

Precedential Patent Case Decisions During May 2020

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I. Introduction

This paper abstracts 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 the C.D. Cal. district court cases 2:12-cv-10322-GW-FFM; 2:12-cv-10329-GW-FFM; 2:12-cv-10333-GW-FFM; 2:12-cv-10335-GW-FFM; 2:12-cv-10338-GW-FFM; 2:14-cv-00332-GW-FFM; 2:14-cv-00336-GW-FFM; 2:14-cv-00352-GW-FFM; 2:14-cv-00358-GW-FFM and 2:14-cv-00383-GW-FFM. 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.

The Federal Circuit restated its law of enablement.

The requirement of enablement, stated in 35 U.S.C. § 112, enforces the essential "*quid pro quo* of the patent bargain" by requiring a patentee to teach the public how "to practice the full scope of the claimed invention." *AK Steel Corp. v. Sollac*, 344 F.3d 1234, 1244 (Fed. Cir. 2003). *** This statutory requirement is limited to what is claimed. Section 112 requires enablement of "only the claimed invention," not matter outside the claims. *Union Carbide Chemicals & Plastics Tech. Corp. v. Shell Oil Co.*, 308 F.3d 1167, 1186 (Fed. Cir. 2002) (citing *Durel Corp. v. Osram Sylvania Inc.*, 256 F.3d 1298, 1306–07 (Fed. Cir. 2001)); *Liquid Dynamics Corp. v. Vaughan Co.*, 449 F.3d 1209, 1224 & n.2 (Fed. Cir. 2006); *In re Vaeck*, 947 F.2d 488, 495 (Fed. Cir. 1991) (all that must be enabled is "the claimed invention"). For that reason, the "enablement inquiry necessarily depends on an interpretation of the claims." *Liquid Dynamics*, 449 F.3d at 1224 & n.2. Once the precise scope of the claimed invention is defined, the question is whether undue experimentation is required to make and use the full scope of embodiments of the invention claimed. *See Union Carbide*, 308 F.3d at 1186 n.9

(“Evidence of unsuccessful experimentation without any link to the claims at issue is not evidence of a lack of enablement.”). Whether undue experimentation is required “is not a single, simple factual determination, but rather is a conclusion reached by weighing many factual considerations.” *ALZA*, 603 F.3d at 940 (citing *In re Wands*, 858 F.2d 731, 737 (Fed. Cir. 1988)). Conducting the *Wands* analysis has routinely involved concrete identification of at least some embodiment or embodiments asserted not to be enabled—including what particular products or processes are or may be within the claim, so that breadth is shown concretely and not just as an abstract possibility, and how much experimentation a skilled artisan would have to undertake to make and use those products or processes. *See, e.g., id.* at 939–43 (conducting *Wands* analysis in terms of the specifically identified claim embodiments—tablets and capsules for oral medication dosages). [*MCRO, Inc. v. Bandai Namco Games America*, 2019-1557 (Fed. Cir. 5/20/2020).]

In cases involving claims that state certain structural requirements and also require performance of some function (e.g., efficacy for a certain purpose), we have explained that undue experimentation can include undue experimentation in identifying, from among the many concretely identified compounds that meet the structural requirements, the compounds that satisfy the functional requirement. *See, e.g., Idenix Pharms. LLC v. Gilead Scis. Inc.*, 941 F.3d 1149, 1155–56 (Fed. Cir. 2019); *Enzo Life Scis., Inc. v. Roche Molecular Systems, Inc.*, 928 F.3d 1340, 1346–47, 1349 (Fed. Cir. 2019); *Wyeth & Cordis Corp. v. Abbott Labs.*, 720 F.3d 1380, 1384, 1387 (Fed. Cir. 2013); *Enzo Biochem, Inc. v. Calgene, Inc.*, 188 F.3d 1362, 1372 (Fed. Cir. 1999); *ALZA*, 603 F.3d at 939. [*MCRO, Inc. v. Bandai Namco Games America*, 2019-1557, footnote 2 (Fed. Cir. 5/20/2020).]

The Federal Circuit applied that law to the facts.

In November 2018, the district court granted the Developers’ motion for summary judgment of invalidity (asserted by most of the Developers through counterclaims). The district court noted that the Developers had identified two animation techniques—bones animation and the “BALDI system”—that are not enabled by the specification. *McRO, Inc. v. Namco Bandai Games America, Inc.*, No. CV 12-10322-GW(FFMx), 2018 WL 9410401, at *12 (C.D. Cal. Nov. 13, 2018) (Enablement Opinion). The court concluded that the Developers had provided clear and convincing evidence that “at the time of the invention, a person of skill in the art would not have the tools to practice the full scope of the ‘first set of rules’ limitation.” *Id.* *** Under our claim construction, the bones and BALDI techniques are noninfringing and so cannot support a nonenablement determination. And no other concretely identified animation techniques have been advanced to support the district court’s and Developers’ enablement analyses. [*MCRO, Inc. v. Bandai Namco Games America*, 2019-1557, footnote 2 (Fed. Cir.

5/20/2020).]

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.

Under 35 U.S.C. § 312(a), a petition “may be considered only if” it includes: (1) payment of fees; (2) identification of all real parties in interest; (3) identification “with particularity” of each claim challenged, the grounds of each challenge, and the supporting evidence; (4) other information the Director requires by regulation; and (5) copies of these documents for the patent owner. ESIP argues that Puzhen failed to identify all “real parties in interest” and thus the Board erred when it considered institution of inter partes review. For the reasons stated below, the Board's § 312(a)(2) real-party-in-interest determination is final and non-appealable. [ESIP Series 2, LLC v. Puzhen Life USA, LLC, 2019-1659 (Fed. Cir. 5/19/2020).]

In *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131 (2016), the Supreme Court held that this Court is precluded from reviewing Board decisions concerning the “particularity” requirement under § 312(a)(3). The Court explained that § 314(d) bars appellate review of “questions that are closely tied to the application and interpretation of statutes related to the Patent Office's decision to initiate inter partes review.” *Id.* at 2141–42. The Court further explained that “where a patent holder grounds its claim in a statute closely related to that decision to institute inter partes review, § 314(d) bars judicial review.” *Id.* [ESIP Series 2, LLC v. Puzhen Life USA, LLC, 2019-1659 (Fed. Cir. 5/19/2020).]

More recently, in *Thryv, Inc v. Click-To-Call Techs., LP*, 140 S. Ct. 1367 (2020), the Supreme Court held that § 314(d) also precludes judicial review of the agency's decision whether to apply the one-year time bar set forth in § 315(b)). The Court explained that “§ 315(b)'s time limitation is integral to, indeed a condition on, institution,” and that “a contention that a petition fails under § 315(b) is a contention that the agency should have refused ‘to institute an inter partes review.’” *Id.* at 1373–74 (quoting 35 U.S.C. § 314(d)). The Court concluded that a challenge to a petition's timeliness under § 315(b) raises “an ordinary dispute about the application of” an institution-related statute and is barred from appellate review by § 314(d). *Id.* [ESIP Series 2, LLC v. Puzhen Life USA, LLC, 2019-1659 (Fed. Cir. 5/19/2020).]

In view of *Cuozzo* and *Click-to-Call*, we find no principled reason why

preclusion of judicial review under § 314(d) would not extend to a Board decision concerning the “real parties in interest” requirement of § 312(a)(2). ESIP’s contention that the Board failed to comply with § 312(a)(2) is “a contention that the agency should have re-refused to institute an inter partes review.” See *Click-To-Call*, 140 S. Ct. at 1373–74. *** Accordingly, we hold that ESIP’s challenge to the Board’s “real parties in interest” determination “raises ‘an ordinary dispute about the application of’ an institution-related statute,” and that § 314(d) precludes our review of that determination. *Click-To-Call*, 140 S. Ct. at 1373–74 (quoting *Cuozzo*, 136 S. Ct. at 2141–42). [ESIP Series 2, LLC v. Puzhen Life USA, LLC, 2019-1659 (Fed. Cir. 5/19/2020).]

Cochlear Bone Anchored v. Oticon Medical AB, 2019-1105, 2019-1106 (Fed. Cir. 5/15/2020).

This is a decision on appeals from PTAB cases IPR2017-01018 and IPR2017-01019. A Federal Circuit majority consisting of Judges Taranto and O’Malley, with which Judge Newman concurred-in-part and dissented-in-part. The majority affirmed the Board’s conclusions that Opticon proved claims 4–6 and 11–12 unpatentable and did not prove claims 7–10 unpatentable, except that the majority vacated and remanded the PTAB’s decision that Opticon had not proved claim 10 unpatentable.

Legal Issue: This is a dispute over claim construction, but provides no clear guidance on any legal issue.

In her dissent-in-part, Judge Newman stated:

I concur in the court’s decision concerning claims 7–10. However, the Board erred in its invalidation of claims 4–6, 11, and 12, and my colleagues err in sustaining that ruling. *** The invention in United States Patent No. 7,043,040 (“the ’040 patent”) is a hearing aid for use in single-side deafness, or “unilateral hearing loss.” In finding the ’040 patent’s system obvious, the court employs an improper analytic technique. The court first removes major limitations from the claims, and then applies selected pieces of prior art to the residue. This is achieved by holding that the opening clause of all the claims is “not limiting,” whereby the claims are freed of critical limitations and are then held to embrace prior art that is excluded from the ’040 system by the introductory statement. *** Claims 4–6, 11, and 12 all depend from claim 1, and start with the following clause: [“] 1. A bone-conducting bone-anchored hearing aid apparatus for sound transmission from one side of a patient’s head to the patient’s cochlea on another side of the patient’s head for rehabilitation of unilateral hearing loss, [”] This introductory claim language provides the “understanding of what the inventors actually invented and intended to encompass by the claim.” *Corning Glass Works v. Sumitomo Elec. U.S.A., Inc.*, 868 F.2d 1251, 1257 (Fed. Cir. 1989). *** It appears undisputed that at the time of this invention, transcranial attenuation was not even considered in bone-anchored hearing devices. Reply Br. 21–22 (citing J.A. 464–65 (“[A]t the critical date, [hearing devices] were primarily used to treat conductive hearing loss (CHL), where sound vibrations are sent to the normal

functioning cochlea, not an injured cochlea. . . . TA [transcranial attenuation] was not a consideration. When treating CHL, sound vibrations are not being transmitted to the opposite side of the head (and thus do not need to travel very far within the skull), and therefore TA is not a concern.”); J.A. 2352–53, ¶ 21 (“[S]ince sound waves are not needed to travel across the skull to the cochlea on the other side of the head (in the treatment of conductive hearing loss), transcranial attenuation is not an important consideration.”). [Cochlear Bone Anchored v. Oticon Medical AB, 2019-1105, 2019-1106 (Fed. Cir. 5/15/2020).]

So Judge Newman would have construed the preamble of claim 1 to be limiting. The Federal Circuit majority, in contrast, stated:

Claims 4 and 5 require that the frequency characteristics of the hearing aid are “specifically adapted to transmit vibrations in the skull bone from one side of the skull to the other side” (by incorporation of claim 3) and require that treble frequencies are amplified more than bass frequencies. Id., col. 3, lines 44–53. *** The Board also considered claim 3’s phrase “the frequency characteristics of the apparatus are specifically adapted to transmit vibrations in the skull bone from one side of the skull to the other side,” applicable to claims 4 and 5, and determined that frequency characteristic adaptations need not “account for the mechanics of the skull.” J.A. 38–41 *** Cochlear has not persuasively identified an error in the Board’s conclusion that the “specifically adapted to” limitation has its ordinary meaning, with no additional requirement that adaptations be made to frequency characteristics to “account for the mechanics of the skull.” J.A. 39–41. In fact, Cochlear has not concretely identified why the Board’s ordinary-meaning construction is not the broadest reasonable interpretation. [Cochlear Bone Anchored v. Oticon Medical AB, 2019-1105, 2019-1106 (Fed. Cir. 5/15/2020).]

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 emphasized 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.

The Federal Circuit stated that:

We also disagree with Lanard’s contention that the court reinstated the “point of novelty” test in its infringement analysis. *See* Appellant Br. 43–46. It is true that we have rejected the notion that the “point of novelty” test is a free-standing test for design patent infringement in which the patent owner must

prove that the similarities between the patented design and the infringing product are attributable to “the novelty which distinguishes the patented device from the prior art.” *Egyptian Goddess*, 543 F.3d at 671 (quoting *Litton Sys., Inc. v. Whirlpool Corp.*, 728 F.2d 1423, 1444 (Fed. Cir. 1984)). But we have never questioned the importance of considering the patented design and the accused design in the context of the prior art. Indeed, we stated unequivocally that: “[T]he ordinary observer is deemed to view the differences between the patented design and the accused product in the context of the prior art. When the differences between the claimed and accused design are viewed in light of the prior art, the attention of the hypothetical ordinary observer will be drawn to those aspects of the claimed design that differ from the prior art. And when the claimed design is close to the prior art designs, small differences between the accused design and the claimed design are likely to be important to the eye of the hypothetical ordinary observer.” *Id.* at 676. Here, as a matter of claim construction, the district court undoubtedly considered the points of novelty of the patented design over the prior art. Decision, 2019 WL 1304290, at *12–13. And the court placed those points of novelty in context by considering that those points of novelty would draw “the attention of the ordinary observer.” *Id.* at *15–16. Again, we conclude that the district court correctly balanced the need to consider the points of novelty while remaining focused on how an ordinary observer would view the overall design. *See Egyptian Goddess*, 543 F.3d at 676. [Lanard Toys Limited v. Dolgencorp LLC, 2019-178 (Fed. Cir. 5/14/2020).]

Schwendimann v. Arkwright Advanced Coating, Inc., 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.

In dissent, Judge Reyna would have reversed, concluding that post-suit activity could not confer standing. Judge Reyna reasoned that:

Our jurisprudence on standing is clear. A plaintiff must have Article III standing at the time it filed suit. Post-suit activities cannot confer Article III standing that was otherwise lacking when the suit was filed. The clarity of this principle is welcome, for litigants require clear notice of how to satisfy the

constitutional threshold of standing. The majority obscures the principle, however, by blessing the district court's post-suit cure of Ms. Schwendimann's lack of constitutional standing at the time she filed her complaint. I dissent. [Schwendimann v. Arkwright Advanced Coating, Inc., 2018-2416, 2019-1012 (Fed. Cir. issued 5/5/2020, released 5/13/2020); Judge Reyna dissenting.]

The Federal Circuit majority restated that Article III jurisdiction did not turn on whether the plaintiff was the patentee and that the plaintiff being the patentee only affected the right to relief, stating:

When the district court entered the judgment at issue in this appeal, it did not have the benefit of our recent precedential decision in *Lone Star Silicon Innovations LLC v. Nanya Tech. Corp.*, 925 F.3d 1225, 1299 (Fed. Cir. 2019). Nor did the parties when they filed their appellate briefs. In *Lone Star*, we made clear that whether one qualifies as a patentee under 35 U.S.C. § 281 is a statutory prerequisite to the right to relief in a patent infringement action, but does not implicate the district court's subject matter jurisdiction. There, we recognized that intervening Supreme Court precedent made clear that our earlier decisions treating the prerequisites of the Patent Act as jurisdictional were wrong. We expressly held that “[w]e therefore firmly bring ourselves into accord with *Lexmark [Int’l, Inc. v. Static Control Components, Inc.]*, 572 U.S. 118 (2014)] and our sister circuits by concluding that whether a party possesses all substantial rights in a patent does not implicate standing or subject-matter jurisdiction.” *Lone Star*, 925 F.3d at 1235–36. As long as a plaintiff alleges facts that support an arguable case or controversy under the Patent Act, the court has both the statutory and constitutional authority to adjudicate the matter. *Id.* at 1235 (citing *Lexmark Int’l, Inc. v. Static Control Components, Inc.*, 572 U.S. 118, 128 n.4 (2014)). Because Ms. Schwendimann's Complaint contained such allegations—that she is the owner by assignment of the '845 patent and Appellants infringed that patent—there is no “standing” issue to be decided in this appeal. [6] [Schwendimann v. Arkwright Advanced Coating, Inc., 2018-2416, 2019-1012 (Fed. Cir. issued 5/5/2020, released 5/13/2020).]

Nevertheless, the Federal Circuit majority defined the issue to be, *inter alia*, whether the plaintiff was the patentee when the action was filed.

Thus, *** the only questions we must decide are whether Ms. Schwendimann was a patentee at the time her action was filed and, if that status was conferred upon her by assignment, whether that assignment is reflected in a written instrument within the meaning of 35 U.S.C. § 261. We answer both questions in the affirmative. [Schwendimann v. Arkwright Advanced Coating, Inc., 2018-2416, 2019-1012 (Fed. Cir. issued 5/5/2020, released 5/13/2020).]

On that issue, the Federal Circuit majority liberally construed both the requirement of

being the patentee as a result of a written assignment and the date on which such an assignment became effective.

We see nothing in § 261 or our case law interpreting the statute that specifies the type of writing that is necessary to convey an assignment of patent rights, nor do we see any reason why state law contract principles, including those pertaining to reformation, would not apply with equal force to such writings. Here, the District Court concluded that the written instrument that SLW provided to the PTO in connection with the '845 application failed to express the real intention of the parties as of that date. The District Court found that the reason it failed to express the parties' intentions was due to a mutual mistake of fact. J.A. 35; *see* J.A. 32–35. Accordingly, because all reformation requirements were met, *see Nichols*, 294 N.W.2d at 734 (requiring, for contract reformation: a “valid agreement between the parties expressing their real intentions”; a “written instrument [that] failed to express” those real intentions; and “this failure was due to a mutual mistake of the parties”), the District Court properly reformed the Hand-Altered Copy as an assignment for the '845 application and determined that Ms. Schwendimann was the “patentee” as of the date that the handwritten instrument was submitted to the USPTO. J.A. 35; *see Tri-Star*, 619 F.3d at 1367 (explaining that a good-faith mistake does not deprive the assignment of its force and the standing it conveys); *Speedplay, Inc. v. Bebop, Inc.*, 211 F.3d 1245, 1250–51 (Fed. Cir. 2000) (holding that a licensing agreement conferred standing even though the license agreement included the wrong patent number because “substantial patent rights were transferred”). [*Schwendimann v. Arkwright Advanced Coating, Inc.*, 2018-2416, 2019-1012 (Fed. Cir. issued 5/5/2020, released 5/13/2020).]

Consequently, the Federal Circuit majority affirmed the district court's judgement.

Caterpillar Paving Products Inc. v. Wirtgen America, Inc., 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*.

The court concludes that Caterpillar has not demonstrated that *Arthrex* compels a remand. Unlike in prior cases in which this court has recently vacated and remanded, *Arthrex* issued before the Board's final written decision in this case. The Director and Wirtgen argue that the Board judges were constitutionally appointed as of the date that this court issued its decision in *Arthrex* and that no remand is required. Caterpillar contends that even if the panel members became

constitutional immediately prior to issuing the final written decision, that “does not cure a year’s worth of constitutional violations influencing the Board’s thinking and conclusions.” The court in *Arthrex* considered and rejected that argument, expressly limiting its holding “to those cases where final written decisions were issued.” 941 F.3d at 1340. *See also Arthrex, Inc. v. Smith & Nephew, Inc.*, 953 F.3d 760, 764 (Fed. Cir.2020) (Moore, J., concurring in denial of rehearing) (“Because the APJs were constitutionally appointed as of the implementation of the severance, inter partes review decisions going forward were no longer rendered by unconstitutional panels.”). [*Caterpillar Paving Products Inc. v. Wirtgen America, Inc.*, 2020-1261 (Fed. Cir. 5/6/2020).]

Uber Technologies, Inc. v. X One, Inc., 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 are 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.

Accordingly, we hold that the Board erred when it determined that a person of ordinary skill in the art would not have been motivated to combine the teachings of Okubo with Konishi’s server-side plotting to render obvious the limitation “software . . . to transmit the map with plotted locations to the first individual.” This combination does not represent “impermissible hindsight” or “wholesale modification,” as the Board found. Final Written Decision, at 22. Rather, because Okubo’s terminal-side plotting and Konishi’s server-side plotting were both well known in the art, and were the only two identified, predictable solutions for transmitting a map and plotting locations, it would have been obvious to substitute server-side plotting for terminal-side plotting in a combination of Okubo and Konishi. *See KSR*, 550 U.S. at 421. The combination of Okubo with Konishi’s known server-side plotting is obvious because it would have been a “predictable variation” of Okubo’s system as written, using a technique that was known to one of ordinary skill in the art. *Id.* at 417.

Our prior decision in *CRFD Research, Inc. v. Matal*, 876 F.3d 1330 (Fed.

Cir. 2017), reinforces this conclusion. In that case, the claim in question required “transmitting a session history . . . after said session is discontinued.” *Id.* at 1334 (emphasis added). The petitioner argued that this was one of only two possible solutions: either the session history was transmitted after the session is discontinued, or was transmitted before the session is discontinued, and a person of ordinary skill would have understood that prior art systems could perform either. *Id.* at 1346. As here, the Board in CRFD found that while the claim required one solution (transmitting after discontinuation), a prior art reference taught only the other solution (transmitting before discontinuation). *Id.* at 1344–45. The Board concluded that the petitioner had “failed to provide a sufficient reason for why” a person of ordinary skill would be motivated to modify the prior art to implement the second solution. *Id.* at 1345 (internal quotation marks and citation omitted). We reversed, explaining that “a person of ordinary skill would have two predictable choices for when the [prior art] would transmit browser information, providing a person of ordinary skill with a simple design choice” between the two options. *Id.* at 1347 (citing *KSR*, 550 U.S. at 421). The same is true here. The difference between server-side plotting and terminal-side plotting amounts to a design choice between whether to plot locations before transmitting location information (server-side plotting) or after transmitting location information (terminal-side plotting). A person of ordinary skill would therefore have two predictable choices for when to perform plotting, providing them with a simple design choice as to whether to plot server-side or terminal-side. *Id.* Because a person of ordinary skill “has good reasons to pursue the known options within his or her technical grasp,” § 103 bars the patentability of such obvious variations. *KSR*, 550 U.S. at 417, 421; *see also ACCO Brands Corp. v. Fellowes, Inc.*, 813 F.3d 1361, 1367 (Fed. Cir. 2016) (explaining that where an “ordinary artisan would . . . be left with two design choices . . . [e]ach of these two design choices is an obvious combination”); *Wyers v. Master Lock Co.*, 616 F.3d 1231, 1238 (Fed. Cir. 2010) (holding that a motivation to combine and a reasonable expectation of success exist when “it is simply a matter of common sense” to combine known elements of the prior art to solve a known problem).

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 Clause violation, because the petitioner affirmatively sought a ruling from the Board members, regardless of how they were appointed.

...Ciena petitioned the Patent Trial and Appeal Board (“Board”) for *inter partes* review of the asserted patents. *** Ciena argues that, under *Arthrex*, the Board's decision must be vacated and remanded for a new hearing before a differently constituted panel because the members of the Board panel that issued

the decision were not appointed in compliance with the Appointments Clause. The problem with Ciena's request is that, unlike the patent owner in *Arthrex*, Ciena requested that the Board adjudicate its petition. It, thus, affirmatively sought a ruling from the Board members, regardless of how they were appointed. Ciena was content to have the assigned Board judges adjudicate its invalidity challenges until the Board ruled against it. Under those circumstances, we find that Ciena has forfeited its Appointments Clause challenge. [Ciena Corporation v. Oyster Optics, LLC, 2019-2117 (Fed. Cir. 5/5/2020).]