the petitioner was not barred from petitioning for *inter partes* review because it was not in privity with a time-barred district court litigant. Reyna, J., concurred.

WilmerHale represented the Appellee.

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

***Lifenet Health v. LifeCell Corporation* (No. 2015-1549, 9/16/16) (Prost, Reyna, Chen)**

September 16, 2016 1:19 PM

Prost, C. J. Affirming judgment of infringement, validity, and damages. “There is not necessarily an *O2 Micro* issue ... whenever further claim construction could resolve the parties' dispute. ... Here, in light of LifeCell's failure to sufficiently request further construction of the relevant limitation leading up to and during trial, we find that it fails to properly raise an *O2 Micro* issue.” “In sum, LifeCell's evidentiary challenges and request for a claim construction did not adequately present the refashioned claim construction argument that it now raises on appeal.” Claims held not to mix an apparatus and method of using that apparatus and therefore were not indefinite.

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

***MCRO, Inc. v. Bandai Namco Games America [Corrected Opinion]* (No. 2015-1080, 9/13/16) (Reyna, Taranto, Stoll)**

September 13, 2016 10:28 AM

Reyna, J. Reversing judgment on the pleadings that the asserted claims were directed to patent ineligible subject matter and invalid under 35 U.S.C. § 101. The patents related to automating part of a preexisting 3-D animation method. “We hold that the ordered combination of claimed steps, using unconventional rules that relate sub-sequences of phonemes, timings, and morph weight sets, is not directed to an abstract idea and is therefore patent-eligible subject matter under § 101.” “Whether at step one or step two of the *Alice* test, in determining the patentability of a method, a court must look to the claims as an ordered combination, without ignoring the requirements of the individual steps.” “We ... look to whether the claims in these patents focus on a specific means or method that improves the relevant technology or are instead directed to a result or effect that itself is the abstract idea and merely invoke generic processes and machinery.”

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

***Dynamic 3D Geosolutions LLC v. Schlumberger Limited* (No. 2015-1628, 9/12/16) (Lourie, Wallach, Hughes)**

September 12, 2016 2:49 PM

Lourie, J. Affirming disqualification of plaintiff's counsel and affirming dismissal of complaint. "We recognize that there are important societal rights implicated by attorney disqualification, such as the right of a party to counsel of its choice and an attorney's right to freely practice his or her profession. However, there is an overriding countervailing concern suffusing the ethical rules: a client's entitlement to an attorney's adherence to her duty of loyalty, encompassing a duty of confidentiality... It was inappropriate to hire a senior attorney, one intimately knowledgeable concerning a particular product, its competitors, and its associated business strategies and intellectual property, into a position in which she not only participated in but in fact played a significant role in acquiring a patent used to accuse her former employer's product of patent infringement." Disqualification extended to in-house and outside counsel. Wallach, J. filed a separate concurrence.

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

***Stryker Corporation v. Zimmer, Inc.* (No. 2013-1668, 9/12/16) (Prost, Newman, Hughes)**

September 12, 2016 9:22 AM

Prost, J. On remand from the Supreme Court, vacating and remanding district court's award of treble damages. Also vacating and remanding district court's finding that case was exceptional and its award of attorneys' fees. Also reaffirming finding that patents related to pulsed lavage devices were valid and infringed and affirming finding of willful infringement. The "decision to enhance damages is a discretionary one that the district court should make based on the circumstances of the case... Though we uphold the district court's willfulness determination, it does not necessarily follow that the case is exceptional."

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

***Software Rights Archive, LLC v. Facebook, Inc.* (No. 2015-1649, -1650, -1651, -1652, -1653, 9/9/16) (Newman, Mayer, Chen)**

September 9, 2016 11:10 AM

Per Curiam. Affirming Board decision in an IPR that some claims, related to computerized research, are unpatentable and reversing the Board decision as to other claims and finding those other claims unpatentable. Chen, J. dissented-in-part.

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

***UCB, Inc. v. Yeda Research and Development* (No. 2015-1957, 9/8/16) (Newman, Lourie, Chen)**

September 8, 2016 3:19 PM

Newman, J. Affirming summary judgment of non-infringement. “The question is whether the monoclonal antibody of [the asserted claim] includes chimeric or humanized antibodies, when the patent specification describes only murine (mouse) monoclonal antibodies.” During prosecution, the examiner rejected claims that would have covered humanized antibodies and the patentee acquiesced in that rejection. That file history prohibited construing the asserted claim to cover humanized antibodies.

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

***Asia Vital Components Co. v. Asetek Danmark A/S (No. 2015-1597, 9/8/16) (Prost, Linn, Taranto)***

September 8, 2016 1:40 PM

Prost, J. Reversing dismissal of declaratory judgment action and remanding. Patentee did not specifically accuse products made by the plaintiff, but the totality of the circumstances nonetheless provided subject matter jurisdiction for the declaratory judgment action. “The question of jurisdiction does not turn on [patentee's] knowledge of the specific [] products or whether [patentee] specifically alleged that the [particular] products infringed the asserted patents; instead, the question is whether under all the circumstances, [patentee's] actions 'can be reasonably inferred as demonstrating intent to enforce a patent.’”

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