

Developments in Patent Law 2021

Presented to the Washington State Patent Law Association

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Bios of the Authors and Speaker:

Brian Bodine is sole practitioner who represents clients in patent, trademark, trade secret, and copyright matters. Brian has litigated matters in courts throughout the United States and has argued appeal to the Ninth and Federal Circuit Courts of Appeal. He has represented clients at the PTAB, the TTAB, and the ITC. He taught Patent and Trade Secret Law at Seattle University School of Law for ten years. He frequently speaks on issues of interest to the IP Bar. *See* <https://www.brianbodinelaw.com/>. He is also a member of the MaxPreps Professional Photographers Network, which provides action sports photographs of high school athletes across the United States. His photographs can be seen at and purchased through <https://www.maxpreps.com>.

Gabrielle Lindquist is an Associate at Williams Kastner. She has worked in multiple practice areas, including trademark, patent, and general business litigation. Gabrielle graduated from University of Washington School of Law, where she was a member of the Vis International Arbitration Moot Court team and Executive Managing Editor for the Washington Law Review journal.

Developments in Patent Law 2021

Presented to: Washington State Patent Law Association

Presented on: May 18, 2021

By: Brian Bodine & Gabrielle Lindquist

*Arthrex, Inc.
v. Smith &
Nephew, Inc.*
(Fed. Cir. 2019)

- PTAB panel finds claims unpatentable as anticipated
- Appellant contends on appeal that appointment of APJs by the Commissioner violates the Appointments Clause (US Const. art. II, § 2, cl. 2)

*Arthrex, Inc.
v. Smith &
Nephew, Inc.*
(Fed. Cir. 2019)

- Issue not waived by failure to raise with PTAB
 - “one of those exceptional cases that warrant’s consideration”
 - “The issue presented has a wide-ranging effect on property rights and the nation’s economy.”
- Inferior Officers or Principal Officers?
 - Review Power
 - Supervision Power
 - Removal Power
 - Other Limitations
- Remedy
 - Sever the removal portion of the statute
 - Require a new panel and new hearing on remand

*Arthrex, Inc.
v. Smith &
Nephew, Inc.*

(Fed. Cir. 2020) (petition for rehearing *en banc*)

- Petition for rehearing *en banc* denied
- Judge Dyk dissent:
 - “the draconian remedy chosen by the panel—invalidation of the Title 5 removal protections—rewrites the statute contrary to congressional intent.”
 - Even if adopted, remedy would not require invalidation of pre-existing Board decisions
 - “[I]t seems to me far from clear that [APJs] are ‘principal officers’.”
- Judge Wallach dissent:
 - “[A]n APJ constitutes an inferior officer properly appointed by the Secretary of Commerce.”

*Arthrex, Inc.
v. Smith &
Nephew, Inc.*
(U.S. 2021)

- Whether, for purposes of the Constitution’s appointments clause, administrative patent judges of the U.S. Patent and Trademark Office are principal officers who must be appointed by the president with the Senate’s advice and consent, or “inferior Officers” whose appointment Congress has permissibly vested in a department head.
- Whether, if administrative patent judges are principal officers, the court of appeals properly cured any appointments clause defect in the current statutory scheme prospectively by severing the application of 5 U.S.C. § 7513(a) to those judges.

*New Vision
Gaming &
Dev, Inc. v. SG
Gaming, Inc.*

(Fed. Cir. May 13, 2021)

- PTAB finds all claim patent ineligible
- *Arthrex* issue raised in opening brief on appeal
- Issue not waived as *Arthrex* was decided after Board's final written decision
- Remanded for further proceedings consistent with *Arthrex*

New Vision Gaming & Dev, Inc. v. SG Gaming, Inc.

(Fed. Cir. May 13, 2021)
(Newman, J. dissenting)

- Threshold issue is whether forum selection clause in parties' patent license agreement precludes review of patents by PTAB
- "In the event of any dispute . . . the parties agree and consent to the exclusive jurisdiction of an appropriate . . . court located within the state of Nevada . . . to resolve any such dispute."
- Not unreviewable as the issue is separate from the institution decision. *See* § 324(e)

*Thryv, Inc. v.
Click-to-Call
Techs., LP*
(U.S. 2020)

- Thryv filed petition concerning Click-to-Call patent
- Click-to-Call asserts that the petition was untimely filed due to litigation filed in 2001
- 2001 litigation was voluntarily dismissed without prejudice
- PTAB cancels claims of patent and rejects timeliness argument
- Click-to-Call challenges only PTAB's rejection of the timeliness argument
- CAFC reverses
- SCOTUS vacated judgment based on recently decided *Cuzzuo*
- CAFC again reverses

*Thryv, Inc. v.
Click-to-Call
Techs., LP*
(U.S. 2020)

- Vacated and remanded by SCOTUS
- § 314(d) renders “final and nonappealable” the “determination by the Director whether *to institute an inter partes review* under this section.”
- *Cuozzo* explained that § 314(d) “preclud[es] review of the Patent Office’s institution decisions’ with sufficient clarity to overcome the ‘strong presumption’ in favor of judicial review.”
- Time limitation of § 315(d) is integral to decision to institute an IPR

*Thryv, Inc. v.
Click-to-Call
Techs., LP*
(U.S. 2020)

- Decision supports congressional intent
 - Overpatenting
 - Diminishment of competition
 - Weed out bad patent claims
- Why not to have § 315(d) appeals
 - Goes against Congress's objectives
 - Wastes resources
 - Operates only to save bad patents
- Statutory design
 - Other parties can petition for review
 - Time-barred party can join proceeding

*Thryv, Inc. v.
Click-to-Call
Techs., LP*

(U.S. 2020)

“Congress entrusted the institution decision to the agency, however, to avoid significant costs, already recounted, of nullifying a thoroughgoing determination about a patent’s validity. That goal—preventing appeals that would frustrate efficient resolution of patentability—extends beyond § 314(a) appeals.”

*Thryv, Inc. v.
Click-to-Call
Techs., LP*

(U.S. 2020) (Gorsuch, J.
dissenting)

“Today, the Court takes a flawed premise—that the Constitution permits a politically guided agency to revoke an inventor’s property right in an issued patent—and bends it further, allowing the agency’s decision to stand immune from judicial review.”

“Worse, the Court closes the courthouse not in a case where the patent owner is merely unhappy with the merits of the agency’s decision but where the owner claims the agency’s proceedings were unlawful from the start.”

“Most remarkably, the Court denies judicial review even though the government now concedes that the patent owner is *right* and this entire exercise in property-taking-by-bureaucracy was forbidden by law.”

Thryv, Inc. v. Click-to-Call Techs., LP

(U.S. 2020) (Gorsuch, J.
dissenting)

- Would limit non-appealability to § 314 issues, not to the time limit of § 315(b)
 - “the determination” . . . “under this section”
- § 315(b) is affirmative limit on the agency’s authority
 - Linguistic nonsense
 - Practical nonsense
- Presumption of judicial review
 - Intent to preclude review must be shown by clear and convincing evidence
- “§ 315 is both a constraint on the agency’s power and a valuable guarantee that a patent owner must battle the same foe only once.”

*ESIP Series 2,
LLC v. Puzhen
Life USA, LLC*

(Fed. Cir. 2020)

- Claims found to be obvious over the prior art
- Did petition identify the real party in interest as required by § 312(a)(2)?
- *Cuozzo* held that § 314(d) bars appellate review of questions relating to Patent Office's decision to initiate review, including the particularity requirement of § 312(a)(2).
- *Thryv* held that § 314(d) bars appellate review concerning the timeliness of the filing of the petition under that § 315(b).
- “[N]o principled reason” not to extend to real party in interest finding.

Apple Inc. v. Qualcomm Inc.

(Fed. Cir. April 7, 2021)

- Whether Apple has standing to appeal a final written decision of the PTAB when Apple entered a global settlement with Qualcomm?
- Apple premises standing on three points
 - On-going payment obligations
 - Threat of being sued after expiration of license
 - Estoppel effects on future challenges to the patents-in-suit
- CAFC rejects all three points

Apple Inc. v. Qualcomm Inc.

(Fed. Cir. April 7, 2021)

- Court distinguishes *MedImmune*
 - 1 patent licensed in *MedImmune*
 - MedImmune didn't have to cease making payments under license to have standing
 - Thousands of patents involved in Apple/Qualcomm agreement
 - No assertion that the validity of the 2 patents at issue in the IPR would affect Apple's ongoing payment obligations

Apple Inc. v. Qualcomm Inc.

(Fed. Cir. April 7, 2021)

- Possibility of being sued after expiration of license is “too speculative” to establish standing
 - No evidence that Apple intends to engage in infringing conduct when license expires
 - Only speculation about Apple’s post-expiration activity
- Estoppel is not sufficient to establish standing

Uniloc 2017 LLC v. Apple Inc.

(Fed. Cir. May 12, 2021)

- “a network entity **intercepting** a signaling message associated with a call between **a sender device** of the message and **an intended recipient device** of the message”
- PTAB interpreted “intercepting” as “the signaling message is received by a network entity located between the endpoints of the call.”
- Uniloc argues that the plain and ordinary meaning of “intercepting” means that the entity that “intercepts” cannot be an intended recipient
 - “A player making an interception in football is not the intended receiver of the ball but instead seizes the ball on the way to the receiver.”

Uniloc 2017 LLC v. Apple Inc.

(Fed. Cir. May 12, 2021)

- CAFC affirms
- Claims involve a call between a caller and an intended receiving client
 - One ultimate recipient
 - Doesn't mean that device cannot intentionally direct the call through an intercepting entity
- “We hold that the claims encompass the situation in which a sending client device intentionally sends a signal message to the intermediate network entity that performs the interception.”

*Amneal
Pharms. LLC v
v. Almirall,
LLC*

(Fed. Cir. 2020)

- Amneal files petition for IPR of two of Almirall's patents
- After Amneal filed an ANDA application, Almirall sued for infringement
- During settlement negotiations, Almirall offered Amneal a covenant not to sue and subsequently had its patent removed from the Orange Book
- Board finds claims not unpatentable, and Amneal appeals
- 4 months later, Amneal files a motion to voluntarily dismiss its appeal
- Almirall seeks attorneys' fees related to proceedings before the PTAB and associated with opposing the motion to dismiss

*Amneal
Pharms. LLC v
v. Almirall,
LLC*

(Fed. Cir. 2020)

- §285 is exception to the American Rule
- Does §285 apply to IPR appeals is a question of first impression?
- §285 says that “the Court may award reasonable attorney fees to the prevailing party.”
- Court of Customs and Patent Appeals refused to grant attorneys fees in administrative proceedings
- “the Court” requires a judicial proceeding
- Almirall cannot recover fees incurred before the district court proceeding was filed

*Trimble, Inc.
v. PerDiemCo,
LLC*

(Fed. Cir. May 12, 2021)

- PerDiemCo
 - Owns 11 patents relating to geofencing/electronic logging
 - Rents office space in Marshall, Texas
 - Sole owner, officer and employee in Washington, DC
 - Sole owner has never visited rented space
 - No employees in Marshall, Texas
- Trimble
 - Delaware corporation
 - HQ in Sunnyvale, CA
- ISE
 - Iowa corporation
 - HQ in Coralville, IA
 - Wholly owned sub of Trimble

Trimble, Inc. v. PerDiemCo, LLC

(Fed. Cir. May 12, 2021)

- PerDiemCo sends letter to ISE alleging infringement of patents
 - “actively licens[es]” its patents
 - Licenses entered after 10+ companies have “collectively spent tens of millions of dollars” in litigation
 - Attaches unfiled complaint (ND Iowa) and claim chart
 - Offers ISE non-exclusive license
 - Proposes negotiations
 - Includes a proposed NDA
- Trimble’s GC responds
- PerDiemCo replied
 - Trimble also infringes
 - Provides claim charts
 - Offers to enter mediation to resolve
- At least 22 communications sent by PerDiemCo to Trimble through 3 months of negotiation

*Trimble, Inc.
v. PerDiemCo,
LLC*

(Fed. Cir. May 12, 2021)

- District Court says lack of personal jurisdiction
 - Communications purposefully directed at CA resident
 - Cause of Action arises out of those contacts, but
 - Exercising personal jurisdiction would be unreasonable
- CAFC reverses
- Focus is on “the nature and extent of the defendant’s relationship with the forum state.”

*Trimble, Inc.
v. PerDiemCo,
LLC*

(Fed. Cir. May 12, 2021)

- PerDiemCo asserts that *Red Wing Shoe* controls:
 - “A patentee should not subject itself to personal jurisdiction in a forum solely by informing a party who happens to be located there of suspected infringement.”
- CAFC disagrees

Trimble, Inc. v. PerDiemCo, LLC

(Fed. Cir. May 12, 2021)

3 Developments Since *Red Wing Shoe*

- Patent cases fall under the same procedural rules as other civil litigation.
 - See, e.g., *SCA Hygiene Prods. Aktiobolag v. First Quality Baby Prods., LLC*, 137 S. Ct. 954, 964 (2017) (“[p]atent law is governed by the same . . . procedural rules as other areas of civil litigation”)
- Communications sent into a state may create specific jurisdiction.
 - *South Dakota v. Wayfair, Inc.*, 138 S. Ct. 2080 (2018); *Quill Corp. v. North Dakota*, 504 U.S. 298 (1992);
- A broad set of a defendant’s contacts are relevant to the minimum contacts analysis.
 - *Ford Motor Co. v. Montana Eighth Jud. Dist. Ct.*, 141 S. Ct. 1017 (2021)

*Trimble, Inc.
v. PerDiemCo,
LLC*

(Fed. Cir. May 12, 2021)

**Five factors to determine reasonableness of
assertion of personal jurisdiction**

- Burden on the Defendant is a “primary concern”
- Forum state’s interest in adjudicating the dispute
- Plaintiff’s interest in obtaining convenient and effective relief
- Interstate judicial system’s interest in obtaining the most efficient resolution of controversies
- Shared interest of the several states in furthering fundamental substantive social policies

*Trimble, Inc.
v. PerDiemCo,
LLC*

(Fed. Cir. May 12, 2021)

- “PerDiemCo thus has not made a compelling case that the presence of some other considerations would render jurisdiction unreasonable.”
- Reversed and remanded

XY, LLC v. Trans Ova Genetics, LC

(Fed. Cir. 2020)

- Technology is used to separate X bearing sperm from Y bearing sperm to guarantee sex of the off-spring in non-human mammals
- District Court granted a motion for judgment on the pleadings that the claims are unpatentable subject matter under § 101
 - Step 1: abstract idea of a mathematical equation that permits rotating multi-dimensional data
 - Step 2: lacked inventive concept because XY admitted that all elements were known in the prior art
 - [XY patent claims.docx](#)

1. A method of operating a flow cytometry apparatus with at least n detectors to analyze at least two populations of particles in the same sample, the method comprising:
 - (a) establishing a fluid stream in the flow cytometry apparatus with at least n detectors, the at least n detectors including a first detector and a second detector;
 - (b) entraining particles from the sample in the fluid stream in the flow cytometry apparatus;
 - (c) executing instructions read from a computer readable memory with a processor, the processor being in communication with the first detector in the flow cytometer, to detect a first signal from the first detector based on individual particles in the fluid stream;
 - (d) executing instructions read from the computer readable memory with the processor, the processor being in communication with the second detector in the flow cytometer, to detect a second signal from the second detector based on the individual particles in the fluid stream;
 - (e) executing instructions read from the computer readable memory with the processor to convert at least the first signal and the second signal into n -dimensional parameter data for detected particles in the sample, wherein the n -dimensional parameter data for particles from the at least two populations overlap in at least one of the dimensions;
 - (f) executing instructions read from the computer readable memory with the processor to rotationally alter the n -dimensional parameter data so that spatial separation of the data from the particles from the at least two populations in the at least one dimension that is overlapped is increased;
 - (g) executing instructions read from the computer readable memory with the processor to real-time classify each of the individual detected particles into one of a first population and a second population of the at least two populations based on at least the rotationally altered n -dimensional parameter data; and
 - (h) using the real-time classification, sorting the individual particles with the flow cytometer.

*XY, LLC v.
Trans Ova
Genetics, LC*

(Fed. Cir. 2020)

- CAFC reverses, finding that the claims are not directed to an abstract idea under step 1
- Claims not merely directed to “mathematical equation that permits rotation of multi-dimensional data”
- Claims are directed to an improved method of operating flow cytometry apparatus to classify and separate particles in real time
- Like the claims at issue in *Diehr* that improved an industrial process (curing rubber) using mathematical algorithms
- “[A] process is not unpatentable simply because it contains a law of nature or a mathematical algorithm.”

*XY, LLC v.
Trans Ova
Genetics, LC*

(Fed. Cir. 2020)

- Claim preclusion
- District Court erred by failing to compare scope of patent claims in prior litigation to claims asserted in this litigation.
- Prior litigation bars subsequent litigation “only if the scope of the asserted patent claims in the two suits is essentially the same.”
- Insufficient evidence that
 - Patents issued before XY filed the earlier lawsuit
 - Assertions address the same or substantially the same subject matter
- Continuation patents require the same analysis

In re:
PersonalWeb
Techs. LLC

(Fed. Cir. 2020)

- Claim preclusion and/or the *Kessler* doctrine
- In 2011 PersonalWeb sued Amazon, alleging that use of Amazon Web Services (S3) infringed several of its patents
- After an adverse claim construction, PersonalWeb stipulated to dismissal with prejudice
- In 2018, PersonalWeb filed multiple lawsuits against Amazon's customers for using S3
- Amazon intervened, asserting that PersonalWeb's claims were barred by prior dismissal with prejudice

In re:
PersonalWeb
Techs. LLC

(Fed. Cir. 2020)

- Claim preclusion barred claims of infringement that occurred before the stipulated dismissal of the earlier suit
 - Final judgment on the merits
 - Privity between Amazon and its customers
 - Cause of action is the same
 - Rejects argument that claim preclusion applies through the life of the patents

In re:
PersonalWeb
Techs. LLC

(Fed. Cir. 2020)

- District Court finds that *Kessler* doctrine creates a limited trade right
 - Includes post-judgment actions
 - Includes Amazon and its customers
- PersonalWeb appeals final judgment
- CAFC affirms

In re:
PersonalWeb
Techs. LLC

(Fed. Cir. 2020)

- CAFC rejects PersonalWeb’s contention that the instant cause of action was different because it was directed to different aspects of S3
 - Prior lawsuit directed at multipart upload functionality of S3
 - Current lawsuit involves “cache control” of S3
- “Every alleged act of infringement in the eight customer cases before us is likewise based on the use of the same Amazon S3 product.”
- “At most, PersonalWeb has shown that it emphasized different facts in support of a different theory of infringement in the prior case.”

In re:
PersonalWeb
Techs. LLC

(Fed. Cir. 2020)

- The *Kessler* doctrine is intended to “allow[] an adjudged non-infringer to avoid repeated harassment for continuing its business as usual post-final judgment”
- CAFC rejects PersonalWeb’s contention that Amazon was not “an adjudicated non-infringer”
 - *Brain Life* held that *Kessler* doctrine applies to claims brought or could have been brought
 - Literal infringement vs. infringement under DOE

*Valeant
Pharms. N.
Am. LLC v.
Mylan
Pharms. Inc.*
(Fed. Cir. 2020)

- Case filed in New Jersey based on allegations
 - Nationwide sales anticipated so NJ is a likely destination for product
 - Each defendant does business in NJ
 - Each defendant has previously submitted to jurisdiction in NJ
 - MPI intends to sell generic in NJ
- District court dismisses case as to all defendants
- Valeant appeals
- CAFC affirms as to domestic defendants

*Valeant
Pharms. N.
Am. LLC v.
Mylan
Pharms. Inc.*

(Fed. Cir. 2020)

- Post-*TC Heartland* cases have narrowly construed venue requirements in patent cases
 - *Cray* narrowly construed “regular and established place of business”
 - *Google* excluded agents’ activities in the forum
- “Courts should be mindful of [the specific and unambiguous nature of venue] in applying the statute and not conflate” personal jurisdiction and venue
- District courts split on ANDA venue

*Valeant
Pharms. N.
Am. LLC v.
Mylan
Pharms. Inc.*

(Fed. Cir. 2020)

- Act of infringement is submission of ANDA
 - No post submission act is an infringement
 - Submission of ANDA creates the right to bring suit
- Rejects argument that submission of ANDA is a nationwide act of infringement
- Rejects policy argument that establishing venue from where ANDA is filed may require multiple lawsuits
- Affirms dismissal of suit as to domestic defendants
- Reverses as to foreign defendant

*Valeant
Pharms. N.
Am. LLC v.
Mylan
Pharms. Inc.*
(Fed. Cir. 2020)

Questions left open by *Valeant*

- Is the District of Maryland appropriate for venue in Hatch-Waxman cases?
- How do courts determine what are relevant acts involved in preparation and submission of ANDA?

*Amgen, Inc. v.
Sanofi
Aventisub LLC*

(Fed. Cir. 2021)

- Jury found that Sanofi failed to prove that claims were invalid for lack of enablement
- District Court grants JMOL, finding undue experimentation would be required to make and use full scope of claimed compounds
- CAFC affirms

*Amgen, Inc. v.
Sanofi
Aventisub LLC*
(Fed. Cir. 2021)

- Undue experimentation factors
 - Quantity of experimentation
 - Amount of direction or guidance
 - Presence or absence of working examples
 - Nature of invention
 - State of the prior art
 - Relative skill of those in the art
 - Predictability or unpredictability
 - Breadth of claims

*Amgen, Inc. v.
Sanofi
Aventisub LLC*
(Fed. Cir. 2021)

“What emerges from our case law is that the enablement inquiry for claims that include functional requirements can be particularly focused on the breadth of those requirements, especially where predictability and guidance fall short.”

“[I]t is important to consider the quantity of experimentation that would be required to make and use, not only the limited number of embodiments that the patent discloses, but also the full scope of the claim.”

*Amgen, Inc. v.
Sanofi
Aventisub LLC*
(Fed. Cir. 2021)

- “While functional claim limitations are not necessarily precluded in claims that meet the enablement requirement, such limitations pose high hurdles in fulfilling the enablement requirement for claims with broad functional language.”
- [Amgen claims.docx](#)
- Binding limitation by itself enough to require undue experimentation
- Functional breadth
- Unpredictable field of science

The relevant '165 patent claims are:

1. An isolated monoclonal antibody, wherein, when bound to PCSK9, **the monoclonal antibody binds to at least one of the following residues**: S153, I154, P155, R194, D238, A239, I369, S372, D374, C375, T377, C378, F379, V380, or S381 of SEQ ID NO:3, and wherein the monoclonal antibody blocks binding of PCSK9 to LDLR.
19. The isolated monoclonal antibody of claim 1 wherein **the isolated monoclonal antibody binds to at least two of the following residues** S153, I154, P155, R194, D238, A239, I369, S372, D374, C375, T377, C378, F379, V380, or S381 of PCSK9 listed in SEQ ID NO:3.
29. A pharmaceutical composition comprising an isolated monoclonal antibody, wherein **the isolated monoclonal antibody binds to at least two of the following residues** S153, I154, P155, R194, D238, A239, I369, S372, D374, C375, T377, C378, F379, V380, or S381 of PCSK9 listed in SEQ ID NO: 3 and blocks the binding of PCSK9 to LDLR by at least 80%

The relevant '741 patent claims are:

1. An isolated monoclonal antibody that binds to PCSK9, **wherein the isolated monoclonal antibody binds an epitope** on PCSK9 comprising at least one of residues 237 or 238 of SEQ ID NO: 3, and wherein the monoclonal antibody blocks binding of PCSK9 to LDLR.
2. The isolated monoclonal antibody of claim 1, wherein the isolated monoclonal antibody is a neutralizing antibody.
7. The isolated monoclonal antibody of claim 2, wherein the epitope is a functional epitope.

C R Bard Inc. v. Angiodynamics, Inc.

(Fed. Cir. 2020)

- 3 patents at issue share similar written description
- Each claim requires a radiographic marker identifying the port as power injectable
 - Marker had letters CT etched in titanium foil visible on x-ray scan
 - 3 bumps could be felt through skin
- Claims: [Bard patent claims.docx](#)
- Angiodynamics added identifiers
 - CT marker
 - Scalloped shape

Claim 1 of the '417 patent is illustrative of these claims:

An assembly for identifying a power injectable vascular access port, comprising:

a vascular access port comprising a body defining a cavity, a septum, and an outlet in communication with the cavity;

a first identifiable feature incorporated into the access port perceivable following subcutaneous implantation of the access port, the first feature identifying the access port as suitable for flowing fluid at a fluid flow rate of at least 1 milliliter per second through the access port;

a second identifiable feature incorporated into the access port perceivable following subcutaneous implantation of the access port, the second feature identifying the access port as suitable for accommodating a pressure within the cavity of at least 35 psi, wherein one of the first and second features is a radiographic marker perceivable via x-ray; and

a third identifiable feature separated from the subcutaneously implanted access port, the third feature confirming that the implanted access port is both suitable for flowing fluid at a rate of at least 1 milliliter per second through the access port and for accommodating a pressure within the cavity of at least 35 psi.

Claim 8 is illustrative of the method claims of the '478 patent:

A method of performing a power injection procedure, comprising:

providing an access port including a cannula-impenetrable housing and a radiographic feature indicating that the access port is suitable for flowing fluid at a rate of at least 1 milliliter per second through the access port;

implanting the access port in a subcutaneous pocket formed under a patient's skin;

taking an image of the implanted access port via imaging technology;

identifying the access port as being suitable for flowing fluid at a rate of at least 1 milliliter per second through the access port via the image of the radiographic feature of the access port; and

injecting contrast media fluid through the access port at a rate of at least 1 milliliter per second.

C R Bard Inc. v. Angiodynamics, Inc.

(Fed. Cir. 2020)

- Bard could rely on AngioDynamics representations to customers and the FDA for flow/pressure requirements
 - Substantial evidence
 - Weight is for jury to determine
- Sufficient circumstantial evidence to support induced infringement claim
 - Testimony that scanning, identifying, and injecting were generally performed by single technician
 - Implantation typically performed by another medical provider at the same hospital (i.e., same entity)
 - Angiodynamics provided instructional materials that instructed on each step

C R Bard Inc. v. Angiodynamics, Inc.

(Fed. Cir. 2020)

- Printed matter falls outside the scope of patentable subject matter
- CAFC rejects Bard’s claim that printed matter in claims constitute new functionality
 - “simply adding new instructions to a known product does not create a functional relationship”
- CAFC holds that “the content of the information conveyed by the claimed markers . . . is printed matter not entitled to patentable weight.”

C R Bard Inc. v. Angiodynamics, Inc.

(Fed. Cir. 2020)

- CAFC holds that “a claim may be found patent ineligible under §101 on the grounds that it is directed solely to non-functional printed matter and the claim contains no additional inventive concept.”
- “[T]he focus of the claimed advance is not solely on the content of the information conveyed, but also on the means by which that information is conveyed. . . . [I]t is the radiographic marker in the claimed invention that makes the claimed port particularly useful”
- Claims do not claim unpatentable subject matter under §101

CAP Export, LLC v. Zinus, Inc.

(Fed. Cir. May 5, 2021)

- CAP Export files DJ action alleging invalidity and non-infringement of claims of the '123 patent
- Zinus files motion for SJ of no invalidity
 - Relies on testimony of Zinus' president and "expert witness," Colin Lawrie
 - Lawrie "presented some evidence of validity"
- At his deposition, Lawrie denied knowledge of existence of prior art
- Court grants motion for SJ of no invalidity of claims 1, 2, and 3 of the '123 patent
- Zinus and CAP Export stipulate to final judgment of infringement and no invalidity
 - CAP Export pays Zinus \$1.1 million in damages
 - Entry of permanent injunction

CAP Export, LLC v. Zinus, Inc.

(Fed. Cir. May 5, 2021)

- Zinus files lawsuit against Classic Brands
- Classic files motion to transfer that includes documents regarding prior art beds
 - Beds contain “all components of the bed (except the headboard” . . .packed inside of a zippered compartment in the headboard.”
 - Includes purchase invoice for 405 beds by Woody Furniture (Malaysia) from XXITC (Chinese company)
- CAP Export obtains 2012 invoice from Woody Furniture to Jusama for a purchase of 405 beds
 - Jusama was Zinus’s sales rep
 - Invoice signed by Colin Lawrie
 - Colin Lawrie had ownership interest in Jusama

CAP Export, LLC v. Zinus, Inc.

(Fed. Cir. May 5, 2021)

- CAP Export files motion to vacate under Rule 60(b)(3) based on “fraud . . . misrepresentation, or mistake by an opposing party”
- Basis for fraud was Lawrie’s testimony [Lawrie deposition.docx](#)
- District court orders video deposition of Colin Lawrie
 - Lawrie admits that prior answers were “literally incorrect”
 - Lawrie contends that he did not “intend to answer falsely”

Below are examples of such questioning:

Q. What do you think the novelty or the invention is of the ['123 patent]?

A. The ability to package an unassembled bed into a headboard and have it ship in one box. J.A. 262.

Q. Prior to September 2013 had you ever seen a bed that was shipped disassembled in one box?

A. No.

Q. Not even—I'm not talking about everything stored in the headboard, I'm just saying one box.

A. No, I don't think I have. Id. at 263.

Q. So prior to 2013, September of 2013, the only piece of furniture that you can think of that shipped in one box, disassembled, and the components were contained in another component, was just a cabinet with shelves; is that accurate?

....

Q. That would be then no, just the cabinet essentially?

A. That I'm aware of.

CAP Export, LLC v. Zinus, Inc.

(Fed. Cir. May 5, 2021)

- District court finds Lawrie's explanation "wholly implausible"
- District court relies on Woody Furniture documents showing sales to Zinus family of companies in 2011 and 2013
- Zinus conceded that the documents were available in its email system the entire time
- District court grants motion, sets aside judgment, and vacated injunction

CAP Export, LLC v. Zinus, Inc.

(Fed. Cir. May 5, 2021)

- Ninth Circuit test under 60(b)(3) is that the fraud not be discoverable through diligence
- Zinus contends that CAP Export's lawyers should have sought more discovery
- CAFC rejects Zinus's contention
- "whether a reasonable company in CAP Export's position should have reason to suspect the fraud—here, that Lawrie had testified falsely—and, if so, took reasonable steps to investigate"

CAP Export, LLC v. Zinus, Inc.

(Fed. Cir. May 5, 2021)

- No showing that there was a reason to suspect that Lawrie's statements were fraudulent
 - Repeatedly asked Lawrie about beds
 - Lawrie repeatedly misrepresented his knowledge
 - Prior art searches didn't reveal evidence of Woody Furniture
 - Concealed evidence was not widely available or matter or public record
- Party need not show that result would have been altered in case where information sought during discovery is withheld

Bio-Rad Labs., Inc. v. ITC

(Fed. Cir. April 29, 2021)

- 10X Genomics files complaint with ITC claiming that Bio-Rad Labs' importation/sales violate section 337
- Bio-Rad defends by asserting co-ownership of asserted patents
- Bio-Rad asserts co-ownership because 2 of its former employees are named inventors
- [Bio-Rad agreement.docx](#)
- FTC rejects Bio-Rad's co-ownership defense
- CAFC affirms

When employed at QuantaLife, each of them signed an agreement (Dr. Hindson in 2009, Dr. Saxonov in 2010) that provided, as relevant here:

(a) Employee agrees to **disclose promptly** to the Company the **full details of any and all ideas**, processes, recipes, trademarks and service marks, works, inventions, discoveries, marketing and business ideas, and improvements or enhancements to any of **the foregoing (“IP”)**, that Employee conceives, develops or creates alone or with the aid of others **during the term of Employee’s employment** with the Company (b) Employee shall assign to the Company, without further consideration, Employee’s entire right to **any IP** described in the preceding subsection, which shall be the sole and exclusive property of the Company whether or not patentable.

Bio-Rad acquired QuantaLife, and Drs. Hindson and Saxonov became Bio-Rad employees. In October of [2011], they each signed an agreement that provided, as relevant here:

All inventions (including new contributions, improvements, designs, developments, ideas, discoveries, copyrightable material, or trade secrets) which I may **solely or jointly conceive, develop or reduce to practice** during the period of my employment by Bio-Rad shall be assigned to Bio-Rad.

Bio-Rad Labs., Inc. v. ITC

(Fed. Cir. April 29, 2021)

- “The most straightforward interpretation is that the assignment duty is limited to subject matter that itself could be protected as intellectual property *before* the termination of employment”
- “[T]he pertinent intellectual property does not exist until at least conception of that invention.”

Bio-Rad Labs., Inc. v. ITC

(Fed. Cir. April 29, 2021)

- *Israel Bio-Engineering* held that inventions conceived after the employment agreement was terminated were excluded
- *FilmTec* held that the claimed inventions were covered by the employment agreement because the inventions were conceived during the agreement
 - “something that Bio-Rad accepts is not true here”
- *Stanford* case involved different contractual language
 - “made as a consequence of” employee’s work

Thank You for Attending

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