Federal Circuit Patent Updates - August 2017

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***Nantkwest, Inc. v. Matal [Order rehearing en banc]* (No. 2016-1794, 8/31/17) (Prost, Newman, Lourie, Dyk, Moore, O'Malley, Reyna, Wallach, Taranto, Hughes, Stoll)**

August 31, 2017 12:57 PM

Per Curiam. Sua sponte vacating panel opinion, ordering hearing en banc, and ordering briefing on this issue: "Did the panel in *NantKwest, Inc. v. Matel* 860 F.3d 1352 (Fed. Cir. 2017) correctly determine that 35 U.S.C. § 145's '[all] expenses of the proceedings' provision authorizes an award of the United States Patent and Trademark Office's attorneys' fees?"

A full version of the text is available in PDF form.

***Vicor Corporation v. Synqor, Inc.* (No. 2016-2283, -2288, 8/30/17) (Lourie, Taranto, Chen)**

August 30, 2017 6:28 PM

Chen, J. Affirming in part, vacating in part, and remanding decisions in reexaminations of two patents relating to power supplies. The Board erred by analyzing obviousness arguments under only one of the four Graham factors. The Board also erred by reaching inconsistent conclusions about similar subject matter. "While not every instance of an agency reaching inconsistent outcomes in similar, related cases will necessarily be erroneous, under the circumstances here, where the same panel simultaneously issues opinions on the same technical issue between the same parties on the same record, and reaches opposite results without explanation, we think the best course is to vacate and remand these findings for further consideration."

A full version of the text is available in PDF form.

***Ultratec, Inc. v. Captioncall, LLC* (No. 2016-1706, 8/28/17) (Newman, Linn, Moore)**

August 28, 2017 4:19 PM

Moore, J. Vacating PTAB decision in IPRs that all challenged claims were either anticipated or would have been obvious in light of a variety of prior art references, and remanding. “T]he Board failed to consider material evidence and failed to explain its decisions to exclude the evidence.” “The Board offers no reasoned basis why it would not be in the interest of justice to consider sworn inconsistent [district court] testimony on the identical issue … of the same expert addressing the same patents, references, and limitations at issue in the IPRs. A reasonable adjudicator would have wanted to review this evidence.” “A number of problems with the Board's procedures contributed to its errors in this case. …the Board denied a request to admit evidence without ever seeing the evidence it was denying.” “We hold that when the Board makes a substantive evidentiary ruling, it is required to explain its decision.”

A full version of the text is available in PDF form.

Return Mail, Inc. v. USPS **(No. 2016-1502, 8/28/17) (Prost, Newman, Wallach)**

August 28, 2017 11:42 AM

Prost, C.J. In a covered business method (CBM) patent review, affirming invalidation of claims as directed to ineligible subject matter under 35 U.S.C. § 101. The US Postal Service and the United States were not statutorily barred from filing the underlying petition for review. The government “being sued under [28 U.S.C.] § 1498(a) [in Claims Court] is broad enough to encompass being sued for 'infringement' as that term is used in [35 U.S.C.] § 18(a)(1)(B).” Rejecting “implication that the Board reached inconsistent results by concluding that claims … are not patent-eligible under § 101 yet holding that the claims are not invalid as anticipated under 35 U.S.C. § 102 or obvious under 35 U.S.C. § 103.” Newman, J., dissented.

A full version of the text is available in PDF form.

In Re Stepan Company **(No. 2016-1811, 8/25/17) (Lourie, Moore, O'Malley)**

August 25, 2017 3:51 PM

Moore, J. Vacating obviousness rejection of application claims and remanding. “Whether a rejection is based on combining disclosures from multiple references, combining multiple embodiments from a single reference, or selecting from large lists of elements in a single reference, there must be a motivation to make the combination and a reasonable expectation that such a combination would be successful, otherwise a skilled artisan would not arrive at the claimed combination.” Lourie, J., dissented.

A full version of the text is available in PDF form.

Nidec Motor Corporation v. Zhongshan Broad Ocean Motor Co **(No. 2016-2321, 8/22/17) (Dyk, Reyna, Wallach)**

August 22, 2017 4:34 PM

Per Curiam. Affirming PTAB holding in an IPR that claims were invalid as obvious. Dyk and Wallach, JJ., concurred.

A full version of the text is available in PDF form.

Visual Memory LLC v. Nvidia Corporation **(No. 2016-2254, 8/15/17) (O'Malley, Hughes, Stoll)**

August 15, 2017 1:19 PM

Stoll, J. Reversing dismissal of infringement complaint under Fed.R.Civ.P. 12(b)(6) based on holding that the patent was drawn to ineligible subject matter. "We conclude instead that the … patent claims an improvement to computer memory systems and is not directed to an abstract idea." "[W]ether a patent specification teaches an ordinarily skilled artisan how to implement the claimed invention presents an enablement issue under 35 U.S.C. § 112, not an eligibility issue under § 101." Hughes, J., dissented.

A full version of the text is available in PDF form.

Amgen Inc. v. Hospira, Inc. **(No. 2016-2179, 8/10/17) (Dyk, Bryson, Chen)**

August 10, 2017 6:08 PM

Dyk, J. Amgen sought review of a discovery order in an action under the Biologics Price Competition and Innovation Act of 2009 ("BPCIA") that information did not have to be disclosed related to patents not in suit but which Amgen claimed should have been provided as part of the information exchange required by the BPCIA. The Federal Circuit held it lacked jurisdiction over the discovery order under the collateral order doctrine and that the conditions for mandamus were not satisfied.

A full version of the text is available in PDF form.

AIA America, Inc. v. Avid Radiopharmaceuticals **(No. 2016-2647, 8/10/17) (Newman, Lourie, Hughes)**

August 10, 2017 2:24 PM

Hughes, J. The Seventh Amendment right to a jury trial does not apply to requests for attorney's fees under § 285 of the Patent Act.

A full version of the text is available in PDF form.

Romag Fasteners, Inc. v. Fossil, Inc. **(No. 2016-1115, -1116, -1842, 8/9/17) (Newman, Dky, Hughes)**

August 9, 2017 10:51 AM

Dyk, J. Reversing district court's award of attorneys fees under Supreme Court's standard in *Octane,* but remanding for determination of whether attorneys fees should be awarded under Lanham Act claim under the same standard. Newman, J., dissented.

A full version of the text is available in PDF form.

Personal Audio, LLC v. Electronic Frontier Foundation **(No. 2016-1123, 8/7/17) (Newman, Clevenger, O'Malley)**

August 7, 2017 1:16 PM

Newman, J. In IPR, affirming finding of unpatentability of claims directed to an apparatus for storing and distributing episodic media files. Although the petitioner foundation may not have had standing to pursue an appeal, as the appellee, it was entitled to defend the Board's decision.

A full version of the text is available in PDF form.

Homeland Housewares, LLC v. Whirlpool Corporation **(No. 2016-1511, 8/4/17) (Prost, Newman, Dyk)**

August 4, 2017 5:26 PM

Dyk, J. In IPR, reversing finding of no anticipation ruling based on Court's construction of claims. Newman, J. dissented.

A full version of the text is available in PDF form.

Georgetown Rail 2 Equipment v. Holland L.P. **(No. 2016-2297, 8/1/17) (Reyna, Schall, Wallach)**

August 1, 2017 2:26 PM

Wallach, J. Affirming judgment of willful infringement and awards of lost profits and enhanced damages. A claim preamble phrase “to be mounted on a vehicle for movement…” was not a

limitation where “[t]he location of the system is not an essential feature of the invention.” The defendant infringed “by putting all elements of the infringing system into use” even where a third party performed certain of the processing steps in the claim.

A full version of the text is available in PDF form.

Honeywell International Inc. v. Mexichem Amanco Holding S.A. **(No. 2016-1996, 8/1/17) (Lourie, Reyna, Wallach)**

August 1, 2017 10:47 AM

In IPR, reversing holding of obviousness. “What is important regarding properties that may be inherent, but unknown, is whether they are unexpected. All properties of a composition are inherent in that composition, but unexpected properties may cause what may appear to be an obvious composition to be nonobvious.” The Board further erred in its analysis of reasonable expectation of success and its reliance on “routine testing” as a basis for finding obviousness. Finally, the Board's reliance on a new piece of prior art to dismiss evidence of unexpected results constituted an improper new ground of rejection. Wallach, J., dissented in part.

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