

## Brief Summary of Precedential Patent Case Law For the Period 10-12-2017 to 11-8-2017

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This article presents a brief summary of relevant precedential points of law during the noted time period. However, it lacks the details and nuances of a more extensive review. A more extensive review appears in my "Precedential Patent Case Decisions" monthly articles.

Captions of cases originating in the PTAB are red. Captions of cases of extraordinary importance are blue.

### **Two-way Media Ltd. v. Comcast Cable Communications, LLC, 2016-2531, 2016-2532 (Fed. Cir. 11/1/2017).**

Legal issue, 35 USC 101 patent eligibility. The decision applies the now familiar *Alice* framework, to claims directed to improvements in multi-casting. The Federal Circuit *Alice* step 2 analysis suggests that in fact Two-way had disclosed a patent eligible invention, but that was of no avail because the Federal Circuit explained that *Alice* step 2 is limited to what the claim defined.

### **Bayer Pharma AG v. Watson Laboratories, Inc., 2016-2169 (Fed. Cir. 11/1/2017).**

This case is bizarre in that the Federal Circuit found that the district court cleared erred on multiple factual findings upon which the district court's decision that the claims were not invalid for obviousness, depended. Ignoring those issues, the Federal Circuit also provided guidance on the law of teaching away.

**Legal issue, 35 USC 103, obviousness, teaching away.** The Federal Circuit clarified that prior art raising "concerns over" a particular option, were insufficient to avoid a conclusion of legal obviousness.

### **Mastermine Software, Inc. v. Microsoft Corporation, 2016-2465 (Fed. Cir. 10/30/2017).**

**Legal issue, 35 USC 112, definiteness, claims reciting both apparatus and method limitations.** Here, the Federal Circuit concluded that the claims were not indefinite. They were apparatus claims with appropriate functional language, instead of indefinite mixed apparatus/method claims.

### **Merck Sharp & Dohme Corp. v. Hospira, Inc., 2017-1115 (Fed. Cir. 10/26/2017).**

Legal issue, 35 USC 103, obviousness, impact of blocking patents on weight accorded commercial success evidence. The district court found the weight of Merck's proof of commercial success lessened by the existence of other patents exclusively licensed to Merck that blocked third parties from entering the market. While the Federal Circuit majority did not find clear error in the district court's conclusion of obviousness, it did find the district court's discounting of weight accorded commercial success evidence, solely because of the existence of blocking patents, to be improper.

### **Arista Networks, Inc. v. ITC, 2016-2563, 2016-2539 (Fed. Cir. 9/27/2017; but released to the public on 10/18/2017; and then re-released in 10/19/2017).**

Legal issue, 35 USC 1337(d), scope of ITC exclusion order in connection with induced infringement. The Federal Circuit concluded that the ITC had broad discretion in crafting an exclusion order to bar "imports of articles that induce patent infringement."

### **Smart Systems Innovations, LLC v. Chicago Transit Authority, 2016-1233 (Fed. Cir. 10/18/2017).**

Legal issue, 35 USC 101, subject matter eligibility, *Alice* step 1. The majority found the claims limited to financial transactions in a particular technological field (rail transit) failed *Alice* step 1

Legal issue, 35 USC 101, subject matter eligibility, *Alice* step 2. The majority found that, unlike in *Diehr*, the claims at issue use generic computer components “in which to carry out the abstract idea” (of “collection, storage, and recognition of data”). The majority found that, unlike in *DDR Holdings*, the subject claims did not “attempt to solve a challenge particular to the Internet.”

**Secured Mail Solutions LLC v. Universal Wilde, Inc., 2016-1728 (Fed. Cir. 10/16/2017).**

Legal issue, 35 USC 101 patent eligibility, *Alice*, step 1 factual analysis. The Federal Circuit concluded that the claims failed *Alice*, step 1, stating that “claims of the three sets of patents are not limited by rules or steps that establish how the focus of the methods is achieved... are not directed to a new barcode format, an improved method of generating or scanning barcodes, or similar improvements in computer functionality.”

Procedural issue, FRCP 12(b)(6) motions to dismiss for patent ineligibility. The Federal Circuit reaffirmed the viability of district courts granting motions to dismiss for patent ineligibility under 12(b)(6) on two basis. First, noting its prior holding that a section 101 inquiry was an issue of law and could be determined from the existing record. Second, noting that a court need not need not accept as true allegations that contradict matters properly subject to judicial notice or by exhibit.