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Federal Circuit Affirms Summary Judgment of Invalidity Under 35 U.S.C. § 112.

In *Atlantic Research Marketing Systems, Inc. v. Troy*, Appeal No. 2011-1002, the Federal Circuit affirmed a district court's grant of summary judgment finding reissued claims invalid under 35 U.S.C. §112. Atlantic Research had accused Troy of infringing the '465 patent, a reissue patent. Troy alleged that the '465 patent was invalid, and the district court granted summary judgment that claims 31-36 of the '465 patent were invalid for failing to satisfy the written description and best mode requirements. Regarding written description, the district court held that the '465 patent specification did not disclose a handguard that attached solely to the barrel nut of the gun, but construed the asserted claims to cover such an invention.

The Federal Circuit agreed with the district court, holding that summary judgment had been properly granted because during the reissue process, the applicant impermissibly obtained claims unsupported by the written description. Because the asserted claims covered subject matter not disclosed in the '465 specification, the reissued claims were invalid under 35 U.S.C. §112.

Federal Circuit Holds Civil Action Under 35 U.S.C. §146 Establishes *De Novo* Standard of Review Without Any Deference to the Findings of the PTO.

In *Streck, Inc. v. Research & Diagnostic Systems, Inc.*, Appeal No. 2011-1045, the Federal Circuit affirmed a district court's decision awarding priority of invention to Streck. After the PTO awarded priority to Research & Diagnostic in an interference proceeding, rather than appeal the decision directly to the Federal Circuit, Streck filed a civil action under 35 U.S.C. §146. The district court awarded priority to Streck, without any deference to the findings of the PTO.

The Federal Circuit held that Section 146 establishes a *de novo* standard of review noting, *inter alia*, that the purpose of Section 146 is to bring to bear, upon the contested issues of priority of invention, the procedures and rules of federal litigation.

Federal Circuit Finds Agreement Precluded Award of Prejudgment Interest.

In *Sanofi-Aventis v. Apotex Inc.*, Appeal No. 2011-1048, the Federal Circuit in a split decision reversed-in-part a district court's grant of prejudgment interest to Sanofi. Apotex and Sanofi had executed a settlement agreement providing: "Sanofi agrees that its actual damages for any past infringement by Apotex, up to the date on which Apotex is enjoined, will be 50% of Apotex's net sales . . . . Sanofi further agrees that it will not seek increased damages under 35 U.S.C. § 284." The Federal Circuit held that, although compensatory damage awards generally include prejudgment interest, Sanofi had given up the right to

prejudgment interest when it expressly agreed to the 50% formula.