

# Federal Circuit & Supreme Court 2019 Review

October 3, 2019



**Rob Courtney**  
*Principal*



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*Principal*



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*Principal*

**FISH.**  
FISH & RICHARDSON

# Overview

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- **Topics**
  - Important decisions
  - Developments
  - Practice tips
- **Housekeeping**
  - CLE (mcleteam@fr.com)
  - Questions
  - Materials

# Agenda

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- **Supreme Court**
  - Review of last term
  - The upcoming term and beyond
- **Federal Circuit**
  - *Inter Partes* Review
  - Patentable subject matter (§ 101)
  - Claiming standards (§ 112)
  - Review of agency decisions
  - Anticipated opinions



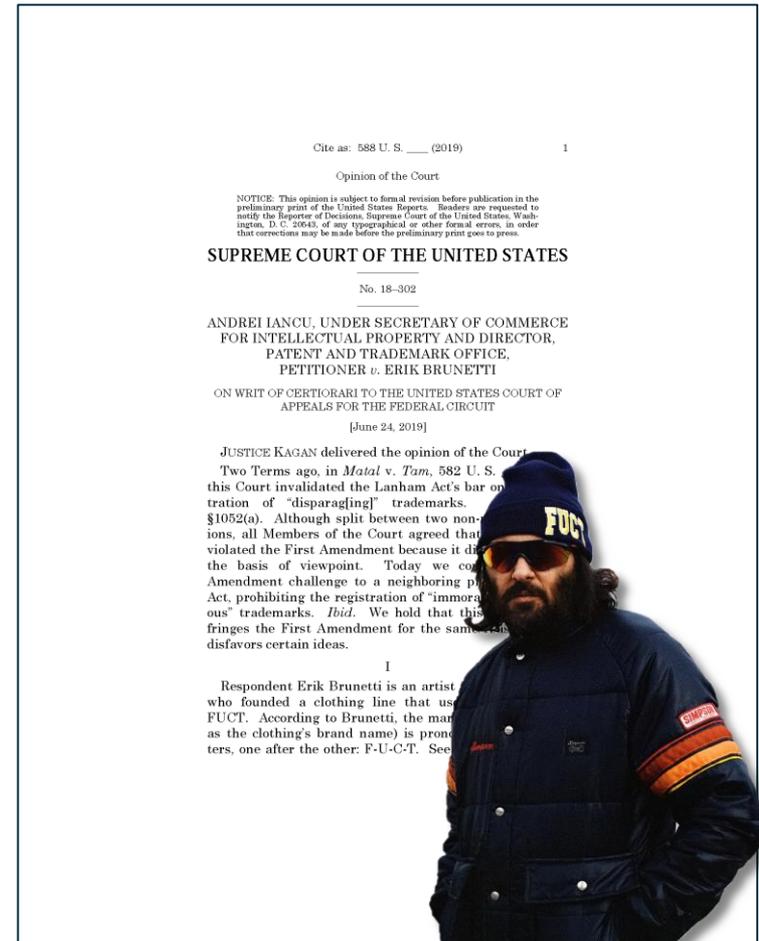
**Supreme Court**  
***Last Term Review***

# Brunetti: 1st Amendment in Trademark Reg.

## *Iancu v. Brunetti*, [139 S. Ct. 2294](#)

(June 24, 2019) (opinion by Kagan, J.)

- **Path cleared by *Tam*** [137 S. Ct. 1744 (2017)]
  - Private speech rights in registered marks
- **Lanham Act’s bar on registering “immoral or scandalous” marks was unconstitutional viewpoint discrimination**
- **No saving construction possible**
  - Record requires treating “immoral or scandalous” as one category, not two



# Brunetti: Minority views

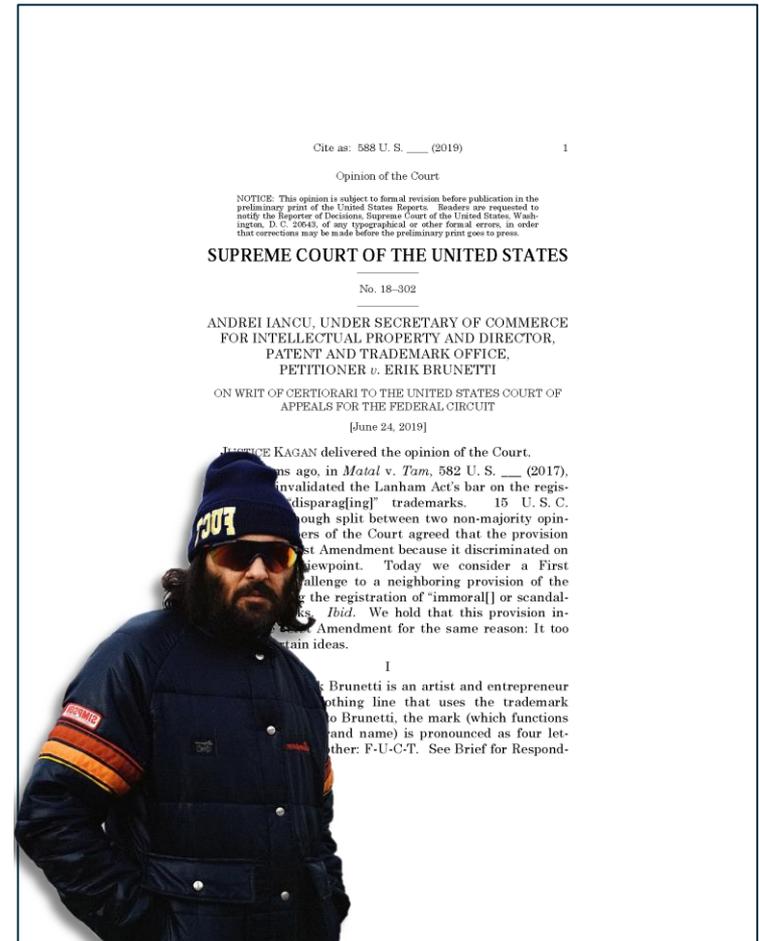
**Alito concurrence:** Invites a more focused statute, perhaps against vulgarity?

**Sotomayor partial concurrence:** Would read “scandalous” as targeting modes of expression, not underlying ideas

- Would uphold statute there but strike for “immoral”
- Joined by Breyer

**Roberts partial concurrence:** Generally aligns with Sotomayor, emphasizes no gov’t obligation to register obscenity

**Breyer partial concurrence:** Proposes a more flexible, “rule of thumb” 1<sup>st</sup> Am. framework

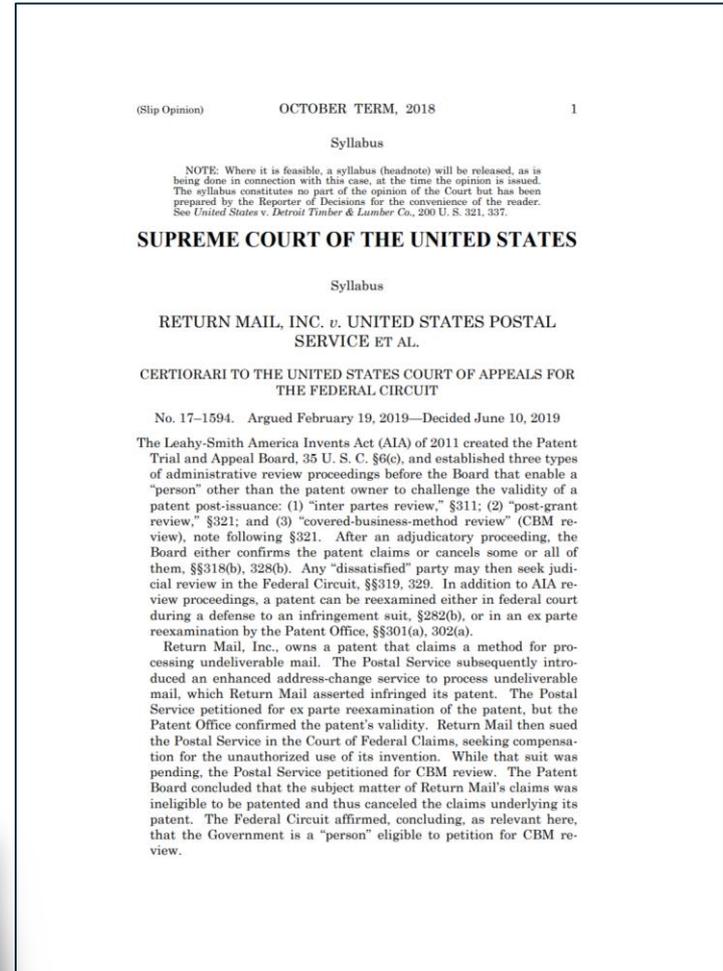


# Return Mail: Government Cannot File an IPR

## ***Return Mail v. USPS***, [139 S. Ct. 2294](#)

(June 10, 2019) (opinion by Sotomayor, J.)

- **Held:** Only a “person” may file an IPR, and the government is not a person.
- Followed the common presumption that the sovereign is not a “person.”
- The court has excluded the government from a favored procedural device before on this ground.

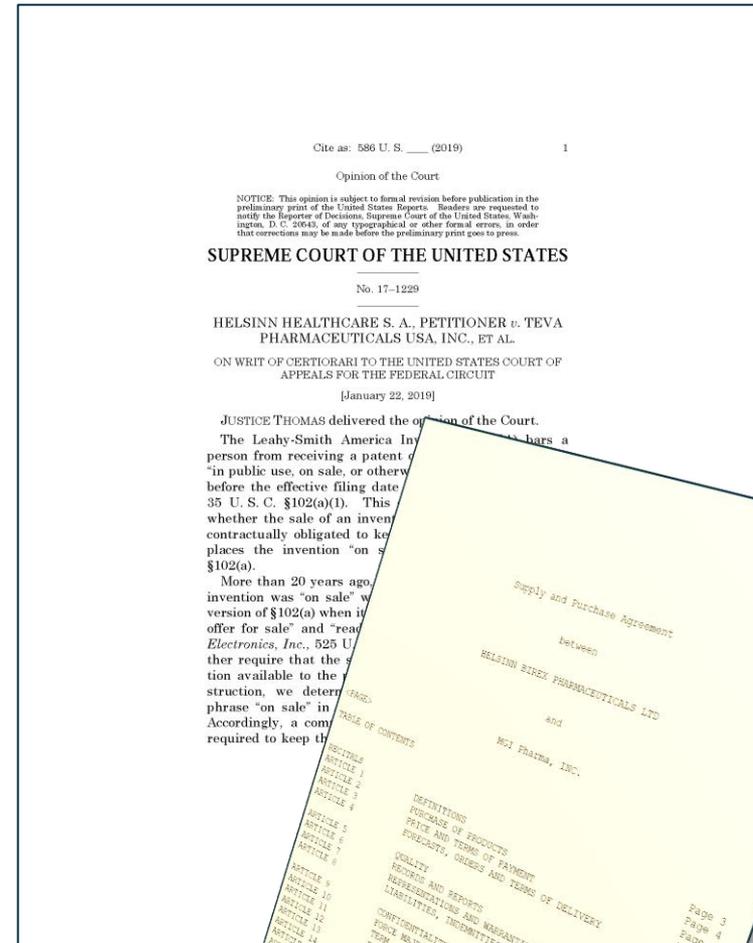


# Helsinn: AIA Didn't Change On-Sale Bar

## *Helsinn Healthcare S.A. v. Teva Pharms. USA, Inc.*, [139 S. Ct. 628](#)

(Jan. 22, 2019) (opinion by Thomas, J.)

- **Pre-critical-date sale of invention triggered on-sale bar**
- **Sale in question:**
  - Was for *future* products that would practice claims
  - Kept key features confidential (e.g., redactions in SEC disclosure)
- **Those considerations did not evade on-sale bar pre-AIA**
- **AIA did not change that analysis**



Sale agreement (redacted)  
attached to 8-K filing

# Helsinn: No Legislative History Discussion

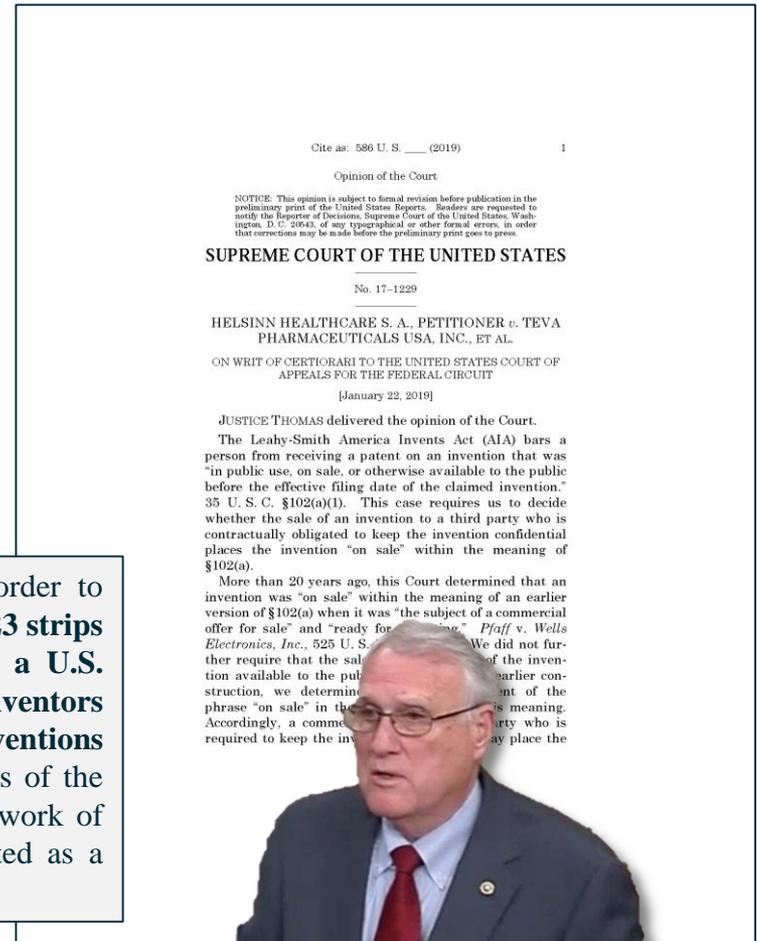
Some had read AIA's legislative history as ending invalidity based on "secret sales"

Fed Cir rejected citation to history

Supreme Court did not discuss it

S. 23 puts an end to any use of "dates of invention" in order to determine whether a U.S. patent is valid or not. In addition, **S. 23 strips out of the U.S. patent law any grounds for invalidating a U.S. patent based on any type of secret activity undertaken by inventors themselves, such as secret "offers for sale" of their inventions before seeking patents.** Finally, it further secures the benefits of the one-year "grace period" by preventing the contemporaneous work of an inventor's co-workers or research partners from being cited as a basis for barring the inventor from obtaining a patent.

Floor stmt. of Sen. Kyl (R-AZ)





**Supreme Court**  
*Upcoming Term*

# Lucky Brand Dungarees

**Lucky Brand Dungarees Inc. v. Marcel Fashion Grp.,**  
[139 S. Ct. 2777](#) (cert. granted June 28, 2019)

- Does doctrine of defense preclusion bar assertion of defense that was *not actually litigated* in previous litigation?
- 2<sup>nd</sup> Cir found defense precluded
- CIRCUIT SPLIT: Lucky Brand claims 7<sup>th</sup>, 9<sup>th</sup>, and Federal Circuits would have found no preclusion
  - Federal Circuit has allowed invalidity defense in second, non-claim precluded infringement suit where the defense was not adjudicated in earlier case
  - *Ecolab, Inc. v. Paraclipse, Inc.*, 285 F.3d 1362 (Fed. Cir. 2002)
  - *Hallco Mfg. Co. v. Foster*, 256 F.3d 1290 (Fed. Cir. 2001)

GET LUCKY	
Word Mark	GET LUCKY
Goods and Services	IC 025; US 022 039; G & S Clothing, namely, men's and women's jeans, shirts, and t-shirts; and Baby clothes, namely, t-shirts, short sets comprised of tops and shorts, pants sets comprised of tops and pants, rompers and infantwear; FIRST USE: 19850201; FIRST USE IN COMMERCE: 19850201
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	85038333
Filing Date	May 13, 2010
Current Basis	1A
Original Filing Basis	1B
Published for Opposition	September 28, 2010
Registration Number	3890282
Registration Date	December 14, 2010
Owner	(REGISTRANT) Marcel Fashions Group, Inc. CORPORATION FLORIDA 3545 NW 71st Street Miami FLORIDA 33147
Assignment Recorded	ASSIGNMENT RECORDED
Attorney of Record	Louis R. Gigliotti
Type of Mark	TRADEMARK
Register	PRINCIPAL
Affidavit Text	SECT 15; SECT 8 (6-YR)
Live/Dead Indicator	LIVE



# Lucky Brand Dungarees

2001:  
1<sup>st</sup> Suit  
• Settlement  
w/ release

2011:  
3<sup>rd</sup> Suit  
• Lucky Brand did  
not plead release  
defense in  
answer  
• MSJ for Lucky  
Brand (res  
judicata),  
reversed by 2<sup>nd</sup>  
Cir.

2017:  
S.D.N.Y.  
dismisses  
complaint,  
finding no  
preclusion  
on release  
defense

2019:  
SCT  
**grants  
certiorari**

2003:  
2<sup>nd</sup> Suit  
• Lucky Brand  
**tendered defense**  
under release, but  
**seemed to abandon**  
• Jury verdict for  
Marcel, unappealed

2014:  
Amended  
complaint in  
3<sup>rd</sup> suit  
• With new  
counsel,  
Lucky Brand  
files **MTD on  
release  
defense**

2018:  
2<sup>nd</sup> Cir  
reverses,  
finding release  
defense  
**precluded**

# Click-to-Call

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***Thryv, Inc. v. Click-to-Call Techs., LP***,  
[139 S. Ct. 2742](#) (cert. granted June 24, 2019)

- Is a PTAB determination that IPR is **not** time-barred judicially reviewable?
- Per 35 U.S.C. § 314(d), IPR institution decisions generally non-reviewable
- *Cuozzo* created a possible exception where PTAB exceeds statutory authority
- In *Wi-Fi One*, en banc Fed Cir found that appellate jurisdiction **could** reach institution decisions rejecting a time bar contention
- **Future issue:** Even if decisions made at ID can be reviewed in appeal from FWD, can they be reviewed in an appeal from an ID?
- **Argument set for Dec. 9, 2019**



# Click-to-Call

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2001

- Initial litigation, followed by corporate acquisition

2007

- Further corporate acquisitions

2014

- FWD canceling claims; notice of appeal

2016

- Supreme Court **vacates** post-*Cuozzo*
- On remand, Fed Cir **dismisses again**

2004

- EPRx proceedings begin
- Some claims canceled, others added

2013

- IPR petition & institution
- Board found **no time bar**, prior litigation notwithstanding

2015

- Fed Cir **dismisses** appeal for lack of jurisdiction

2018

- En banc Fed Cir holds time bar determins. **reviewable** (*Wi-Fi One*)
- On rehearing, Fed Cir finds petition time-barred, vacates



# **Supreme Court** ***Recent Petitions***

# Cert. petitions to watch

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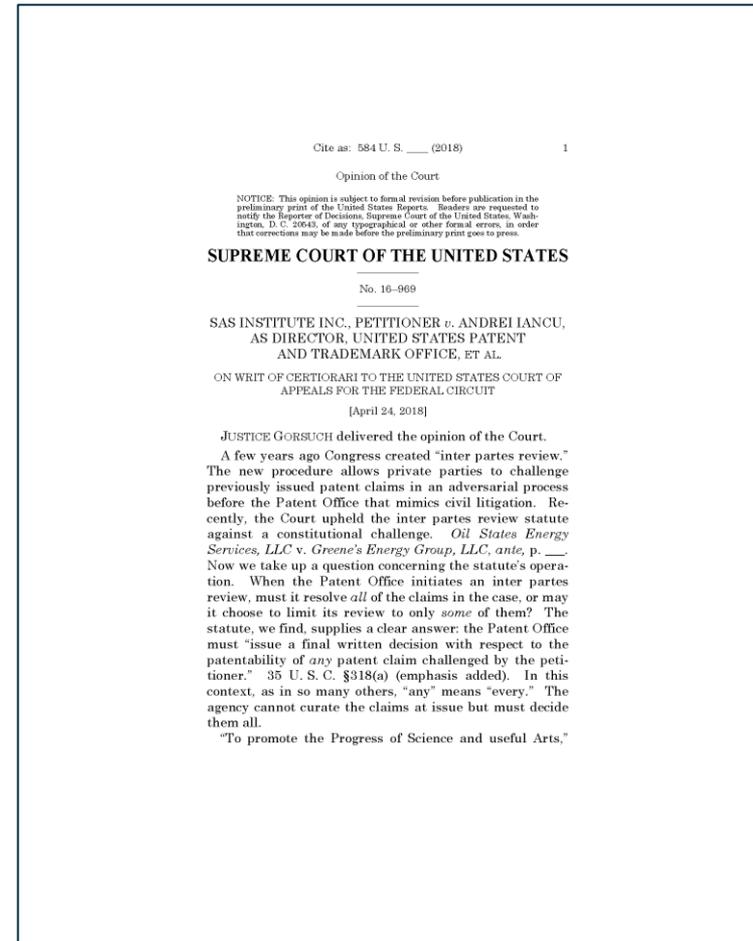
- ***Berkheimer v. HP***, No. [18-415](#)
  - Is Section 101 purely legal or does it rely on underlying facts? CVSG 1/7/19.
- ***Hikma Pharms. v. Vanda Pharms.***, No. [18-817](#)
  - Can a Mayo-like claim pass § 101 if, in addition to reciting diagnosing a patient, it also recites treating the patient? (The Fed Cir held “yes.”) CVSG 3/18/19
- ***Google LLC v. Oracle Am., Inc.***, No. [18-956](#)
  - Whether (a) a software interface can be copyrighted (e.g., functionality) and/or (b) Google’s use of it to create a new computer program was fair use. SG recommended against review 9/27/19
- ***Acorda Therap’cs, Inc. v. Roxane Labs., Inc.***, No. [18-1280](#)
  - Whether/when the commercial success of a patent can be undercut by the presence of a prior “blocking” patent, under a theory that the blocking patent prevented others from trying/competing. (set for conference 10/1/2019.)
- ***Hyatt v. Iancu***, No. [18-1285](#)
  - Does MPEP 1207.04, which allows an examiner to re-open prosecution after an applicant takes an appeal to the Board, violate the applicant’s statutory right of appeal? (set for conference 10/1/2019.)
- ***Straight Path v. Apple***, No. [19-253](#), & ***Power Analytics v. Op. Tech.***, No. [19-43](#)
  - Challenging the Federal Circuit’s use of Rule 36 affirmances (responses requested)
- ***Regents of the U. of Minn. v. LSI Corp.***, No. [19-337](#)
  - State sovereign immunity in IPR (cert. petition filed 9/12/19).



**Federal Circuit Year in Review**  
**Inter Partes *Review***

# The Post-SAS Story

- Last year, SAS held that PTAB lacked authority to “partially institute” IPR—all claims, or none
- Fed Cir applied this reasoning to all grounds
- Fed Cir’s subsequent practice was to grant remands where IPR petitioners timely requested
  - *PGS Geophysical* [891 F.3d 1354]—No remand because unrequested by parties (i.e., SAS remand is waivable)
  - *Adidas* [894 F.3d 1256]—Remand where PTAB instituted on all claims, but not all grounds
  - *BioDelivery* [898 F.3d 1205]—Remand where requested post-oral argument



# IPR for pre-AIA Patents

***Celgene Corp. v. Peter***, [931 F.3d 1342](#)  
(Fed. Cir. July 30, 2019)

- *Oil States* explicitly left open the question of retroactive application of the AIA
- Many parties with pre-AIA patents raised the issue poorly; Celgene finally raised it well
- **Held:** IPRs are close enough in character to other PTO validity challenges that there was no taking when Congress used the AIA to expand challenges.
- **Tip:** Keep options open until this is finished.

United States Court of Appeals  
for the Federal Circuit

CELGENE CORPORATION,  
*Appellant*

v.

LAURA A. PETER, DEPUTY UNDER SECRETARY  
OF COMMERCE FOR INTELLECTUAL PROPERTY  
AND DEPUTY DIRECTOR OF THE UNITED  
STATES PATENT AND TRADEMARK OFFICE,  
*Intervenor*

2018-1167, 2018-1168, 2018-1169

Appeals from the United States Patent and Trademark  
Office, Patent Trial and Appeal Board in Nos. IPR2015-  
01096, IPR2015-01102, IPR2015-01103.

CELGENE CORPORATION,  
*Appellant*

v.

LAURA A. PETER, DEPUTY UNDER SECRETARY  
OF COMMERCE FOR INTELLECTUAL PROPERTY  
AND DEPUTY DIRECTOR OF THE UNITED  
STATES PATENT AND TRADEMARK OFFICE,  
*Intervenor*

# Arista—Assignor Estoppel in DCT, not IPR

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## *Arista Networks, Inc. v. Cisco Systems, Inc.*,

[908 F.3d 792](#) (Fed. Cir. 2018)

- Fed Cir held that the PTAB did not err in declining to hold Arista's IPR challenge barred by the doctrine of assignor estoppel.
- This was based on the statutory interpretation of § 311(a)'s provision that IPR is available to any person “who is not the owner of a patent,” which the court reasoned unambiguously prohibited assignor estoppel.
- The panel noted that the discrepancy this creates between forums where assignor estoppel applies, like district courts and the ITC, is best resolved by Congress.
  - Also noted tension with abrogation of licensor estoppel in *Lear* [395 U.S. 653 (1969)]



**Federal Circuit Year in Review**  
***Patentable Subject Matter***

# Section 101 in Life Sciences



Not a fan of Mayo												
Agrees with other judges												

**United States Court of Appeals  
for the Federal Circuit**

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ATHENA DIAGNOSTICS, INC., OXFORD  
UNIVERSITY INNOVATION LTD., MAX-PLANCK-  
GESELLSCHAFT ZUR FORDERUNG DER  
WISSENSCHAFTEN E.V.,  
*Plaintiffs-Appellants*

v.

MAYO COLLABORATIVE SERVICES, LLC, DBA  
MAYO MEDICAL LABORATORIES, MAYO CLINIC,  
*Defendants-Appellees*

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2017-2508

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Appeal from the United States District Court for the  
District of Massachusetts in No. 1:15-cv-40075-IT, Judge  
Indira Talwani.

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**ON PETITION FOR REHEARING EN BANC**

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Before PROST, *Chief Judge*, NEWMAN, LOURIE, DYK, MOORE, O'MALLEY, REYNA, WALLACH, TARANTO, CHEN, HUGHES, and STOLL, *Circuit Judges*.

LOURIE, *Circuit Judge*, with whom REYNA and CHEN, *Circuit Judges*, join, concurs in the denial of the petition for rehearing en banc.

HUGHES, *Circuit Judge*, with whom PROST, *Chief Judge*, and TARANTO, *Circuit Judge*, join, concurs in the denial of the petition for rehearing en banc.

DYK, *Circuit Judge*, with whom HUGHES, *Circuit Judge*, joins, and with whom CHEN, *Circuit Judge*, joins as to Parts IV, V, and VI, concurs in the denial of the petition for rehearing en banc.

CHEN, *Circuit Judge*, concurs in the denial of the petition for rehearing en banc.

MOORE, *Circuit Judge*, with whom O'MALLEY, WALLACH, and STOLL, *Circuit Judges*, join, dissents from the denial of the petition for rehearing en banc.

NEWMAN, *Circuit Judge*, with whom WALLACH, *Circuit Judge*, joins, dissents from the denial of the petition for rehearing en banc.

STOLL, *Circuit Judge*, with whom WALLACH, *Circuit Judge*, joins, dissents from the denial of the petition for rehearing en banc.

O'MALLEY, *Circuit Judge*, dissents from the denial of the petition for rehearing en banc.

[927 F.3d 1333]

# Section 101 in Life Sciences

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**Determining patient's problem;** and **treating the patient's problem.**

1. A method, comprising:
  - giving a patient a test dose of drug X;
  - taking blood from the patient; and
  - identifying a level of drug x metabolite in the taken blood, wherein a level below 100 indicates the patient is not getting enough, and a level above 600 indicates the patient is getting too much.

*Athena Diagn'cs, Inc. v. Mayo Collaborative Servs., LLC*, [927 F.3d 1333](#) (Fed. Cir. July 3, 2019)

*Roche Molecular Systems, Inc., v. Cepheid*, [905 F.3d 1363](#) (Fed. Cir. 2018)

*Cleveland Clinic Fdn. v. True Health Diagn'cs LLC*, [760 F. App'x 1013](#) (Fed. Cir. 2019)

1. A method, comprising:
  - giving a patient a test dose of drug X;
  - taking blood from the patient;
  - identifying a level of drug x metabolite in the taken blood, wherein a level below 100 indicates the patient is not getting enough, and a level above 600 indicates the patient is getting too much; and
  - giving the patient a 25% higher dose if metabolites below 100, and a 30% lower dose if metabolites above 600.**

*Natural Alternatives Int'l, Inc. v. Creative Compounds, LLC*, [918 F.3d 1338](#) (Fed. Cir. 2019)

*Endo Pharms. Inc. v. Teva Pharms. USA, Inc.*, [919 F.3d 1347](#) (Fed. Cir. 2019)

# Applying *Mayo/Alice* in Life Sciences

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- ***Athena Diagn’cs v. Mayo Collaborative Servs.***, [915 F.3d 743](#) (Fed. Cir. Feb. 6, 2019)
  - Detect neurological disorders by detecting antibodies to muscle-specific tyrosine kinase (“MuSK”).
  - Directed to “the correlation between the presence of naturally occurring MuSK autoantibodies in bodily fluid and MuSK-related neurological diseases[.]”
  - Was not dispositive that claims were specific, or that they required labeling MuSK with a man-made substance.
- ***Genetic Vet’y Sciences v. LABOKLIN GmbH***, [933 F.3d 1302](#) (Fed. Cir. Aug. 9, 2019)
  - *In vitro* methods for genotyping dogs to determine if they genetically carry hereditary nasal parakeratosis (“HNPK”).
  - The claims “begin and end with the point discovery of the HNPK mutation in the [relevant] gene.”
  - Only use conventional techniques (even in more-specific dependent claims) to observe a newly discovered mutation
- ***Roche Molecular Systems, Inc., v. Cepheid***, [905 F.3d 1363](#) (Fed. Cir. 2018)
  - Detecting certain tuberculosis bacteria in a sample.
  - Roche’s man-made “primers” had natural genetic sequences, and that’s what made them site-specific. See *BRCA1*.
  - Method claims died for similar reasons, and use of PCR in them was “routine.”
- ***Endo Pharms. Inc. v. Teva Pharms. USA, Inc.***, [919 F.3d 1347](#) (Fed. Cir. 2019)
  - Use of oxymorphone to treat pain in patients with impaired kidney function.
  - Claims specifically require administration steps (based on the results of kidney function testing), and so are directed to a “specific method of treatment for specific patients using a specific compound at specific doses to achieve a specific outcome.”

# Applying *Mayo/Alice* in Computing

- ***Data Engine Techs. LLC v. Google LLC***, [906 F.3d 999](#) (Fed. Cir. Oct. 9, 2018)
  - Tabbed spreadsheet interface **not abstract** at step one

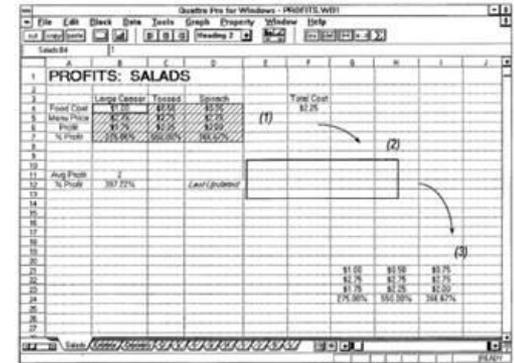


FIG. 4G

- ***Solutran, Inc. v. Elavon, Inc.***, [931 F.3d 1161](#) (Fed. Cir. July 30, 2019)
  - Crediting a merchant account right after receiving a check **abstract** at step one, and **lacking inventive concept** at step two

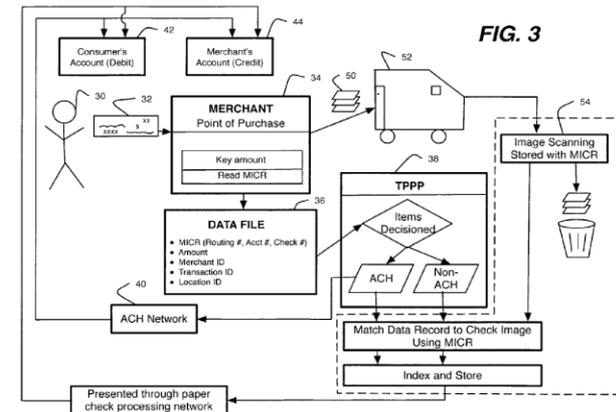
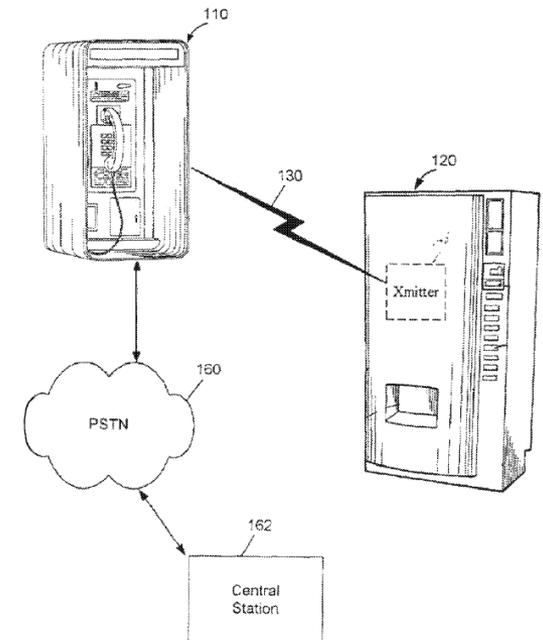


FIG. 3

# Applying *Mayo/Alice* in Devices

- ***Chamberlain Grp. v. Techtronic Indus. Co.***, [935 F.3d 1341](#) (Fed. Cir. Aug. 21, 2019)
  - “Wireless” communication of status info for garage door opener **abstract** at step one, **lacking inventive concept** at step two
- ***SIPCO, LLC v. Emerson Electric Co.***, \_\_\_ F.3d \_\_\_, [2019 WL 4656205](#) (Fed. Cir. Sept. 25, 2019)
  - “Wireless” communication between phone-networked device and remote device was sufficiently “**technological**” to potentially invoke exception to **CBM eligibility**
    - “technological”  $\stackrel{?}{\equiv}$  “non-abstract”



# Litigating § 101

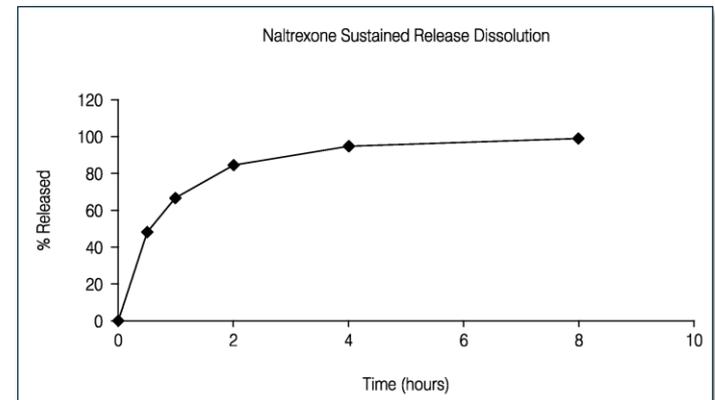
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- ***Berkheimer/Aatrix***
- ***MyMail, Ltd. v. ooVoo, LLC***,  
[934 F.3d 1373](#) (Fed. Cir. 2019)
  - In a split decision remanding the case, the majority found it an error under *Aatrix Software, Inc. v. Green Shades Software, Inc.*, 882 F.3d 1121 (Fed. Cir. 2018), for the district court to fail to address a material claim construction dispute prior to adjudicating patent eligibility:
    - “[I]f the parties raise a claim construction dispute at the Rule 12(c) stage, the district court must either adopt the non-moving party’s constructions or resolve the dispute to whatever extent is needed to conduct the § 101 analysis.”
  - J. Lourie dissented arguing that the claims in dispute were “clearly abstract, regardless of claim construction.”

# Claiming Standards

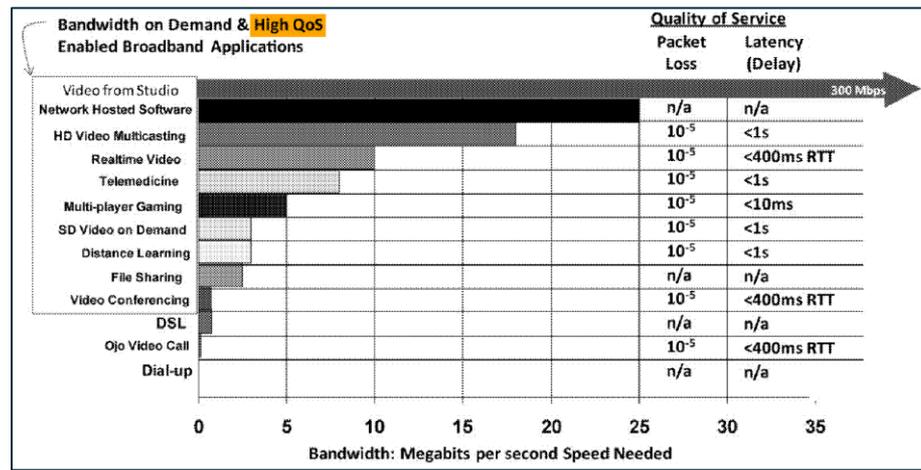
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- ***Nalpropion Pharms., Inc. v. Actavis Labs. FL, Inc.***, [934 F.3d 1344](#) (Fed. Cir. Aug. 15, 2019)
  - Fed Cir affirmed **sufficiency of written description**, on a partial *equivalence* theory
    - Description challenge related “to [claimed] resultant dissolution parameters **rather than operative claim steps**”
    - Prost dissent—prior opinions bar reliance on equivalence for WD, at all



# Claiming Standards

- ***Iridescent Networks, Inc. v. AT&T Mobility, LLC***, [933 F.3d 1345](#) (Fed. Cir. Aug. 12, 2019)
  - Claim for “high” quality of service limited to single embodiment, on “term of degree” reasoning
  - Ordinary meaning unavailable b/c “high quality of service” was a “coined term”





**Federal Circuit Year in Review**  
*Review of Agencies*

# Agency Decisions

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- ***BioDelivery Scis. Int'l v. Aquestive Therap'cs, Inc.***, [935 F.3d 1362](#) (Fed. Cir. 2019)
  - A prior appeal to the Fed Cir was remanded on SAS grounds and, on remand, the PTAB did not institute the case; BioDelivery then appealed arguing that the PTAB should not have reconsidered the institution decision.
  - The Fed Cir held that the “final” aspect of an institution decision does not prohibit its reconsideration because the statutory meaning of final does not clearly deprive the Board of its inherent authority to reconsider its decisions.
  - The Fed Cir then dismissed the case as nonappealable because it was merely a challenge to the Board's decision not to institute and fell under the bar in *Cuozzo*.
- ***Laerdal Medical Corp. v. ITC***, [910 F.3d 1207](#) (Fed. Cir. 2018)
  - The Fed Cir part-reversed, part-vacated the ITC’s determination that no remedy was warranted for Laerdal’s trade dress claims against defaulting respondents.
  - The Fed Cir ruled that § 1337(g)(1) did not permit the ITC to terminate Laerdal’s investigation *sua sponte* post-institution because the Commission was dissatisfied with the unchallenged complaint on which the investigation was based.



**Federal Circuit Year in Review**  
*Upcoming*

# Pipeline of Notable Cases

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- ***Hulu, LLC v. Sound View Innovations, LLC***, IPR2018-01039 (PTAB)
  - What must an IPR Petitioner show to establish that a reference is a printed publication – e.g., does a copyright date presumptively show public accessibility?
  - Precedential Opinion Panel (POP) oral hearing June 18.
- ***Facebook v. Windy City Innovations***, No. 18-1400 (Fed. Cir.)
  - Whether a Section 315 joinder motion in IPR can join a too-late IPR petition by the same party who brought the “base” IPR petition? This case could affect other “time-bar” cases that have facts similar to *Click-to-Call*.
  - Argued August 7.



# Thank you!

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