

Brief Summary of Precedential Patent Case Decisions During June 2019

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I. Introduction

This paper contains summary abstracts of what I believe to be the significant new points of law from the precedential decisions in patent cases this month. Cases captions relating to the PTAB are in **red** text. Case captions of extraordinary importance are in **blue** text.

II. Brief Summary Abstracts and New Points of Law

Cellspin Soft, Inc. v. Fitbit, Inc., 2018-1817, 2018-1819, 2018-1820, 2018-1821, 2018-1822, 2018-1823, 2018-1824, 2018-1825, 2018-1826 (Fed. Cir. 6/25/2019).

This is a decision on appeals from the N.D. Cal. district court cases 4:17-cv-05928-YGR, 4:17-cv-05929-YGR; 4:17-cv-05931-YGR; 4:17-cv-05933-YGR; 4:17-cv-05938-YGR; and 4:17-cv-05939-YGR. The district court granted the defendants' motion to dismiss for patent ineligibility under 35 USC 101 and awarded them attorneys fees.

Legal issue: 35 USC 101, Alice/Mayo step 2, 12(b)(6), and existence of factual dispute regarding presence of an inventive concept precluding grant of a motion to dismiss.

The Federal Circuit found that the district court erred by discounting the nonmoving party's (Cellspin's) "specific, plausible factual allegations about why aspects of its claimed inventions were not" well understood, routine and conventional. The Federal Circuit noted that the district court erred when concluding that support for the plead "specific, plausible factual allegations" had to be present in the specification.

The Federal Circuit also noted that the district court erred by ignoring the Federal Circuit precedent that an allegation that raises a factual dispute whether an aspect a claim is inventive precludes dismissal at the pleadings stage.

Elbit Systems Land v. Hughes Network Systems, LLC, 2018-1910 (Fed. Cir. 6/25/2019).

Legal issue: 35 USC 1295, requirement for finality for appellate jurisdiction.

The Federal Circuit concluded that, under *Budinich v. Becton Dickinson & Co.*, 87-283, 486 US 196 (1988)'s requirement for finality, of separating merits and fees determinations, the Federal Circuit lacked jurisdiction to review a judgement of entitlement to attorneys fees that lacked quantification.

Mayne Pharma International Pty. Ltd. v. Merck Sharp & Dohme Corp., 2018-1593(Fed. Cir. 6/21/2019).

This is a decision on appeal from PTAB case IPR2016-01186. The PTAB held that claims of the patent were unpatentable over prior art. Mayne appealed. The Federal Circuit affirmed.

Legal issue: 35 USC 314(d), scope of bar to judicial review.

The Federal Circuit held that the scope of the bar on judicial review imposed by 35 USC 314(d) was not jurisdictional. According to the Federal Circuit, they did "not address the issue of appealability," that is, whether 314(d) bar appeal on the 315(b) issue presented. However, the

Federal Circuit did in fact address the issue of appealability (in my view) by concluding that “the Board committed no reversible error” as their basis for affirming the PTAB decision. The decision is a bit scattered on these concepts. I think the reason for this lack of clarity is due to the change in prevailing law in the *Lone Star* decision last month and the fact that the change in prevailing law in the *Lone Star* decision was buried on page 20 of that decision. That is, I guess that the Federal Circuit in this decision was focused on advertising the *Lone Star* decision by restating that decision, and not focused on the words surrounding the restatement of the *Lone Star* decision.

UCB, Inc. v. Watson Laboratories Inc., 2018-1397, 2018-1453 (Fed. Cir. 6/24/2019).

This is a decision on appeals from the D. Del. district court case 1:14-cv-01083-LPS-SRF. The district court inter alia found the ‘414 patent infringed under the doctrine of equivalents. Actavis appealed that finding. The Federal Circuit affirmed.

Legal issue: 35 USC 271, the doctrine of equivalents, foreseeability factor.

The Federal Circuit held that foreseeability is a factor swaying against equivalents infringement, and not a per se bar to equivalents infringement. On the specific factors and findings of the district court, the Federal Circuit did not find clear error.

Forum US, Inc. v. Flow Valve, LLC, 2018-1765 (Fed. Cir. 6/17/2019).

This is a decision on an appeal from the W.D. Okla. district court 5:17-cv-00495-F. The district court granted summary judgment of invalidity of a Flow’s reissue patent. Flow appealed. The Federal Circuit affirmed.

Legal issue: 35 USC 251, “invention disclosed in the original patent” requirement applied to broadened reissue claims.

The Federal Circuit held that the original patent must make it clear that what is covered by the broadening reissue claims was intended to be claimed in the original patent. In this case, a limitation was disclosed to be present in all embodiments and was originally claimed; was absent from the reissue claim; and the reissue claim was held invalid.

Regents of the University of Minnesota v. LSI Corporation, 2018-1559 (Fed. Cir. 6/14/2019).

This is a decision on appeal from PTAB case IPR2017-01068 (and also on may other appeals on other IPRs). The PTAB did not dismiss the petitions finding that sovereign immunity did not apply. Regents appealed. The Federal Circuit affirmed.

Legal issue: State sovereign immunity to IPR petition proceedings.

The Federal Circuit held that there was no state sovereign immunity to IPR proceedings.

Hyosung TNS Inc. v. ITC, 2017-2563 (Fed. Cir. 6/17/2019).

This is a decision on appeal from ITC investigation No. 337-TA-972. The ITC concluded that certain machines infringed the claims of two patents owned by Diebold, and issued a limited exclusion order. Hyosung appealed. The Federal Circuit vacated the decision as to the ‘616 patent.

Legal issue: When appeal of an order that is moot deserves to be vacated.

While the appeal was pending the ‘616 patent expired, and therefore the appeal as to that patent was moot. However, there was an issue of stare decisis for a concurrent district court action. Accordingly, the Federal Circuit concluded that, even though the appeal as to the ‘616 patent was moot, the appropriate action was to vacate the order as to the ‘616 patent and have the

ITC revise the order to be inapplicable to infringement of the '616 patent. The Federal Circuit concluded that this action was appropriate when the mootness was a result of "events outside the parties' control."

[Power Integrations, Inc. v. Semiconductor Components Industries, LLC, 2018-1607 \(Fed. Cir. 6/13/2019\).](#)

This is a decision on appeal from PTAB case IPR2016-00809. The PTAB held the challenged claims unpatentable, and held that the IPR was not time barred by 315(b). The Federal Circuit vacated and remanded with an instruction to *dismiss*.

This case presents two issues and changes the controlling law relevant to both: the incentive-to-litigate exception to issue preclusion, as applied to an IPR; and the time relevant to RPI and privity determinations, for determining if there is a 315(b) bar to the IPR petition.

Legal issue: Issue preclusion, lack of incentive to litigate, exception applied to IPR proceedings.

The Federal Circuit held that the lack-of-incentive-to-litigate exception to issue preclusion applied to a failure to appeal an issue in a prior IPR proceeding because there was no infringement finding or damages award in a civil action for patent infringement involving the patent that was subject to the prior IPR proceeding. To generalize, the lack of a corresponding patent infringement action goes a long way in supporting a lack-of-incentive-to-litigate exception to issue preclusion, for a non-appealed issue decided by the PTAB in a prior IPR's final decision.

Legal issue: 35 USC 315(b), time applicable to 315(b) RPI and privity determinations.

The Federal Circuit held that 315(b) "requires consideration of privity and RPI relationships arising after filing but before institution." So a privity or RPI change arising after filing and prior to an institution decision on an IPR petition may be fatal to the IPR petitioner.

[Samsung Electronics Co., Ltd. v. Elm 3DS Innovations, LLC, 2017-2474, 2017-2475, 2017-2476, 2017-2478, 2017-2479, 2017-2480, 2017-2482, 2017-2483, 2018-1050, 2018-1079, 2018-1080, 2018-1081, 2018-1082 \(Fed. Cir. 6/12/2019\).](#)

This is a decision on appeals from PTAB cases IPR2016-00386; IPR2016-00387; IPR2016-00388; IPR2016-00390; IPR2016-00391; IPR2016-00393; IPR2016-00394; IPR2016-00395; IPR2016-00687; IPR2016-00691; IPR2016-00708; IPR2016-00770; and IPR2016-00786. The PTAB held that the petitions failed to show that 105 claims across eleven patents were obvious. Samsung appealed. The Federal Circuit affirmed.

Legal issue: 35 USC 112, claim construction, prosecution history disclaimer based upon statements during prosecution of an application related to a challenged patent.

The Federal Circuit found that statements in the prosecution history of an application related to a challenged patent limited a claim term in a challenged patent.

[Return Mail, Inc. v. United States Postal Service, 17-1594, 587 U. S. ____ \(6/10/2019\).](#)

The PTAB held that Postal Service had statutory "standing" and that the challenged claims were patent ineligible under 35 USC 101. Return Mail appealed. A majority of the Federal Circuit panel, consisting of Judges Prost and Wallach affirmed. Judge Newman dissented. *See Return Mail, Inc. v. United States Postal Service, 2016-1502 (Fed. Cir. 8/28/2017).* A six to three majority of the Supreme Court reversed and remanded.

Legal issue: 35 USC 311, statutory construction of “a person,” in 35 USC 311's recitation "a person who is not the owner of a patent may file with the Office a petition."

The Supreme Court majority concluded that 35 USC 311's “person” did not include a federal agency, and therefore a federal agency was not entitled to file an IPR.