

The logo for FISH, consisting of the word "FISH" in a bold, white, sans-serif font, followed by a small teal square.

Post-Grant Appeals: Stats and Key Cases From the Federal Circuit

September 18, 2024

Slide Title

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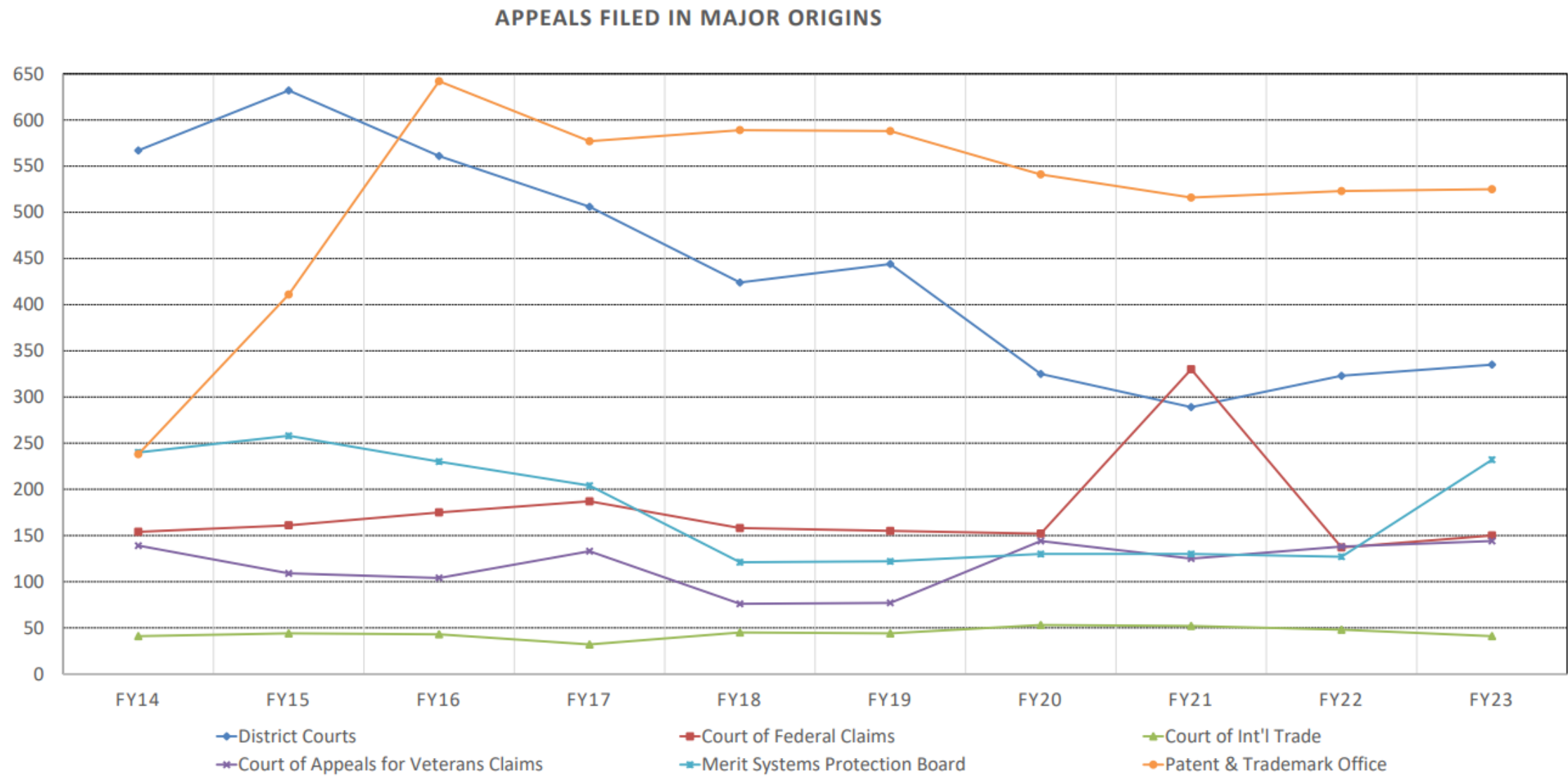
Agenda

- Introduction and Overview
- Best Practices
- Case Law Developments
- Questions?

Introduction and Overview

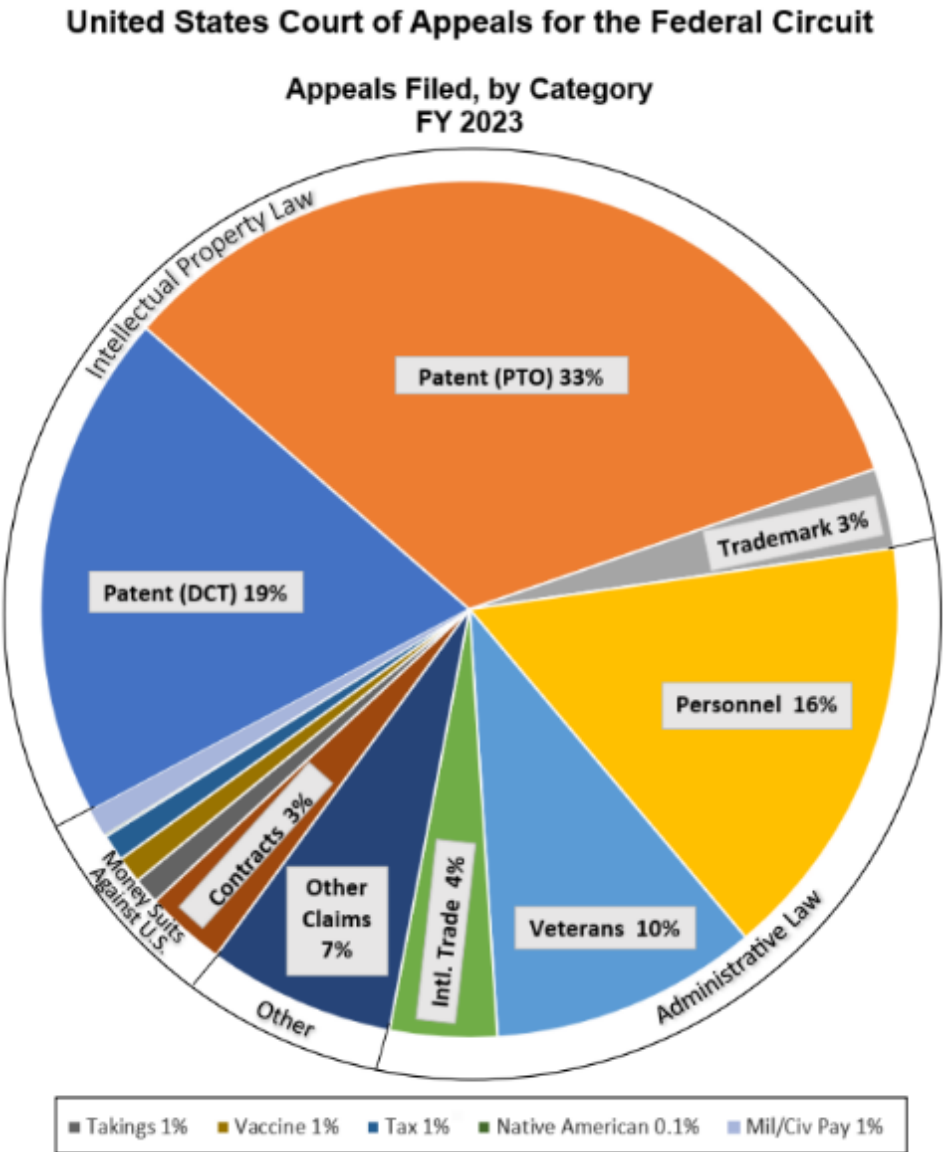
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Appeals Filed in Major Origins



Graph from [HistoricalCaseIdbyOrigin-FY23.pdf \(uscourts.gov\)](#) , data pulled September 16, 2024.

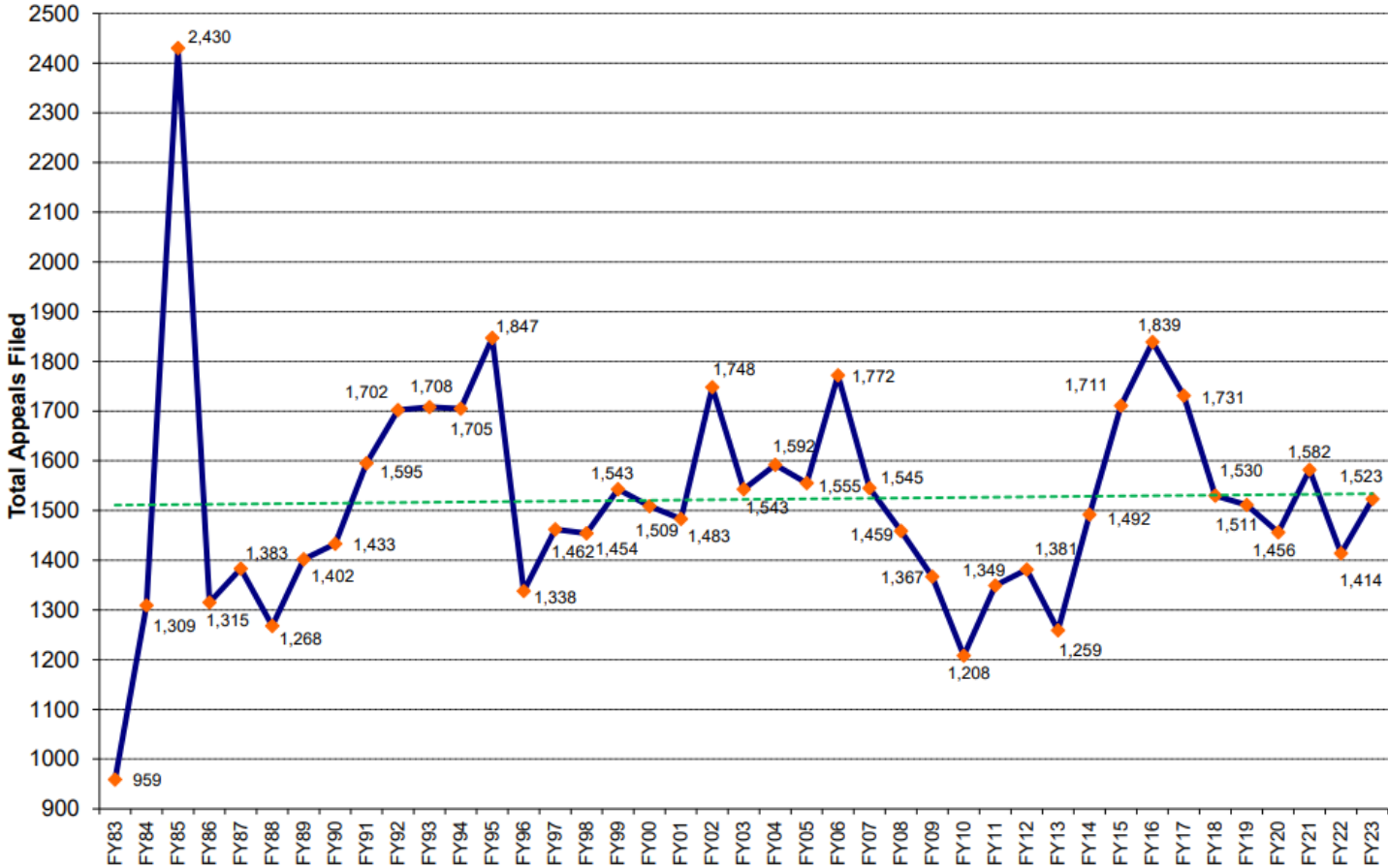
2023 Cases by Origin



Graph from [CaseloadbyCategory-FY2023.pdf \(uscourts.gov\)](#), data pulled September 16, 2024.

Historical Caseload – Overall

United States Court of Appeals for the Federal Circuit
Historical Caseload



Note: Includes reinstated, cross- and consolidated appeals.

Graph from [HistoricalCaseloadGraph_83-23.pdf \(uscourts.gov\)](#) , data pulled September 16, 2024.

Median Time to Disposition

United States Court of Appeals for the Federal Circuit

Median Time to Disposition in Cases Terminated After Hearing or Submission¹

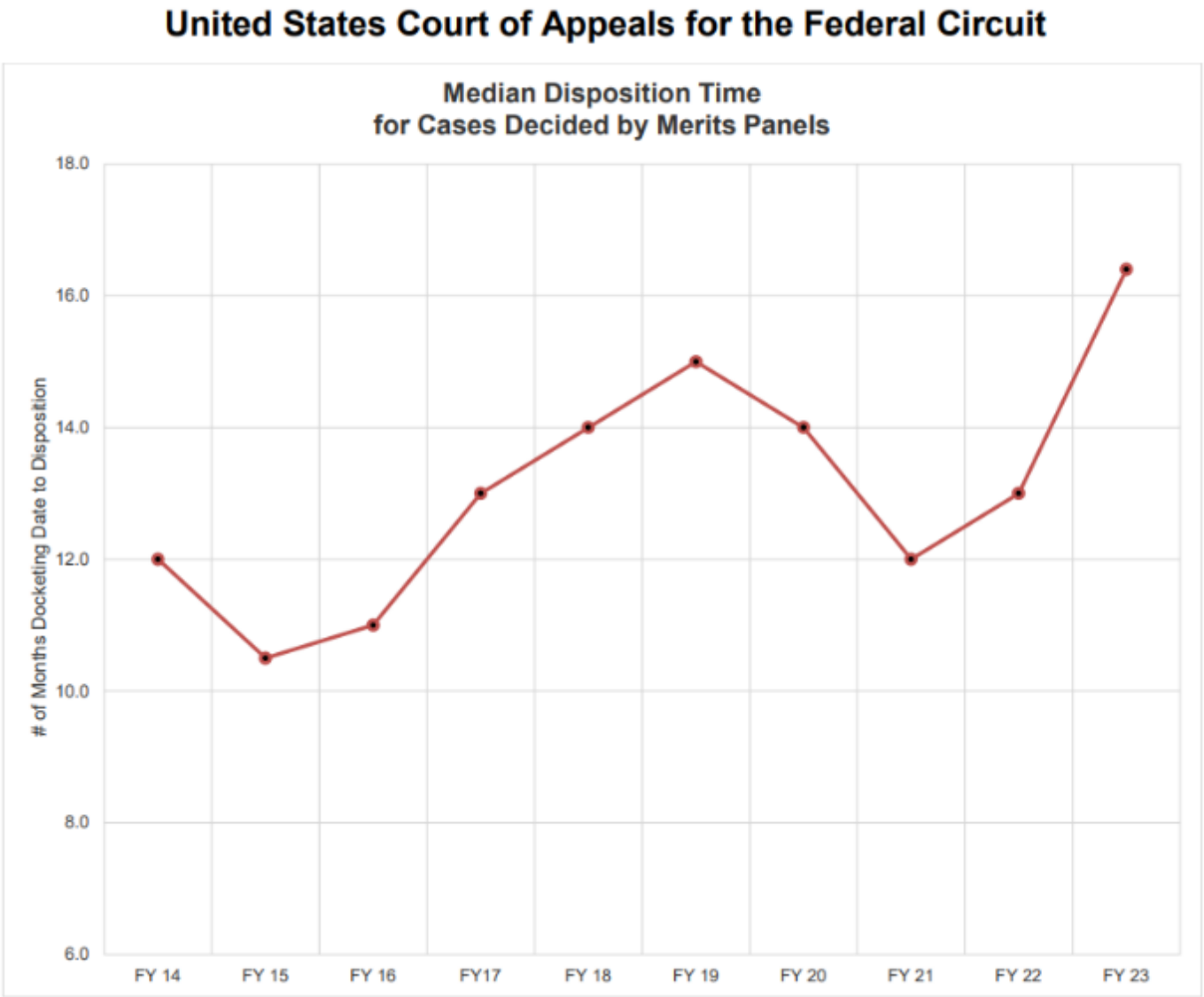
Docketing Date² to Disposition Date, in Months

	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY17</u>	<u>FY 18</u>	<u>FY 19</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>Overall Median per Origin</u>
District Court	12.0	12.0	13.0	13.0	14.0	16.0	13.0	12.0	12.0	16.1	13.0
Court of Federal Claims	10.0	10.0	9.0	9.0	11.0	12.0	15.0	12.0	18.0	13.5	11.5
Court of International Trade	13.0	12.0	13.0	15.0	14.0	14.0	15.0	13.0	13.0	16.7	13.5
Court of Appeals for Veterans Claims	10.0	7.0	7.5	6.0	14.0	12.0	7.5	10.0	10.0	13.5	10.0
Board of Contract Appeals	16.0	10.0	10.0	9.0	13.5	16.0	14.0	11.5	13.0	18.8	13.3
Department of Veterans Affairs	n/a	16.0	13.0	17.0	19.0	17.0	15.5	28.0	20.0	37.0	17.0
Department of Justice	12.0	5.9	12.0	13.0	12.0	15.0	11.5	4.5	7.5	n/a	12.0
International Trade Commission	16.0	13.0	17.0	13.0	11.0	17.0	17.0	14.5	18.0	20.5	16.5
Merit Systems Protection Board	6.0	6.5	7.0	6.0	12.0	12.5	11.0	10.0	10.0	11.3	10.0
Office of Compliance	n/a	n/a	n/a	n/a	14.0	13.0	n/a	n/a	n/a	13.0	13.0
Patent and Trademark Office	10.0	11.0	11.0	13.0	15.0	15.0	14.0	14.0	15.0	19.0	14.0
Government Accountability Office	n/a	n/a	11.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	11.0
Overall Median per Fiscal Year	12.0	10.5	11.0	13.0	14.0	15.0	14.0	12.0	13.0	16.4	13.0

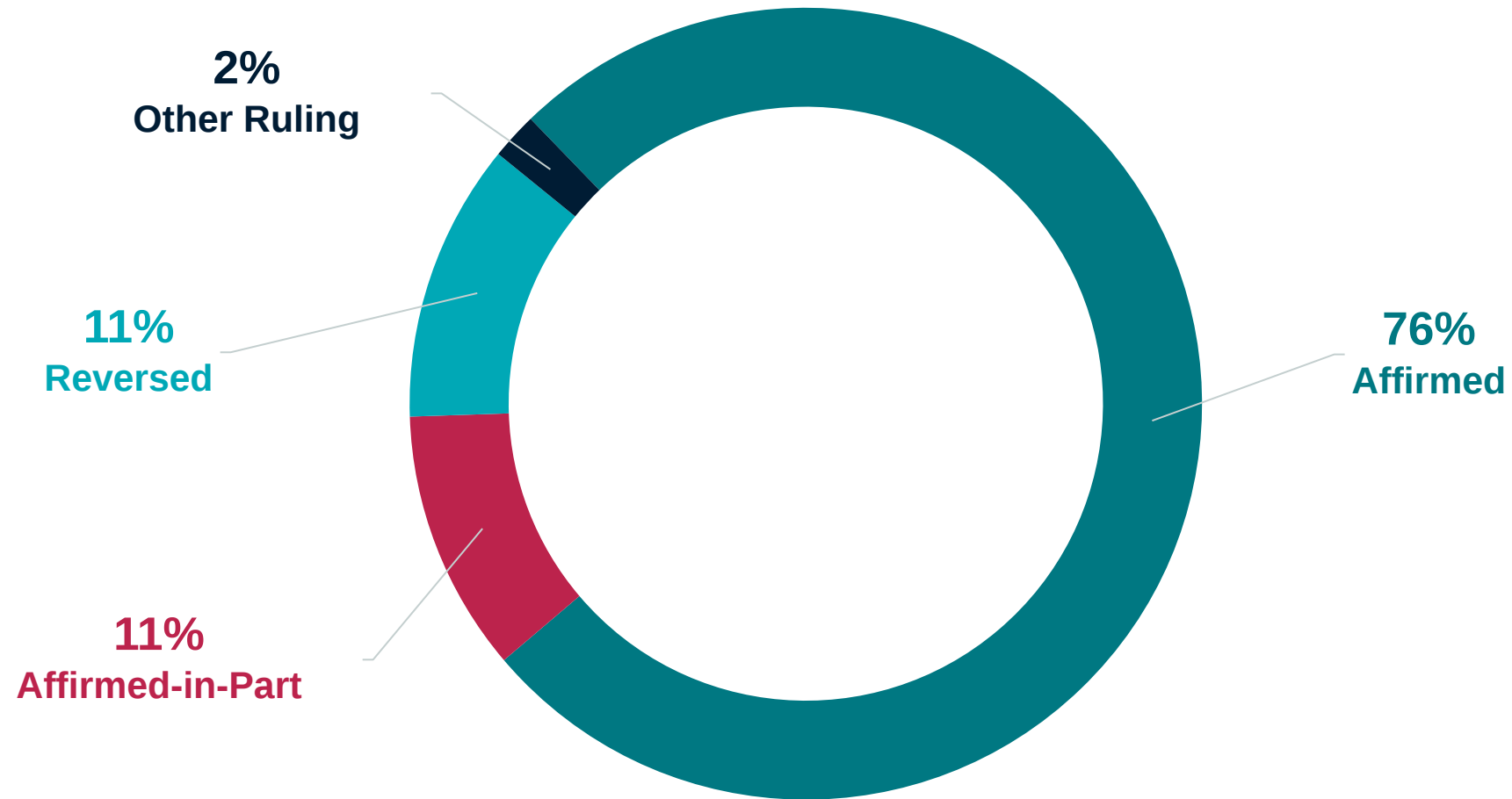
¹ Excludes cross and consolidated appeals, writs, and OPM petitions

² Calculated from Date of Docketing or Date of Reinstatement, whichever is later

Median Time to Disposition

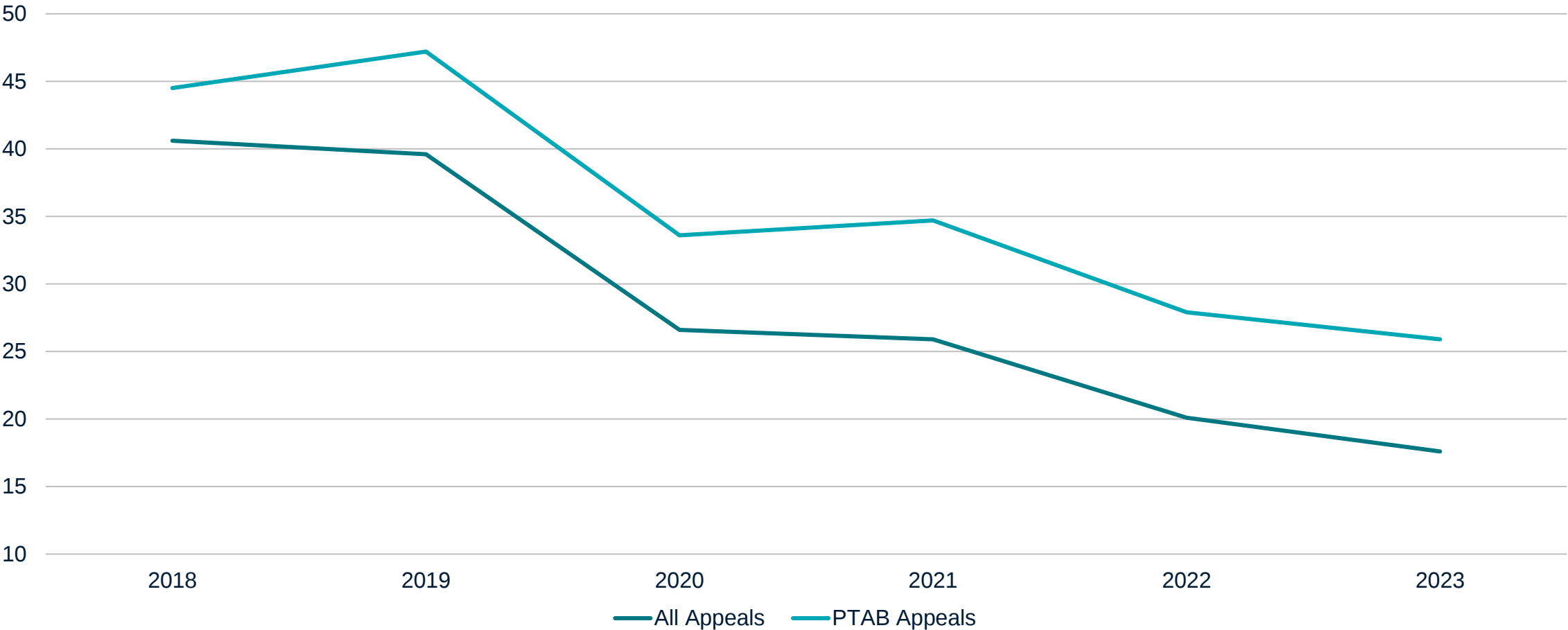


Federal Circuit – Appeals from PTAB



Source: Source: Lex Machina, data taken 9/16/2024
For resolved cases filed between 1/1/2012 – August 31, 2024

Rule 36 Affirmances as a Percentage of all Opinions



Best Practices

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Before the Federal Circuit

- **Issue Selection**
- **Issue Framing (with standard of review)**
- **Clarity**
- **An appellant's approach is very different from an appellee's**



Before the Board – Prepare for Appeal

- **An appeal will likely happen – they are cost-efficient**
- **Think about issues that might be appealed**
 - Highlight appealable issues in briefing before the Board preemptively
 - Consider case-specific strategy as to whether you want to propose explicit claim constructions
 - Creates a legal issue to appeal, which may or may not be good
 - Look for opportunities to create “legal” issues
 - Procedural Issues
 - Anticipation / Obviousness
 - Identifying Prior Art
 - Think about the decision you want the Board to write, and how you want to win
- **Have your expert provide some technology background you can cite on appeal**

NY/NJ CLE: 611

Case Law Developments: Standing

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Standing to Appeal

- **The Board is not a court**

- Standing is not required to file a post-grant petition
- Anyone but the patent owner can file an IPR or PGR
 - 35 U.S.C. § 311(a) (“[A] person who is not the owner of a patent may file with the Office a petition to institute an inter partes review of the patent.”)
 - 35 U.S.C. § 321(a) (“[A] person who is not the owner of a patent may file with the Office a petition to institute a post-grant review of the patent.”)

- **A party appealing a Final Written Decision must have Article III standing**

- Injury-in fact (concrete, imminent, particularized)
- Causation
- Redressability

How Likely Is An Infringement Suit?

Allgenesis Biotherapeutics Inc. v Cloudbreak Therapeutics, LLC, 85 F.4th 1377 (Fed. Cir. 2023)

- Board found claims directed to treatment of pterygium using nintedanib not unpatentable
- Court dismissed because Allgenesis failed to identify “specific, concrete plans” to develop nintedanib product
 - Declaration pointed only to Phase II trials completed years ago and conclusory allegations of current activities
 - No evidence that Cloudbreak threatened to sue Allgenesis
- Court also found no standing based on the Board’s priority decision because it has no preclusive effect
- Court denied Allgenesis’ request to supplement its declaration with additional detail post-argument

United States Court of Appeals
for the Federal Circuit

ALLGENESIS BIOTHERAPEUTICS INC.,
Appellant

v.

CLOUDBREAK THERAPEUTICS, LLC,
Appellee

2022-1706

Appeal from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in No. IPR2020-
01438.

Decided: November 7, 2023

DONALD J. MIZERK, Husch Blackwell LLP, Chicago, IL,
argued for appellant. Also represented by PHILIP D.
SEGREST, JR.

NITIKA GUPTA FIORELLA, Fish & Richardson P.C., Wil-
mington, DE, argued for appellee. Also represented by
SARAH JACK, Minneapolis, MN.

Before MOORE, *Chief Judge*, STOLL and CUNNINGHAM,
Circuit Judges.

How Likely Is An Infringement Suit?

Platinum Optics Tech. Inc. v. Viavi Sol. Inc.,

111 F.4th 1378 (Fed. Cir. 2024)

- Board found claims directed to optical filters and sensors comprising these filters not unpatentable
- Court dismissed appeal because PTOT failed to show a future infringement suit was likely
 - Viavi's letter that it did not believe PTOT could fill its supply agreements without infringing was insufficient
 - Mere speculation – no concrete details suggesting suit
 - Letter sent before litigations were dismissed with prejudice
 - Declaration re new filters failed to provide “any detailed plans for development” or how they compare to Viavi's patent claims

United States Court of Appeals
for the Federal Circuit

PLATINUM OPTICS TECHNOLOGY INC.,
Appellant

v.

VIAVI SOLUTIONS INC.,
Appellee

2023-1227

Appeal from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in No. IPR2021-
00631.

Decided: August 16, 2024

ANDREW R. SOMMER, Greenberg Traurig LLP, McLean,
VA, argued for appellant. Also represented by ELANA ARAJ,
New York, NY; VIVIAN KUO, Washington, DC.

MEGAN S. WOODWORTH, Venable LLP, Washington,
DC, argued for appellee. Also represented by JUSTIN J.
OLIVER.

Practice Pointers

- Analyze standing early in the process – well before appeal
- Case law seems to focus on **likelihood** of suit
- **For challenger:** focus on declaration
 - “Concrete plans of future activity”
 - Need details on development, marketing, sales, etc.
 - Make sure your declarant has this knowledge and back it up with documents
 - “Creates a substantial risk of future infringement or [will] likely cause the patentee to assert a claim of infringement”
 - Include details of any previous interactions between the parties (e.g., litigation threats)
 - Provide enough detail about product to show why infringement allegation is likely
- **For patentee:** look for standing issues early
 - Petitioner needs to establish standing facts at earliest possible opportunity
 - Look for holes in declarations

Case Law Developments: PTAB Procedures

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When a Party Can Raise New Points

***ParkerVision, Inc. v. Vidal*, 88 F.4th 969 (Fed. Cir. 2023)**

- Affirmed the Board for allowing a petitioner to raise new claim constructions arguments in reply, because those arguments responded to a claim construction the patentee had sought in its response.

***Netflix, Inc. v. DivX, LLC*, 84 F.4th 1371 (Fed. Cir. 2023)**

- Rejected a petitioner's argument that the Board failed to address all its petition arguments, noting that the Board had not abused its discretion in finding the arguments to have not been raise with sufficient clarity.
- The money quote: "While the Board should not take an overly mechanistic view of a petition and decline to address an argument because the petitioner did not present it with ideal vigor and clarity, the Board should also not have to decode a petition to locate additional arguments beyond the ones clearly made."

***Axonics, Inc. v. Medtronic, Inc.*, 75 F.4th 1374 (Fed. Cir. 2023):**

- Vacated a refusal by the Board to permit a petitioner to use its reply to respond to a new claim construction the patentee had raised.
- The court reasoned that under the Rules, APA, and SAS, a petitioner must have an opportunity to respond to post-institution claim constructions, including a reasonable opportunity to present argument and evidence under the new construction.

Sua Sponte Board Action

Medytox, Inc. v. Galderma S.A., 71 F.4th 990 (Fed. Cir. 2023)

- Affirmed the Board's post-institution revision of its claim construction
- Rationale: the evidentiary record evolved during the trial phase, so the Board was entitled to update its construction accordingly (and did not act arbitrarily by reaching different constructions on a static record).

Corephotonics, Ltd. v. Apple Inc., 84 F.4th 990 (Fed. Cir. 2023)

- The Court discussed at length the Board's primary role in determining what issues the Petition raises, and whether subsequent briefing improperly introduces new issues.

Board Loses When Placing Form Over Function

Netflix, Inc. v. DivX, LLC, 80 F.4th 1352 (Fed. Cir. 2023)

- Vacated where the Board had found that the petitioner did not identify the relevant field of endeavor for a piece of prior art and thus had not established that it was analogous art.
- The Board's problem is that the petitioner had identified two alternative fields of endeavor, but the Board had basically required the petitioner to use the magic words "field of endeavor."

Apple Inc. v. Corephotonics, Ltd., 81 F.4th 1353 (Fed. Cir. 2023)

- Vacated a refusal to kill claims that resulted from minor errors by the petitioner's expert (only one of which the patent owner called out).
- The Federal Circuit reasoned that the Board failed to provide a "reasoned explanation" for why the errors were meaningful to the result, and petitioner had no APA notice that they would be a big deal.

Practice Pointers

- You are at the mercy of a smart board
- Help the Board out, and make sure you've filled your gaps with explanation
- As petitioner:
 - Kick the tires (hard) on all your arguments
 - Have an outsider read the art and your petition
- As Patent Owner:
 - Get on top of bad parts of the petition
 - Consider whether your new arguments might allow Petitioner to bolster a bad petition
- Don't rely on the Federal Circuit unless your case is a true outlier

Case Law Developments: Claim Construction

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Claim Language is Key

Pacific Biosciences of California, Inc. v. Personal Genomics Taiwan, Inc., 89 F.4th 1377 (Fed. Cir. 2024)

- Court affirmed Board's split decision in IPRs involving claims to an apparatus for "identifying a single biomolecule"
- Board construed the phrase to require an apparatus capable of ascertaining the identity of one single molecule by examining **only** that molecule, not copies of it
 - Plain and ordinary meaning of "identify"
 - No other reason to include the word "single"
 - Specification stresses the "single biomolecule" capability is critical and differentiates ensemble-based identifications as problematic
 - Dependent claims add capabilities (including ability to identify a molecule through copies)

United States Court of Appeals
for the Federal Circuit

PACIFIC BIOSCIENCES OF CALIFORNIA, INC.,
Appellant

v.

PERSONAL GENOMICS TAIWAN, INC.,
Cross-Appellant

2022-1410, 2022-1554

Appeals from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in Nos. IPR2020-
01163, IPR2020-01200.

Decided: January 9, 2024

EDWARD R. REINES, Weil, Gotshal & Manges LLP, Red-
wood Shores, CA, argued for appellant. Also represented
by DEREK C. WALTER.

KEITH ORSO, Irell & Manella LLP, Los Angeles, CA, ar-
gued for cross-appellant. Also represented by ALAN J.
HEINRICH; MICHAEL RICHARD FLEMING, Washington, DC.

Before PROST, TARANTO, and HUGHES, *Circuit Judges*.
TARANTO, *Circuit Judge*.

The Power of “A”

ABS Global, Inc. v. Cytonome/St, LLC, 84 F.4th 1034 (Fed. Cir. 2023)

- Board found claims directed to a microfluidic device for use in processing particles of interested in a sample fluid
- Court disagreed with the Board’s construction that limited “fluid focusing region configured to focus the sample stream” to a region with only a single stream
 - “the sample stream” referred back to earlier language that recited “a sample stream” and “a” means “one or more”
 - Nothing in the intrinsic record necessitated departure from that rule
 - Specification defined “a” in the same way, so lexicography applied
 - Not inconsistent with dependent claim’s reference to a “centerline of the sample stream,” which would cover one or more centerlines of one or more sample streams

United States Court of Appeals
for the Federal Circuit

ABS GLOBAL, INC., GENUS PLC,
Appellants

v.

CYTONOME/ST, LLC,
Appellee

2022-1761

Appeal from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in No. IPR2021-
00088.

Decided: October 19, 2023

STEVEN J. HOROWITZ, Sidley Austin LLP, Chicago, IL,
argued for appellants. Also represented by STEPHANIE P.
KOH.

Z.W. JULIUS CHEN, Akin Gump Strauss Hauer & Feld
LLP, Washington, DC, argued for appellee. Also repre-
sented by PRATIK A. SHAH; DANIEL LYNN MOFFETT, San An-
tonio, TX.

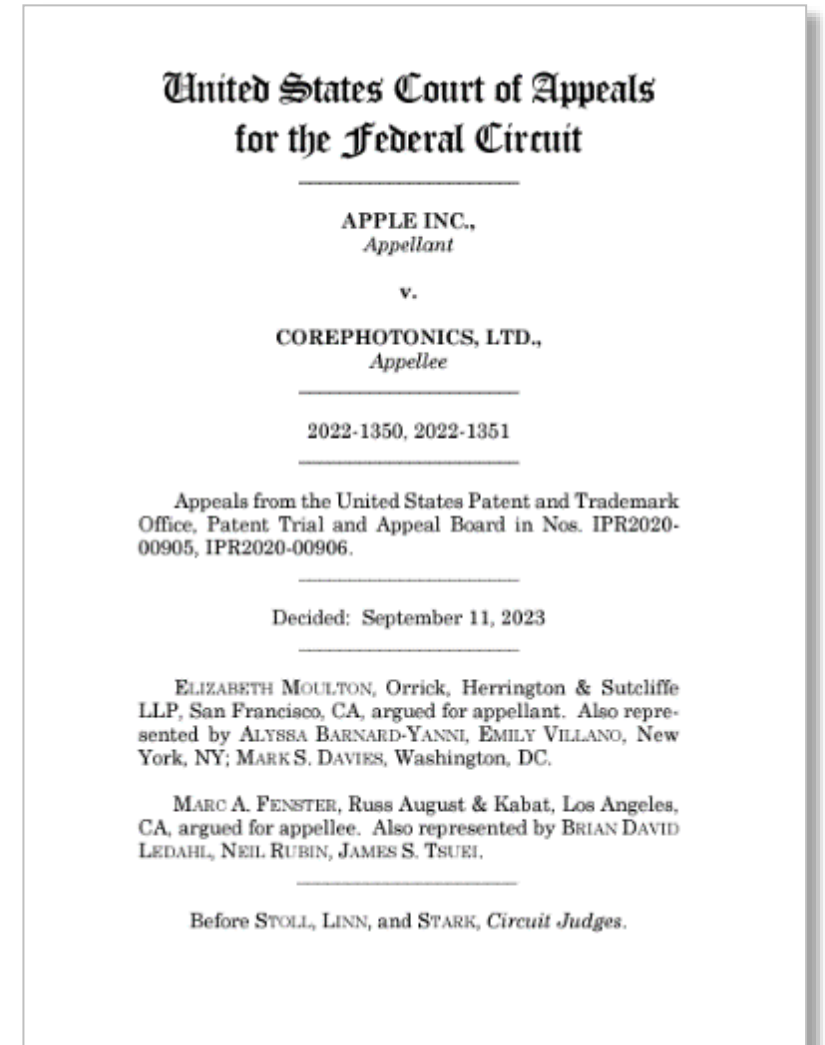
Before REYNA, TARANTO, and STARK, *Circuit Judges*.

The Power of “A”

Apple Inc. v. Corephotonics, Ltd., 81 F.4th 1353 (Fed. Cir. 2023)

- Board found claims directed to creating “portrait photos” using a dual-aperture camera not unpatentable
- Court disagreed with the Board’s construction that an image having “a point of view (POV) of the Wide camera” meant the image had to maintain both Wide position POV **and** Wide perspective POV
 - Claim doesn’t mention position or perspective
 - “a” POV suggests the POV can be either position or perspective
 - Specification appears to define POV as including both, but also discloses embodiments where the image has different perspective and position
- Court recognized case was “close” and the specification was “not a model of clarity” but found the broader interpretation more consistent with the intrinsic record

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Practice Pointers

- Think carefully about singular vs plural arguments when limitations refer to “a” thing
- For specifications with conflicting disclosures, broader interpretations more likely to prevail
- Lexicography must be clear to trump other canons of construction
- Dependent claims are good for more than typical differentiation arguments

Case Law Developments: Obviousness

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Must Safety be Claimed? It helps, maybe

Janssen Pharms., Inc. v. Teva Pharms. USA, Inc.,
97 F.4th 915 (Fed. Cir. 2024)

- Vacated a nonobviousness finding, faulting the district court for pushing aside a prior art reference simply because it lacked safety and efficacy information—particularly where the claims did not recite safety or efficacy.
- The district court also erred in focusing too much on a lack of disclosed results in the prior art, so that it never fully considered what the relevant reference did disclose—especially, again, where the claims did not recite results. Moreover, the district court erred by supposing that the prior art protocol had to hold itself out as being flawed in order for there to be a motivation to alter it.



Whither Reasonable Expectation of Success?

Salix Pharms., Ltd. v. Norwich Pharms. Inc.,

98 F.4th 1056 (Fed. Cir. 2024):

- Affirmed a finding of obviousness for claims to a three-a-day dosage of 550 mg because one prior art reference showed 500mg twice-a-day, and a second taught 400 mg three-a-day and noted that the dosage could go higher.
- Judge Cunningham dissented on this point, noting that the prior art merely said a higher dose “may” be optimal, without stating the optimal dose—such that the defendant had not shown a reasonable expectation of success.



How Much 103 Proof is Enough?

Virtek Vision Int'l LLC v. Assembly Guidance Sys., Inc., 97 F.4th 882 (Fed. Cir. 2024)

- Reversed a Board finding of obviousness.
- It was not enough that one reference disclosed two options, as supposed evidence to substitute one for the other when making a combination: “[T]his case involves nothing other than an assertion that because two coordinate systems were disclosed in a prior art reference and were therefore ‘known,’ that satisfies the motivation to combine analysis. That is an error as a matter of law.”

Elekta Ltd. v. Zap Surgical Sys., Inc., 81 F.4th 1368 (Fed. Cir. 2023)

- Claims recited a radiation delivery device mounted in a certain manner, and the petitioner relied on a **radiation** reference and another reference that showed the relevant mounting for an **imaging** device.
- The Federal Circuit affirmed invalidation of the claims and refused to fault the Board for not addressing expectation of success separate from motivation to combine, because the patentee had also blended those issues: “[A]n implicit finding on reasonable expectation of success” was okay because the Court could “reasonably discern” such a finding from the FWD.

Practice Pointers

Petitioners

- Think in terms of an obviousness story – put yourself in the position of the skilled artisan
- Trust yourself – you can put together a reason to combine/alter that is not generic or hindsight-looking. Answer the question of “why.”
- Note that the combination would provide benefit X **and** that a skilled artisan would have known that

Patent Owner

- Begin locating objective indicia evidence immediately. Keep the pedal down. There will be problems.
- You can hit a petition with technicalities (e.g., wrong definition of skilled artisan), but ask whether that is likely to win and to get you anything extra



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Thank You!

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