Partnering in Patents: Case Law and Legislative Updates

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Roadmap

• Case Law Updates
  • 35 USC §101
  • 35 USC §102
  • 35 USC §103
  • 35 USC §112

• Legislative Updates
§ 101 – Inventions Patentable:
Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefore, subject to the conditions and requirements of this title.
35 USC §101

• *Enfish v. Microsoft*
• *McRO v. Bandai*
• *Affinity Labs of Texas, LLC v. DirecTV, LLC*
• *Amdocs (Israel) v. Openet*
• *Smartflash v. Apple*
35 USC §101

• Thales Visionix Inc. v. U.S.
• RecogniCorp. v. Twitter
• Cleveland Clinic Foundation v. True Health Diagnostics
• Visual Memory v. NVIDIA
Enfish v. Microsoft (May 12, 2016)

• claimed self-referential table
• Clarified identification of abstract idea
  – Look to previous court cases
• Software not inherently abstract
McRO v. Bandai  (September 13, 2016)

• Automation of preexisting three-dimensional animation method
• Court focused on preemption issue in performing Mayo step 1 - Never reached step 2
• Not abstract
  – claims limited to rules with specific characteristics - not attempting to cover all rules
  – Tangible result not necessary
McRO, cont’d

• Guidance reiterated Examiners should consider claim as whole without overgeneralizing
Affinity Labs v. DIRECTV (Sept. 23, 2016)

- Patent directed to streaming regional broadcast to cell phones outside a region
- Ineligible
  - Directed to an abstract idea ("providing out-of-region access to regional broadcast content")
    - Untethered to any specific or concrete way of implementing idea
  - Recited idea implemented using conventional components
- "Merely limiting the field of use of the abstract idea to a particular existing technological environment does not render claims any less abstract"
- "specification underscores the breadth and abstract nature of the idea embodied in the claims"
Affinity Labs, cont’d

• Nothing in the figures or specification provided details regarding the manner in which the invention accomplishes recited functions
Mentioned but not discussed in the Memo

Patents directed to gathering and processing information on the usage of a network by devices for various accounting purposes

- Representative claim 1 was for a computer program product comprising computer code for receiving and correlating data.

- Improvement – components are located near the devices to make data gathering faster
Amdocs, cont’d

• Step 1 analysis – compared claims at issue to previous ones found eligible and ineligible

• Step 2 – claims pass step two
  – Read in light of the specification, the claims recited a sufficient inventive concept
  – Note the dissent would not have read claims in light of the specification
Smartflash v. Apple (March 1, 2017)

• Patent directed to abstract idea of conditioning and controlling access to data based on payment

• Ineligible
  
  • No inventive concepts sufficient to transform the abstract idea to a patent-eligible invention

• Invoked computers as mere tools
  
  • Computer performed routine activities
• claims utilize mathematical equations to determine the orientation of a helmet
• claims are not directed to an abstract idea since they specify a particular configuration and a particular method
• “it is not enough merely to identify a patent-ineligible concept underlying the claim”
• Look for improvement upon previously disclosed technologies.
• Indicating a non-conventional use may provide some level of protection against a contention that the claimed subject matter is abstract.
• claims directed to encoding and decoding image data
• Adding two abstract ideas does not make the result non-abstract
• There were significant computer-related improvements here
  • Highly contentious case
• Diagnostic methods patents found ineligible
• Mayo step 1 – claims directed to law of nature
• Is this really a law of nature?
• Rule set might have helped here
• Holding: claims not directed to an abstract idea

• Claim 1: A computer memory system connectable to a processor and having one or more programmable operational characteristics, said characteristics being defined through configuration by said computer based on the type of said processor, wherein said system is connectable to said processor by a bus, said system comprising:
  
a main memory connected to said bus; and

a cache connected to said bus;

wherein a programmable operational characteristic of said system determines a type of data stored by said cache.
• Two-step analysis performed
  • Step 1 - question is whether the innovation, as reflected in claims and specification, as patent eligible or abstract
  • No need to go on to Step 2 in this case

• NVIDIA tried to claim there were purely functional features and black box recitations
  • Court noted that code was provided in the appendix
  • Court stated that these were all 112 issues and not eligibility issues
35 USC §101 takeaways

• Stress the improvements provided by the patent
• Cite to (and follow) memos, *Enfish*, and *McRO*
• Compare claims to those previously found patent eligible or not patent eligible
• Tie-in to functional claiming ideas – describe the manner in which functions are accomplished
35 USC §102

• *Helsinn v. Teva*

• *Emerachem v. Volkswagen*
Helsinn v. Teva (May 1, 2017)

• Four patents in suit
  • Three covered under pre-AIA and fourth under AIA

• CAFC: AIA did not change statutory meaning of “on-sale”

• CAFC: on-sale bar can be triggered by a sale whose existence is public, even if the details of the invention are not publicly disclosed in terms of sale
Helsinn, (cont’d)

• AIA 102 similar to pre-AIA 102 but not identical
  • What is meant by “available to the public”??
Emerachem v. Volkswagen (June 15, 2017)

• PTAB rejected claims under 35 USC 102(e) because inventor declaration was not sufficiently corroborated
  • Was a “naked assertion” by an inventor that he and a co-inventor are the true inventors
• Question was “whether portions of references relied on as prior art, and the subject matter of the claims in question, represent work of a common inventive entity”
35 USC §102 takeaways

• Sale can trigger on-sale bar even post-AIA even if details of invention not disclosed or documented

• Beef up your inventor declarations used for removing 102(e) rejections
35 USC §103

• *In re Van Os*
• *In re Stepan Co.*
• *Southwire v. Cerro*
Claims here were directed to a touchscreen interface in a portable electronic device.
“first user touch” to open an application;
“second user touch” to initiate an “interface reconfiguration mode” that permits icon rearrangement; and
“a subsequent user movement” to move an icon.
“Absent some articulated rationale, a finding that a combination of prior art would have been ‘common sense’ or ‘intuitive’ is no different than merely stating the combination ‘would have been obvious.’ Such a conclusory assertion with no explanation is inadequate to support a finding that there would have been a motivation to combine.” *Van Os*, 844 F.3d at 1361.
In re Stepan (August 25, 2017)

• Claims directed to herbicidal formulations

![Phytotoxicity Graph](chart.png)
In re Stepan (cont’d)

• Board determined that Stepan failed to rebut the Examiner’s *prima facie* case of obviousness

• “Missing from the Board’s analysis is an explanation as to why it would have been routine optimization to arrive at the claimed invention.”

• Some rationale must be provided
Southwire v. Cerro Wire (September 8, 2017)

• Claims directed to method of manufacturing an electric cable in which a lubricant is used to help reduce pulling force required to install the cable

• Improvement – lubricant applied during manufacture – more efficient and less expensive
Southwire v. Cerro Wire (cont’d)

• Board said “where the claimed and prior art products are...produced by identical or substantially identical processes, a *prima facie* case of either anticipation or obviousness has been established.”

• Prior art lubricants would achieve same force reduction because same method steps were used

• Fed. Cir. says Board error in relying on inherency was harmless
35 USC §103 takeaways

• Always support obviousness rejections using a rationale (preferably following list in MPEP)
• Use inherency correctly
35 USC §112

• Alfred E. Mann v. Cochlear Corp.
• Sonix Technology Co., Ltd. v. Publications International, Ltd.
• Amgen v. Sanofi
• IPCom GMBH v. HTC Corp.
Alfred E. Mann v. Cochlear Corp. (November 17, 2016)

- Claims directed to cochlear stimulators
- Some claims found indefinite at district court
- Affirmed in-part and reversed in-part

- Sonix patent describes a system and method for using a graphical indicator to encode information on the surface of an object.
- Written description disclosed requirement for indicators being “negligible to human eyes.”
IPCom v. HTC (July 7, 2017)

- IPCom owns patent for method and system of handing over a mobile phone call from one base station to another.
- IPCom argued during appeal of reexamination that the “Board’s obviousness rejections were based on a flawed claim construction, because the Board never identified the structure … in the specification that corresponds to the … means-plus-function claim limitation.”
Amgen v. Sanofi (October 5, 2017)

• Patents relate to antibodies that help reduced bad cholesterol (LDL)
• Issue: whether or not post-filing date evidence can be used to demonstrate that patent fails to meet Ariad requirements
• Issue: whether jury was improperly instructed on written description
• Always disclose where functions take place
• Disclosure should show how a computer would perform each function claimed (for computer-implemented claims)
• Detailed flow chart, even in non-software specifications
• Include inputs and outputs for each structure in claim
STRONGER Patents Act of 2017

– Introduced June 2017 by Chris Coons, Tom Cotton, Dick Durbin, and Mazie Hirono
– Why was the bill introduced?
– Review of sections of bill
Legislative Updates


– proposed 35 USC 101
– Problems with current case law
Thanks for your attention! Questions?

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