



Federal Circuit “Year in Review” May 2022 - May 2023

*Presented by Stoel Rives LLP, Seattle TIP Team
(WSPLA)
May 17, 2023*



IPR/Process/Estoppel

Apple v. CalTech, No. 22-203 (Cert. Petition)

- **Issue:** Scope of IPR Estoppel
 - Key statutory language: “during inter partes review”
 - Fed. Cir. Federal Circuit Decision from Feb. 2022 overrules *Shaw* in light of *SAS*.
- **Pending Cert. Petition:**
 - Amici: Patent law professors, Unified Patents
 - SCOTUS (10/28/22 Conf): Response requested
 - SCOTUS (1/13/23 Conf.): Invites views of the Solicitor General



Practice TIP: Assume, for now, that grounds not included in a petition have a high risk of being estopped.

Ironburg Inventions Ltd. v. Valve Corporation, 64 F.4th 1274 (Fed. Cir. 2023)

- **Issue:** Application of IPR Estoppel (*affirms in part* Judge Zilly)
- Non-Instituted Grounds: Estopped
 - “Raised” prong of estoppel provision (*see Cal. Inst. Tech.*)
- Later-Discovered Grounds: Maybe estopped (remanded)
 - Test: “*a skilled searcher conducting a diligent search reasonably could have been expected to discover*”
 - Burden of proof: Patent Owner

Practice TIP: Both parties may need to develop evidence of what a hypothetical skilled searcher would have discovered.

Google LLC v. Hammond Dev. Int'l, Inc., 54 F.4th 1377 (Fed. Cir. 2022)

- Collateral Estoppel between similar claims in related patents
 - The '816 and '483 patents are related and share the same specification.
 - PTAB previously invalidated all challenged claims of the '483 patent. PO did not appeal.
 - PTAB did not invalidate all claims of the '816 patent.
 - On appeal, Petitioner argued:
The FWD that claim 18 of the '483 patent is unpatentable renders claim 18 of the '816 patent unpatentable based on collateral estoppel.
- **Held:** That the claims 18 of the related patents are “materially identical” for purposes of collateral estoppel.
 - Claim 18 of the '816 patent invalid by collateral estoppel.
 - However dependent claims survived. Petitioner did not argue collateral estoppel as to claims 15-17, and failed to convince the CAFC panel that the PTAB had erred.

Practice TIP: Analyze potential effect of IPR proceedings on related patents.

Cupp Computing v. Trend Micro, 53 F.4th 1376 (Fed. Cir. 2022)

- **Issue:** Binding effect of IPR Disclaimer
 - Was disclaimer of non-remote security system processor during IPR relevant to IPR claim construction?
- **Background:**
 - *Aylus* (2017): IPR disclaimer binding
 - *Galderma* (2020): IPR disclaimer not binding
- **Federal Circuit holding:**
 - “[A] disclaimer is not binding on the PTO in the very IPR proceeding in which it is made. . . .”

Practice TIP: Choose IPR claim construction arguments with caution – they may later be binding disclaimers. But not in the same IPR.

Apple v. Vidal, 63 F.4th 1 (Fed. Cir. 2023)

- **Issue:** *Fintiv* Guidance (N.D. Cal. APA challenge)
 - Challenged Actions: Designation of *NHK Spring* and *Fintiv* as precedential; June 21, 2022 Guidance memo
- **Substance:** *Judicial review precluded by statute*
- **Procedure:** *Challenge to need for rulemaking can go forward*
- **Open Questions:**
 - Propriety of statutory delegation with preclusion of judicial review
 - Outcome of procedural challenge, whether it matters

Practice TIP: Watch for forthcoming notice and comment rulemaking on *Fintiv* and other IPR issues.



Venue (W.D. Tex.)

In re Monolithic Power, 50 F.4th 157 (Fed. Cir. 2022)

- The USDC (W.D. Tex.) denied Defendant Monolithic's motion to dismiss or transfer the case to the N.D. Cal. Monolithic filed a *writ of mandamus*.
- BOP on a *writ of mandamus* is a clear abuse of discretion.
- The Federal Circuit acknowledged some connections to Texas.
 - The accused power modules for OEMs were offered for sale in the W.D. Tex.
 - Four employees worked remotely from their homes in the W.D. Tex.
 - Some documents, equipment, and witnesses were located in the W.D. Tex.
- The Federal Circuit reasoned that venue disputes are not well-suited for *writs of mandamus* ... regardless of the factual and legal merits.
- The Federal Circuit held that there was not a clear abuse of discretion.

In re Google, 58 F.4th 1379 (Fed. Cir. 2023)

- The USDC (W.D. Tex.) denied Defendant Google's motion to transfer the case to the N.D. Cal. Then, Google filed a *writ of mandamus*.
- BOP on a *writ of mandamus* is a clear abuse of discretion.
- The Federal Circuit found that the center of gravity for the patent dispute was the N.D. Cal.
 - The accused products (smartphones, earbuds, speakers, displays, and software) were developed in the N.D. Cal.
 - Documents, prototypes, and witnesses were located in the N.D. Cal.
 - Virtually no relevant source of evidence was located in the W.D. Tex.
- The Federal Circuit held that there were numerous instances of clear error in weighing the venue *private and public interest* factors and vacated the denial of transfer based on an abuse of discretion.



Standing

Uniloc USA, Inc. v. Motorola Mobility LLC, 52 F.4th 1340 (Fed. Cir. 2022)

- PO used patents as *loan collateral*, then defaulted on the loan.
- The loan terms provided that default triggered a “*non-exclusive, transferrable, sub-licensable, divisible, irrevocable, fully paid-up, royalty-free and worldwide*” patent license to the creditor (Fortress Credit Co LLC).
 - *The license rights were unfettered but did not include the right to sue for remedies.*
- No license to practice the patent was granted to the actual defendant *ab initio*.
- In a separate action (*Uniloc v. Apple*), the court found that the PO had delayed production of loan documentation.
 - The court dismissed for lack of standing based on rights granted by the PO to Fortress through the PO’s loan default.
 - PO filed an appeal, then settled while the appeal was pending without requesting that the USDC’s dismissal order for lack of standing be vacated, thus locking in the USDC order.
 - **This allowed non-mutual, defensive collateral estoppel to become available.**



Practice TIP: Be careful not to endanger exclusionary (standing) rights by pledging patent rights (even licenses / sub-licenses) as collateral.

Points (Pitfalls!) of Interest



Does granting a non-exclusive license with the right to sub-license divest a PO of exclusionary rights and, hence, of standing to sue?

- Two district courts said “yes.” Although the CAFC affirmed, the basis for affirming was collateral estoppel ... *even though the CAFC suggested the legal ruling was error.*
- In *dicta* and concurring opinion, *the CAFC criticized the rationale below.*

Does settling a case while on appeal give the appealed decision preclusive effect ***if the settlement does not vacate the lower court decision?***

- Yes. Where all the elements of collateral estoppel are present, issue preclusion flows from a previously challenged decision that remains intact following settlement, regardless of whether the decision is legally right or wrong.

Almost apologetically, this case seems like the proverbial tail (procedural law of collateral estoppel) wagging the dog (substantive law regarding patent standing to sue).



Eligibility

Status of Supreme Court Review of Eligibility Decisions

- **July 2022 – Cert. DENIED in *American Axle v. Neapco* (2019)**
 - Claim to method of manufacture of drive assembly
 - “Tuning a liner” involves application of natural law (Hooke’s law) and claim merely describes a desired result
 - Review was requested on two questions, Solicitor General recommended review on question 1:
 - What is the appropriate standard for determining a claim is “directed to” a patent-ineligible concept?
 - Is patent eligibility a question of law or a question of fact?
- **Two additional eligibility cases recently denied cert.:**
 - *Tropp v. Travel Sentry* (2021, luggage locks)
 - Whether claims reciting physical, rather than computer-processing steps are patent eligible?
 - *Interactive Wearables, LLC v. Polar Electro Oy* (2021, wearable content player, screen remote; allows users to view information about playing song; lack of eligibility affirmed by Fed. Cir. without opinion)
 - Same questions as *American Axle*
 - Is it proper to apply § 112 considerations to determine eligibility?

Practice TIP: No further Supreme Court eligibility guidance in the near-term

In re Killian, 45 F.4th 1373 (Fed. Cir. 2022)

- A system and method “for determining eligibility for Social Security Disability Insurance [SSDI] benefits through a computer network.”
- **Alice Step 1:** Directed to an abstract idea? Yes / **FAIL**
 - **Mental process** of a search algorithm for identifying people eligible for SSDI benefits
 - Collecting information, comprehending the meaning of that information, indicating results
- **Alice Step 2:** Transformed to patent-eligible application? No / **FAIL**
 - All on **generic computer components**
 - No indication of **how** eligibility determined, beyond what a human would analyze
- Challenge to legitimacy of 101 jurisprudence - **FAIL**
 - Is *Alice* framework so poorly defined as to be **arbitrary and capricious** under the Administrative Procedures Act (APA) and Due Process Clause of 5th Amendment
 - PTAB is applying judicial precedent (e.g., Supreme Court), and APA does not apply
 - Judicial decisions have provided guidance in many, varied situations
 - “The **Supreme Court** has instructed that we are required, at step two, to look for an inventive concept. And, thus, search for an inventive concept we must.”



Practice TIP: *Alice* framework here to stay; saving human time alone insufficient to pass 101

Hawk Technology Systems, LLC v. Castle Retail, LLC, --- F.4th --- (Fed. Cir. 2023)

- Purported Solution: multi-format digital video system capable of maintaining full-bandwidth resolution while maintaining professional quality editing
- **Alice Step 1:** Directed to an abstract idea? Yes / **FAIL**
 - Abstract “data manipulation.” Based on words of claim, receiving, displaying, converting, storing, and transmitting
 - Claims recited at level of “*result-oriented generality*”
 - Lack recitations on *how* the goal of conserving bandwidth while preserving data is achieved
- **Alice Step 2:** Transformed to patent-eligible application? No / **FAIL**
 - Only *generic, off-the-shelf components* – computer, A/D converter, display
 - Only recite *generic functional language*; fail to specify *what the parameters are* that are used or whether they concern more than just data manipulation

1. A method of viewing, on a remote viewing device of a video surveillance system, multiple simultaneously displayed and stored video images, comprising the steps of: receiving video images at a personal computer based system from a plurality of video sources, wherein each of the plurality of video sources comprises a camera of the video surveillance system; digitizing any of the images not already in digital form using an analog-to-digital converter; displaying one or more of the digitized images in separate windows on a personal computer based display device, using a first set of temporal and spatial parameters associated with each image in each window; converting one or more of the video source images into a selected video format in a particular resolution, using a second set of temporal and spatial parameters associated with each image; contemporaneously storing at least a subset of the converted images in a storage device in a network environment; providing a communications link to allow an external viewing device to access the storage device; receiving, from a remote viewing device remotely located from the video surveillance system, a request to receive one or more specific streams of the video images; transmitting, either directly from one or more of the plurality of video sources or from the storage device over the communication link to the remote viewing device, and in the selected video format in the particular resolution, the selected video format being a progressive video format which has a frame rate of less than substantially 24 frames per second using a third set of temporal and spatial parameters associated with each image, a version or versions of one or more of the video images to the remote viewing device, wherein the communication link traverses an external broadband connection between the remote computing device and the network environment; and displaying only the one or more requested specific streams of the video images on the remote computing device.

Practice TIP: Ensure the *HOW* is claimed

IBM Corp. v. Zillow Group, Inc., 50 F.4th 1371 (Fed. Cir. 2022)

Asserted Patents:

- **The '789 Patent:** coordinated geospatial, list-based and filter-based selection
- **The '389 Patent:** displaying layered data on a spatially oriented display, based on nonspatial display attributes
- **Alice Step 1:** Directed to an abstract idea? Yes / **FAIL**
 - Performed by hand; automation using a computer; categorizing and displaying visual information
 - “The claims here recite...abstract steps: presenting a map, having a user select a portion of that map, and then synchronizing the map and its corresponding list to display a more limited data set to the user.”
 - Claims are recited at level of “result-oriented” generality that “does not sufficient[ly] describe how to achieve the results in a non-abstract way”
 - Specification does not disclose a technical improvement or otherwise suggest one was achieved
- **Alice Step 2:** Transformed into eligible subject matter? No / **FAIL**
 - Inventive concepts were “just restatements of the abstract goals of the invention”
 - Claims “do not teach how the input is received or the map and list displays are synchronized”
 - The patent “requires nothing more than generic computer technology”
 - A district court need not accept a patent owner’s conclusory allegations of inventiveness
- **Dissent in part (Judge Stoll)**
 - Agrees the '789 patent is ineligible; argues dismissal of certain dependent claims of the '389 patent was improper, noting IBM’s expert declaration contained numerous factual allegations, which, if taken as true, “sets a plausible basis for eligibility”

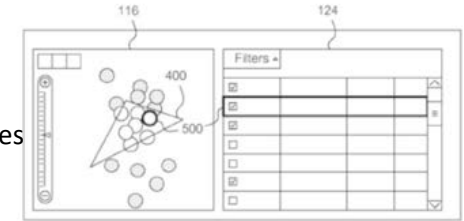


Figure 5 of the '789 Patent

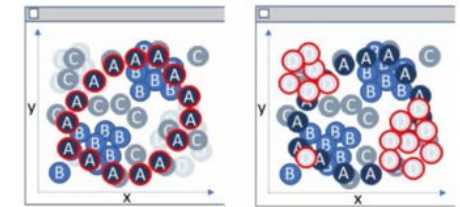


Illustration by an Expert Witness for IBM

Practice TIP: Ensure the *HOW* is claimed & that the technical improvement is discussed in the specification

Weisner v. Google, LLC, 51 F.4th 1073 (Fed. Cir. 2022)

- **Asserted Patents** (4; related/share the same specification):
 - ('910; '202) - Have claims directed towards creating digital travel logs (storing a person's physical activities) - (ineligible)
 - ('911; '905) - Have claims directed towards creating and using travel histories to improve computerized search results (ways to use a digital record) - (eligible)
- **District Court – Granted** competitor's motion to dismiss for failure to state claim; held claims of all four patents' subject matter ineligible
- **Federal Circuit – Affirmed in Part, Reversed in Part**
- **Alice Step 1:** Directed to a Law of Nature? Yes (for both) / **FAIL**
 - ('910; '202) - directed towards **abstract idea** of collecting information on a user's movements and location history and electronically recording the data. Automation or digitization of a conventional method of **organizing human activity** of creating a travel log on a computer is an abstract idea
 - ('911; '905) - directed towards the abstract idea of creating and using travel histories to improve computerized search results
- **Alice Step 2:** Transformed to patent-eligible application? No ('910; '202) / **FAIL** // N/A ('911; '905) / **PLAUSIBLE FACTS ALLEGED**
 - ('910; '202) - specification described the components and features listed in the claims **generically**, supporting a conclusion that the components are convention and **not inventive** (e.g., the software as being known to those skilled in the art of computer science; methods to receive and transmit including Bluetooth, etc.)
 - ('911; '905) - patentee **plausibly alleges (and the specification supports)** the **claims recite a specific implementation** of the abstract idea that **purports to solve a problem** unique to the Internet (e.g., a specific technique for using physical location history data to improve computerized search results that provides specifically tailored results to the searcher's unique characteristics and eliminates the inherent bias of pushing and referring places through conventional web searches)
 - Plausibly alleged factual allegations that claims include inventive concepts, which **defeats** a Rule 12(b)(6) motion
- **Dissent in part (Judge Hughes)**
 - Agrees the '910 and '202 patents are ineligible. Agrees '911 and '905 recite an abstract idea.
 - Disagrees that the '911 and '905 patents recite inventive concepts, noting that "the second amended complaint admits that the algorithms used to incorporate location data are routine and conventional" and that "the claims do not solve a problem specific to the internet."

Practice TIP: Include discussion of technical improvement in specification & ensure claims recite them

Cooperative Ent., Inc. v. Kollektive Tech., Inc., 50 F.4th 127 (Fed. Cir. 2022)

Asserted Patent:

- Directed toward systems and methods for structuring a peer-to-peer (P2P) dynamic network for distributing large files (e.g., videos and video games)
- **District Court – Granted** competitor’s motion to dismiss for failure to state claim; held all claims of the ‘452 patent subject matter ineligible.
- **Federal Circuit – Reversed and remanded** for failing to weigh allegations in complaint and statement in the specification in favor of the patentee at Rule 12 stage. The Federal Circuit did **NOT** decide if claims were patent eligible at this stage.
- **Rule 12 Stage:** “Patent eligibility may be resolved at the Rule 12 stage only if there are no plausible factual disputes after drawing all reasonable inferences from the intrinsic and Rule 12 record in favor of the non-movant.”
- **Alice Step 1:** Directed to a Law of Nature? N/A / **DID NOT ADDRESS**
 - The claims “contain alleged inventive concepts not limited to [an] abstract idea, which defeats Kollektive’s Rule 12 motion,” thus the Federal Circuit declined to address Step 1
- **Alice Step 2:** Transformed to patent-eligible application? N/A / **PLAUSIBLE FACTS ALLEGED**
 - Claim 1 contains several alleged inventive concepts that “the specification touts as specific improvements in the distribution of data” compared to prior art, including:
 - A particular network structure for sharing content through a dynamic P2P network
 - Segmenting content using trace routes
 - Plausibly alleged **factual allegations** that that claims include **inventive concepts**, which **defeats** a Rule 12(b)(6) motion

Practice TIP: Include discussion of technical improvement in specification & ensure claims recite them

CareDx, Inc. v. Natera, Inc., 40 F.4th 1371 (Fed. Cir. 2022)

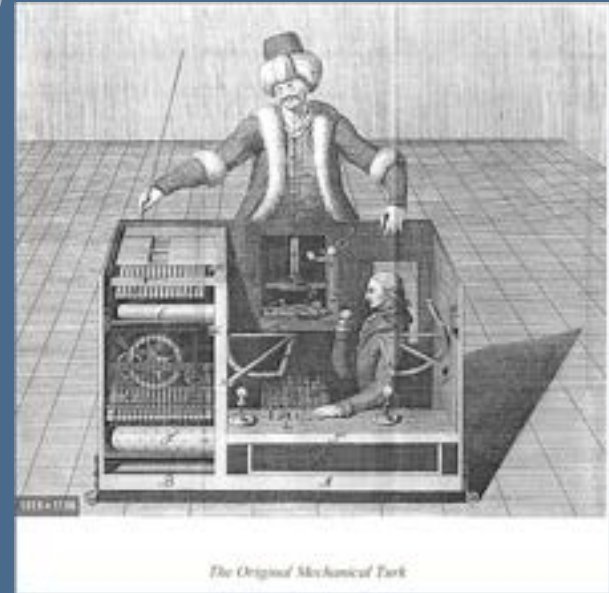
Patents directed toward detection of organ transplant rejection by detecting cfDNA in a sample from the transplant recipient

- **Alice Step 1:** Directed to a Law of Nature? Yes / **FAIL**
 - **Natural phenomenon** is level of donor cfDNA and associated likelihood of transplant rejection
 - **Conventional equipment** and methods used to assess this natural phenomenon
- **Alice Step 2:** Transformed to patent-eligible application? No / **FAIL**
 - **Conventional equipment** and methods used to assess this natural phenomenon
 - Any purported improvement to conventional measurement techniques not claimed
- Analogy to earlier *Ariosa* (involving cffDNA detection for detecting fetal defects)

The practice of the present invention employs, unless otherwise indicated, conventional techniques of immunology, biochemistry, chemistry, molecular biology, microbiology, cell biology, genomics and recombinant DNA, which are within the skill of the art. See Sambrook, Fritsch and Maniatis, MOLECULAR CLONING: A LABORATORY MANUAL, 2nd edition (1989); CURRENT PROTOCOLS IN MOLECULAR BIOLOGY (F. M. Ausubel, et al. eds.,

Excerpt From:
U.S. Pat. No. 10,329,607
Col. 5, Lns. 56-63

Practice TIP: “Conventional” tech recited in specification may be utilized in adverse 101 analysis



Artificial Intelligence

Thaler v. Vidal, 43 F.4th 1207 (Fed. Cir. 2022)

- Can Artificial Intelligence (AI) be a named inventor? No / **HUMAN INVENTORS ONLY**
 - Patent Applications to “Neural Flame” and “Fractal Container”
 - Only named inventor **DABUS** = Device for Autonomous Bootstrapping of Unified Science
 - Thaler submits substitute statement for DABUS in lieu of Declaration and “Statement on Inventorship” explaining DABUS
 - Human (Thaler) submits he did not contribute to conception and any skilled artisan could take DABUS output and reduce to practice
 - PTO found the applications incomplete, lacking a valid inventor
 - No need to consider “**metaphysical matters**,” just construe the statute
 - Statutory Interpretation
 - Patent Act defines “inventor” as “individual.” 35 USC § 100
 - Supreme Court has held that “individual” means human being absent indication Congress intended otherwise
 - Consistent with inability for an inventor to be a corporation or sovereign
 - Not confronted with question of whether inventions made by humans with *assistance* of AI are patentable
 - SC cert. petition filed March 17, 2023; **rejected April 24, 2023**
- Circumstances permitting execution of this substitute statement: **Inventor is under legal incapacity in view of the fact that the sole inventor is a Creativity Machine (i.e., an artificial intelligence), with no legal personality or capability to execute this substitute statement.**
 - Person executing this substitute statement is the Applicant and the Assignor of the abovementioned application, as well as the owner of said Creativity Machine, DABUS; namely: **Stephen L. Thaler, 1767 Waterfall Dr., St.**

Practice TIP: Name only human inventors



Indefiniteness & Written Description

Update on *Amgen v. Sanofi*

- **Fed. Cir. (2021) held patent invalid for lack of enablement**
 - Claims antibodies to stop PCSK9 from degrading LDL receptors, thereby allowing the receptors to continue to remove bad LDL cholesterol from the bloodstream
 - **Functional language**, e.g., “ blocks binding of PCSK9 to LCLR”
 - **Full scope** of the functional claim recitations not enabled
- **Supreme Court, cert. granted, oral argument March 2023**
 - What must be enabled – to make and use the claimed invention, or to be able to **reach the full scope** of the claimed embodiments?
 - Little disagreement on legal standard, but on application of undue experimentation; on what it takes to get a **“genus” patent**
 - Discussion around **undue experimentation** and how adjudged
 - Are antibodies special/different?

Practice TIP: Claim from the genus through the species

Regents of the U. of Minnesota v. Gilead Scis., Inc., --- F.4th --- (Fed. Cir. 2023)

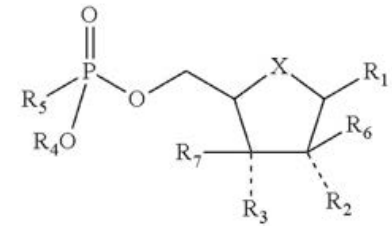
- Benefit of earlier priority date needed to get around prior art
- Earlier application discloses a genus; later application claims a species / subgenus
- **Standard: for genus claims, look for “blaze marks” that guide attention to claimed subgenus/species**

• *Ipsis verbis* support? **No**

- Had to select correctly from separately listed choices for the R1-R6 constituents
- “Maze-like path” insufficient to provide *ipsis verbis* disclosure

• “Blaze marks” to guide toward the claimed subgenus? **No**

- Structures of the genus are so extensive and varied that they cannot provide written description support for the specific subgenus claimed



wherein:

Practice TIP: Obtain early filing dates for specific subgenus claims, even if within genus of earlier-filed description

Novartis Pharm. Corp. v. Accord Healthcare, Inc., 38 F.4th 1013 (Fed. Cir. 2022)

Asserted Patent:

- Directed towards method to treat relapsing remitting multiple sclerosis (RRMS).
- **District Court:** Found that Novartis' '405 patent was **not invalid** and that competitor's ANDA infringed. Competitor appealed.
 - During prosecution, the negative claim limitation "absent an immediately preceding loading dose" added during prosecution to overcome prior art.
 - Novartis, argues that the specification satisfies the written description requirement for the no loading-dose limitation because it indicates that the dosing regimen starts by "initially" administering a daily dosage.
 - The district court found that because there is no recitation of a loading dose in the specification, the no loading-dose limitation is supported.
- **Federal Circuit:** Held that the patent's specification did not satisfy the written description requirement for the "no-loading-dose" limitation.
 - Found that the district court's finding that the specification discloses "initially" starting with a daily dose was clearly erroneous. It explained that the specification nowhere describes "initially" administering a daily dosage. The specification says, "Initially patients receive treatment for 2 to 6 months."
 - The disclosure of a daily dosage cannot amount to a disclosure that there can be no loading dose, because such a finding is at odds with the prosecution history. The Patent Office allowed the claims only after the applicants added the no-loading-dose limitation.
 - The question is whether the patentee precluded the use of a loading dose. On this record, **there is no evidence that a skilled artisan would understand silence regarding a loading dose to necessarily exclude a loading dose.** In fact, all the experts agreed that loading doses are sometimes given to MS patients.
- **Dissent (Judge Linn):**
 - Asserts the majority **applies a heightened written description standard** by requiring not only a "reason to exclude" but a showing that the negative limitation in question was "necessarily excluded."
- **SCOTUS:** Cert. petition filed by Novartis on January 18, 2023; disposition of the petition currently pending.

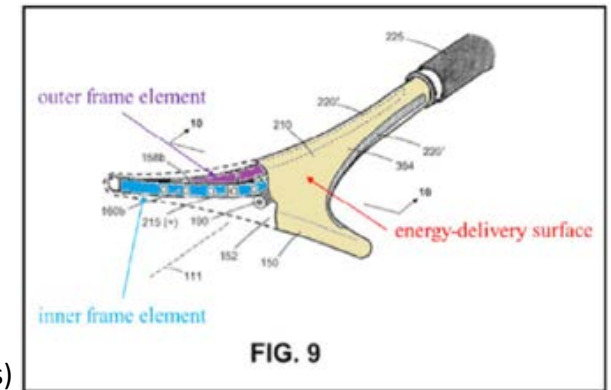
Practice TIP: Disclosure is the "hallmark" of written description for positive limitations, **and so too** for negative limitations



Public Use

Minerva Surgical, Inc. v. Hologic, Inc., --- F.4th --- (Fed. Cir. 2023)

- Subject matter: surgical devices (Aurora device) for endometrial ablation
- Did patentee's conduct constitute "public use" under pre-AIA 102(b)? Yes / **INVALID**
- Conduct at issue:
 - 15 devices disclosed at the Global Congress of Minimally Invasive Gynecology, open to public
 - Dubbed the "Super Bowl" of the industry by an inventor
 - At a booth, in meetings with interested parties, gave technical presentation
 - No confidentiality obligations
- Did the demonstrated device have all claim recitations? Yes / **INVALID**
 - Frame with inner and outer elements having substantially dissimilar material properties (SDMPs)
 - Conception occurred before event
 - Documentation before and after event demonstrate frame feature (lab notebooks, experimental results, bill of materials)
 - Inventor ultimately said it was "likely" demonstrated devices included disputed element
- Was the device "ready for patenting"? Yes / **INVALID**
 - Reduction to practice had occurred
 - Inventor testimony; experimental results
 - Notwithstanding no live human results and ongoing testing
 - Enabling documentation existed describing the claimed invention (lab notebooks, CAD drawings)



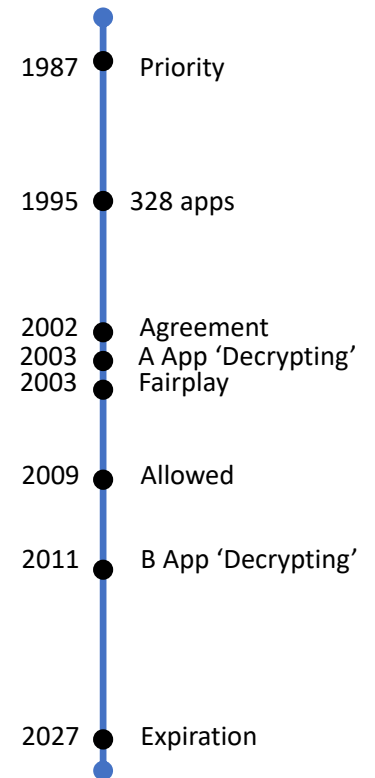
Practice TIP: Gold-standard conference attendance can support public use finding



Laches

Personalized Media Comms., LLC v. Apple Inc., 57 F.4th 1346 (Fed. Cir. 2023)

- GATT-bubble application (term is 17 years from grant)
- **Laches requires:**
 - Patentee delay unreasonable under totality of circumstances; and
 - Accused infringer suffered prejudice
- Delay unreasonable? YES
 - Compliance with PTO rules won't cure unreasonableness
 - Patentee's own conduct contributed to PTO delay due to analysis of co-pending cases
 - 2003 introduction of new subject matter is well delayed
- Prejudice? YES
 - Look at entire pattern of delay, not just since product introduction
 - Looked at period of development of product, not just launch



Practice TIP: Impact may be reduced now that term measured from filing; promptly prosecute all subject matter of interest



Inventorship

HIP, Inc. v. Hormel Foods Corp., --- F.4th --- (Fed. Cir. 2023) (Decided 5/2/23)

- **The '498 Patent** - Methods of precooking bacon and meat pieces, including a first preheating step, and a second higher-temperature cooking step
- **Background**
 - HIP (formerly Unitherm) and Hormel enter joint agreement to develop oven for two-step cooking process
 - Pre-heat bacon, cook pre-heated bacon in a steam-heated cooking compartment
 - Initial testing was conducted at HIP's facilities starting in Jan. 2008
 - Additional testing was conducted at Hormel's facilities; Hormel filed a non-prov in Aug. 2011
 - HIP filed suit in Apr. 2021 alleging one of HIP's representatives (Howard) who was present during the joint agreement / testing stages should be either the sole inventor or a joint inventor of the '498 Patent
- **Three-Factor *Pannu* Test**
 - Contribute in significant manner to conception of the invention
 - Contribution to claimed invention not insignificant in quality
 - Did more than merely explain to other inventors well-known concepts
- **Is Howard an inventor? NO**
 - Contribution = pre-heating in **infrared oven**
 - **Insignificant contribution**; only minimal reference to infrared oven in specification and in only one claim in the alternative in a Markush group
 - Did not even reach whether it was well known



Practice TIP: Proper inventor must make more than just “any” contribution to claimed invention



State of the Circuit

Judge Pauline Newman – Background

- **Educational Background**
 - Vassar College (B.A. - Chemistry, Philosophy)
 - Columbia University (Master of Arts)
 - Yale University (Ph.D. - Chemistry)
 - New York University School of Law
- **Industry Experience**
 - American Cyanamid - Research Scientist
 - UNESCO - Science Policy Specialist in the Department of Natural Resources
 - FMC Corp. - Director of Patent, Trademark, and Licensing
 - Revision of the Paris Convention - Special Adviser to the United States Delegation
- **Judicial Appointment**
 - By President Ronald Reagan in 1984
 - A legend of the bench and patent bar
 - First judge appointed directly to the CAFC (as opposed to *via* the CCPA and Claims Court)
 - Most prolific author of CAFC dissents and a champion of strong patent rights



Judge Pauline Newman – Investigation

Official Complaint

- In April 2023, Federal Circuit Chief Judge Moore filed a complaint (and order) under the *Judicial Conduct and Disability Act* against Judge Newman (now 95 years old).

Stated Concerns

- Judge Moore initiated the complaint after multiple judges and court staff reported extreme delays in Judge Newman’s handling of cases and concerns that her attention, focus, and memory are impaired.
- The redacted March 24, 2023 complaint states that Judge Newman had participated in 60 cases since June 2022 (while the average active judge had participated in 116 cases) and that she demonstrates a clear lack of awareness over the issues in the cases.
- Judge Moore asserted that Judge Newman showed signs of cognitive and physical impairment, delayed filing opinions, disclosed sensitive medical information to staff, and allowed a clerk to exhibit unspecified “unprofessional and inappropriate behavior.”
- Judge Moore found probable cause to believe that Judge Newman “has engaged in conduct prejudicial to the effective and expeditious administration of the business of the courts” and/or “is unable to discharge all the duties of office by reason of mental or physical disability.”

Judge Pauline Newman – Investigation

Process

- The *Judicial Conduct and Disability Act* allows complaints to be transferred to other appeals courts for independent review and impartial investigation.

Judge Newman’s (and Others’) Responses

- Retained the New Civil Liberties Alliance (NCLA) to represent her.
- NCLA sent a letter on April 21, 2023 (1) calling for the investigation to be [transferred to a new circuit](#) to ensure fairness; (2) citing “[basic errors of fact](#)” in the complaint; (3) asserting that Judge Newman was “[not afforded enough time](#) to respond” to the complaint; and (4) raising [significant questions of legality](#) regarding the request for a [medical examination](#).
- *Federal Circuit bar members and commentators, including IP Watchdog, have come forward to defend Judge Newman’s current mental acumen, recent written decisions, and oral presentations.*
- [Newman v. Moore, Prost, Taranto, & Judicial Council of the Federal Circuit, No. 1:23-cv-1334 \(D.D.C. May 10, 2023\)](#) (pleading constitutional violations of due process, separation of powers, unlawful search, free speech, etc.).

Uncertain Future

- Voluntary/involuntary senior status? Reinstatement? Retirement? Court opening for the Biden Administration?

Thank you



Jennifer Spaih

jennifer.spaih
@stoel.com



Brian Park

brian.park
@stoel.com



Nathan Brunette

nathan.brunette
@stoel.com



Jonathan Barnard

jonathan.barnard
@stoel.com