Brief Summary of Precedential Patent Case Decisions During May 2020

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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. Abstracts and New Points of Law

MCRO, Inc. v. Bandai Namco Games America, 2019-1557 (Fed. Cir. 5/20/2020).

This is a decision on an appeal from several C.D. Cal. district court cases. The district court held in relevant part that the asserted claims were invalid for lack of enablement. MCRO appealed. On this issue, the Federal Circuit vacated and remanded.

Legal issue: 35 USC 112, Enablement, relationship of claim scope and specification.

The Federal Circuit concluded that the district court's reasoning was "too abstract, too conclusory, to support summary judgment" for lack of enablement. Basically, the Federal Circuit emphasized that enablement had to be judged based upon the properly construed claims. Based upon the Federal Circuit's construction, the evidence relied upon by the district court to find lack of enablement was outside the scope of the claims and therefore did not support the district court's judgement.

ESIP Series 2, LLC v. Puzhen Life USA, LLC, 2019-1659 (Fed. Cir. 5/19/2020).

This is a decision on an appeal from PTAB case IPR2017-02197. The PTAB held that certain claims of ESIP were invalid for obviousness. ESIP appealed. The Federal Circuit affirmed.

Legal issue: 35 USC 314(d), bar to appellate review, real parties in interest.

The Federal Circuit held that 314(d) barred judicial review of the PTAB's real parties in interest determinations, in IPRs.

Lanard Toys Limited v. Dolgencorp LLC, 2019-178 (Fed. Cir. 5/14/2020).

This is a decision on an appeal from the M.D. Fl. case 3:15-cv-00849-MMH-PDB. The district court granted SJ against Lanard's claims of design patent, copyright, and trade dress infringement, and statutory and common law unfair competition. Lanard appealed. The Federal Circuit affirmed.

Legal issue: 35 USC 271(a), design patent infringement, ordinary observer test.

The Federal Circuit emphasis and clarified the importance of the prior art as part of the ordinary observer test. The Federal Circuit agreed with the district court's finding that the attention of the ordinary observer would be drawn to those aspects of the claimed design that differed from the prior art.

<u>Schwendimann v. Arkwright Advanced Coating, Inc.</u>, 2018-2416, 2019-1012 (Fed. Cir. issued 5/5/2020, released 5/13/2020).

This is a decision on appeals from the D. Minn. district court case 0:11-cv-00820-JRT-HB. Arkwright appealed. Schwendimann cross-appealed.

A Federal Circuit panel majority consisting of Judges O'Malley and Wallach affirmed. Judge Reyna dissented.

Legal issue: Article III standing to sue for patent infringement, when the trial judge properly reformed the original assignment document after the complaint had been filed to specify that the plaintiff was the assignee.

The Federal Circuit majority held that the plaintiff did not lack standing when the district court reformed the assignment document in a manner consistent with the contemporaneous intent of the parties when the assignment document was executed, to identify the plaintiff as the assignee. Thus, the Federal Circuit majority found that Ms. Schwendimann had standing to sue, and therefore affirmed.

<u>Caterpillar Paving Products Inc. v. Wirtgen America, Inc.</u>, 2020-1261 (Fed. Cir. 5/6/2020).

This is an order in an appeal from PTAB case IPR2018-01200. Caterpillar moved to vacate and remand. The Federal Circuit denied the motion.

Legal issue: US constitution, Article II, Section 2, Appointments Clause.

The Federal Circuit, construing *Arthrex*, concluded that a final decision in an IPR, issued subsequent to *Arthrex*, did not require vacatur and remand, even if the IPR proceeding occurred largely before *Arthrex*.

<u>Uber Technologies, Inc. v. X One, Inc.</u>, 2019-1164 (Fed. Cir. 5/20/2020).

This is a decision on an appeal from PTAB case IPR2017-01255. Uber appealed the PTAB's finding that claims were not unpatentable. The Federal Circuit reversed and remanded.

Legal issue: 35 USC 103 obviousness, motivation to combine.

The Federal Circuit concluded that when the two prior art references and the subject patent "all attempt to solve the same problem" (in this case identification of current locations of individuals or things; and provide a map displaying the same); there were only two possible methods in the record evidence that a POSITA would have recognized to solve the problem; one reference discloses one method (in this case, server side plotting) and the other reference of a combination discloses the other method (in this case, terminal side plotting); and the novelty alleged in the patent is unrelated to which method is employed (in this case, server-side or terminal-side plotting); and the specification suggests, by failing to describe the method used, that a person of ordinary skill in the art was more than capable of selecting between the known methods, then it would have been obvious to modify the method disclosed in one reference (server side mapping) by generating the mapping data on the server and transmitting the mapping to a terminal for terminal side display.

Ciena Corporation v. Oyster Optics, LLC, 2019-2117 (Fed. Cir. 5/5/2020).

This is an order in an appeal from PTAB case IPR2018-00070. Ciena moved to vacate and remand. The Federal Circuit denied the motion.

Legal issue: US constitution, Article II, Section 2, Appointments Clause.

The Federal Circuit held that a petitioner was not entitled to vacatur and remand due to an Appointments Claus violation, because the petitioner affirmatively sought a ruling from the Board, regardless of how they were appointed.