

Precedential Patent Law During May 2020

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Outline of Webinar

- CLE credit information
- Case summaries. and discussions
- General discussion, practice tips and IP updates

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

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- Appeal from Ten C.D. Cal. district court cases.
- **Legal issue: 35 USC 112, Enablement, relationship of claim scope and specification.**
- **Holding:** The Federal Circuit concluded that the district court's reasoning was "too abstract, too conclusory, to support summary judgment" for lack of enablement.

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

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- The Federal Circuit construed the claim, and found that the evidence relied upon by the district court to find lack of enablement was outside the scope of the claims.
- The Federal Circuit concluded that the district court’s reasoning was “too abstract, too conclusory, to support summary judgment” for lack of enablement.
- (“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.”)

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

- Appeal from PTAB case IPR2017-02197.
- **Legal issue: 35 USC 314(d), bar to appellate review, real parties in interest.**
- **Holding:** 314(d) barred judicial review of the PTAB's real parties in interest determinations, in IPRs.
- (Predicate *Cuozzo* and *Thryv* S.Ct. cases, precluding review of 312(a)(3) and 315(b) PTAB determinations.)

Lanard Toys Limited v. Dolgencorp LLC, 2019-178 (Fed. Cir. 5/14/2020). 1

- Appeal from the M.D. Fl. case 3:15-cv-00849-MMH-PDB
- **Legal issue: 35 USC 271(a), design patent infringement, ordinary observer test.**
- **Holding:** 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.*

(Distinguished from the rejected *per se* point of novelty test.)

Lanard Toys Limited v. Dolgencorp LLC, 2019-178 (Fed. Cir. 5/14/2020). 2

- **How does this differ from the defunct point of novelty test?**
- “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.”

Lanard Toys Limited v. Dolgencorp LLC, 2019-178 (Fed. Cir. 5/14/2020). 3

- **How does this differ from the defunct point of novelty test?**
- “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.”

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

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- Appeals from the D. Minn. district court case 0:11-cv-00820-JRT-HB.
- **Legal issue: Article III standing to sue for patent infringement, when the trial judge properly reformed the original assignment document (to specify that the plaintiff was the assignee) *after* the complaint had been filed.**

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

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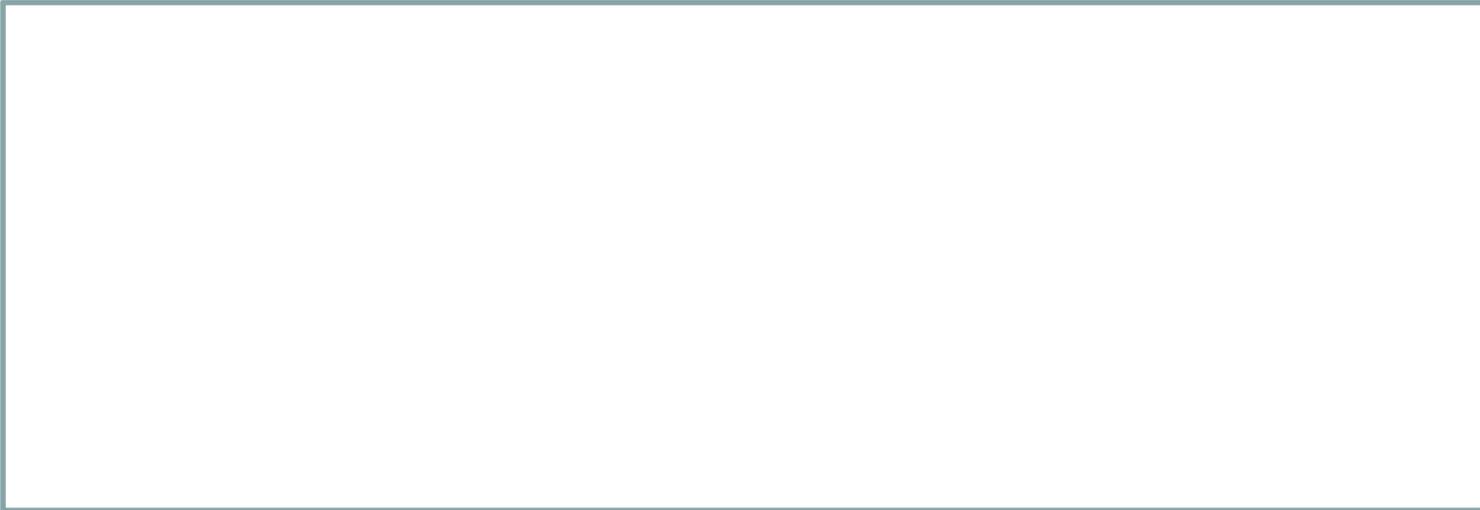
- Holding: The Federal Circuit majority held that the plaintiff did not lack standing when the district court reformed the assignment document in a manner consistent with the contemporaneous intent of the parties when the assignment document was executed, to identify the plaintiff as the assignee.
-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

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

- 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*.

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Uber Technologies, Inc. v. X One, Inc., 2019-1164 (Fed. Cir. 5/20/2020). - 1

- 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.**

Uber Technologies, Inc. v. X One, Inc., 2019-1164 (Fed. Cir. 5/20/2020). - 2

- **Holding:** 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; to 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).

- 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.**
- Holding: This *petitioner* was not entitled to vacatur and remand due to an Appointments Clause violation, because this petitioner affirmatively sought a ruling from the Board, regardless of how they were appointed.
- (Note: *Arthrex* deals with a *patent owner* complaining of the appointments clause violation.)

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General Discussions

- General legal issues?
- Practice tips?
- Anything else of import?

Thank you!

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