Preface to 2016 Supplement

The 2016 Supplement of *Patent Prosecution: Law, Practice, and Procedure* addresses various significant changes in U.S. patent law resulting from recent decisions and statutory amendments. *Patent Prosecution* reflects a continuing effort to provide substantive treatment of all relevant decisions and changes in the statutory and regulatory requirements. New material includes analyses of the decisions of the Supreme Court, the Federal Circuit, and the Patent Trial and Appeal Board (formerly the Board of Patent Appeals and Interferences). These include the Supreme Court’s decision in *Teva Pharmaceuticals USA, Inc. v. Sandoz, Inc.* The various changes made (and still to come) in the patent law via the Leahy-Smith America Invents Act (AIA) are discussed as well.

Chapter by chapter, new developments include the following.

**Chapter 1** discusses *Teva Pharmaceuticals USA, Inc. v. Sandoz, Inc.* where the U.S. Supreme Court rejected the Federal Circuit’s longstanding rule that all district court claim construction rulings must be reviewed de novo on appeal, ruling in a 7-2 decision written by Justice Breyer, that some such decisions involve factual findings that are entitled to deference. The Court remanded the case for further proceedings under the new standard. Chapter 1 also discusses *Akamai Techs., Inc. v. Limelight Networks, Inc.*, on remand from the Supreme Court, where a unanimous en banc Federal Circuit held that direct infringement of a method claim was established for an accused infringer that did not perform all of the method steps because the performance of the step by customers was attributable to the accused infringer. According to the Federal Circuit, liability for direct infringement under 35 U.S.C. §271(a) applies where the alleged infringer conditions participation in an activity or receipt of a benefit upon performance of a step or steps of a patented method and establishes the manner or timing of that performance.

Also discussed in Chapter 1 is *Gilead Sciences Inc. v. U.S. Patent and Trademark Office*, where the Federal Circuit held that actual delay is not required to reduce a patent term adjustment (PTA) for failure to engage in reasonable effort to conclude prosecution., and *Mohsenzadeh v. Lee*, where the Federal Circuit held divisional patent applications are not entitled to patent term adjustments (PTA) based on delays in prosecution of the parent application.
Chapter 2 discusses the Federal Circuit decision in *Lexington Lumiance LLC v. Amazon.com Inc.* where the Federal Circuit held that it was error to use a general purpose dictionary to construe a claim where the general purpose dictionary was inconsistent with the intrinsic record, including the specification. Also discussed is *Pacing Technologies, LLC v. Garmin International, Inc.*, where the Federal Circuit held that the preamble of a claim was necessary and limiting when a limitation in the body of the claim relied on and derived antecedent basis from the same limitation in the preamble.

Chapter 3 discusses *Pacing Technologies, LLC v. Garmin International, Inc.*, where the Federal Circuit held that a statement of an invention purpose from the specification created a clear disclaimer/disavowal of claim scope. Accordingly, the claimed invention was limited to the described objects and features.

Chapter 4 discusses *Personalized User Model, LLP v. Google Inc.*, where the Federal Circuit held that the statute of limitations was not tolled for a claim that a former employee breached his employment agreement by obtaining patent for invention he made while employed, where the employer did not conduct exit interview or ask the employee or co-workers what he was going to do at the new company or watch competitive patent filings. Accordingly, the employer could not bring suit to obtain title to an invention that was allegedly made while employed because the statute of limitations had expired. In addition, Chapter 4 also discusses *Shukh v. Seagate Technology, LLC*, where the Federal Circuit held that an injury to person’s reputation confers standing to sue over correction of inventorship.

Chapter 5 discusses *Tyco Healthcare Group LP v. Ethicon Endo-Surgery, Inc.*, where the Federal Circuit held that 35 U.S.C § 102(g) contains no requirement that a prior invention be “known to the art” or the patentee at the time of invention. In addition, prior reduction to practice is not required so long as the inventor can prove the invention was first conceived and was diligently reduced to practice.

Chapter 6 contains a detailed discussion of the Federal Circuit *DDR Holdings, LLC v. Hotels.Com, L.P.* where the Federal Circuit held patent eligible a claimed system that generated and directed a visitor to a hybrid web page that combined product information from a third-party and visual “look and feel” elements from a host website.

Chapter 6 also discusses *Ariosa Diagnostics Inc. et al. v. Sequenom Inc.* where the Federal Circuit held a method of prenatal diagnosis of fetal DNA was not directed to patent eligible subject matter, where the preparation and amplification steps were well-understood and routine steps. The method was not patent eligible in spite of the discovery that a pregnant woman’s blood contains surprisingly large amounts of DNA from the fetus. Chapter 6 further discusses the U.S. Patent Office examples applying the most recent court decisions to hypothetical patents for inventions involving abstract ideas.

Chapter 7 discusses *Fleming v. Escort Inc.*, where the Federal Circuit held that a prior invention under 35 USC Section 102(g) was not
suppressed, concealed or abandoned and eligible as prior art when development of the invention was delayed for over a year due to the invention being transferred from one owner to a new owner during a period of bankruptcy. Chapter 7 also discusses Vicor Corporation v. Synqor, Inc. where the Federal Circuit held that a prior art reference that incorporated by reference another prior art reference created a single embodiment that anticipated all the elements of the claimed invention.

Chapter 7 further discusses The Medicines Co. v. Hospira, where the Federal Circuit held that the commercial sale of services to the patent owner which resulted in the claimed product-by process triggered the on sale bar under 35 U.S.C. §102(b). On November 13, 2015, the Federal Circuit granted rehearing en banc and vacated the previous opinion. The Federal Circuit requested that the parties brief whether it should overrule the principle that there is no “supplier exception” to the on-sale bar of 35 U.S.C. § 102(b). A decision by the Federal Circuit is expected sometime in 2016.

Chapter 8 discusses Par Pharmaceutical, Inc. v. TWI Pharmaceuticals, Inc. where the Federal Circuit held that a high standard must be met to rely on the use of inherency in an obviousness determination. Specifically, the limitation at issue must necessarily be present in the prior art or it must be the natural result of the combination of elements explicitly disclosed by the prior art. Chapter 8 also discusses Plas-Pak Industries, Inc. v. Sulzer Mixpac AG where the Federal Circuit held that a change in a prior art reference’s principle of operation is unlikely to motivate a person of ordinary skill to pursue a combination with that reference. Chapter 8 further discusses Novartis Pharmaceuticals Corp. v. Watson Laboratories, Inc. where the Federal Circuit held the claimed invention nonobvious because there was no reason to combine prior art reference when there was no knowledge of the problem.

Chapter 9—no updates at this time.

Chapter 10 discusses Nautilus, Inc. v. Biosig Instruments, Inc., on remand from the Supreme Court, where the Federal Circuit noted that as a result of the Supreme Court’s ruling, “we may now steer by the bright star of ‘reasonable certainty,’ rather than the unreliable compass of ‘insoluble ambiguity,’” but again concluded that “spaced relationship” was reasonably clear. Also on remand from the Supreme Court, the Federal Circuit again held in Teva Pharmaceuticals USA, Inc. v. Sandoz, Inc. that the claim term “molecular weight” was indefinite. The court explained that there was no reasonable certainty about how molecular weight should be measured in the context of the patent, adding that the meaning of “molecular weight” in the context of the patent was not a question of fact entitled to deference.

Chapter 10 also discusses Lexington Luminance LLC v. Amazon.com Inc. where the Federal Circuit held that a claim reciting “so as to guide the extended lattice defects away” was not indefinite for not specifying exactly how many defects were specifically reduced. Chapter 10 also discusses The Dow Chemical Company v. Nova Chemicals Corp. where the Federal Circuit held the claims indefinite where the claims recited the slope of
hardening of a plastic, multiple methods existed to measure the slope provided different results, and the specification and prosecution history provided no guidance as to which method should be used. Chapter 10 also discusses such common claim terms as “graphical display,” “wireless/streaming video,” “trenches,” “integrally attached,” and “look and feel.”

Chapter 11 discusses Lighting Ballast Control LLC v. Philips Electronics North America Corp., on remand from the Supreme Court, where the Federal Circuit withdrew its earlier decision and affirmed the district court’s holding that “voltage source means” connoted specific structure, and therefore, was not a means-plus-function element. In addition, Chapter 11 discusses Williamson v. Citrix Online, LLC where the Federal Circuit held en banc that prior decisions indicating that the presumption was strong that a claim term is not a means plus function element when the word “means” is not used were incorrect. Rather, the correct test is whether the words of the claim are understood by persons of ordinary skill in the art to have a sufficiently definite meaning as the name for structure.

Chapter 11 also discusses In Robert Bosch, LLC v. Snap-On Inc., the Federal Circuit held that the presumption that patent claim language invokes means-plus-function format was not triggered by claim’s use of expression “by means of,” and Media Rights Technologies v. Capital One Financial Corp.,¹ the Federal Circuit held the claim term compliance mechanism was a means-plus-function element even though it did not recite the word “means.”

Chapter 12 discusses G.D. Searle LLC v. Lupin Pharmaceuticals, Inc. where the Federal Circuit held that a reissue patent that changed its continuation-in-part (CIP) status to divisional was not eligible for the safe harbor provision from obviousness-type double patenting of 35 U.S.C. Section 121.

Chapter 13 discusses U.S. Patent Office rules issued for design patent applications to implement the Hague Agreement for international registration effective May 13, 2015. In addition, Chapter 13 discusses Ethicon Endo-Surgery, Inc. v. Covidien, Inc. where the Federal Circuit held that the availability of alternative designs is an important, if not dispositive, factor in determining whether a claimed design is functional.

Chapter 14 discusses several Federal Circuit decisions interpreting the America Invents act (AIA) statute, including: Cuozzo Speed Technologies, LLC where the Federal Circuit held that review of the Patent Trial and Appeal Board (Board) decision to institute an Inter Partes Review (IPR) is prohibited even after final decision, and the Board’s review authority was not limited at final decision stage to the specific grounds alleged in IPR petition. In addition, the Federal Circuit held that patent claims in an IPR are to be construed under the “broadest reasonable interpretation” standard, and not under the narrower standard that is applied in district

¹Media Rights Technologies v. Capital One Financial Corp., 800 F.3d 1366, 116 USPQ2d 1144 (Fed. Cir. 2015).
court litigation. On January 15, 2016, the Supreme Court agreed to review 

*Cuozzo Speed Technologies, LLC*. A decision by the Court is expected in 2016.

Chapter 14 also discusses the following Federal Circuit decisions interpreting the AIA statute: 

*Dell Inc. v. Electronics and Telecommunications Research Institute*, where the Board held that the petitioner was estopped from bringing a petition and denied review because the same prior art was already presented in a previous petition; 

*Microsoft Corp. v. Proxyconn, Inc.*, where the Federal Circuit held that the Patent Trial and Appeal Board (PTAB) could require a patent owner to respond to a ground of unpatentability over the prior art of record before permitting the patent owner to amend the claims; 

*In re Schott Gemtron Corp.*, where the Federal Circuit held that the Board may choose to review all or some of the challenged claims, and select all or some of the grounds of unpatentability asserted for each challenged claim; 

*Dynamic Drinkware, LLC v. National Graphics, Inc.*, where the Federal Circuit held that a petitioner in an inter partes review has the burden to prove that a prior art patent is entitled to the filing date of its provisional application to have an earlier effective prior art date.

Chapter 14 further discusses 

*Antares Pharma Inc. v. Medac Pharma Inc.*, where the Federal Circuit held that the reissue claims were invalid for failing to meet the original patent requirement because the specification did not clearly and unequivocally disclose the newly claimed invention. 

Chapter 14 also discusses 

*Japanese Foundation for Cancer Research v. Michelle K. Lee* where the Federal Circuit held that the U.S. Patent Office acted within its authority when it refused to withdraw an unintentionally filed terminal disclaimer files as a result of a miscommunication between the patent owner and its authorized patent attorney.

**Chapter 15** discusses 

*Commil USA, LLC v. Cisco Systems, Inc.*, where the Supreme Court held, in a 6-2 decision authored by Justice Kennedy, that an accused infringer’s belief that a patent is invalid does not serve as a defense to charges of inducing infringement of the patent. The Court also clarified that inducement requires proof that the accused infringer both (1) knew of the patent-in-suit and (2) knew that the actions induced constituted patent infringement. 

Chapter 15 also discusses 

*Stryker Corp. v. Zimmer, Inc.*, where the Federal Circuit explained the overall considerations for determining willful infringement. On October 19, 2015, the Supreme Court agreed to review the overall considerations when willful infringement applies and when to award enhanced damages and/or attorney’s fees. A decision by the Court is expected in 2016.

This book can greatly benefit from the comments of those who use it. I therefore ask for your help as a reader. If any text is incorrect, incomplete or misleading, I would very much like to hear about it. If relevant subject matter has been omitted or needs to be treated in greater depth, I would also like to hear about it. All suggestions for improvements in this book are welcome and appreciated.

You may contact me in care of the Bloomberg BNA Editorial Offices, 1801 South Bell Street, Arlington, VA 22202; or by e-mail at books@bna.com.
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