



PATENT LAW YEAR IN REVIEW **2022**

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I. INTRODUCTION

Patent Law in 2022 marked another year without a major case rewriting the rulebook on how patents are drafted, prosecuted, or litigated, similar to 2021. Yet that's not to say that 2022 didn't bring its share of changes. The Federal Circuit was active, and their decisions touched many aspects of patent practice. Some decisions highlight the Court making closer calls, revealed through dissents and revised opinion on rehearing. Inter partes reviews (IPRs) remained a significant focus, with decisions reinforcing the scope of IPR estoppel effects. After many years in the spotlight, subject matter eligibility under § 101 was quiet.

These materials walk through a selection of Federal Circuit and U.S. Patent and Trademark Office (USPTO) Patent Trial and Appeal Board (PTAB) cases from the past year (no SCOTUS this year), and explore the impact of those decisions on the state of patent law.

II. PATENT ELIGIBLE SUBJECT MATTER / ABSTRACT IDEAS

A. Software Inventions – Technical Problems

Weisner v. Google LLC, 51 F.4th 1073 (Fed. Cir. 2022). Weisner alleged infringement by Google of four patents directed to using digitally recorded data of a person's physical activities. Google moved to dismiss Weisner's complaint on two alternative bases: (1) the asserted patents were ineligible under § 101 and (2) that Weisner failed to meet the minimum threshold for pleading with plausibility his claim of patent infringement under Rule 12(b)(6) (*Twombly* and *Iqbal* standards). The district court granted dismissal under Rule 12(b)(6). After a hearing, the district court also granted dismissal based on ineligibility under § 101 but allowed Weisner an opportunity to file an amended complaint. Weisner filed a second amended complaint that added a section explaining the invention background and system details. Google again moved for dismissal under § 101 and Rule 12(b)(6). The district court granted dismissal based on patent ineligibility without another hearing.

Weisner appealed the district court's decision. The four asserted, related patents shared a common specification. The Federal Circuit affirmed-in-part holding two of the asserted patents (the '202 and '910 patents) were patent ineligible. The Federal Circuit agreed with the district court that the '202 and '910 patents were directed to an abstract idea under step one of *Alice*. The district court had concluded that the '202 and '910 patents were directed to a digital travel log that collected information on user movement and location history. The claims' use of generic terms like processing system, application, and communication device did not shift the core abstract idea of creating a digital travel log.

Under step two of *Alice*, the Federal Circuit considered whether the claimed elements of ‘210 and ‘910 patents recited “something more” than the abstract idea. The Federal Circuit agreed with the district court’s conclusions that the statements in the specification and Weisner’s concessions constituted conventional features, not inventive concepts in the patents.

The Federal Circuit reversed-in-part on the other two patents (the ‘905 and ‘911 patents), determining the patents were not ineligible at the Rule 12(b)(6) stage. Under step one of *Alice*, the Federal Circuit held the claims of the ‘905 and ‘911 patents were directed to the abstract idea of creating and using travel histories to improve computerized search results. The Federal Circuit found support in the preambles of the claims and the specification reciting a method for enhancing digital search results in a target geographical location.

Under step two of *Alice*, the Federal Circuit held the ‘905 and ‘911 claims recited a specific implementation of the abstract idea that purported to solve a problem unique to the Internet. The Federal Circuit held the ‘905 patent plausibly captured an inventive concept by using a physical location relationship with a reference individual to increase priority of search results. The Federal Circuit held the ‘911 patent plausibly captured an inventive concept by particularly using search queries to target a geographic area.

Judge Hughes dissented-in-part by arguing that all four patents were directed to ineligible subject matter. Judge Hughes agreed with the majority that the ‘905 and ‘911 patents were directed to an abstract idea under step one of *Alice*. Judge Hughes disagreed with the majority arguing the ‘905 and ‘911 patents did not recite inventive concepts under step two of *Alice*. Judge Hughes argued that the claimed methods of the ‘905 and ‘911 patents incorporated location histories using conventional, well-understood methods of incorporating browser history that did not amount to inventive concepts.

International Business Machines Corp. v. Zillow Group, Inc. 50 F.4th 1371 (Fed. Cir. 2022). IBM alleged infringement by Zillow of seven patents directed to graphical geospatial display technology. Zillow moved for judgment on the pleadings, arguing that four of the patents were patent ineligible under § 101. The district court granted Zillow’s motion for judgment on the pleadings in part, concluding that two asserted patents (the ‘789 and ‘389 patents) claimed ineligible subject matter under § 101. IBM appealed the district court’s finding that the ‘789 and ‘389 patents were directed to ineligible subject matter.

In considering the eligibility of the patents under a Rule 12 motion, the Federal Circuit takes the facts alleged in the complaint as true. The Federal Circuit reviewed the district court’s findings under the two-step framework established by *Alice* for

both the ‘789 and ‘389 patents. The Federal Circuit affirmed both of the district courts findings that the ‘789 and ‘389 patents were directed to ineligible subject matter.

The Federal Circuit agreed with the district court’s findings under both steps of *Alice* for the ‘789 patent. Under step one, the district court concluded the ‘789 patent was directed to an abstract idea for responding to a user’s selection of a portion of a displayed map and simultaneously updating the map with data on the map. The district court found that this data could be updated manually and that identifying and presenting this data requires nothing more than a generic computer. Under step two, the district court found no inventive concept holding the “synchronizing” and “user determined shape” limitations used general language not specifically related to computer technology to recite the claimed functions.

The Federal Circuit also agreed with the district court’s findings under both steps of *Alice* for the ‘389 patent. Under step one, the district court concluded the ‘389 patent is directed to the abstract ideas of categorizing and displaying information, as well as altering the manner of display upon user demand. The Federal Circuit agreed that a patent that automates pen and paper methodologies is a quintessential do it on a computer patent directed to an abstract idea. Under step two, the Federal Circuit agreed that the patent contained no inventive concept and merely used well-understood, routine, or conventional technology to more quickly solve the problem of layering and displaying visual data.

Judge Stoll dissented-in-part by disagreeing with the district court’s judgment of patent ineligibility for two dependent claims in the ‘389 patent. Judge Stoll found the complaint and IBM’s expert declaration attached to the complaint contained factual allegations, when accepted as true, stated a plausible basis for eligibility.

The complaint and the expert declaration attached thereto explained that prior art methods for displaying large amounts of data on a two-dimensional display made it difficult to determine the relevant details of densely packed data in the display. Judge Stoll argued that the two dependent claims recited a specific technique to solve a problem that existed with graphical user interfaces at the time of the invention.

B. Diagnostic Methods – Conventional Techniques

CareDx, Inc. v. Natera, Inc., 40 F.4th 1371 (Fed. Cir. 2022). CareDx appealed a district court decision holding three patents ineligible under § 101. The three patents shared the same specification and related to methods for diagnosing or predicting organ transplant status using methods to detect a donor’s cell-free DNA (“cfDNA”). The district court granted summary judgment of ineligibility. The district court first determined that the asserted claims were directed to the detection of natural phenomena, specifically, the presence of donor cfDNA in a transplant

recipient and the correlation between donor cfDNA and transplant rejection. The district court concluded that, based on the specification's numerous admissions, the claims recited only conventional techniques.

On appeal, CareDx argued that the patents claimed improved measurement methods spelled out in the claims that were superior to inadequate prior art measurement techniques. More specifically, CareDx argued that using digital polymerase chain reactions and next-generation sequencing to identify and measure donor-specific single nucleotide polymorphism was an inventive breakthrough and a useful application. Natera countered that the claims are directed to detecting a natural phenomenon and that the claims recited performing the detection using collection and measurement techniques that are conventional and can be performed using existing technology without modification.

The Federal Circuit affirmed, agreeing with Natera. The Federal Circuit found the claims did not involve a method of preparation or a new measurement technique. The Federal Circuit referred to numerous statements in the written description expressly stating that the techniques referred to in the claim steps are “unless otherwise indicated, conventional techniques of immunology, biochemistry, chemistry, molecular biology, microbiology, cell biology, genomics, and recombinant DNA, which are well with the skill of art.” The Federal Circuit found the claimed methods indistinguishable from other diagnostic method claims found ineligible in the Supreme Court’s *Mayo* decision and the Federal Circuit’s *Ariosa* decision. The Federal Circuit reiterated that applying standard techniques in a standard way to detect natural phenomena does not provide an inventive concept, citing its *Ariosa*, *Athena*, and *Roche* opinions.

C. Fed. Cir. – § 101 Jurisprudence is Not Arbitrary Or Vague

In re Killian, 45 F.4th 1373 (Fed. Cir. 2022). Killian appealed a decision from the PTAB affirming the examiner’s rejection of claims under § 101. The application related to a system and method for determining eligibility for Social Security Disability Insurance (SSDI). The process used look up information from two databases and then determined eligibility for SSDI.

The examiner rejected the claims finding them directed to the abstract idea of “determining eligibility for social security disability insurance” implemented using generic computer functions. Kilian appealed to the PTAB which affirmed the examiner’s rejection and designated its affirmance as a new ground for rejection. The PTAB held that the claims are directed to the patent-ineligible abstract idea of “a search algorithm for identifying people who may be eligible for SSDI benefits they are not receiving.” The PTAB found that “selecting” and “determining” limitations can be performed in the human mind and thus are an “abstract mental process.” The remaining claimed steps were directed to data gathering or data output which did not amount to an inventive concept.

The Federal Circuit affirmed and agreed with the Board correctly concluded that the claimed steps can be performed by a human and involve mental tasks. The Federal Circuit stated that the claimed steps are performed on a generic computer which does not save the claims from being directed to an abstract idea. The Federal Circuit cited its own precedent (*FairWarning* and *Electric Power Group*) where similar claims pertaining to data gathering, analysis, and notification on generic computers were found to be directed to abstract ideas.

Killian made a myriad of arguments on appeal directed to the corpus of § 101 jurisprudence, and not the specifics of the claims in his application.

First, Killian argued that the standard promulgated in *Alice* and *Mayo* is indefinite and that it renders all court and PTAB decisions arbitrary and capricious under the Administrative Procedure Act (APA) and the Due Process Clause of the Fifth Amendment. The Federal Circuit rejected the APA argument as to its decisions, finding that the APA does not apply to decisions by courts because they are not “agencies” under the APA. As to PTAB decisions, the Federal Circuit found that it cannot denounce the PTAB’s acts as arbitrary and capricious where the PTAB merely applied binding judicial precedent, as this would turn the standard of APA back onto the courts to which it does not apply.

As to the Fifth Amendment argument, the Federal Circuit held that Killian failed to argue that the *Alice* and *Mayo* standard runs afoul of the “void-for-vagueness doctrine” and that the claims of the application are clearly patent ineligible under the court’s precedent.

Next, Killian argued that comparing his case to other cases addressing patent eligibility violates his due process rights because he did not have the opportunity to appear in those cases. The Federal Circuit disagreed because the Supreme Court has decided § 101 cases through comparison to prior decisions and nothing stopped Killian from identifying any important distinctions from his claimed invention and claims analyzed in prior cases.

Killian also argued that the search for an “inventive concept” is improper because Congress did away with an “invention” requirement when enacting the Patent Act of 1952. The Federal Circuit found the argument unpersuasive because Killian did not establish that “inventive concept” is the same thing as the “invention” requirement he alludes to. And the Supreme Court required at step 2 of the *Alice* framework a search for an inventive concept, which serves as binding precedent on the Federal Circuit.

Killian similarly argued that the “mental steps” doctrine has no foundation under patent law, arguing that the Supreme Court’s *Diamond v. Diehr* decision repudiated the doctrine. The Federal Circuit disagreed finding the argument “plainly incorrect,” citing the Supreme Court’s *Benson* decision that found ineligible claims

directed to a conversion that “can be done mentally.” The Federal Circuit also cited language from the Supreme Court’s *Mayo* decision that “mental processes” are not patentable. The Federal Circuit also pointed out that it was bound by its precedent that steps capable of being performed in the human mind are, without more, patent ineligible abstract ideas.

Finally, Killian argued that substantial evidence did not support the PTAB’s rejection that the additional claim steps added nothing but conventional activity in the field which is not “something more.” The Federal Circuit disagreed citing the PTAB’s reference to a portion of the specification that stated the claimed method “may be performed by any suitable computer system.”

III. ANTICIPATION, OBVIOUSNESS, AND PRIOR ART

A. Scope and Content of the Prior Art – What Does an Error Teach?

LG Elecs. Inc. v. Immervision, Inc., 39 F.4th 1364 (Fed. Cir. 2022). LG appealed the PTAB’s final written decision in a pair of inter partes review proceedings that found LG had not shown that challenged claims were unpatentable.

The challenged patents related to capturing and displaying panoramic images that used a non-linear image point distribution. In its petition, LG argued that a prior art Japanese Patent Application publication (Tada) disclosed a panoramic lens having a non-linear image point distribution. Tada did not expressly discuss the non-linear image point function of its lenses but did disclose a set of eight conditions relating to the aspheric or optical parameters of the lens. LG’s expert relied on the optical parameters in Table 5 of Tada and plotted the data to show that a non-linear image point function resulted. Immervision’s expert noted errors in the optical parameters (aspheric coefficients) reported in Tada and identified the correct values. It was undisputed that the optical parameter values in Tada’s Table 5 which LG relied on were erroneous.

In both proceedings, the PTAB found that a prior art disclosure critical to the petitions was an apparent or obvious error that a person of ordinary skill in the art would disregard or correct. The Federal Circuit affirmed.

The primary issue on appeal was whether substantial evidence supported the Board’s fact finding that the error would have been apparent to a person of ordinary skill in the art such that the person would have disregarded the disclosure or corrected the error. The Federal Circuit began its analysis by citing the fifty-year-old CCPA *In re Yale* decision which reversed a rejection of claims where the prior art disclosed a chemical compound that was an obvious error. In *In re Yale*, the court held that when a prior art reference includes an obvious error of a typographical or similar nature that would be apparent to one of ordinary skill in the art the errant information cannot be said to disclose the subject matter. The

Federal Circuit then applied the *In re Yale* standard and found that the Board reasonably found that Tada included an obvious error that would have been apparent to one of ordinary skill in the art.

The Federal Circuit rejected LG’s argument that an obvious error must be “immediately” recognized by a person of ordinary skill in the art, finding the length of time to discover an error does not undermine that there is an obvious error. The court also rejected LG’s argument that *Yale* should be narrowly applied to only typographical errors because the transcription error in Tada is a distinction without a difference.

Judge Newman filed a dissenting opinion because she could not agree that the error in Tada was an “obvious” typographical error or error of similar nature because it took an expert witness a dozen hours of experimentation and calculations to discover the error. Judge Newman pointed out that the possibly erroneous numbers were not noticed by the patent attorneys throughout prosecution of Tada’s U.S. counterpart, by the patent examiner, or the PTAB during institution of the inter partes review. Judge Newman opined that the facts of the case and those in *Yale* were not readily analogous.

B. Obviousness – Motivation to Combine, Teaching Away, and Secondary Considerations

Auris Health, Inc. v. Intuitive Surgical Operations, Inc., 32 F.4th 1154 (Fed. Cir. 2022). Auris appealed a PTAB decision following a final written determination finding claims directed to a robotic surgery system were not unpatentable. The Board determined that a combination of two prior art references disclosed each limitation of the challenged claims, but found that a skilled artisan would not have been motivated to combine the references because there was a general skepticism at the time of the invention for using robotic systems.

The Federal Circuit reversed, holding that “generic industry skepticism cannot, standing alone, preclude a finding of motivation to combine.” The Federal Circuit further explained that industry skepticism may play a role in the obviousness inquiry, but that role is secondary and in a different context and that this case did not present “*specific* evidence of industry skepticism related to a *specific* combination” which “*might*” contribute to support a finding of a lack of motivation to combine. Because the Board relied almost exclusively on general industry skepticism to find a lack of motivation to combine, it was not clear how the Board would parse other evidence relating to the motivation-to-combine analysis. Thus, the Federal Circuit reversed and remanded the Board’s decision for further consideration of the parties’ motivation-to-combine evidence.

Adapt Pharma Operations Limited v. Teva Pharmaceuticals USA, Inc., 25 F.4th 1354 (Fed. Cir. 2022). After a bench trial, the district court held claims for methods and devices for intranasal treatment of opioid overdose using naloxone would have been obvious in view of the prior art. Adapt appealed the determination, alleging errors in three district court findings: (1) that a skilled artisan would have been motivated to combine the prior art references; (2) that the prior art, as a whole, does not teach away from the claimed invention; and (3) issues relating to Adapt's objective indicia of nonobviousness.

The Federal Circuit affirmed the district court's decision. The appellate court found sufficient evidence supported the motivation to combine the prior art. In particular, the prior art had known drawbacks and an FDA reference had identified a need to improve prior art opioid treatment kits which used naloxone. Evidence also supported adapting and optimizing the prior art formulation to have certain characteristics (e.g. tonicity and pH) to make them acceptable and tolerable in the nose and to include a commonly used preservative and stabilizer taught in prior art intranasal formulations. The "interrelated teachings" of the prior art references also supported the district court's finding that a skilled artisan would have been motivated to combine the references.

The Federal Circuit affirmed the district court's determination that the prior art reference did not teach away from using a specific preservative in the intranasal formulation. The Federal Circuit credited expert testimony that the particular reference Adapt relied on would not have dissuaded a skilled artisan from using any of the preservative, but would only dissuade using high concentrations of the preservative. Other prior art references that taught the use of the specific preservative in intranasal naloxone formulations at concentrations similar to the claimed concentration also supported the district court's finding.

Finally, the Federal Circuit rejected Adapt's argument that the district court erred in its analysis of objective evidence of nonobviousness, finding the district court considered objective evidence before concluding the claims would have been obvious. The district court properly discounted copying based on a change to the claimed dosage amount because "copy[ing] in the ANDA context is not probative of nonobviousness because a showing of bioequivalence is required for FDA approval." With respect to evidence of long-felt-need, the Federal Circuit found that the district court erred in finding there was no long-felt, unmet need for a needle-free and easy-to-use intranasal naloxone product, but that error was harmless. More specifically, the district court erred by finding the need met by a prior art reference that had known drawbacks. The Federal Circuit failed to see how the prior art "and its known drawbacks can provide a skilled artisan with the motivation to arrive at the claimed invention and, on the other hand, satisfy an unmet need in the prior art." However, that error was harmless because the "need"

existed for only three years and was not sufficient to overcome the strong case of obviousness.

In a dissenting opinion, Judge Newman found the majority's decision unsupported by evidence and contrary to the law. In particular, Judge Newman found no evidence of a teaching or suggestion to make the specific combination and concentration of compounds in the claimed inventions, despite acknowledging that the compounds were all separately known in the art. Judge Newman characterized the majority's reasoning as "judicial hindsight" that used the invention as the guide to selecting the prior art. Judge Newman also criticized the majority opinion for failing to give fair weight to objective evidence of nonobviousness.

C. On Sale Bar Continues to Have Teeth

Junker v. Medical Components, Inc., 25 F.4th 1027 (Fed. Cir. 2022). Junker sued Medical Components for infringement of a design patent relating to a handle for an introducer sheath used with catheters. By January 1999, Junker worked with Xentek to develop a prototype of the product that included all of the design features. Also, in January 1999, Xentek sent a letter to Boston Scientific, prior to the critical date, detailing bulk pricing information for variously sized introducer sheath products. The letter stated:

Thank you for the opportunity to provide this quotation for the Medi-Tech Peelable Sheath Set. When we first received this request for quotation we were under the mistaken impression that you wanted the exact configuration as the drawing that was provided which would have required extensive tooling expense. Subsequently, we have learned that this is not the case and are pleased to submit this quotation for a product of our design. ...

The principals of Xentek Medical have extensive experience in the design, development and manufacture of this type of medical device. If you should have any specific dimensional requirements this product could generally be tailored to your specifications.

The letter also included a price chart with pricing for various sizes and quantities for "shipment in bulk, non-sterile, FOB Athens, Texas on a net 30 day basis."

The district court held that the letter was not a commercial offer for sale as a matter of law and granted summary judgment of no invalidity. The district court focused on the letter being characterized as a "quotation" with an invitation to discuss specific requirements which suggested Xentek and Boston Scientific were in preliminary negotiations.

The Federal Circuit reversed, finding the letter constituted a commercial offer for sale after applying traditional contract law principles. The Federal Circuit found the letter was responding to a "request for quotation" and signaled a specific offer to

Boston Scientific to take further action. The letter also contained a number of terms typical for a commercial contract, such as specific delivery conditions (“bulk” and “non-sterile”), payment terms (net 30 days), allocation of risk (FOB Athens, Texas), and multiple purchase options (lower pricing for increased quantities). The completeness of the commercial sale terms reflected that the letter included multiple offers for sale which Boston Scientific could have simply accepted to bind the parties to a contract, and outweighed the references to “quotation” and the mention of possible future discussions.

Sunoco Partners Marketing & Terminals L.P. v. U.S. Venture, Inc., 32 F.4th 1161 (Fed. Cir. 2022). U.S. Venture appealed a judgment that it infringed Sunoco patents directed to butane-blending systems and Sunoco cross-appealed. Following various summary judgment rulings, the court held a bench trial ultimately awarding Sunoco \$2 million in reasonable royalty damages, rejecting Sunoco’s lost profit claims, and trebling the damages award to \$6 million. U.S. Venture appealed the district court’s rejection of its on-sale bar defense and the decision to enhance damages.

The on-sale bar defense centered around the inventors’ company’s (MCE) offer to sell an automated butane-blending system to a third party (Equilon) and install it at Equilon’s facility in consideration for Equilon’s commitment to purchase at least 500,000 barrels of butane from MCE. The district court decided this transaction was primarily for experimental rather than commercial purposes because the agreement did not require Equilon to pay MCE anything for the system, butane was not the invention, and pre-installation testing reflected the inventors need to experiment.

The Federal Circuit disagreed, finding the transaction was commercial. The Federal Circuit examined the agreement language which described the transaction as a sale of already “developed” technology without any reference to any experimental purpose and found the agreement had all the hallmarks of a commercial contract for sale. The Federal Circuit also found that the agreement intertwined the sale of the equipment with the purchase of butane. The court found contract provisions requiring pre-installation and post-installation testing did not evidence an intent to experiment, but rather an obligation to ensure that the system met its minimum operating standards as promised. Finally, inventor testimony that their intent was experimental “carrie[d] little weight” according to the Federal Circuit. The Federal Circuit concluded that the testing in the agreement occurred to effectuate the sale, rather than the sale occurring to create an occasion for the testing.

The Federal Circuit remanded to the district court to determine whether MCE's butane-blending system offered to Equilon was ready for patenting and anticipated or rendered obvious the claimed invention.

The Federal Circuit also vacated the district court's decision to enhance damages, finding a clear factual error with the district court's reasoning. U.S. Venture relied on an opinion of counsel (Manion), but the district court found the opinion did not show that U.S. Venture had a good-faith belief that it was not infringing, reasoning that Manion did not know that blended gasoline in U.S. Venture's system could flow from a tank to a rack for dispensing. The Federal Circuit found this was clear error because Manion testified that he understood this point, which the district court disregarded in favor of testimony the Federal Circuit characterized as showing Manion's confusion with an unfamiliar term – "online rack tank." Because the district court's error undermined its other grounds for enhancement (copying and business expansion) the Federal Circuit vacated the enhancement decision.

The Federal Circuit affirmed the rejection of Sunoco's lost profit claims. The district court found that Sunoco failed to prove the amount of profit it would have made. Sunoco argued that it was entitled to half the profits that would have resulted from a butane-supply deal between U.S. Ventures and Sunoco, which the district court rejected because the supply agreement did not accurately reflect the value of the patent invention, which was not butane. The Federal Circuit affirmed, finding the supply agreement bundled the purchase and sale of butane, equipment maintenance and monitoring, and a license to more than just the patented technology which means Sunoco's requested damages figure included more than damage just from infringement.

D. Prior Art "By Another"

LSI Corp. v. Regents of the University of Minnesota, 43 F.4th 1349 (Fed. Cir. 2022). LSI appealed a PTAB decision upholding the patentability of a patent that addressed error rates related to recording data to computer storage devices, and was the result of the work of a University of Minnesota Professor (Dr. Moon) and a graduate student at the time (Dr. Brickner). LSI originally contended that a "Rule 2" disclosure in a prior art reference ("Okada") anticipated claims 14 and 17 of the challenged patent. But LSI later argued that Tables 8 and 9 of Okada described embodiments that anticipated claims 14 and 17. The PTAB rejected LSI's unpatentability argument based on Okada, finding that LSI's new theory at oral arguments based on Tables 8 and 9 was untimely and improper. The PTAB also addressed the merits of Okada and found that LSI failed to explain how each of Tables 8 and 9 comprise a complete embodiment such that either table anticipated the challenged claims.

LSI's second ground of anticipation relied on a patent (Tsang) and particularly those portions of Tsang disclosed in an earlier publication known as the Seagate

Annual Report. Dr. Moon and Dr. Brickner submitted the Seagate Annual Report which later became embodied in the application for the challenged patent. Tsang filed an application four months after receiving the Seagate Annual Report, with Tsang's application issuing without naming Dr. Moon or Dr. Brickner as inventors. As to the Tsang patent, the PTAB found that LSI's petition relied solely on material disclosed in the Seagate Annual Report and concluded that LSI did not satisfy its burden to prove that the portions of Tsang relied upon for the anticipation represent the "work of another" to qualify as prior art under § 102(e).

LSI appealed both decisions. With respect to the ground based on Okada, LSI did not challenge the PTAB's determination that LSI's argument about Tables 8 and 9 was "improper as untimely." At oral argument, LSI argued that it was not necessary to challenge the untimeliness decision because the PTAB reached the merits of Okada. The Federal Circuit disagreed and found the LSI forfeited any challenge to the untimeliness determination by failing to challenge it in its opening brief.

As to the PTAB's decision on the Tsang anticipation ground, the Federal Circuit also affirmed. The Federal Circuit summarized the issue: "The question is whether the invention of Tsang was relied upon and relevant to anticipation, or whether it was simply Tsang's summary of the earlier Seagate Annual Report that was relied upon and relevant to anticipation. Tsang's summary of, and reliance on, the earlier work of Dr. Moon and Dr. Brickner does not make Tsang an inventor of the earlier work." The Federal Circuit concluded that the relevant disclosure in Tsang central to LSI's anticipation argument was disclosed in the Seagate Annual Report and merely repeated in Tsang's background section. The Federal Circuit also found that the material in the Tsang patent that exceeded the disclosure in the Seagate Annual Report was not relevant to the anticipation challenge. Thus, the Federal Circuit affirmed the PTAB determination that the disclosure was not by another.

Google LLC v. IPA Technologies Inc., 34 F.4th 1081 (Fed. Cir. 2022). Google appealed from three Board decisions finding that Google failed to show claims in two challenged patents were unpatentable. The challenged patents related to software-based architecture for supporting cooperative task completion by flexible, dynamic configurations of autonomous electronic agents. Both patents listed Martin and Cheyer as inventors. The patents stemmed from applications filed January 5, 1999 and March 17, 1999 respectively. A technology underlying the inventions called Open Agent Architecture was conceived in the 1990s at SRI International where Martin and Cheyer were employed. Martin, Cheyer, and a third SRI employee Moran co-authored an academic paper (the Martin reference) which was published at a conference which took place March 23-25, 1998.

During prosecution claims were rejected based on the Martin reference, which the examiner identified as prior art. SRI contested the prior art status and submitted declarations by Martin and Cheyer under 37 CFG § 1.132 asserting that Moran was not a co-inventor of the subject matter described in the applications. The examiner withdrew the rejections based on Martin and issued the patent.

Google petitioned the Board for *inter partes* review relying primarily on the Martin reference to argue that the claims would have been obvious. Google contended that the Martin reference was prior art under § 102(a) as work “by others” because it described the work of an inventive entity (Martin, Cheyer, and Moran) that was different from the inventive entity of the challenged claims (Martin and Cheyer). The Board instituted review, but found that Google did not establish that any of the challenged claims were unpatentable, determining that Google did not demonstrate that Dr. Moran’s contribution was sufficient to establish he was an inventive entity as to the Martin reference.

Google appealed the Board’s decision and the Federal Circuit vacated and remanded. The Federal Circuit, citing its 2019 *Duncan Parking* decision, set forth the legal standard for assessing whether a reference is “by another,” stating: the Board must “(1) determine what portions of the reference patent were relied on as prior art to anticipate the claim limitations at issue, (2) evaluate the degree to which those portions were conceived ‘by another,’ and (3) decide whether that other person’s contribution is significant enough, when measured against the full anticipating disclosure, to render him a joint inventor of the applied portions of the reference patent.”.

The Federal Circuit then addressed the evidence submitted relating to Moran’s contributions to the Martin reference, which included testimony from Moran and contrary testimony from Martin and Cheyer. The Federal Circuit found that the Board did not conduct the full *Duncan Parking* analysis because the Board appeared to have found Moran’s testimony uncorroborated. The Federal Circuit disagreed with that conclusion, finding Moran’s status as a co-author on the Martin reference, his role within the project, Cheyer’s acknowledgement of Moran’s technical contributions, and Moran being named an inventor on a related patent corroborated his testimony.

The issue, according to the Federal Circuit, was whether Moran’s testimony should ultimately be credited over Cheyer and Martin’s conflicting testimony. However, the Board found the testimony of all three witnesses credible which was “a tenable position for the Board to take.” The Federal Circuit determined that the “Board was required to resolve this highly relevant evidentiary conflict and make appropriate findings of fact” and vacated and remanded for further proceedings consistent with its opinion.

IV. WRITTEN DESCRIPTION AND INDEFINITENESS, OTHER PROSECUTION

A. Written Description – Can Silence Be Disclosure?

Novartis Pharmaceuticals Corporation v. Accord Healthcare, Inc., 21 F.4th 1362 (Fed. Cir. 2022) - *vacated following grant of petition for rehearing.*

Novartis Pharmaceuticals Corporation v. Accord Healthcare, Inc., 38 F.4th 1013 (Fed. Cir. Jun 21, 2022) – *decision following rehearing.*

Novartis brought action against HEC Pharm, alleging its abbreviated new drug application (ANDA) infringed all claims of patentee's patent for method to treat relapsing remitting multiple sclerosis (RRMS). Following a bench trial, the district court found the patent was not invalid and that competitor's ANDA infringed. HEC appealed arguing that the district court erred in holding the patent claims do not fail the written description requirement of 35 U.S.C. § 112(a). The Federal Circuit originally affirmed the decision, but subsequently granted HEC's petition for panel rehearing, vacated its prior decision, and reversed the district court's judgment

HEC appealed the district court's decision finding the claims were not invalid for inadequate written description. The main issue on rehearing was whether the specification provided support for a negative claim limitation stating that the treatment was administered "without an immediately preceding loading dose."

HEC argued that there was no written description of the negative limitation because the specification contains no recitation of a loading dose "or its potential benefits or disadvantages at all." The Federal Circuit initially disagreed in its original decision, starting with the "well established" precedent that there is no "new and heightened standard for negative claim limitations," and explaining that the court has held "that a specification *must* describe a reason to exclude a negative limitation." The original decision then rejected HEC's argument that "silence alone cannot serve as a basis for" a negative limitation because it attempts to create a new heightened written description standard for negative limitations, noting that an ordinarily skilled person would understand a loading dose was not used, crediting expert testimony explaining that if the human trial included a loading dose, the patent would explicitly state as much, but it did not.

Judge Moore filed a dissenting opinion in the original decision, arguing that the majority created a new legal standard that silence is disclosure. Judge Moore, citing the MPEP, would have found the claims invalid because there is no disclosure in the specification of preventing a loading dose, stating "silence is not disclosure."

On rehearing, the Federal Circuit reversed and found that the negative limitation was not supported by adequate written description. The Federal Circuit explained

that for a negative limitation, there is adequate written description if the specification explains a reason to exclude the relevant limitation. The district court found that because there was no recitation of a loading dose in the specification, the no-loading-dose limitation was supported. The Federal Circuit disagreed on rehearing, finding that the specification's silence about loading doses did not support a later-added claim limitation that precludes loading doses.

The majority opinion reiterated that it was not creating a new “heightened standard” for negative limitations and that there may be circumstances in which a skilled artisan would understand a negative limitation to necessarily be present in a disclosure, but this was not such a case.

Judge Linn filed a dissenting opinion stating that he would affirm the district court because it applied the correct standard and found ample support for the written description of the no-load limitation.

On an issue of less relevance in the decision on rehearing, HEC argued that, as of the 2006 priority date, the inventors did not possess limitations related to a 0.5 mg daily dose of Fingolimod. The Federal Circuit disagreed, finding that the patent specification disclosed a human clinical trial in which patients would receive 0.5, 1.25, or 2.5 mg of Fingolimod per day for two to six months and that the disclosure of dosages other than 0.5 mg did not “detract from the written description of the claimed dose” nor “lead away from the claimed dose.” The Federal Circuit also found further written description support in the disclosure of a rat EAE model in the specification and credited expert testimony explaining how to arrive at the claimed 0.5 mg daily dosage from the EAE experiment's 0.3 mg/kg per week rat dosage.

The Federal Circuit also rejected HEC's “blaze marks” argument. Although “blaze marks” that would lead an ordinarily skilled investigator to a species among a slew of competing possibilities are needed when the specification describes a broad genus and the claims are directed to a single species or a narrow subgenus, the Federal Circuit explained that “blaze marks” are not necessary where the “claimed species is expressly described in the specification, as the 0.5 mg daily dosage is here.”

BASF Plant Science, LP, v. Commonwealth Scientific and Industrial Research Organization, 28 F.4th 1247 (Fed. Cir. 2022). BASF Plant Science (BASF) sued Commonwealth Scientific and Industrial Research Organization (CSIRO) and sought a declaratory judgment of noninfringement as to six patents relating to the engineering of plants, and particularly canola. CSIRO filed an answer along with counterclaims that added Cargill (BASF's commercialization partner) alleging infringement of the same six patents. Following a jury trial finding five patents

infringed and not invalid and one patent co-owned by BASF, the parties appealed and cross-appealed numerous issues.

BASF and Cargill appealed the jury's finding that six patent claims were adequately supported by the written description. Three of the claims covered the "species" of canola whereas the other three more broadly covered the "genus" of plant cells. The Federal Circuit affirmed the jury's verdict as to the species claims, but reversed on the broader genus claims. As to the species claims, the Federal Circuit found substantial evidence supported the jury's finding, including evidence of working examples in the specification involving canola along with testimony regarding what those examples meant to a skilled artisan reading the specification. As to the genus claims, BASF submitted evidence that the leap from applying the working examples for success with canola to all plant species was too great to support claims as to any other plant. The Federal Circuit found that CSIRO did not meaningfully dispute BASF's evidence and expert testimony that success in one species did not automatically mean success in all plant cells. Therefore, the Federal Circuit found the jury had no reasonable basis to reject BASF's evidence and therefore reversed as to the genus claims.

At trial, the parties also disputed whether BASF was a co-owner of the patents-in-suit under BASF and CSIRO's two-year Materials Transfer and Evaluation Agreement (MTEA). The jury found BASF was a co-owner of one of the six patents. The Federal Circuit reversed the jury finding BASF was a co-owner of the patent since the inventions were not clearly derived from the Evaluation work. Under the MTEA, the parties agreed that joint ownership extended to "Intellectual Property subsisting in" such "Joint New Materials" and "Joint Results." The Federal Circuit construed the contract terms as requiring BASF to show intellectual property defined by patent claims that encompassed an invention "inherent in or an element of the results, data, or information derived from the Evaluation work." The Federal Circuit then examined the evidence and found that "merely 'drawing on lessons' of the Evaluation work" did not give rise to co-ownership.

The decision also addressed a venue question as to third-party counterclaim defendants. Cargill appealed the district court's decision denying its motion for improper venue under 35 U.S.C. § 1400(b) which provides: "Any civil action for patent infringement may be brought in the judicial district where the defendant resides, or where the defendant has committed acts of infringement and has a regular and established place of business." The Federal Circuit affirmed, holding that §1400(b) does not provide venue protection to a third-party counterclaim defendant, which was Cargill's role. The Federal Circuit reached this conclusion relying on the plain language of the statute that referred to "civil action" and a "defendant" in view of the Supreme Court's *Home Depot* decision that interpreted a general removal statute (35 U.S.C. § 1441) that used these same terms and concluded that § 1441(a) does not permit removal by a counterclaim defendant. The

Federal Circuit then concluded that even if § 1400(b) reached a third-party counterclaim defendant that the district court's venue determination was proper because Cargill had a regular and established place of business in the district and a seed deposit in the district constituted an act of infringement.

B. Indefiniteness – “Unanswered Questions”

Nature Simulation Systems Inc. v. Autodesk, Inc., 23 F.4th 1334 (Fed. Cir. 2022).

Nature Simulation Sys. Inc. v. Autodesk, Inc., 50 F.4th 1358 (Fed. Cir. 2022) – *modified opinion after petition for rehearing*.

Nature Simulation Systems Inc. alleged infringement of two patents directed to methods of performing computer-aided operations in modeling three-dimensional objects. During *Markman* proceedings, Autodesk argued for specific constructions of eight terms, while Nature Simulation Systems argued that all terms should receive their plain and ordinary meaning. The district court based its indefiniteness decision on two claim limitations: “searching neighboring triangles of the last triangle pair that holds the last intersection point” and “modified Watson method.” The district court did not define either term. Instead, the court held that a claim limitation is indefinite, as a matter of law, if there are any “unanswered questions” about the term. The court then cited several unanswered questions and held the claim invalid, determining the claims themselves had to resolve any and all questions pertaining to a term's construction. Nature Simulation Systems appealed.

The Federal Circuit reversed, finding that the district court erred in declining to construe the terms and that it applied an incorrect legal standard for indefiniteness. Specifically, the Federal Circuit rejected the district court's “unanswered questions” standard for definiteness, and reaffirmed uniform precedent of construing claims in light of the specification and prosecution history. Reaffirming that patent claims set forth the metes and bounds of an invention and are not intended to describe the detailed operation of said invention, the Federal Circuit looked to the specifications and the prosecution history to construe the claim terms and determine definiteness.

In its analysis, the Federal Circuit found that the specification resolved any ambiguity in construction of the claim terms. To further corroborate its finding, the Federal Circuit also looked to the prosecution history of the patents, where the examiner had previously rejected the claim language as indefinite. After discussions with the applicant and examiner proposed amendments resulting in the now-issued claim term, the examiner withdrew an indefiniteness rejection. As such, the Federal Circuit found the terms definite, and the patents not invalid.

In a dissenting opinion, Judge Dyk disagreed with the majority's characterization of the district court's analysis and conclusion. Judge Dyk instead found that the lower court had read the patent claims in light of the specification and prosecution history to determine if they informed a person of ordinary skill in the art about the scope of the invention with reasonable certainty. Limiting his review of the specification and prosecution history only to areas that discussed the disputed terms, Judge Dyk found the terms indefinite.

C. Indefiniteness – Means Plus Function Terms and Algorithms As Structure

Dyfan, LLC v. Target Corporation, 28 F.4th 1360 (Fed. Cir. 2022). Dyfan appealed the district court's final judgment of invalidity holding the asserted patent claims invalid as indefinite under pre-AIA 35 U.S.C. § 112, ¶ 2. More specifically, the district court held that certain claim limitations were written in means-plus-function format under § 112, ¶ 6 and that the specification did not disclose sufficient structure corresponding to the recited functions.

The patents-in-suit described improved systems for delivering messages to users based on their locations in which mobile devices execute “applications” or “code” to receive and process messages. The district court issued a claim construction order concluding that the disputed “application/code” limitations invoked § 112, ¶ 6 and the court assigned a special-purpose computer function as the corresponding structure. After finding no algorithm for the function in the specification, the court held the claim indefinite. Similarly, the court applied § 112, ¶ 6 to the “system” limitations and found them “purely functional without sufficient structure” and again found the claims indefinite.

The Federal Circuit reversed, finding the limitations were not drafted in means-plus-function format, and remanded for further proceedings. The Federal Circuit laid out a two-part analysis for means-plus-function limitations. First, is the disputed claim limitation drafted in means-plus-function format? If yes, then what, if any, is the structure corresponding to the claimed invention?

The disputed limitations did not use the word “means” and therefore a presumption that they are not means-plus-function claims applied. The Federal Circuit found that the district court erred in concluding that the presumption was overcome because the district court ignored key evidence from an expert witness who testified that a person of ordinary skill would have understood the “code/application” limitations recited structure. This un rebutted testimony reflects that the limitations are not purely functional as found by the district court.

As to the “system” limitations, the Federal Circuit again presumed that § 112, ¶ 6 does not apply because the claims did not use the word “means.” The Federal Circuit found that the district court did not properly apply this presumption and that Target did not carry its burden of demonstrating that the “system” limitation failed

to recite sufficient structure. In the context of the claims, the Federal Circuit found “system” recited sufficient and specific structures to persons of ordinary skill in the art.

D. Patent Term Adjustment

Sawstop Holding LLC v. Vidal, 48 F.4th 1355 (Fed. Cir. 2022). Sawstop filed suit against the PTO in district court challenging the denial of patent term adjustments (PTAs) for two patents owned by Sawstop. The American Inventors Protection Act of 1999 provided for PTAs to offset three categories of prosecution delay as codified in 35 U.S.C. § 154(b)(1)(A), (B), and (C). The appeal addressed whether the PTO erred in denying Sawstop’s claim to a PTA for a subsection (C) delay, which accrues for certain delays associated with appellate review.

Under subsection (C), if the issue of an original patent is delayed due to “appellate review by the Patent Trial and Appeal Board or by a Federal court in a case in which the patent was [1] issued under a decision in the review [2] reversing an adverse determination of patentability the term of the patent shall be extended 1 day for each day of the pendency of the proceeding, order, or review....”

Claim 11 in the first Sawstop patent was finally rejected by the Examiner as obvious over two prior art references. Sawstop appealed the rejection and the Board affirmed the rejection of claim 11, but on a new ground of rejection. After reopening examination and the filing of a request for continued examination, the examiner ultimately allowed claim 11. The PTO made no adjustment to the term of the patent because “claim [11] was not issued under a decision in the review reversing an adverse determination of patentability” because “the claim remain[ed] under rejection after the Board decision” and the patent issued only after further prosecution and amendment. Sawstop filed suit in the district court challenging the PTO’s denial of PTA. The district court granted the PTO’s motion for summary judgment finding that the application was not eligible for PTA under subsection (C) because claim 11 was subject to a new ground of rejection on appeal.

The Federal Circuit affirmed. As to the first patent, the Federal Circuit found that the adverse determination of patentability of claim 11 remained before and after the appeal and resulted in no substantive change in the patentability of claim 11. Thus, the reversal of a “determination of patentability” required under subsection (C) did not occur. The Federal Circuit also explained that claim 11 was amended after the Board’s review and “the statutory requirement is not met if the claim that ultimately issues differs substantively from the claim under review.”

As to the second Sawstop patent, claim 1 was finally rejected on two grounds—anticipation and double patenting—and claim 2 was finally rejected for anticipation. Sawstop appealed all three rejections to the Board which affirmed both rejections under claim 1, but reversed the anticipation rejection of claim 2. Sawstop

filed a complaint in district court challenging the Board’s anticipation rejection of claim 1, but not the double-patenting rejection. The district court reversed the anticipation rejection but did not opine on the double-patenting rejection. The Board, on remand, noted the outstanding double patent rejection and Sawstop overcame the rejection by rewriting claim 2 as an independent claim.

The PTO granted PTA under subsection (C) for the delay incurred in the successful reversal of the rejection of claim 2, but denied any additional PTA for the delay caused by the appeal of claim 1. Again, Sawstop challenged the PTO’s decisions in district court. The District Court entertained cross motions for summary judgment, ruling in favor of the PTO. It held that Sawstop’s second patent was not entitled to PTA for Sawstop’s appeal to the district court because the appeal did not “revers[e] an adverse determination of patentability” as required by 35 U.S.C. § 154(b)(1)(C)(iii). Claim 1 remained subject to the outstanding provisional double patenting rejection and was thus unpatentable both before and after the appeal.

As to the second patent, the Federal Circuit again found that the appellate decision did not reverse an adverse determination of patentability because claim 1 was “unpatentable before the appeal (because of anticipation and double patenting) and after the appeal (because of double patenting).”

E. Reissue and Improper Recapture

In re McDonald, 43 F.4th 1340 (Fed. Cir. 2022). McDonald appealed the USPTO’s rejection of claims in a reissue application of U.S. Patent No. 8,572,111. The Board on appeal from the examiner upheld the rejection due to a defective reissue declaration and because the claims impermissibly attempted to recapture subject matter that the patentee intentionally surrendered during prosecution. The Federal Circuit affirmed.

McDonald filed a patent application for methods and systems related to the display of primary and secondary search results in response to search queries. The Examiner rejected the claims under § 101 as being directed to patent ineligible subject matter. McDonald amended the claims to recite a processor for conducting the claimed searches which overcame the rejection. The application ultimately issued as U.S. Patent No. 8,280,901. During the pendency of the ‘901 patent application, McDonald filed a continuation application that included the same limitations as those added to overcome the § 101 rejection in the parent application, which ultimately resulted in ‘111 patent.

McDonald filed a reissue application seeking to broaden the claims of the ‘111 patent. The reissue application included amendments that removed the processor limitations from the claims. McDonald argued on appeal that the examiner and Board erred by rejecting all of the reissue claims as (1) improperly recapturing

surrendered subject matter and (2) being based on a defective inventor reissue declaration. The Federal Circuit rejected McDonald's arguments.

First, by removing the added "processor" limitations, McDonald sought to reclaim a broader claim scope. Yet the act of adding those limitations during prosecution amounted to a surrender of the subject matter, rendering it improper recapture to remove those limitations in a reissue. The Federal Circuit also noted that § 251's error requirement contemplates an "error or mistake," but McDonald did not make a mistake because he deliberately amended the claim scope to add the processor limitations to overcome the § 101 rejection. The Federal Circuit reiterated that the court reviews a patent family's entire prosecution history when applying the rule against recapture and that the recapture rule is not limited to § 102 or § 103 rejections. Because the PTAB properly applied the recapture rule, the Federal Circuit affirmed.

The Federal Circuit also affirmed the PTAB's decision rejecting the reissue claims as based on a defective inventor reissue declaration. The Board found that the statement of error in the reissue declaration—the existence of unnecessary processor limitations—relates to an error that is not correctable by reissue because it would violate the recapture rule.

F. Other USPTO Practice – Another Chapter in the Hyatt Saga

Hyatt v. USPTO, 48 F.4th 1347 (Fed. Cir. 2022). This case serves as a reminder that pre-URAA submarine patent applications are still out there. Hyatt, a voluminous patent applicant and frequent litigant against the USPTO, brought action against the USPTO and its Director, alleging USPTO's issuance of restriction requirement as to seven of eight claims applicant selected for examination violated the Administrative Procedure Act (APA). The district court granted USPTO's motion for summary judgment and Hyatt appealed.

As with prior decisions in Mr. Hyatt's battles with the USPTO, the decision implicates the Uruguay Round Agreements Act (URAA) which changed the term of U.S. patent protection to 20 years from the effective filing date from 17 years from the grant of the patent and promulgated rules to handle so-called transitional applications that were filed, but not granted, before the URAA took effect. 37 CFR § 1.129 limits the use of restriction requirements in applications pending for at least two years as of the URAA effective date, June 8, 1995.

From 2003-2012, the PTO stayed examination of many of Hyatt's applications pending district court litigation. In 2015, Hyatt submitted significant claim amendments in an application filed on May 5, 1995, which claimed priority to applications filed as early as 1983. The Examiner issued a restriction requirement under Rule 129 between the originally selected claims and the amended claims that forced Hyatt to pursue the amended claims in a new, separate application.

Hyatt's Complaint in the Eastern District of Virginia alleged that the PTO's restriction requirement violated the Administrative Procedures Act (APA), arguing that restriction requirements are generally not permitted for transitional applications and that no exception applied. Hyatt and the PTO filed competing summary judgment motions and the district court granted the PTO's motion.

The Federal Circuit affirmed. Rule 129(b)(1)(ii) permits restriction requirements for transitional applications when "[t]he examiner has not made a requirement for restriction in the present or parent application prior to April 8, 1995, due to actions by the applicant." The Federal Circuit held that Hyatt's failure to earlier disclose species altering amendments was an act of withholding and an "action" by the applicant under Rule 129, which is supported by the examples in the MPEP of "actions" that included applicant delay. Thus, the PTO's decision was not arbitrary, capricious, an abuse of discretion or contrary to law.

V. ASSIGNOR ESTOPPEL, APPLIED

Hologic, Inc. v. Minerva Surgical, Inc., 44 F.4th 1358 (Fed. Cir. 2022), following *Minerva Surgical, Inc. v. Hologic, Inc.*, 141 S.Ct. 2298 (2021). As included in these summaries last year, in a 5-4 decision in 2021 the Supreme Court upheld the doctrine of assignor estoppel but held that "the Federal Circuit has applied the doctrine too expansively." As a result, the Supreme Court clarified that assignor estoppel bars the assignor of a patent from challenging the validity of that patent only when "the assignor's claim of invalidity contradicts explicit or implicit representations he made in assigning the patent." The Supreme Court's decision disagreed with the Federal Circuit's original conclusion that material differences between a challenged claim and an assigned claim are irrelevant. The Supreme Court thus vacated the Federal Circuit's judgment and remanded to address "whether Hologic's new claim is materially broader than the ones Truckai assigned."

As a reminder, the Supreme Court had previously upheld the assignor estoppel doctrine, holding the "[doctrine] . . . is well grounded in centuries-old fairness principles, and the Federal Circuit was right to uphold it. But the [Federal Circuit] failed to recognize the doctrine's proper limits. The equitable basis of assignor estoppel defines its scope: The doctrine applies only when an inventor says one thing (explicitly or implicitly) in assigning a patent and the opposite in litigating against the patent's owner." The Court the provided three examples of non-contradiction in which assignor estoppel would not apply:

1. "when an assignment occurs before an inventor can possibly make a warranty of validity as to specific patent claims[.]" e.g., "when an employee assigns to his employer patent rights in any future inventions he may develop during his employment";

2. “when a later legal development renders irrelevant the warranty given at the time of assignment[,]” e.g., if the governing law changes after a patent assignment, possibly rendering the previously valid patent invalid, then the “inventor may claim that the patent is invalid in light of that change in law without contradicting his earlier representation”; and
3. when a “post-assignment development—a change in patent claims—can remove the rationale for applying assignor estoppel[,]” e.g., “the new claims are materially broadened” during patent prosecution after the assignment takes place.

The Supreme Court remanded the case to the Federal Circuit to address the applicability of its third example, “whether Hologic’s new claim is materially broader than the ones Truckai assigned.”

On remand, the Federal Circuit first analyzed whether claim 31 in the ‘072 application was assigned in a 2004 assignment such that Truckai warranted claim 31’s validity. Prior to the cancellation, Truckai convinced the examiner to allow claim 31 in October 2000, but later cancelled claim 31 in response to a restriction requirement. Minerva argued that claim 31 could not have been assigned because it was cancelled in 2002—two years before the assignment. The Federal Circuit rejected Minerva’s argument that claim 31 could not be assigned once canceled, and that cancellation of claim 31 was some sort of concession that the claim was unpatentable. The Federal Circuit held that cancellation did not nullify the claim, as it remained viable for further prosecution in a divisional application filed by whomsoever owned the ‘072 application and that the assignment provided rights to the invention and applications claiming priority to the ‘072 application, not just the ‘072 application itself. The Federal Circuit pointed to the oath submitted with the application that the claims in the application are patentable which Truckai reaffirmed by defending the validity of claim 31 during examination. Thus, the Federal Circuit concluded that the 2004 assignment included a warranty as to claim 31’s validity, despite claim 31 being canceled in 2002.

Next, the Federal Circuit examined whether claim 31 was materially broader than claim 1 of the ‘348 patent. This analysis required the Federal Circuit to construe the assigned and issued claims and to compare the material aspects of the claims. In its prior decision, the Federal Circuit held that claim 1 broadly covers moisture-*impermeable* devices. On remand, the parties agreed that if claim 31 was limited to moisture-*permeable* devices then claim 1 is “materially broader” and assignor estoppel would not apply. After considering the intrinsic record, the Federal Circuit disagreed with Minerva’s assertion that claim 31 was limited to a moisture-permeable device. Thus, the Federal Circuit affirmed the district court did not abuse its discretion in applying the doctrine of assignor estoppel.

VI. INVENTORSHIP – THE ARTIFICIAL INVENTOR

Thaler v. Vidal, 43 F.4th 1207 (Fed. Cir. 2022). Thaler develops and runs artificial intelligence systems that purportedly generate patentable inventions. Thaler filed two patent applications which listed an AI system called Device for Autonomous Bootstrapping of Unified Science (“DABUS”) as the sole inventor. The PTO concluded that both applications lacked a valid inventor and were, hence, incomplete. Accordingly, the PTO issued a Notice to File Missing Parts of Nonprovisional Application. Thaler petitioned the PTO director to vacate the Notice which was denied on the ground that a machine does not qualify as an inventor. Thaler sought reconsideration, which was denied, and then pursued judicial review under the Administrative Procedures Act in district court. The Court granted the PTO’s motion for summary judgment because it concluded an “inventor” under the Patent Act must be an “individual” and the plain meaning of “individual” in the statute is a natural person.

Thaler appealed to the Federal Circuit, which affirmed. The Federal Circuit turned to the statutory language in § 100(f) which defined an “inventor” as “the individual or, if a joint invention, the individuals collectively who invented or discovered the subject matter of the invention.” The Patent Act does not define “individual,” but the Federal Circuit turned to Supreme Court precedent explaining that, when used as a noun, “individual” ordinarily means a human being. The Federal Circuit then examined the Patent Act and found nothing indicating Congressional intent to deviate from the default meaning of “individual” and also found that the rest of the Patent Act supports that “individual” refers to a human being. For example, the Federal Circuit cited portions of the Patent Act that uses pronouns “himself” and “herself” while noting the absence of “itself” which would permit non-human inventors.

The Federal Circuit rejected Thaler’s argument that the reference to “whoever” in § 101 should change the analysis, because “whoever” is broader and includes corporations and other non-human entities whereas the statutory definition of “inventor” refers to an “individual” and does not use “whoever.”

Next, Thaler argued that AI software programs must qualify as inventors otherwise patentability would depend on the “manner in which the invention was made” in contravention of § 103. The Federal Circuit rejected the argument because § 103 relates to how an invention is made, not who may be an inventor.

Finally, the Federal Circuit reiterated that the Patent Act, when considered in its entirety, confirms that “inventors” must be human beings. Because the Patent Act unambiguously and directly answers that an “inventor” must be a human being, the Federal Circuit explained that its analysis does not stray beyond the plain text. Accordingly, the Federal Circuit affirmed the district court’s decision.

VII. VENUE AND JURISDICTION IN PATENT CASES

A. Personal and Subject Matter Jurisdiction in Declaratory Judgment Actions

Apple Inc. v. Zipit Wireless, Inc., 30 F.4th 1368 (Fed. Cir. 2022). Apple filed a complaint for declaratory judgment of noninfringement against Zipit which the district court dismissed for lack of personal jurisdiction. The district court found that it would be unreasonable to exercise judgment over Zipit based on its communication with Apple in the district relating to infringement. The district court applied a bright-line rule that patent infringement notice letters and related communication can never form the basis for personal jurisdiction in reaching its conclusion. Apple appealed.

The Federal Circuit found the district court applied an incorrect legal standard and cited its 2021 *Trimble* decision that stated “there is no general rule that demand letters can never create specific personal jurisdiction.” The Federal Circuit then considered whether exercising jurisdiction would be unreasonable under the multi-factor *Burger King* test. The Federal Circuit weighed the policy of promoting out of court settlement against the burden on Zipit to litigate in California and California’s and Apple’s interest in litigating the dispute in California and concluded that exercising jurisdiction would be unreasonable. Thus, the court reversed and remanded the judgment dismissing Apple’s Complaint.

Mitek Systems, Inc. v. United Services Automobile Association, 34 F.4th 1334 (Fed. Cir. 2022). Mitek appealed the dismissal of its declaratory judgment action that it and its customers had not infringed patents relating to the use of mobile devices to image and deposit bank checks. Mitek filed its action in the Northern District of California and USAA moved to dismiss the action for lack of subject-matter jurisdiction and, in the alternative, to transfer the case to the Eastern District of Texas. The California court transferred the case to Texas without ruling on the dismissal portion of USAA’s motion. The Eastern District of Texas granted the motion to dismiss, finding no case or controversy and stated that even if it had jurisdiction it would decline to exercise its discretion over the declaratory judgment action. The district court viewed Mitek’s basis of subject-matter jurisdiction as resting on either (1) USAA’s litigation with Wells Fargo which used Mitek’s technology, or (2) USAA’s letters to Mitek customer and indemnification demands Mitek received from its customers, but found each basis insufficient.

The Federal Circuit vacated the dismissal and remanded for proceedings in order for the case-or-controversy determination to be made, asserting that the case needed a “finer parsing of the issues and more particularized determinations” from both the parties and the lower court. As to Mitek’s litigation basis for a case-or-controversy, the Federal Circuit directed the district court on remand to “ascertain the alleged

role of the Mitek technology in the bank’s applications and the alleged role that the Mitek technology plays in the infringement claims.” As to the indemnity ground, the Federal Circuit remanded for further determination of the character and nature of the indemnity allegations and the scope of the indemnity agreements.

B. Licensors Standing

Uniloc 2017 LLC v. Google LLC, 52 F.4th 1352, Case No. 2021-1498 et al. (Fed. Cir. 2022). This case relates to patentee-licensor standing, standing based on granted unfettered right to sublicense, and contract interpretation. Uniloc 2017 (along with its predecessors, “Uniloc”) brought multiple patent infringement suits against Google in district court. Google moved to dismiss, alleging that Uniloc lacked standing. Google argued that Uniloc lacked standing because Uniloc had granted Fortress Credit Co. LLC (“Fortress”) a license to, and unfettered right to sublicense, all patents in suit. As a result, Google argued Uniloc lacked the key right to exclude. Uniloc argued that even if it had granted such a license, it was terminated by a Termination Agreement. The district court found that Uniloc had granted a license; the license, being “irrevocable,” survived the Termination Agreement; and Uniloc, therefore, lacked standing. The Federal Circuit reversed and remanded.

On appeal, considering companion cases *Uniloc USA, INC. v. Motorola Mobility LLC*, and *Uniloc 2017 LLC v. Blackboard Inc.*, the Federal Circuit found as a matter of collateral estoppel that a license granting Fortress an unfettered right to sublicense existed between Uniloc and Fortress. Therefore, the sole issue on appeal was whether the Termination Agreement eliminated any such license, obviating the standing issue. Therefore, the present case was one of contract interpretation. Applying New York contract law, the Federal Circuit examined the “parties’ intent from the language” and attempted to “fulfill their reasonable expectations.” The Federal Circuit held that, on its face, the Termination Agreement, stating that the license and rights under the license “shall terminate,” was sufficient to eliminate the license.

On appeal, Google conceded that the word “irrevocable” did not prevent termination by mutual agreement. Instead, Google relied on other language in the license to argue that it survived. Particularly, Google argued that the Termination Agreement did not eliminate “rights . . . which by their nature survive” termination, the license being one such right, in part due to the irrevocability language. However, the Federal Circuit found that, unlike remedies for breach and dispute resolution provisions, there was nothing in “the nature of the right” of the “bare unexercised license” that made it survive. Additionally, the Federal Circuit pointed to provisions for narrow termination exceptions (e.g., of a sublicense), suggesting that not all license rights were intended to survive termination. Accordingly, the

license did not survive termination, and under such circumstances, Google agreed that Uniloc had standing. Accordingly, the Federal Circuit reversed and remanded.

Uniloc USA, INC. v. Motorola Mobility LLC, 52 F.4th 1340, Case No. 2021-1555 et al. (Fed. Cir. 2022). Uniloc sued Motorola in district court (the “*Motorola*” case) for patent infringement. The district court granted Motorola’s motion to dismiss, agreeing that Uniloc granted a license to Fortress Credit Co. LLC (“Fortress”) with an “unfettered right to sublicense the asserted patent,” depriving Uniloc of standing. In a related case, Uniloc sued Blackboard Inc. in district court (the “*Blackboard*” case) for infringement of a patent subject to the same license agreement. Applying the *Motorola* case, the district court dismissed the *Blackboard* case for lack of subject matter jurisdiction.

On appeal, Motorola and Blackboard defended the district court decisions and asserted that another Uniloc case (the “*Apple*” case) established that Uniloc lacked standing as a matter of collateral estoppel. The patent at issue in the *Apple* case was also subject to the license agreement. The *Apple* district court concluded that a patent plaintiff must have exclusionary rights in the asserted patent to have standing, and Uniloc lacked exclusionary rights because of Fortress’s right to sublicense. Uniloc appealed the *Apple* decision. Subsequently, pursuant to settlement, Uniloc and Apple voluntarily dismissed the *Apple* appeal. Uniloc, however, did not request vacating of the lower court decision. In the present appeal, the Federal Circuit recognized “considerable force to Uniloc’s argument” that the district court erred and that even if Fortress had been granted an unfettered right to sublicense, Uniloc would still have standing. However, the Federal Circuit did not resolve the standing issue based on the license. Instead, in light of the *Apple* case, the Federal Circuit held that Uniloc was collaterally estopped from asserting that it had standing.

Uniloc argued that collateral estoppel should not apply for several reasons, none of which persuaded the Federal Circuit. First, Uniloc argued that Motorola and Blackboard forfeited collateral estoppel by not raising it in district court. Both the *Motorola* and *Blackboard* cases concluded before the *Apple* appeal concluded. The Federal Circuit found that while “res judicata is an affirmative defense ordinarily lost if not timely raised,” there was no forfeiture of collateral estoppel because the argument was first raised after the appeal process of the preclusive case concluded. Second, Uniloc argued that Motorola waived issue preclusion because, in a Notice of Subsequent Authority made to the district court, Motorola stated that the judgment of the *Apple* district court was “not binding.” The Federal Circuit concluded that a judgment’s “binding” effect includes both precedential and preclusive effects. Here, Motorola referred to the judgment as “not binding” only as a matter of precedential effect. Third, Uniloc argued that it lacked the incentive

to litigate the *Apple* judgment through appeal because of the settlement opportunity. The Federal Circuit found that, in the *Apple* case, the potentially preclusive issues were not overshadowed but were, indeed, the only issues on appeal. The fact that Uniloc was able to resolve other disputes in a settlement was irrelevant to whether Uniloc had sufficient incentive to litigate the case itself. Fourth, Uniloc argued that collateral estoppel should not apply because the *Apple* decision was incorrect. The Federal Circuit concludes, “this is simply not a proper basis to deny collateral estoppel.” Fifth, Uniloc argued that issue preclusion would have prejudiced it because Uniloc would have acted differently in settlement had it known of the issue preclusion argument. The Federal Circuit concluded that Uniloc is a sophisticated litigant presumed to know background legal principles like collateral estoppel.

Therefore, Uniloc was collaterally estopped from arguing that it did not grant a license and right to sublicense to Fortress and that the license deprived Uniloc of standing. The Federal Circuit, therefore, affirmed the district court’s dismissal for lack of standing as a matter of collateral estoppel.

C. Appellate Jurisdiction

Atlanta Gas Light Company v. Bennett Regulator Guards, Inc., 33 F.4th 1348 (Fed. Cir. 2022). Atlanta Gas filed an IPR petition in February 2015 challenging the ‘029 patent claims as unpatentable. In 2012, Bennett filed a complaint alleging Atlanta Gas infringed the ‘029 patent but the case was dismissed without prejudice for lack of personal jurisdiction. Throughout the proceeding, Bennett asserted that the IPR was time barred under § 315(b), but the Board disagreed because it treated the complaint as if it had never been filed, which was consistent with the Board’s understanding of § 315(b) at that time. The Board concluded that the challenged claims were unpatentable. After issuing its final written decision, Bennett learned that Atlanta Gas had merged and that all real parties in interest had not been disclosed to the Board. The Board granted Bennett’s motion for monetary sanctions against Atlanta Gas but declined to terminate the proceedings.

In a first appeal, the Federal Circuit disagreed with the Board’s interpretation of § 315(b), which assumed the one-year limitation to file an IPR petition was reset when a complaint was dismissed without prejudice because that conclusion conflicted with the binding precedent in *Click-to-Call Technologies*. The Federal Circuit vacated the Board’s decision and remanded to terminate the proceedings without reaching the unpatentability merits.

Before the Board acted on the mandate, the Supreme Court decided in *Thryv* which concluded the Federal Circuit did not have jurisdiction to review Board determinations relating to a § 315(b) time bar. The Federal Circuit issued a second opinion that considered the merits of the Board’s determination and affirmed the

unpatentability decision but remanded the sanctions portion for further consideration.

On remand, the Board reconsidered its order granting monetary sanctions and its institution decision. The Board vacated its institution decision and terminated the proceeding determining the Atlanta Gas’s IPR petition was time barred and vacated the monetary sanction.

Atlanta Gas appealed and argued that the Board abused its discretion in terminating the IPR proceeding. Atlanta Gas argued that the Federal Circuit had jurisdiction because the Board’s decision was a final sanctions decision and reviewable under 28 U.S.C. § 1295(a)(4)(A). The Federal Circuit disagreed, finding the Board’s decision was multi-faceted and not purely a sanctions decision. The Federal Circuit acknowledged the Board’s inherent authority to reconsider its decisions, citing its 2015 *GTNX* opinion. Once the Board chose to vacate its institution decision, § 314(d)’s no appeal bar made clear that the Federal Circuit lacked jurisdiction to review that decision.

The Federal Circuit also rejected Atlanta Gas’s argument that the decision violated the court’s mandate. The Federal Circuit explained that, under the mandate rule, “[o]nly the issues actually decided—those within the scope of the judgement appealed from, minus those explicitly reversed or remanded by the court—are foreclosed from further consideration,” citing its 1999 *Engel Industries* decision. Atlanta Gas argued that the Board’s termination effectively reversed the Federal Circuit’s determination on the merits that the challenged claims were unpatentable. The Federal Circuit disagreed because the termination decision did not analyze, criticize, or alter the patentability determination. The Federal Circuit’s merits-based mandate also did not foreclose the Board from reconsidering its stance on the time bar because the mandate said nothing about the time-bar issue because the Federal Circuit, after the Supreme Court’s *Thryv* decision, could not say anything about it, though the court acknowledged that the “result here is unusual and would be inappropriate in most cases.”

Judge Newman filed a dissenting opinion believing the PTAB’s sanctions order is not excluded from the appellate jurisdiction of the Federal Circuit. Judge Neman viewed the Board as “impos[ing] the sanction of cancellation” and stated the Federal Circuit has routine appellate jurisdiction over the PTAB’s award of sanctions under 35 U.S.C. § 141 and 28 U.S.C. § 1295(a)(4)(A).

Best Medical Int’l Inc. v. Elekta, Inc., 46 F.4th 1346 (Fed. Cir. 2022). Best Medical International (BMI) appealed from the PTAB’s decision finding claims 1, 43, 44 and 46 unpatentable as obvious. The PTAB determined that a person of ordinary skill in the art would have formal computer programming experience.

Petitioner Eleкта’s expert had that experience, but BMI’s did not. The PTAB accordingly discounted BMI’s expert testimony and determined that the challenged claims were unpatentable as obvious. Prior to filing the appeal, BMI cancelled claim 1 during an ex parte reexamination.

The Federal Circuit first addressed whether the Board had authority to issue a final written decision determining the patentability of claim 1 and ruling on BMI’s request to vacate that decision. The Federal Circuit found that the Board had authority to issue a decision as to claim 1. At the time of the decision, BMI had cancelled claim 1 during reexamination but did so “without prejudice or disclaimer” and the Board found that claim 1 had not been finally cancelled by, for example, the submission of a statutory disclaimer under 35 U.S.C. § 253. Because claim 1 remained part of the proceeding, the Board was obligated to address every challenged claim based on the Supreme Court’s *SAS* decision. Thus, the Board did not err in addressing claim 1.

The Federal Circuit then addressed whether BMI lacked standing to appeal the decision as to claim 1 and held that BMI lacked standing. BMI did not dispute that it finally cancelled claim 1 prior to filing its notice of appeal in this case. BMI argued that it suffered injury from collateral estoppel effects resulting from the Board’s unpatentability decision and that fact conferred the Federal Circuit with Article III jurisdiction. The Federal Circuit disagreed, stating that the potential for collateral damages is insufficient, on its own, to confer standing to BMI. Thus, the Federal Circuit dismissed the appeal of claim 1 for lack of standing.

BMI also challenged on appeal the Board’s finding regarding the level of ordinary skill in the art that required “formal” computer programming experience, *i.e.* designing and writing underlying computer code. The Federal Circuit noted that the parties relied primarily on competing expert testimony and little supporting evidence from either party as to the level of ordinary skill. The Federal Circuit affirmed the Board’s determination finding that the Board’s decision was reasonable and supported by the entire trial record, including the patent’s teachings which stated the claimed invention could be implemented on any computer.

D. Mandamus – Continued Guidance For West Texas

In re Apple, 52 F.4th 1360 (Fed. Cir. Nov. 8, 2022). Apple petitioned the court for a writ of mandamus directing the Western District of Texas to vacate its scheduling order and to promptly rule on its pending transfer motion. Aire Technology Limited sued Apple for patent infringement in October 2021. Apple moved pursuant to 28 U.S.C. § 1404(a) to transfer the litigation to the Northern District of California. Shortly before the close of venue discovery, Apple sought leave to submit additional declarations and offered to make those witness available for deposition and stated no opposition to a “reasonable continuance” of the transfer proceedings. The district court granted Apple’s motion but sua sponte ordered the

parties to complete fact discovery on the merits and then go through additional re-briefing of Apple's motion to transfer.

The Federal Circuit found that the district court clearly abused its discretion in issuing its schedule order. The Federal Circuit cited its precedent that entitles parties to have their venue motion prioritized and Third Circuit precedent that it is improper to postpone consideration of a § 1404(a) transfer motion until discovery is completed. Thus, the Federal Circuit granted Apple's petition and the court vacated the district court's amended scheduling order, and directed it to postpone fact discovery and other substantive proceedings until after consideration of Apple's motion for transfer.

In re Volkswagen Group of America, Inc., 28 F.4th 1203 (Fed. Cir. 2022). The Federal Circuit granted Volkswagen's and Hyundai's petitions for writs of mandamus and vacated the District Court for the Western District of Texas's denial of their motions to dismiss and transfer venue. The district court found venue proper based on the presence of independently owned and operated Volkswagen and Hyundai dealerships in the district. The district court found that franchise agreements gave the Petitioners sufficient control over the dealerships such that the dealerships are agents of the Petitioners.

After stating that mandamus relief is not ordinarily available for rulings on motions under 28 U.S.C. § 1406(a), the Federal Circuit found exceptional circumstances warranting relief in this case, primarily based on a disagreement amongst district courts whether independent car dealerships are sufficient to establish venue or car distributors.

The dispute boiled down to three issues: (1) whether the dealerships are the agents of Petitioners; (2) whether the dealerships conduct Petitioners' business; and (3) whether Petitioners have ratified the dealerships as Petitioners' places of business. First, the Federal Circuit found that the plaintiff failed to show that the dealerships are agents of Volkswagen and Hyundai under the proper application of agency law. Citing its 2020 *In re Google LLC* decision, the Federal Circuit held that the plaintiff must show that the Petitioners have the requisite control over the dealerships with respect to its sales and warranty services, including the right to provide "interim instructions." The Federal Circuit found the contractual provisions in the franchise agreement the plaintiff relied on did not give "interim control" over the dealerships' car sales or warranty work because there was no evidence that Volkswagen or Hyundai maintain influence over the sales or warranty process after they sold a car to a dealership. The Federal Circuit also noted that its decision was bolstered by the franchise agreements which disclaim an agency relationship between the dealerships and car manufacturers and the "near uniform body of case law finding

that similar contractual provisions or allegations of control fail to show that independent car dealerships are agents of vehicle manufacturers.”

In re Monolithic Power Systems, Inc., 50 F.4th 157 (Fed. Cir. 2022). Monolithic petitioned for a writ of mandamus directing the District Court for the Western District of Texas to dismiss or transfer a patent lawsuit to the Northern District of California. The Federal Circuit affirmed.

Bel Power brought suit in the Western District of Texas alleging Monolithic infringed Bel Power patents by selling power modules to original equipment manufacturers. Monolithic moved to dismiss or transfer for lack of venue under 28 U.S.C. § 1406(a) and Federal Rule of Civil Procedure 12(b)(3). Monolithic argued that venue was not proper under § 1400(b) because Monolithic is a Delaware corporation that does not “reside” in the Western District, that Monolithic does not own or lease any property in that district, and the homes of four fulltime remote employees do not constitute a regular place of Monolithic’s business.

The district court denied both motions. The court found that Monolithic’s business presence in the Western District was important to it as evidenced by its history of soliciting employment in Austin to support local OEM customers. Monolithic also provided employees with lab equipment or products used in or distributed in their homes as part of their job responsibilities. As to the convenience of the parties and the witnesses factor, the district court found that Monolithic failed to demonstrate that the Northern District of California was clearly more convenient.

Monolithic filed a petition for a writ of mandamus challenging the court’s determination that the Western District is a proper venue under § 1400(b) based on its employees’ homes and that the district court abused its discretion in its assessment of § 1404(a) transfer factors.

The Federal Circuit first noted that, ordinarily, mandamus relief is not available for rulings on improper venue under § 1406, but that mandamus relief is available for alleged § 1400(b) violations where immediate intervention is necessary to assure proper judicial administration. Then, the Federal Circuit held that Monolithic did not show a clear and indisputable right to mandamus relief on an improper venue challenge. The Federal Circuit pointed out that the district court analyzed Monolithic’s § 1400(b) arguments under the factors established by the Federal Circuit’s *Cray* decision using the specific circumstances surrounding Monolithic’s employees and history of soliciting employees to work in the Western District. The Federal Circuit found “some evidence” that the employees’ location in the district was material to Monolithic. Thus, the case did not involve the type of “broad, fundamental, and recurring legal question or usurpation of judicial power that might warrant immediate mandamus relief.” The Federal Circuit also found that the

district court did not abuse its discretion under § 1404(a) because it reviewed and weighed all the appropriate factors and the facts of the case did not lead to “only one correct outcome.”

Judge Lourie filed a dissenting opinion. He wrote that it is clear that venue is improper in the Western District because Monolithic does not “reside[]” there and the homes of Monolithic's four employees in the Western District do not constitute Monolithic's “regular and established place of business” under § 1400(b).

E. Jurisdictional Discovery

University of Massachusetts v. L’Oreal S.A., 36 F.4th 1374 (Fed. Cir. 2022). UMass sued L’Oreal S.A., a France based company, and its American subsidiary (L’Oreal USA) for infringing a patent related to the treatment of skin with composition containing a nucleoside called adenosine. L’Oréal S.A. moved to dismiss the action against it on the ground that the Delaware forum lacked personal jurisdiction over it and the district court granted the motion without permitting UMass to conduct jurisdictional discovery. UMass appealed the motion to dismiss.

The Federal Circuit vacated the district court jurisdictional determinations finding that the district court abused its discretion in failing to allow jurisdictional discovery. The Federal Circuit found that UMass made more than clearly frivolous, bare allegations that UMass was subject to personal jurisdiction because L’Oréal S.A. introduced the accused products into the stream of commerce or because L’Oréal USA operated as L’Oréal S.A.’s agent in certain potentially relevant respects. This evidence raised the possibility that discovery may have uncovered the requisite contacts for L’Oreal S.A. to support personal jurisdiction. Accordingly, the Federal Circuit vacated and stated UMass is entitled to jurisdictional discovery.

VIII. LITIGATION PROCEDURE

A. Duplicative Litigation

Arendi S.A.R.L. v. LG Electronics Inc., 47 F.4th 1380 (Fed. Cir. 2022). Arendi filed an original complaint alleging that LG products infringed one patent. As the litigation proceeded, Arendi and LG agreed on eight representative products to represent all accused products, and seven of the eight were non-Rebel 4 products. Arendi, however, only provided infringement contentions (which are required by local rule) for only one product—LG’s Rebel 4 phone.

The district court struck part of Arendi’s expert report on infringement which included infringement contentions for five non-Rebel 4 products finding the disclosure untimely because Arendi failed to fulfil its discovery obligations.

Arendi filed a second complaint alleging that LG's non-Rebel 4 products infringed the same patent involved in the original complaint. LG moved to dismiss the second complaint as cumulative because all of the non-Rebel 4 products accused in the second complaint were accused in the original litigation. The district court granted LG's motion to dismiss the second complaint under the duplicative litigation doctrine.

The Federal Circuit affirmed. The Federal Circuit characterized the case as involving a "procedural issue" decided under regional circuit law, which was the Third Circuit. Under Third Circuit precedent, the duplicative litigation doctrine prevents plaintiffs from maintaining two separate actions involving the same subject matter at the same time in the same court against the same defendant. Arendi disputed on appeal whether both cases involved the same subject matter, arguing that the two cases did not involve identical accused products. Arendi argued there is no overlap in accused products because the district court struck its infringement contentions as to the non-Rebel 4 products such that those products were not effectively at issue. The Federal Circuit rejected Arendi's argument, finding that Arendi accused the non-Rebel 4 products of infringement in the original case but Arendi failed to fulfill its discovery obligations with respect to those products.

B. Confidential Information and Protective Orders

Uniloc USA, Inc. v. Apple Inc., 25 F.4th 1018 (Fed. Cir. 2022). This case involved the second appeal by Uniloc relating to the sealing of documents in the District Court for the Northern District of California. In the first appeal, the Federal Circuit remanded and instructed the district court to conduct a more detailed analysis of whether confidential licensing information of certain third-party licensees of Uniloc's patents should be sealed.

After remand, the district court denied Uniloc's its motion to seal or redact third-party documents that revealed licensing terms, licensees' names, amounts paid, and dates. The district court explained that the public has a right to account for anyone holding a public grant and that the public has an interest in inspecting the valuation of patent rights reflected in Uniloc's licenses. The district court further reasoned that the dates and dollar amount of Uniloc's licenses go to the heart of the primary dispute, which is Uniloc's standing or lack thereof to sue.

Uniloc appealed, arguing that the district court failed to follow the Federal Circuit's remand instructions and erroneously applied a heightened scrutiny standard to attempts to seal licensing information. The Federal Circuit concluded that the district court failed to follow its remand instructions and that failure was an abuse of discretion. Again, the Federal Circuit remanded for the district court to carry out the examinations the court was instructed to do. The Federal Circuit also expressed its disagreement with the district court's statements purportedly supporting its decision concerning the public's right to access Uniloc's licensing information. In

particular, the district court “made an error of law in making a blanket ruling that the public has a broad right to licensing information relating to patents.” The Federal Circuit explained that the public’s interest in patents is in ensuring patents are not procured by fraud or other improper means and that “absent an issue raised by the parties concerning license rights and provisions, there is no public interest or entitlement to information concerning consideration for the grant of licenses.” Finally, the Federal Circuit stated that the district court should have considered whether the interests of implicated third parties outweighs the public’s interest.

Static Media LLC v. Leader Accessories LLC, 38 F.4th 1042 (Fed. Cir. 2022). Leader Accessories LLC appealed a district court decision holding Leader and its attorney, in contempt for allegedly violating a protective order by disclosing confidential documents and awarded Static Media LLC sanctions and attorney’s fees. The Federal Circuit reversed finding that the disclosure was not a clear violation of the protective order and reversed the district court’s contempt finding and its award of sanctions and attorney’s fees.

The district court held Leader and its attorney in contempt finding the attorney was responsible for a third party’s improper use of the confidential information in another patent infringement action involving Static Media. Leader argued that Static failed to prove by clear and convincing evidence that Leader violated the protective order because its attorney did exactly what was required to ensure the third party would abide by the protective order. Thus, the Federal Circuit found the district court abused its discretion for finding contempt on this basis.

The district court also held Leader and its attorney in contempt because disclosure of Static’s confidential information to develop a joint defense strategy was not “used” solely for the purpose of the underlying action. The Federal Circuit interpreted provisions of the protective order limiting “use” of confidential information to mean a disclosure to the public or those not signatories to the protective order. The Federal Circuit found that it was improper to hold Leader and its attorney in contempt because there was a fair ground of doubt as to whether the protective order barred its attorney from disclosing confidential information to develop a joint defense strategy.

IX. CLAIM CONSTRUCTION

A. Judicial Correction of Errors in Claims

Pavo Solutions LLC v. Kingston Tech. Co., Inc., 35 F.4th 1367 (Fed. Cir. 2022). Kingston appealed a judgment of infringement and willful infringement of a patent claiming a flash memory device having a pivoting body following a jury trial that awarded over \$7 million in damages.

Kingston argued that the district court erred in its claim construction order by judicially correcting the limitation “pivoting the case with respect to the flash memory main body” by replacing the word “case” with “cover.” More specifically, Kingston argued that the claim did not contain an error and, even if it did, the error is neither minor nor obvious. The Federal Circuit affirmed the district court’s correction finding that the limitation contains an obvious minor typographical or clerical error that was minor and obvious. The Federal Circuit examined the full context of the claim language which recited structures that resulted in a pivoting configuration and that described a pivoting movement that was only possible if the “cover” pivoted with respect to the main body. The Federal Circuit rejected Kingston’s argument that replacing one structural element with another cannot be minor because the argument ignores the plain language of the claims and the language as written “did not make sense.” The Federal Circuit also rejected Kingston’s argument that the error cannot be minor because it broadens the claims finding that the claim already requires that the cover pivot with respect to the flash memory main body. Finally, the Federal Circuit determined that the correction was not subject to reasonable debate after considering the specification, claim language, and prosecution history, especially where the patent figures and specification consistently and exclusively depict embodiments where the case and the flash memory are integrated with one another and cannot pivot or move with respect to each another.

Kingston next argued that the jury’s willful infringement verdict must be set aside because Kingston did not have the requisite intent to infringe. Kingston argued that it did not infringe the claims as originally written and could not anticipate a court would correct the claims. The Federal Circuit rejected the argument holding that reliance on an obvious minor clerical error in the claim language is not a defense to willful infringement. Judicial correction does not remake the claim; rather, it gives effect to its obvious meaning.

Finally, Kingston argued that the district court should have excluded Pavo’s damages expert’s testimony because he allegedly relied on a non-payment term in a IPMedia license. Pavo’s expert presented a reasonable royalty theory of damages under a hypothetical negotiation framework that used the IPMedia license as a starting point. The parties agreed the IPMedia license was a comparable license and it included a royalty rate represented to be about 25% of profits from sale of the licensed product. Pavo’s damages expert concluded that a profit split arrangement was appropriate based on the IPMedia license. The Federal Circuit found the district court did not abuse its discretion in allowing Pavo’s damages expert to testify because relying on the representation relating to the 25% of profits (the so-called “non-payment term”) was not unduly speculative and the remaining reasonable royalty analysis accounted for differences between the economic circumstances of the contracting parties.

Kingston also argued that Pavo's damages expert did not apportion the non-infringing features. The Federal Circuit rejected the argument, finding that the comparable IPMedia license reflected the value of the patent and is sufficient evidence of "already built-in apportionment."

B. Impact of Incorporation by Reference on Claim Construction

Finjan LLC v. ESET, LLC, 51 F.4th 1377 (Fed. Cir. 2022). On a renewed motion for summary judgment, the district court held the claims of the asserted patents invalid for indefiniteness after previously construing the term "downloadable" to mean "a *small* executable or interpretable application program which is downloaded from a source computer and run on a destination computer." The district court based its construction of a upon the definitions given in a related patent that was incorporated by reference in the asserted patents. The district court found the asserted patents indefinite based on the use of the word "*small*" in the court's claim construction. Finjan appealed, alleging (1) the district court erred in construing the disputed claim term based on the definition given in the patent incorporated by reference and (2) the incorporated construction does not render the claim term indefinite.

The Federal Circuit reversed the district court's claim construction, subsequently vacated the district court's grant of summary judgment finding the asserted patents invalid due to indefiniteness, and remanded for further proceedings consistent with the Federal Circuit's claim construction. The Federal Circuit held the district court erred when it determined that the definition for "downloadable" in the asserted patents and related patent family were competing and should be limited to the most restricted definition of that term. The Federal Circuit disagreed finding the use of a "restrictive term earlier application does not reinstate that term in a later patent that purposely deletes the term, even if the earlier patent is incorporated by reference." Two asserted patents did not define "downloadable" at all and two other asserted patents did not include a "small" size restriction. The Federal Circuit reversed the claim construction and concluded "downloadable" means an executable or interpretable application program, which s downloaded from a source computer and run on the destination computer" and vacated the grant of summary judgment of invalidity due to indefiniteness.

C. Disclaimers of Scope and Impact

CUPP Computing AS v. Trend Micro Inc., 53 F.4th 1376 (Fed. Cir. 2022). CUPP Computing AS ("CUPP") appealed three IPR decisions of PTAB finding challenged claims of three patents unpatentable as obvious over two references (Gordon and Joseph). The Federal Circuit affirmed.

All three patents are in the same continuation family and aimed to address the problem of malicious attacks on mobile devices by waking the device and

performing a security operation. The appeal involved two issues. The first issue concerned the construction of the claim limitation, a “security system processor” (“SSP”), which appears in every independent claim. CUPP argued that the requirement that “the mobile device hav[e] a mobile device processor *different* than the mobile [SSP]” means that the SSP must be separate and remote from the mobile device, rendering the claims nonobvious. The Federal Circuit, however, agreed with the Board’s conclusion that especially in light of the specification, “different” simply means “dissimilar” and does not imply remote. CUPP responded that the independent claim requirement of the security system to send a wake signal “to” the device and “communicate with” the device means it must be remote from the device. The Federal Circuit agreed with the Board’s conclusion that a unit of a device can communicate with the device of which it is a part.

Next, CUPP argued that the Board’s construction was erroneous because CUPP disclaimed a non-remote SSP during the initial examination of one of the patents. To overcome an examiner rejection, CUPP stated that the prior art failed to teach a system having different processors. The Federal Circuit agreed with the Board that CUPP’s disclaimer is consistent with CUPP retaining claims to SSPs embedded in a single mobile device with a separate processor.

Finally, CUPP contended that the Board erred by rejecting CUPP’s disclaimer in the IPRs themselves, disavowing an SSP embedded in a mobile device. However, the Federal Circuit made precedential the ruling that the “Board is not required to accept a patent owner’s arguments as disclaimer when deciding the merits of those arguments.” Therefore, the Federal Circuit agreed with Board that CUPP’s disclaimer during the IPRs (while binding in later proceedings) did not effectively narrow claim scope for the present proceedings.

Regarding the second issue on appeal, CUPP contended that the Board lacked substantial evidence to find the challenged claims of Patent No. 9,843,595 (“’595 patent”) obvious. Unlike the other patents at issue, the ’595 patent claimed a “security agent” to receive a wake signal from the SSP and perform security services. The Board found that: 1) CUPP did not make the non-obviousness argument in its papers, and 2) in any event, the limitation was obvious over either Gordon or Joseph. The Federal Circuit did not decide the forfeiture issue because it held that the Board’s finding as to Gordon was supported by substantial evidence. Particularly, Gordon discloses a “host agent” on a mobile device that can undertake tasks such as “initiat[ing] a data delete process, a program update or an encryption key change.” Accordingly, the Federal Circuit agreed with the Board and held that the limitation rendered the ’595 patent obvious. Thus, the Federal Circuit held that the Board properly construed the challenged claims, and its decisions were supported by substantial evidence. The Federal Circuit affirmed.

D. Reminders on Various Canons of Claim Construction

Apple Inc. v. MPH Technologies Oy, 28 F.4th 254 (2022). Apple appealed from three PTAB IPR Final Written Decisions holding that Apple failed to show claims relating to improving secure messaging were unpatentable. The claim construction of “information fields” was amongst the many issues addressed on appeal. The Federal Circuit rejected Apple’s argument that “there is a presumption that a plural term covers one or more items” holding that “Apple misstates the law.” Under Federal Circuit law, a plural term is presumed to refer to two or more items, a presumption that may be overcome when a broader context shows a different meaning applies. The Federal Circuit construed “information fields” to refer to more than one information field, finding nothing in the written description to depart from the presumption that the term refers to two or more fields.

Genuine Enabling Technology LLC v. Nintendo Co., Ltd., 29 F.4th 1365 (Fed. Cir. 2022). The Federal Circuit reversed summary judgment of noninfringement finding the district court erred in construing the term “input signal” in a patent relating to combining data streams. The district court construed “input signal” as being limited to signals above 500 Hz and excluding certain types of signals. The district court’s claim construction relied on prosecution disclaimer and a declaration from Nintendo’s expert. On appeal, Genuine argued that the district court erred in the scope of prosecution disclaimer, arguing that the applicant made no disavowal of signal frequency above 500 Hz. Genuine further argued that the district court erred by relying the declaration of Nintendo’s expert, which is extrinsic evidence. The Federal Circuit agreed with Genuine, finding the only clear and unmistakable disavowal of claim scope was signals below the audio frequency spectrum and that the 500 Hz limit found no basis anywhere in the intrinsic record.

E. Other Claim Construction Decisions

Evolusion Concepts, Inc. v. HOC Events, Inc., 22 F.4th 1361 (Fed. Cir. 2022). In *Evolusion*, the Federal Circuit reversed a district court’s grant of summary judgment of noninfringement relating to a patent for converting a semiautomatic rifle with a detachable magazine to a rifle with a fixed magazine.

The district court concluded that the term “magazine catch bar,” as used in the claims and specification, excludes an OEM magazine catch bar. The court based its determination primarily on a sentence in the specification that stated: “The invention is a permanent fixture added to a semi-automatic firearm by removing the standard OEM magazine catch assembly and installing the invention.” The district court also found a method claim 15 supported its construction because that claim required removing “the factory installed magazine catch bar” and then installing “a magazine catch bar.” From this claim language, the court concluded

that the magazine catch bar that is installed must be “separate and distinct from the factory-installed magazine catch bar”; otherwise, “factory-installed” would be superfluous.

The Federal Circuit reversed finding “magazine catch bar” should have its plain and ordinary meaning. First, the appellate court found nothing in claim 1 that limited the scope of a generic “magazine catch bar” to exclude one that was factory installed. The Federal Circuit also rejected the argument that method claim 15 narrows the meaning of the term to support excluding factory-installed magazine catch bars. The Federal Circuit analyzed the language of claim 15 and found it related to removing and assembling assemblies of parts, not only magazine catch bars, and permitted removal of the part in step one and reusing the part in a later step. Because the parties did not dispute infringement of claims 1 and 8 if a “magazine catch bar” may include a factory installed magazine catch bar, the Federal Circuit reversed the summary judgment of non-infringement and the denial of summary judgment of infringement of claims 1 and 8.

Kamstrup A/S v. Axioma Metering UAB, 43 F.4th 1374 (Fed. Cir. 2022). Kamstrup appealed a final written decision from the PTAB finding all claims in Kamstrup’s patent unpatentable as obvious or anticipated. On appeal, Kamstrup challenged the PTAB’s claim constructions. The Federal Circuit affirmed.

Kamstrup’s patent describes an ultrasonic flow meter housing with a monolithic polymer structure “cast in one piece.” In its Final Written Determination, the PTAB construed “cast in one piece” as a product-by-process claim element because the claim language described the process of “casting” but not the housing’s structure. The PTAB then concluded that “cast in one piece” element was not entitled to patentable weight or consideration in any anticipation or obviousness analysis.

The PTAB also construed the phrase “cavity separated from the flow tube” to require that the interior of the flow tube is separated from the surrounding cavity by a shared wall. In doing so, the PTAB rejected Kamstrup’s claim argument that the cavity cannot surround the flow tube because that construction was at odds with the claim language.

Based on its claim constructions, the PTAB found a prior art anticipated or rendered obvious the challenged claims.

Kamstrup argued that the PTAB erred in construing “cast in one piece” as a product-by-process claim element. The Federal Circuit disagreed finding that the claim language on its face claims a process because it describes the structure “being” cast in a particular way. Kamstrup failed to point to disclosure in the

specification that describes the structure for the term which reinforced that the claim element is a product-by-process.

Next, the Federal Circuit addressed whether a product-by-process claim element imparts patentable weight to the claim. The Federal Circuit concluded it did not because Kamstrup did not identify any functional and structural differences between a structure “cast in one piece” and a structure manufactured using another method. Thus, Kamstrup failed to show that the process claimed imparts “structural and functional differences” distinguished from the prior art.

Kamstrup argued that the PTAB erred in its construction of “cavity separated from the flow tube” because the term means that the cavity cannot surround the flow tube. The Federal Circuit disagreed finding that Kamstrup’s proposed construction reads in a negative limitation at odds with the claim language and that nothing in the claim language prohibited the cavity from surrounding the flow tube. The Federal Circuit rejected Kamstrup argument that no embodiment in the specification disclosed a cavity surrounding the flow tube because that would read a limitation from nonlimiting embodiments into the claims.

Because Kamstrup’s patentability arguments rose and fell with Kamstrup’s proposed claim constructions, the Federal Circuit found that those challenges necessarily failed because they relied on claim construction the Federal Circuit rejected.

Kaufman v. Microsoft Corporation, 34 F.4th 1360 (Fed. Cir. 2022) Kaufman sued Microsoft for infringing a patent claiming methods for working with data in a relational database, alleging infringement by Microsoft’s Dynamic Data product. A jury found Microsoft liable and awarded \$7 million in damages. Following post-trial motions, the district court upheld the jury verdict but denied Kaufman’s motion to amend the judgment to include prejudgment interest. Both parties appealed the denials of their respective post-trial motions.

Microsoft asserted that the district court erred in denying its motion for judgment as a matter of law and for a new trial, arguing that the district court erred in failing to construe the “automatically” requirement in the claims for the jury in violation of the court’s *O2 Micro* precedent which requires courts to construe disputed claim terms. The Federal Circuit found that Microsoft failed to preserve its *O2 Micro* challenge because Microsoft did not make its claim-construction position clear to the district court. Microsoft did not include a definition for the scope of “automatically” in a proposed jury instruction or raise the issue during the charging conference. Although in claim construction briefing Microsoft stated there was a “fundamental legal dispute as to the meaning of ‘automatic[]’ in the claims,”

Microsoft never offered the court a construction resolving the scope issue in briefing or at the pre-trial hearing.

Microsoft also argued that the district court erred when construing “and” to mean “and/or” contending that the phrase should be given the conjunctive meaning, so that the client application (constituting the end-user interface) must integrate into each of the individual mode displays (for creating, retrieving, updating, and deleting) all three of the “processes for representing, navigating, and managing said relationships across tables.” The Federal Circuit affirmed the district court’s construction. Because the sole embodiment in the patent-in-suit did not integrate all of the enumerated processes, the Federal Circuit applied a strong presumption that proper claim construction encompasses the preferred embodiment. The court then found that Microsoft cannot meet the high bar required to conclude that the patent excludes the only embodiment described in the specification. The Federal Circuit cited its precedential decisions which held the term “and” was construed to denote alternatives, rather than a conjunctive requirement. Because it was undisputed that Dynamic Data integrates at least one of the enumerated processes into each mode display, the Federal Circuit affirmed the jury’s finding of infringement.

Kaufman appealed the denial of his motion for prejudgment interest. The district court provided two rationales for denying prejudgment interest to Mr. Kaufman: first, that the jury verdict “subsumed interest,” and second, that Mr. Kaufman was responsible for “undue delay” in bringing the lawsuit, causing prejudice to Microsoft. The Federal Circuit reversed, finding neither rationale supportable on the record. The Federal Circuit found it unreasonable for the district court to conclude that the damages figure provided by the jury subsumed interest when the testimony and the jury instructions assumed a hypothetical reasonable royalty negotiation and provided no basis for calculating prejudgment interest. The district court also erred in concluding Kaufman was responsible for undue delay justifying the denial of prejudgment interest. Although Kaufman did not sue Microsoft for five years after learning of potential infringement, that fact alone did not justify a finding of undue delay. To show undue delay the Federal Circuit held that Microsoft must show that it was prejudiced and the record lacked reasonable support of prejudice to Microsoft from the five-year delay. Thus, the Federal Circuit reversed the denial of Kaufman’s motion for prejudgment interest.

Littelfuse, Inc. v. Mersen USA EP Corp., 29 F.4th 1376 (Fed. Cir. 2022). The Federal Circuit vacated the grant of summary judgment of non-infringement because the district court erred in construing the term “fastening stem.” The patent-in-suit related to a fuse end cap for providing an electrical connection between a fuse and an electrical conductor. The district court construed “fastening stem” to

mean a “stem that attaches or joins other components” and concluded that the claims did not cover a single-piece apparatus (i.e. an end cap formed of a single piece of material). The Federal Circuit reversed, holding that the construction of “fastening stem” that is most consistent with the claims, specification and prosecution history does not confine the claims to embodiments in which the fuse cap is formed from multiple pieces and the claim covered both single-piece and multi-piece embodiments. The Federal Circuit found the structure of the claims “enlightening” because the independent claims referred to a fuse end cap comprising three elements whereas dependent claims stated the end cap is formed “from a single, contiguous piece of conductive material.”

Quanergy Systems, Inc. v. Velodyne Lidar USA, Inc., 24 F.4th 1406 (Fed. Cir. 2022). Quanergy appealed the Board’s decision from an IPR proceeding that multiple claims in a patent directed to laser-based system for measuring distances, best known for helping autonomous cars sense their surroundings, are not unpatentable. Quanergy alleged that the patent used “lidar” – an acronym for laser imaging detection and ranging—in a manner that broadly encompassed time-of-flight techniques as well as other techniques such as triangulation. The Federal Circuit rejected the argument, holding that the patent specification focuses exclusively on pulsed time-of-flight lidar and that technique is foundational to the claimed invention. The Federal Circuit affirmed that the prior art (Mizuno) reference did not teach a pulsed time-of-flight lidar system and upheld the Board’s decision.

Sound View Innovations, LLC v. Hulu, LLC, 33 F.4th 1326 (Fed. Cir. 2022). Sound View sued Hulu alleging infringement of one patent claim by its use of third-party edge servers, which sit between a central Hulu content server and the video-playing devices of end-user customers. The asserted claim included a limitation requiring an “allocating a buffer” at a helper server “to cache” a portion of a streaming multimedia object and a “downloading/retrieving” limitation that required sending that portion to a requesting client while concurrently retrieving a remaining portion of the streaming media object from a content server or another helper server. The parties disputed the meaning of the “downloading/retrieving” limitation and the whether a “cache” could be a “buffer.” The district court held that a “cache” could not be a “buffer.” The district court also applied prosecution disclaimer to the “downloading/retrieving” limitation and holding that the claim required the concurrent downloading from and filling of a single buffer. Soundview appealed alleging errors in the district court’s claim construction.

The Federal Circuit rejected Sound View’s claim construction challenge to the “downloading/retrieving” limitation, finding that the applicants limited the claim to using the same, single buffer for the required concurrent “downloading/retrieving” limitations. The Federal Circuit examined the prior art the applicant distinguished and found the specific passages in the prior art the applicant discussed described only serially download and retrieval of portions of a streaming media object. The Federal Circuit rejected Sound View’s arguments that relied on different passages in the prior art than addressed by the applicants.

The Federal Circuit, however, vacated the grant of summary judgment of non-infringement. The district court’s ruling hinged on its conclusion that accused system components called “caches” could not be the required “buffers.” The district court relied on references in the patent to “buffers” and “caches” as distinct physical components. The Federal Circuit found that the district court’s claim construction was inadequate because it did not provide an affirmative construction of “buffers.” An affirmative construction was needed for the second step of an infringement analysis, which is a comparison of a construed claim limitation to the accused “cache” components.

X. INFRINGEMENT AND DAMAGES

A. Infringement in ANDA Cases

Par Pharmaceutical, Inc. v. Eagle Pharmaceuticals. 44 F.4th 1379 (Fed. Cir. 2022). Par appealed a district court decision finding that Eagle’s abbreviated new drug application (ANDA) for a generic version of Vasostrict®—an injection product used to treat patients with critically low blood pressure—did not infringe two patents assigned to Par.

Eagle’s ANDA specified the acceptable pH range of Eagle’s proposed product during different stages of manufacture and the product’s shelf life. Eagle represented that the pH range would be between 3.4–3.6 when released and that the pH would stay between 3.4–3.6 during the product’s shelf life. Eagle’s ANDA also contained a certification that Par’s patents are invalid or will not be infringed by Eagle’s generic product.

Par sued Eagle for patent infringement under 35 U.S.C. § 271(e)(2) and sought a declaratory judgment that Eagle’s product would infringe under § 271(a) and (b). Eagle stipulated that its product would meet all of the limitations in Par’s patents except for the claimed pH range of 3.7-3.9. Par argued at a bench trial that Eagle’s products infringed because “real-world” evidence shows that the pH of Eagle’s products would drift up over time and meet the claimed pH range. The district court disagreed and found that minor fluctuations in pH did not reveal any trend, let alone an inevitable upward drift. The district court also noted that the stability specification imposed an additional constraint on Eagle’s product that avoided

infringement. Thus, the district court found no infringement and denied the motion for declaratory judgment.

Par appealed the district court's decision and the Federal Circuit affirmed. The Federal Circuit held that the § 271(e)(2) infringement analysis is controlled by the ANDA specification and that specification directly resolves infringement if it defines a product that falls within or outside of the scope of patent claims. The Federal Circuit found in this case that the infringement inquiry "begins and ends" with the ANDA because both the release and stability pH ranges of 3.4-3.6 which is outside of the claimed 3.7-3.9 range. Thus, the Federal Circuit affirmed the finding of no infringement under § 271(e)(2).

With respect to the denial of its declaratory judgment of infringement under § 271(a) and (b), Par argued that the district court erred by finding no discernable upward drift in pH and rejecting the relevance of minor pH fluctuations in Eagle's product. The Federal Circuit disagreed and found that the district court's decision was not clear error. The Federal Circuit found support for the district court's decision in testimony from post-release pH data and Eagle's expert witness testimony about that data.

B. Capability to Infringe Still Requires Likely Infringement

INVT SPE LLC v. International Trade Commission, 46 F.4th 1361 (2022). INVT appealed from a determination by the International Trade Commission (ITC) that Apple Inc., HTC Corporation, HTC America, Inc., ZTE Corporation, and ZTE (USA) Inc. did not violate 19 U.S.C. § 1337 (section 337) by importing and selling personal electronic devices, such as smartphones, smart watches, and tablets. INVT asserted five patents at the ITC, but this appeal involved issues relating to two patents.

A first patent expired before the Federal Circuit issued its opinion. Because the ITC has a limited statutory mandate and can only grant prospective relief for future infringement, the Federal Circuit held that the patent's expiration rendered the appeal moot as to the first patent. INVT argued that appealed issues were not moot because of pending district court litigation that was stayed. The Federal Circuit rejected this argument because ITC decisions on patent infringement or invalidity do not have preclusive effect on district court litigation. The Federal Circuit vacated the ITC's decision as to that patent and remanded with instructions to dismiss as moot the relevant portion of the complaint.

INVT also appealed the Commission's determination that there was no section 337 violation with respect to the '439 patent because INVT failed to show infringement. ITC rejected INVT's argument that the '439 patent claims are essential to the practice of the LTE standard for communication devices. Next, the ITC found that INVT failed to show that the actual operation of the accused products infringed

because the accused products did not meet two limitation that required receiving data modulated and encoded “on a per subband group basis” and demodulating and decoding data “on a per subband group basis.” INVT appealed, alleging that the ITC misconstrued the claims and noninfringement findings. The Federal Circuit agreed with INVT that the claims are drawn to the device with the “capability” of performing the recited functions when in operation without any modification or further programming, and not to actual operation as the ITC held.

Nonetheless, the Federal Circuit nonetheless affirmed the noninfringement finding. First, the Federal Circuit rejected INVT’s argument that the ITC improperly considered the operation of base stations in analyzing the capabilities infringement. The Federal Circuit further construed the claims to clarify that determining a user device’s capabilities involves analyzing a base station’s operation. The Federal Circuit explained that the base station is part of the environment in which the user device must function and whether the user device is capable of receiving a data signal with the particularized characteristics set forth in the claims depends on whether the base station is capable of transmitting that particular type of data signal to the user device. Next, the Federal Circuit held that INVT failed to show infringement, even though the claims are drawn to capability because INVT failed to show that (i) under the LTE standard, a user device ever receives and handles the particular data signal required by the claims and (ii) the accused products receive such a data signal, which required evidence that the accused device performs, without modification, the recited functions as least once when it is in operation.

C. Induced Infringement and Compulsory Counterclaims

Roche Diagnostics Corp. v. Meso Scale Diagnostics, LLC, 30 F.4th 1109 (Fed. Cir. 2022). Roche appealed from a final judgment sustaining a jury verdict finding that Roche violated exclusive license rights belonging to Meso by directly infringing and inducing infringement of immunoassay related patents. Roche raised three challenges on appeal: (1) the scope of Meso’s patent rights, (2) the induced-infringement verdict, and (3) the \$137 MM damages award. Meso cross-appealed a noninfringement judgement as to three other patents, which the court found Meso waived compulsory infringement counterclaims as to those patents.

Roche challenged the direct infringement verdict judgment based on the scope of Meso’s license under the patents-in-suit. The license provision granted Meso exclusive rights to practice “the IGEN Technology to make, use and sell products or processes (A) developed in the course of the Research Program.” Roche did not dispute at trial that the work leading to the ’939 Patent (which was found directly infringed) was developed as part of the Research Program. Thus, the Federal Circuit affirmed the district court’s denial of JMOL as to direct infringement. The Federal Circuit did not address Meso’s rights under the two patents found induced because,

as discussed below, it reversed the induced-infringement verdict for reasons independent of the license-interpretation.

Next, Roche argued that the district court erred incorrectly applied a negligence standard rather than requiring specific intent for inducement in denying JMOL of no inducement of infringement. Roche pointed to the district court's JMOL ruling that stated: "[t]he specific intent required for induced infringement is that the alleged infringer *knew or should have known* his actions would induce actual infringement." The Federal Circuit agreed that the district court misstated the governing intent standard and set forth a negligence standard specifically rejected in its *Commil-USA v. Cisco* precedent. Under the correct standard, Meso needed to show "knowledge that the induced acts constitute patent infringement."

The Federal Circuit then reversed the jury's inducement conclusion, finding it unsupportable because the district court's findings regarding willfulness compel the conclusion that Roche lacked the requisite intent for inducement under the proper standard. The Federal Circuit explained that "in some respects" the standard for inducement is akin to one for willfulness as both rest on the subject intent of the accused infringer. Because the district court found that Roche did not have the subject intent to infringe or induce infringement, the jury's verdict of inducement could not have survived JMOL. More specifically, the district court found that Roche lacked subjective intent because it had a good faith belief that it did not infringe based on a reasonable interpretation of the license agreement that Roche had no liability to Meso for patent infringement.

The Federal Circuit also addressed other arguments Roche made challenging the inducement judgment. Roche argued that Meso did not prove Roche committed inducing acts within the six-year patent damages limitation period, relying on the precedential *Standard Oil v. Nippon Shokubai* decision. The district court sustained the jury's inducement finding reasoning that Roche's acts prior to the damages period could have a "continuing-impact" on third parties use of the products-at-issue in an infringing manner. The Federal Circuit agreed with Roche that *Standard Oil* governed and that the alleged inducing acts must occur during the damages period. The Federal Circuit rejected the "continuing-impact" rationale applied by the district court finding it unsupported by authority and "in significant tension with *Standard Oil*."

Next, the Federal Circuit found that Roche's sales of products without restrictive labels during the damages period did not constitute acts of inducement citing its *Takeda Pharms. v. West-Ward Pharm.* decision that held "[t]he sale of a product by lawful means, without the knowledge that an unaffiliated [] third party may infringe, cannot, in and of itself, constituted inducement of infringement."

Because the Federal Circuit reversed the induced-infringement judgment, it vacated the damages award and remanded.

Meso cross-appealed the district court's noninfringement judgment as to three claims that Meso did not assert against Roche. Meso argued that the compulsory-counterclaim rule bars future actions but does not authorize rendering judgment in the same action as to unasserted patents. The Federal Circuit agreed and held that the district court misapplied the compulsory counterclaim rule: "We agree with Meso that the best understanding of the compulsory-counterclaim rule is that it bars future claims but does not authorize rendering adverse judgment on such claims in the same action." The Federal Circuit thus remanded the declaratory judgment claims back to the district court to the appropriate disposition of any properly pled declaratory judgment claims of Roche as to these three patents.

D. Experts Must Possess At Least Ordinary Skill in the Art

Kyocera Senco Industrial Tools Inc. v. Int's Trade Comm'n, 22 F.4th 1369 (Fed. Cir. 2022). Kyocera filed a complaint with the International Trade Commission alleging that Koki Holdings America Ltd. ("Koki") violated § 337 by importing gas spring nailer products that infringed claims in five patents. The parties appealed from the Commission's decision finding that Koki directly infringed and induced infringement.

The appeal focused on the ALJ's decision relating to Kyocera's technical expert, Dr. Pratt. During claim construction, the ALJ adopted Koki's definition of a skilled artisan which required a minimum of "two years' experience designing power nailers." Kyocera offered Dr. Pratt as a technical expert who had advanced degrees in engineering and extensive experience in the design and manufacturing of fastener driving tools. Dr. Pratt, however, lacked experience in designing power nailers. The ALJ excluded Dr. Pratt's testimony of infringement under the doctrine of equivalents based on his lack of power nailer design experience, but admitted his testimony for literal infringement. The Federal Circuit found the ALJ abused its discretion in admitting any of Dr. Pratt's testimony holding that "to be qualified to offer expert testimony . . . an expert must at a minimum possess ordinary skill in the art."

Kyocera appealed the ALJ's construction of the term "driven position" alleging the ALJ erred by limiting the term to positions "*at the bottom most-travel position.*" The Federal Circuit affirmed, finding the patentees acted as their own lexicographer and defined the term, citing the following portion of the patent: "Referring now to FIG. 3, the piston is depicted at its bottom-most travel position, and in this configuration, the displacement volume 76 and the main storage chamber 74 are at their largest combined volumes, while the cylinder venting chamber 94 is at its minimum volume. *This bottom position is also sometimes referred to herein as the 'driven position.'*"

Koki appealed the ALJ's construction of "lifter member" arguing that the ALJ erred by not construing the term as a means-plus-function limitation under § 112 ¶ 6. The Federal Circuit agreed with Koki and construed "lift member" as a means-plus-function limitation. First, the Federal Circuit applied a presumption that § 112 ¶ 6 did not apply because the term does not use the word "means." But, the presumption was overcome because "lifter member" does not recite sufficiently definite structure. The limitation recited a generic, non-structural placeholder (member) with a functional modifier (lifter) and the surrounding claim language did not provide any structural details. The Federal Circuit remanded identification of corresponding structure to the Commission because the parties had not thoroughly briefed that issue.

E. Damages – Reasonable Royalty

Apple Inc. v. Wi-LAN Inc., 25 F.4th 960 (2022). This decision involved an appeal and cross-appeal following entry of a final judgment awarding Wi-LAN \$85.23 million in damages for Apple's infringement of two patents relating to allocating bandwidth in a wireless communication system.

Apple challenged Wi-Lan's damages expert's methodology on appeal. Wi-LAN's damages expert estimated a reasonable royalty by culling 150 Wi-LAN license agreements down to three comparable agreements and then adjusting the three agreements for differences between them and the license that would have resulted from the hypothetical negotiation. The Federal Circuit found that the expert's opinion that the asserted patents were "key patents" was "untethered to the facts of this case," finding none of the licenses treated the asserted patents as "key patents," nor were the patents discussed during negotiations leading to the licenses.

Wi-LAN cross-appealed the grant of summary judgment of no infringement for all iPhones supplied with Intel chipsets after a license agreement between Wi-LAN and Intel expired. The district court determined that the agreement provided for a perpetual license for chipsets Intel sold after the agreement expired. The Federal Circuit disagreed, finding the provision unambiguously grants a term license because the first sentence provided a license to engage in certain activities "for the Term License Period" and did not extend to those activities after the expiration of the agreement.

F. Attorney's Fees

Realtime Adaptive Streaming LLC v. Netflix, Inc., 41 F.4th 1372 (Fed. Cir. 2022). Realtime filed three separate patent infringement actions against Netflix and Netflix filed seven petitions for *inter partes* review before the PTAB. In a Delaware action, Netflix moved to dismiss the complaint for failure to state a claim, arguing that four of six asserted patents were ineligible under § 101. Realtime voluntarily dismissed the Delaware action after the PTAB instituted all seven *inter partes*

review proceedings and the Delaware magistrate issued a thorough report and recommendation finding claims of the four patents ineligible.

The next day, Realtime re-asserted the same six patents in the Central District of California. Netflix moved to transfer the California action back to Delaware and also moved for attorneys' fees. Before a decision on either motion, Realtime voluntarily dismissed the California action. Netflix renewed its motion for attorneys' fees for the California action as well the Delaware action and related *inter partes* review proceedings.

The district court awarded Netflix attorneys' fees for the California action pursuant to 35 U.S.C. § 285 and its inherent equitable powers but declined to award fees for the Delaware action or *inter partes* review proceedings.

Realtime appealed the award of fees in the California action and Netflix cross-appealed the denial of fees for the related proceedings. The Federal Circuit affirmed. The Federal Circuit found the blatant gamesmanship presented by the facts of this case constitutes a willful action for an improper purpose, tantamount to bad faith, and therefore within the bounds of activities sanctionable under a court's inherent power in view of the Ninth Circuit's standard. Thus, the district court did not abuse its discretion in awarding attorneys' fees for the California action.

The Federal Circuit also affirmed the denial of attorneys' fees for the Delaware action and *inter partes* review proceedings finding that the district court did not abuse its discretion. The Federal Circuit pointed to the district court's finding that there was no evidence that the initial filing of the Delaware case was "untenable" and that there was insufficient evidence to conclude that Realtime knew or should have known about the weakness of its case at the time of filing.

G. ITC – Domestic Industry

Broadcom Corporation v. International Trade Commission, 28 F.4th 240 (Fed. Cir. 2022). Broadcom filed a complaint in the International Trade Commission alleging a violation of 19 U.S.C. § 1337 based on products imported by Renesas Electronics Corporation that allegedly infringed two patents. The ALJ found no violation of § 337 as to the first patent because Renesas did not infringe and Broadcom did not establish a domestic industry. As to the second patent, the ALJ found no violation because the asserted patent claims would have been obvious at the time of the invention. Broadcom appealed the ALJ's decisions. The Federal Circuit also consolidated appeals from IPR proceeding relating to the two patents which found some claims unpatentable and some claim patentable.

The Federal Circuit affirmed the Commission's decision of no domestic industry with respect to the '583 Patent. To establish the technical prong of the domestic

industry inquiry, the patent owner must establish that it practices at least one claim of the asserted patent. The ALJ determined that the sole product identified as a domestic industry product did not contain a “clock tree driver” as required by claim 25 in the ‘583 patent. Broadcom argued that it satisfied the technical prong because it collaborates with customers to integrate its product with the “clock tree driver.” The Federal Circuit rejected this argument, because Broadcom failed to identify any specific integration of the domestic industry product with the “clock tree driver.” Because Broadcom failed to identify any product that practiced claim 25 of the ‘583 patent, the Federal Circuit held Broadcom failed to satisfy the domestic industry requirement.

As to the ‘752 patent, the ALJ found that claim 5 would have been obvious in view of two prior art references (Foster and Sih) and the PTAB found that claim 5 would have been obvious in view of Foster alone and Foster in combination with Sih. The Federal Circuit affirmed the PTAB’s decision, which rendered the portion of the Commissioner’s decision addressing invalidity moot.

XI. PRELIMINARY INJUNCTIONS

A. Procedure and Notice Requirement

ABC Corp. v. The P’ship and Unincorporated Assocs. Identified on Schedule A, 52 F.4th 934, (Fed. Cir. 2022). In the district court case, plaintiff (“ABC”) filed a motion for entry of a second preliminary injunction enjoining infringement of two design patents for hoverboards. The focus of the parties’ dispute before the district court as to the 2021 preliminary injunction was whether ABC established a likelihood of success on the merits with respect to infringement.

A plaintiff seeking a preliminary injunction must establish (1) the likelihood to succeed on the merits; (2) the likelihood to suffer irreparable harm in the absence of preliminary relief; (3) the balance of equities tips in plaintiff’s favor; and (4) an injunction is in the public interest. In order to establish likelihood of success in proving design patent infringement, a plaintiff must show that an ordinary observer, familiar with the prior art designs, would be deceived into believing that the accused product is the same as the patented design.

The district court determined that ABC proved a likelihood of success on the issue of infringement. The Federal Circuit reversed and remanded after concluding (1) the district court applied the incorrect legal standards when determining whether the patentee demonstrated a likelihood of success on the merits; and (2) the preliminary injunction was overbroad.

More specifically, the Federal Circuit determined that the district court erred in four independent respects, detailed below.

First, the district court applied the wrong legal standard. The district court determined that plaintiff to have met their burden to demonstrate a likelihood of success on the merits by showing that a trial was needed to resolving the infringement dispute. The Federal Circuit found this reasoning to be directly contrary to the precedent, which requires a patentee to show that it will likely prove infringement of the asserted claims. The Federal Circuit further noted that an injunction cannot be granted because a trial is required or because the accused products are not “sufficiently dissimilar” or “plainly dissimilar” from the patented design. Thus, the district court failed to apply the appropriate legal standard, which requires setting aside the 2021 preliminary injunction order.

Second, the district court was required to conduct the ordinary observer analysis through the lens of the prior art. The Federal Circuit found the district court's conclusory discussion contained no indication that it conducted the required analysis. Where a patented design and an accused product are not “plainly dissimilar,” the court must conduct a three-way analysis comparing the accused product, the patented design, and the prior art.

Third, the district court failed to apply the ordinary observer test on a product-by-product basis, which the Federal Circuit found to be particularly important in light of significant differences between the accused products themselves. More specifically, when a court states the reasons why a preliminary injunction issued, it must conduct a product-by-product infringement analysis. The district court failed to make product-by-product infringement findings in the proceedings concerning the preliminary injunctions and in the preliminary injunction orders themselves.

Fourth, the Federal Circuit found the language of the injunction overbroad. The preliminary injunction orders that “[t]he Gyroor Defendants ... be preliminarily enjoined and restrained from ... offering for sale, selling, and importing any products ... that include any reproduction, copy or colorable imitation of the design claimed in the Patents-in-Suit.” The order does not mention or enjoin specific accused products. The precedent makes clear that preliminary injunctions that simply prohibit future infringement of a patent are overbroad.

Therefore, the Federal Circuit reversed and remanded the district court's ruling on the 2021 preliminary injunction.

ABC Corp. v. The P'ship and Unincorporated Ass'ns Identified on Schedule A, 51 F.4th 1365 (Fed. Cir. Oct. 28, 2022). This case involves an appeal from entry of a district court order entering a preliminary injunction enjoining infringement of design patents related to hoverboards.

In the district court case, the plaintiff (“ABC”) filed suit alleging patent infringement of its design patents covering an electrically powered two-wheeled hoverboard. On November 19, 2020, ABC filed its third amended complaint and the next day filed a motion for a preliminary injunction. Four days later, on November 24, 2020, the court entered the 2020 Preliminary Injunction, covering the “defendants” then identified in Schedule A, plus “their affiliates, officers, agents, servants, employees, attorneys, confederates, and all persons acting for, with, by, through, under or in active concert with them.”

Appellant, Gyroor-US, was one of the originally named defendants, but it was not served with the complaint until December 29, 2020, or with the required summons until January 29, 2021. Therefore, Gyroor-US was not given notice that a motion for a preliminary injunction had been filed or was under consideration before the 2020 Preliminary Injunction was entered, and it was not served with process within thirty days of entry of the preliminary injunction.

On May 6, 2021, ABC filed a motion expressing its concern that other entities not named in Schedule A were performing infringing activities. These entities were not directly subject to the 2020 Preliminary Injunction, but ABC had reason to believe these entities were affiliates of or in active concert with those already named in Schedule A. Specifically, ABC moved to amend Schedule A to add various entities as defendants, including GaodeshangUS, Fengchi-US, and Urbanmax.

On May 24, 2021, the district court granted ABC's motion to amend Schedule A (“May 24 Order”), which thereby subjected the newly named defendants to the 2020 Preliminary Injunction. The newly added defendants were not served with process until June 25, 2021, more than thirty days after the entry of the May 24 Order.

The defendants appealed the district court’s May 24 Order continuing the 2020 Preliminary Injunction. The Federal Circuit found no jurisdictional obstacle in considering the notice challenge to the 2020 Preliminary Injunction on appeal from an order within the plain terms of § 1292(c)(1).

The defendant-appellants challenged the May 24 Order and the 2020 Preliminary Injunction on the ground that the notice requirement of Federal Rule of Civil Procedure 65(a) was not met. Rule 65(a) permits a court to enter a preliminary injunction “only on notice to the adverse party.” Fed. R. Civ. P. 65(a)(1). “The notice required by Rule 65(a) before a preliminary injunction can issue implies a hearing in which the defendant is given a fair opportunity to oppose the application and to prepare for such opposition.”

The Federal Circuit concluded that the May 24 Order and the 2020 Preliminary Injunction violated Rule 65(a)’s notice requirement. Specifically, finding the

defendant-appellants were given no advance notice or opportunity to oppose before the entry of the 2020 Preliminary Injunction.

Thus, the Federal Circuit held that the district court erred, and the 2020 Preliminary Injunction and the May 24 Order were entered in violation of Rule 65(a) and should be vacated.

B. Substantial Question of Validity

BlephEx, LLC v. Myco Industries, Inc., 24 F.4th 1391 (Fed. Cir. 2022). Myco appealed from the District Court’s entry of a preliminary injunction enjoining it from selling, distributing, or offering to sell or distribute a device for treating blepharitis, sold under the name AB Max. On appeal, Myco contested the district court’s conclusion that Myco failed to demonstrate a substantial question of validity based on a single reference (Nichamin) that Myco alleged anticipated and/or rendered obvious BlephEx’s patent claims. The Federal Circuit explained that, under the law, Myco need only present evidence showing that there is a substantial question of validity despite the presumption of patent validity and BlephEx’s arguments in favor of validity, such that BlephEx’s likelihood of success is in question. Stated differently, Myco needed to demonstrate an invalidity defense that BlephEx cannot show lacks substantial merit.

The Federal Circuit found that Myco’s anticipation defense did not raise a substantial question of validity because the Nichamin reference did not show one particular claim limitation directed to a swab. The Federal Circuit also rejected Myco’s obviousness arguments, characterizing Myco’s “argument before the district court consisted of only a single sentence appended to its anticipation argument” declaring the claims also would have been obvious without any supporting evidence or additional argument. Because Myco’s failed to present any evidence underlying the obviousness inquiry, the Federal Circuit found no error in the District Court’s conclusion.

Finally, Myco’s argued that the purpose of a preliminary injunction is to preserve the status quo and that entry of the injunction disrupted the status quo. Myco’s based its arguments on the fact that it sold its AB Max product prior to the issuance of BlephEx’s patent. The Federal Circuit rejected Myco’s arguments, finding that one objective of a preliminary injunction is to prevent ongoing trespass during the pendency of an infringement claim which may, at times, upset the status quo. The Federal Circuit also rejected Myco’s arguments that the District Court ignored the status quo, finding the court addressed the status quo when considered evidence of the parties being direct competitors, potential price erosion and loss of goodwill and BlephEx’s threat of extinction should Myco be allowed to continue selling its AB Max product.

C. Preliminary Injunctions as to Pursuing Legal Proceedings in Other Venues

Nippon Shinyaku Co., Ltd. v. Sarepta Therapeutics, Inc., 25 F.4th 998 (Fed. Cir. 2022). Nippon Shinyaku and Sarepta Therapeutics, Inc. (“Sarepta”) executed a Mutual Confidentiality Agreement that addressed “patent infringement litigations, declaratory judgement actions, patent validity challenges before the U.S. Patent and Trademark Office . . .” The MCA also included a forum selection clause requiring all patent or other intellectual property disputes filed within two years of the end of the covenant term to be filed in the United States District Court for the District of Delaware. The day the covenant term ended, Sarepta filed seven petitions for *inter partes* review in the PTAB. Nippon filed suit in the Delaware District Court asserting breach of contract claims against Sarepta and sought a preliminary injunction to enjoin Sarepta from proceeding with its IPR petitions and requiring Sarepta to withdraw them. The district court denied Nippon’s motion for preliminary injunction finding that Nippon did not establish a reasonable likelihood of success that Sarepta breached the MCA or any of the preliminary injunction factors (irreparable harm, balance of hardships, and public interest).

The Federal Circuit reversed and remanded the case for entry of a preliminary injunction. First, the Federal Circuit concluded as a matter of law that the forum selection clause in of the MCA precluded the filing of IPR petitions during the two-year period following the expiration of the covenant term. Because Sarepta filed IPR petitions during that time in violation of the forum selection clause, the Federal Circuit found Nippon likely to succeed on the merits of its claim for breach of contract. As to irreparable harm, the Federal Circuit accepted Nippon’s argument that absent an injunction it would be deprived of its bargained-for choice of forum and forced to litigated its patent rights in multiple jurisdictions, which the court has previously found sufficient to show irreparable harm, citing its decision in *General Protecht Group*. The balance of hardships favored Nippon as well because Sarepta would still have the opportunity to challenge validity in the District Court of Delaware. Finally, the public interest favored Nippon because there is nothing unfair about holding Sarepta to its bargain.

Koninklijke Philips N.V. v. Thales DIS AIS USA LLC, 39 F.4th 1377 (Fed. Cir. 2022). Philips and Thales design and manufacture telecommunications equipment for wireless networks. The parties engaged in negotiations over standard essential patents owned by Philips that Thales implements according to European Telecommunications Standards Institute. After the parties did not agree to a fair, reasonable and nondiscriminatory (FRAND) license, Philips sued Thales for infringement in district court and in the ITC. Thales filed a breach of contract counterclaim for a FRAND rate determination and moved for a preliminary injunction barring Philips from pursuing its ITC action. The district court denied

Thales preliminary injunction motion and Thales appealed the denial to the Federal Circuit.

On appeal, Thales argued that the district court erred in finding that Thales failed to show it was likely to suffer irreparable harm. The Federal Circuit disagreed with Thales finding that the only evidence of harm was conclusory affidavits stating that the threat of an ITC exclusion order caused several customers to “voice concerns” or doubts over Thales ability to provide products, which were speculative injuries that did not justify the rare and extraordinary relief of a preliminary injunction.

XII. INTER PARTES REVIEWS – IPR ESTOPPEL AND PTAB PRACTICE

A. IPR Estoppel

California Institute of Technology v. Broadcom Limited, 25 F.4th 976 (Fed. Cir. 2022). Caltech alleged infringement of two patents directed to circuits that generate and receive irregular repeat and accumulate codes (IRA) by certain Broadcom WiFi chips and Apple products that incorporated those chips, including smartphones, tablets, and computers. Caltech also asserted a third patent (the ‘781 patent) that claimed a method for creating codewords in which “information bits appear in a variable number of subsets.”

Before trial, Apple filed multiple IPR petitions challenging the validity of the claims at issue and the PTAB issued a number of final written decisions which concluded that Apple failed to show the challenged claims were unpatentable as obvious. The district court granted Caltech’s motion for summary judgment of no invalidity, finding the estoppel provisions of 35 U.S.C. § 315(e)(2) precluded the parties’ invalidity arguments.

Following a trial, the jury found infringement of all asserted claims in the IRA patents and infringement of claim 13 in the ‘781 patent. During trial, the district court declined to provide the jury with an instruction for the term “variable number of subsets,” despite construing that term in summary judgment briefing. The jury awarded over \$270MM in damages for Broadcom’s infringement and over \$837MM in damages for Apple’s infringement. The final judgment added pre-judgment and post-judgment interest as well as an ongoing royalty at the rate set by the jury’s verdict.

Broadcom and Apple appealed the jury’s infringement findings as to the IRA patents, which alleged an error in the claim construction of the term “repeat” and the evidence supporting the infringement finding. The Federal Circuit affirmed the construction of “repeat,” finding that the plain language of the claim does not require generating new, distinct bits of information and did not exclude the reuse of bits. Then, the Federal Circuit found substantial evidence, primarily the testimony of Caltech’s expert witness, supported the jury’s infringement finding.

The Federal Circuit also rejected Broadcom's and Apple's § 101 patent eligibility arguments as to the '781 patent, finding the mere fact that the claim employs a mathematical formula does not demonstrate that the claim is patent ineligible.

The Federal Circuit remanded the jury's infringement determination for the '781 patent because the district court erred by failing to instruct the jury that the "variable numbers of subsets" limitation requires irregular repetition.

The Federal Circuit next addressed the district court invoking the IPR estoppel provisions of § 315(e)(2) to preclude Apple and Broadcom from presenting invalidity defenses that were based on grounds that the PTAB did not address in its IPR decisions. The Federal Circuit overruled its *Shaw* decision and clarified that "estoppel applies not just to claims and grounds asserted in the petition and instituted for consideration by the Board, but to all claims and grounds not in the IPR but which reasonably could have been included in the petition." Apple and Broadcom were indisputably aware of the prior art references in the court invalidity grounds and those grounds reasonably could have been included in the IPR petition. Thus, the Federal Circuit affirmed the district court's decision barring Apple and Broadcom from raising invalidity challenges based on prior art references.

Apple and Broadcom also appealed the jury's damages award, arguing that Caltech's two-tiered reasonable royalty model based on simultaneous hypothetical negotiations with Broadcom (chip level) and Apple (device level) could not be sustained because the model impermissibly applied two separate negotiations for the sales of the same chips. The Federal Circuit agreed citing its precedent to the effect that a higher royalty rate is not available for the same device at a different point in the supply chain and that a reasonable royalty is not separately calculated against each successive infringement. Furthermore, the Federal Circuit found nothing in the record to suggest Broadcom and Apple would negotiate in this contrived, artificial way rather than to conventionally negotiate a single license at a single rate for the same chips. Accordingly, the Federal Circuit vacated the jury's damages award and remanded for a new trial on damages.

Intuitive Surgical, Inc. v. Ethicon LLC, 25 F.4th 1035 (2022). Intuitive Surgical appealed from a final written decision of the PTAB upholding the patentability of claims relating to a robotically controlled endoscopic surgical instrument. Intuitive filed three IPR petitions challenging the patentability of claims in Ethicon's patent, which all challenged claim 24, but on different grounds. The PTAB granted each petition and instituted proceedings. The PTAB issued final written decisions on the first two petitions in January 2020 upholding the patentability of claim 24. Meanwhile, the third IPR remained on-going and Ethicon filed a motion to terminate Intuitive as a party arguing Intuitive was estopped from proceeding with

the IPR under 35 U.S.C. § 315(e). The Board concluded that § 315(e) estopped Intuitive from maintaining the third proceeding and that § 315(e) did not preclude estoppel from applying where simultaneous petitions were filed by the same petitioner on the same claims. The Federal Circuit affirmed.

The Federal Circuit first determined that it had jurisdiction to review the PTAB's estoppel decision under 28 U.S.C. § 1295(a)(4)(A) because the PTAB's decision to terminate Intuitive as a party to the third IPR was a "decision" of the Board "with respect to" an IPR that was also "final" in terminating the proceeding with respect to Intuitive.

Next, the Federal Circuit addressed the merits of Intuitive's challenges. Subsection 315(e)(1) states that "[t]he petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision ... may not request *or maintain* a proceeding before the Office with respect to that claim on any ground that the petitioner *raised or reasonably could have raised during that inter partes review*." Intuitive argued that it could not have reasonably raised the third petition grounds in the earlier petitions because the PTAB's 14,000-word limit per petition necessitated filing three separate petitions. The Federal Circuit rejected the argument, finding that §315(e)(1) estops a petitioner as to invalidity grounds for an asserted claim that it failed to raise but "reasonably could have raised" regardless of whether the petitions were filed simultaneously or the reason for their separate filings. The Federal Circuit found Intuitive was the master of its own petition. And Intuitive had procedural avenues available to it to avoid the consequences of § 315(e)(1) such as consolidating multiple proceedings or filing multiple petitions focused on separate claims because estoppel applies on a claim-by-claim basis.

Finally, the Federal Circuit rejected Intuitive's assertion that it had the right to appeal the PTAB's merits decision even if it is estopped because it was once a party to that IPR, finding that Intuitive ceased being a party to the IPR due to estoppel and the statutory authorization to appeal is limited to "a party" under § 141(c) and § 319.

Click-to-Call Techs. v. Ingenio, Inc., 45 F.4th 1363 (Fed. Cir. 2022). Click-to-Call sued Ingenio for patent infringement. Ingenio filed a petition seeking IPR of all asserted claims in the patent-in-suit. The PTAB only partially instituted the IPR based on one reference (Dezonno) and all claims except claim 27 (Ingenio did not challenge the patentability of claim 27 based on Dezonno). During the pendency of the IPR, the district court case was stayed and the Supreme Court overruled the practice of partial institution of IPRs in its *SAS Institute* decision. Ingenio, however, never sought a remand under *SAS* for the PTAB to consider Ingenio's challenge to claim 27.

The district court revived the case once the IPR proceeding concluded. Ingenio moved for summary judgment of invalidity arguing that claim 27 was invalid based on the Dezonno reference used against the other asserted claims in the IPR petition. Click-to-Call argued that Ingenio was estopped from pressing this invalidity ground under 35 U.S.C. § 315(e)(2), but the district court did not address the argument and granted summary judgment of invalidity.

Click-to-Call appealed arguing that the district court erred in not applying IPR estoppel under § 315(e)(2). The Federal Circuit agreed and reversed the invalidity finding as to claim 27. The Federal Circuit found that the district court erred by applying standard issue preclusion and not addressing the actual basis of Click-to-Call's IPR estoppel argument that was grounded in § 315(e)(2). The district court erred by rejecting Click-to-Call's estoppel argument by applying an "actually litigated" prong of issue preclusion, which is not an express requirement of § 315(e)(2). The Federal Circuit then found that a patentability challenge to claim 27 based on Dezonno "reasonably could have been raised" because Ingenio's IPR petition included a challenge to claim 27 and included unpatentability challenges based on Dezonno (but not claim 27).

Click-to-Call argued that § 315(e)(2) did not apply because claim 27 was not part of the PTAB's final written decision. And that IPR estoppel is applied on a claim-by-claim basis. The Federal Circuit disagreed, finding the fact that claim 27 was not part of the final written decision did not have the dispositive weight Ingenio ascribed to it because of the unusual procedural posture of the case. Although the Federal Circuit agreed that IPR estoppel is applied on a claim-by-claim basis, Ingenio's petition included claim 27 and a final written decision issued. The fact the PTAB, due to a legal error corrected by *SAS*, did not address claim 27 did not absolve Ingenio of the estoppel triggered by its challenge of claim 27 at the PTAB. The Federal Circuit pointed out that Ingenio was not helpless to remedy the PTAB's error because it could have sought a *SAS* remand for the PTAB to address its non-instituted challenges to claim 27.

Click-to-Call also challenged the district court's denial of its request to amend its listing of asserted claims to include claims which were not challenged in the IPR. The district court found no good cause for leave to amend the list of claims nearly eight years after its original selection and six years after the PTAB issued its final written decision. The Federal Circuit characterized this as a decision concerning the management of the district court's docket which is reviewed for abuse of discretion. The Federal Circuit affirmed finding that the district court did not abuse its discretion.

Alarm.com Incorporated v. Hirshfeld, 26 F.4th 1348 (Fed. Cir. 2022). In *Alarm.com*, the Federal Circuit held that the USPTO's application of the IPR estoppel provisions of § 315(e)(1) in ex parte reexamination proceedings are subject to judicial review. In 2017, the PTAB issued three final written decisions in IPRs filed by Alarm.com which rejected its challenges to certain claims, a rejection that the Federal Circuit affirmed on appeal. In 2020, Alarm.com then filed three ex parte reexamination requests challenging the same claims. The PTO Director vacated the ex parte reexamination proceedings based on the estoppel provision of the IPR regime, § 315(e)(1), which, the Director concluded, estopped Alarm.com from pursuing the requests once the IPRs resulted in final written decisions. Alarm.com sought review of the Director's decision in the district court under the Administrative Procedures Act ("APA"). The district court dismissed Alarm.com's complaint holding that review of the Director's decision was precluded by the ex parte reexamination scheme viewed as a whole. Alarm.com appealed.

The Federal Circuit concluded that Alarm.com's APA challenge to the Director's vacatur decisions based on estoppel was not precluded because the text, statutory scheme, and legislative history pertaining to ex parte reexamination did not evince a fairly discernable intent to preclude judicial review of these decisions. The Federal Circuit started its analysis with 35 U.S.C. § 303(c), which is the only statutory scheme that expressly excluded judicial review and found that review of estoppel determinations falls outside the scope of § 303(c).

Next, the Federal Circuit rejected the argument that the ex parte reexamination scheme as a whole demonstrated congressional intent to preclude reviewability of the Director's estoppel decisions. The Federal Circuit found that the presumption of reviewability was not overcome because the statute expressly precluded review of certain determinations and that express provision did not encompass the estoppel issue in question.

Finally, the Federal Circuit reviewed the legislative history and found nothing suggesting congressional intent to bar review of a Director's estoppel determination. Accordingly, the Federal Circuit held that Alarm.com's APA action seeking review of how the USPTO applied IPR estoppel could proceed.

B. (Acting) Director Review Authority After Arthrex

Arthrex, Inc. v. Smith & Nephew, Inc., 35 F.4th 1328 (2022). This appeal followed the Supreme Court's decision in *United States v. Arthrex* which held that Administrative Patent Judges are appointed by the Secretary of Commerce and cannot issue any final decision binding the Executive Branch. The Supreme Court held that the appropriate remedy was to (1) exempt the Director from 35 U.S.C. § 6(c), which precludes anyone but the Board from granting rehearing of a Board decision, and (2) remand the case to the Acting Director for him to decide whether to rehear the case.

On remand, Arthrex requested rehearing by the Director of the PTO, but both the Director and Deputy Director offices were vacant. Following a standing Agency Organization Order, the request fell to the Commissioner for Patents who denied rehearing and ordered that the Board's decision, which found the challenged claims unpatentable as anticipated, was the final decision of the agency.

Arthrex appealed. Arthrex first challenged the Commissioner's denial of Arthrex's request for the Director of the PTO to review the Board's decision. Arthrex argued that it did not get the remedy the Supreme Court ordered because no presidentially appointed, Senate confirmed principal officer (PAS) decided the petition for rehearing. Arthrex argued that the Commissioner's exercise of the Director's authority violated (1) the Appointments Clause of the Constitution, (2) the Federal Vacancies Reform Act (FVRA) and (3) the Constitution's separation of powers. The Federal Circuit disagreed and affirmed.

The Federal Circuit held that the Appointments Clause allows an inferior officer to temporarily wield the powers of an absent PAS, finding Arthrex's argument runs "headlong" into the Supreme Court's indistinguishable *U.S. v. Eaton* decision from 1898 and the Supreme Court's prior decision in this case. The court then explained that *Eaton* is consistent with the FVRA which states that if a PAS officer is "unable to perform functions and duties of the office," an inferior officer may fill in for him "temporarily in an acting capacity," quoting 5 U.S.C. § 3345(a)(1), (3). The Federal Circuit stated that the Supreme Court's *Arthrex* decision alluded to this mechanism when it ordered "a remand to the *Acting* Director for him to decide whether to rehear" the petition.

The Federal Circuit held that the FVRA did not preclude the Commissioner from ruling on the petition because the FVRA applies only to non-delegable duties and the decision on a rehearing request is a delegable duty. The Federal Circuit found the language of 5 U.S.C. § 3348(d)(1)-(2) unambiguous and applied only to functions that a PAS office alone is permitted by statute or regulation to perform, which is consistent with other circuit court's that have addressed the issue. The Federal Circuit commented that adopting Arthrex's position "would have significant consequences" because the PTO issued over 668,000 patents signed by an inferior officer filling in for the Director in the past decade and would cast doubt on all IPR decisions the PTO issued during the Commissioner's tenure. The Federal Circuit then held that under the Patent Act bestows upon the Director the discretion to delegate review of rehearing requests, relying on 35 U.S.C. § 3(b)(3) which states a general power to delegate "such of the powers vested in the PTO as the director may determine."

Lastly, the Federal Circuit rejected Arthrex's argument that the Commissioner violated the Constitution's separation of powers finding it had no merit. Arthrex argued that the Commissioner is removable under 35 U.S.C. § 3(b)(2)(C) only for

“misconduct or nonsatisfactory performance” and the separation of powers prevented him from performing his duties. The Federal Circuit found the President needed no cause to remove the Commissioner from the acting Director role, and rejected Arthrex’s argument.

In re Palo Alto Networks, Inc., 44 F.4th 1369 (Fed. Cir. 2022). Palo Alto Networks, Inc. (“PAN”) petitioned for a writ of mandamus to compel the PTO to accept and consider its Requests for Director Rehearing of decisions denying institution of inter partes review and post grant review for patents owned by Centripetal Networks, Inc. PAN argued that the Director's current policy of refusing to accept such requests is contrary to the Appointments Clause of the U.S. Constitution, Art. II, § 2, cl. 2, as interpreted by the Supreme Court’s *Arthrex* decision. The PTO and Centripetal opposed. The Federal Circuit denied the petition, concluding that there has been no violation of the Appointments Clause.

The case involved a challenge to the procedures relating to institution decisions rather than the provisions governing final written decisions at issue in *Arthrex*. After being sued by Centripetal in district court, PAN filed an IPR and a PGR petition against two Centripetal patents. The PTAB denied institution and PAN subsequently filed Requests for Director Rehearing seeking Director review of the non-institution decisions. The PTO acknowledged the receipt of the requests but informed PAN that the PTO does not accept requests for the Director to review institution decisions and the requests would not be considered.

Relying on *Arthex*, PAN argued that the categorical refusal to accept a request for Director review of institution decisions violates the Appointments Clause. The Federal Circuit rejected PAN’s argument. The Federal Circuit concluded that the delegation of authority as to whether to institute IPR and PGR proceedings to the Board and the Director's policy refusing to accept party requests for Director rehearing of decisions not to institute do not violate the Appointments Clause. The Federal Circuit found the issue fundamentally different than in *Arthrex* because there is no structural impediment to the Director’s authority to review institution decisions either by statute or by regulation. The institution decision is, by statute, the Director’s to make and is only made by the Board as a matter of delegated authority. The Federal Circuit explained that the Appointments Clause was intended to prevent unappointed officials from wielding too much power, and not to guarantee procedural rights to litigants. What mattered under *Arthrex* is that the Director has discretion to review the institution decision. Thus, the Federal Circuit denied the petition.

C. Admitted Prior Art in IPRs

Qualcomm Incorporated v. Apple Inc., 24 F.4th 1367 (Fed. Cir. 2022). Qualcomm appealed from two related *inter partes* review decisions finding several claims unpatentable under § 103. The Board’s decision relied on a ground based on applicant admitted prior art, namely statements in the specification that most of the limitations were already known. Qualcomm argued that the Board’s reliance on admitted prior art runs afoul of 35 U.S.C. § 311(b) which limits an *inter partes* review to challenged claims as unpatentable “only on the basis of prior art consisting of patents or printed publications.” The Federal Circuit agreed with Qualcomm and vacated the decision and remanded the proceeding to the Board to determine whether the petition nonetheless raises its § 103 challenge on the basis of patents or printed publications.

The Federal Circuit held that applicant admitted prior art does not constitute “prior art consisting of patents or printed publications” under § 311(b). The Federal Circuit agreed with Qualcomm that the “patents or printed publications” in this statute must themselves be prior art to the challenged patent, which excludes any descriptions of prior art in the challenged patent. The Federal Circuit found support for this conclusion in the plain language of the statute and prior judicial interpretations of “prior art consisting of patents or printed publications” in 35 U.S.C. § 301(a).

The Federal Circuit then explained that applicant admitted prior art is not categorically excluded from an *inter partes* review citing its 2020 *Koninklijke Philips* precedent. Under *Koninklijke Philips*, “it is appropriate to rely on admissions in a patent’s specification when assessing whether the patent’s claims would have been obvious” in an *inter partes* review proceeding. The court also cited precedent where applicant admitted prior art formed the factual foundation as to what a skilled artisan would have known at the time of the invention.

D. PTAB Not Bound By Parties’ Agreed Construction From District Court

VLSI Technology LLC v. Intel Corp., 53 F.4th 646 (Fed. Cir. 2022). This appeal involved appeals from a combined Final Written decision from three petitions for *inter partes* review filed by Intel relating to a patent covering integrated circuit technology. The Board found all claims unpatentable. VLSI appealed and the Federal Circuit affirmed in part, reversed in part, and remanded for further proceedings.

VLSI asserted errors in the claim construction of two claim limitations on appeal—“force region” and “used for electrical interconnection.” With respect to the “force region” limitation, VLSI argued that the Board erred by declining to adopt the construction proposed by Intel and adopted in district court litigation. VLSI argued that PTO procedures require the Board to “consider” and give proper weight to

district court claim construction and the Board did not specifically mention the district court's claim construction. The Federal Circuit rejected VLSI's arguments because the Board was aware of the district court's claim construction. The Board also did not reject that claim construction because it addressed an argument not made in district court necessary to resolve the parties' dispute.

The Federal Circuit construed "force region" based on a definition found in one column of the patent: "a region in which the interconnect layers are susceptible to stress from the bond pad due to assembly of other processes." The Federal Circuit rejected a different passage in the patent describing a "force region" because that passage related to specific preferred embodiments in Figures 1 and 2 of the patent. VLSI also argued that the Board's claim construction was legally flawed and redundant because the definition restates limitations already in the claims. The Federal Circuit rejected the argument, stating that the claims were "clumsily drafted" and that a claim construction that is redundant, although disfavored, is not foreclosed especially when the intrinsic evidence makes clear the "redundant" construction is correct. The Federal Circuit also rejected VLSI's argument that the Board must accept the parties' agreed claim construction regardless of that agreed construction is the proper construction, finding the cases VLSI cited did not support that argument and that the parties actually disputed the meaning of "force region."

The Federal Circuit also found the Board's treatment of the "force region" limitation not erroneous. Although the Board construed the limitation differently, the Board's decision cited the definitional portion of VLSI's patent when concluding a prior art reference disclosed the claimed "force region."

The Federal Circuit found the Board erred in construing the phrase "used for electrical interconnection" because the Board construed the phrase too broadly. The Board held that this phrase encompasses interconnect layers that are "electrically connected to each other but not electrically connected to the bond pad" or to any other active circuitry. VLSI argued that the Board should have construed the phrase to require that the interconnect layers be connected to active circuitry. The Federal Circuit agreed finding that the "being used for" portion of the limitation implies that actual use of the interconnect layers to carry electricity is required and that the file history also supported VLSI's arguments.

The Federal Circuit remanded for further proceedings in light of the proper claim construction of "used for electrical interconnection."

E. Amendments in IPRs

American National Manufacturing Inc. v. Sleep Number Corporation, 52 F.4th 1371 (Fed. Cir. 2022). American National and Sleep Number appealed the Board's final written decisions in two inter partes reviews of two patents for controlling pressure in air mattresses. The Board issued mixed decisions in those

proceedings, determining that some, but not all, of the challenged claims were not unpatentable.

The Federal Circuit's opinion addressed four issues on appeal: (1) whether the Board erred in permitting the patent owner to present proposed amended claims that both responded to a ground of unpatentability and made other wording changes unrelated to the IPR proceedings; (2) whether those proposed amended claims were not enabled because of an alleged error in the specification; (3) whether those proposed amended claims should have been rejected for allegedly raising an inventorship issue; and (4) whether the Board inappropriately considered the petitioner's sales data in its secondary considerations analysis.

With respect to the first issue, American National argued that the Board erred in permitting amendments that Sleep Number stated were made "to achieve consistency and accuracy in terminology and phrasing" throughout the patent family because those amendments were not responding to a ground of unpatentability. The Federal Circuit affirmed and approved the Board's framework that "once a proposed claim includes amendments to address a prior art ground in the trial, a patent owner also may include additional limitations to address potential § 101 or § 112 issues, if necessary." The Federal Circuit noted that the AIA explicitly restricts patent owner amendments in only two ways: amendments may not enlarge the scope of the claims or introduce new matter. Because each proposed substitute claim included at least one responsive narrowing limitation, the Federal Circuit found that Sleep Number was free to include other amendments, including any addressing perceived §§ 101 and 112 issues.

As to the second issue, the Federal Circuit concluded that the Board did not err in determining that the proposed amended claims were enabled, despite an admitted error in the specification, because that error and its correction would have been obvious to a person of ordinary skill in the art. The specification undisputedly had an error in the specification of the challenged patents that stated "step 168" instead of "step 176." The Federal Circuit found that the specification itself makes clear that the reference to step 168 instead of step 176 was an obvious error to one of ordinary skill in the art.

The third issue the Federal Circuit addressed was American National's argument that the Board should have denied the motion to amend because adding the term "valve enclosure" injected an inventorship issue into the patents. According to American National, the term "valve enclosure" is used in related patents owned by Sleep Number, which name different inventors than the challenged patents. The Federal Circuit rejected the argument because the challenged patents themselves make clear that valve enclosures were well known in the art and incorporated into the patent specification by reference. Sleep Number's choice to recite these well-known structures in its amended claims did not inject an inventorship issue.

Finally, the Federal Circuit addressed American National's argument that the Board violated due process and the APA when analyzing Sleep Number's evidence of commercial success. American National argued that the Board resolved infringement issues in violation of the APA and Constitution. The Federal Circuit disagreed that the Board resolved infringement when addressing commercial success evidence and whether the claims “read on” the challenged patent. The Federal Circuit declined to address the argument further because American National does not challenge the Board's finding that Sleep Number's evidence of commercial success “has minimal probative weight and American National's argument would not change the Board's patentability determination on appeal.

Fleming v. Cirrus Design Corporation, 28 F.4th 1214 (Fed. Cir. 2022). Fleming appealed the PTAB’s final written decision finding claims of a reissued patent unpatentable as obvious and denying Fleming’s motion to amend certain claims. The Board denied Fleming's motion to amend after concluding that the claims lacked sufficient written description and were indefinite. The proposed amended claims all included, or depended on claims which included so-called “Procedural Selection Limitations.” The parties did not dispute that the proposed amended claims require that the *aircraft itself* be capable of automatically performing certain Procedure Selection functions. The Board found that the portions of the specification Fleming cited did not support an *aircraft* performing these functions; instead, the specification indicated aircraft *occupants* performed the claimed functions. The Federal Circuit affirmed finding that substantial evidence supported the Board’s decision and that Fleming pointed to no passage in the specification that supports the claimed functions being performed by the aircraft.

Hunting Titan, Inc. v. DynaEnergetics Europe GmbH, 28 F.4th 1371 (Fed. Cir. 2022). The Federal Circuit addressed an appeal from the Precedential Opinion Panel’s vacatur of a Board decision denying a motion to amend in an IPR. During an IPR proceeding, DynaEnergetics moved to amend and proposed substitute patent claims. Hunting Titan opposed the motion to amend advancing only obviousness grounds. The Board, however, found that the proposed substitute claims were unpatentable as anticipated and denied the motion to amend. DynaEnergetics requested rehearing and Precedential Opinion Panel review of the deny of its motion to amend, which the Panel granted finding that Hunting Titan did not raise the anticipation ground and that the circumstances of the case did not qualify as one of the rare circumstances necessitating the Board to advance a ground of unpatentability that Petitioner did not advance or sufficiently develop.

On appeal, Hunting Titan argued that the Board had an obligation to sua sponte identify patentability issues for a proposed substitute claim based on the prior art of record, and that the Panel committed legal error by vacating the Board's decision to do so in this case. The Federal Circuit disagreed. Relying on its *Nike* and *Aqua Products* precedent, the Federal Circuit reiterated that the Board *may* sua sponte raise unpatentability challenges to amended claims, but those decisions did not address the circumstances in which the Board *should* sua sponte advance a ground of unpatentability. The Federal Circuit found no error in the Panel's decision to confine the Board's discretion to sua sponte raise issues of unpatentability to only rare circumstances.

ClearOne, Inc. v. Shure Acquisition Holdings, Inc., 35 F.4th 1345 (2022). ClearOne appealed from an IPR final written decision holding that a self-similar configuration term in a substitute claim was not indefinite. Shure's challenged patent related to arrays of microphones and housing for the arrays so that the array may be fitted into a drop ceiling grid. During the IPR proceedings, Shure moved to amend the claims and added a new independent claim that recited in relevant part that the microphones were "arranged in a self-similar configuration." The Board granted Shure's motion to amend and concluded that a skilled artisan would understand "self-similar" to have had a well-known meaning and included the specification's disclosure of "fractal-like[] configurations or constellations," which does not create an ambiguity.

The Federal Circuit affirmed, finding disclosures in the specification that show that "self-similar configuration" refers to repeating or fractal-like configurations, such as concentric rings, ovals, or other shapes which informs skilled artisans, with reasonable certainty, about the scope of the invention. The Federal Circuit commented that ClearOne's indefinite arguments "merely identify different ways one could interpret self-similar," but a term that is susceptible to more than one meaning does not render it indefinite.

F. IPR Termination

Polaris Innovations Ltd. v. Brent, 48 F.4th 1365 (Fed. Cir. 2022). Polaris sued NVIDIA for infringing claims of two patents. NVIDIA filed petitions for *inter partes* review of both patents and the PTAB issued final written decisions finding all challenged claims unpatentable. Polaris appealed the decisions. Polaris and NVIDIA then settled and NVIDIA withdrew from the appeals. The PTO intervened to defend the PTAB's decisions. The Federal Circuit vacated the PTAB decisions and remanded due to Appointments Clause issues in light of the court's *Arthrex* decision. The PTAB administratively suspended the IPRs pending potential Supreme Court action in *Arthrex*. During the suspension, Polaris and NVIDIA filed a joint motion to terminate in both IPR proceedings.

While the motions to terminate pended, the Supreme Court vacated the Federal Circuit decisions vacating the PTAB's final written decisions based on the Supreme Court's *Arthrex* decision. This reinstated that PTAB's final written decision and led to a dispute regarding a joint motion to terminate. More specifically, Polaris asked the PTAB to terminate the proceedings, but the PTAB determined termination was not appropriate and that the proper course of action was to authorize Polaris to request Director review which effectively denied the motion to terminate.

On appeal, Polaris argued that the PTAB erred by failing to grant the joint motions to terminate. The termination issue turned on the interpretation of 35 U.S.C. § 317 which governs settlement of IPRs at the PTAB. The Federal Circuit found the motion to terminate untimely under Section 317 because it was filed after the PTAB issued final written decisions. The Federal Circuit construed Section 317 and held that "termination of a petitioner is only mandatory so long as the request for termination is filed before 'the Office has decided the merits of the proceeding.'" The Federal Circuit rejected Polaris's argument that it was entitled to termination of both IPR proceedings because Section 317 provides no mandatory right to terminate a *proceeding*; rather, the plain language of the provides termination with respect to a *petitioner*. Thus, the PTAB has discretion to carry on to a final written decision when no petitioner remains in a proceeding. The Federal Circuit also agreed that the termination request was untimely because it came nearly two years after the PTAB issued its final written decisions.