



Greenblum & Bernstein, P.L.C. LITIGATION NEWSLETTER

Recent Litigation News in Intellectual Property

June 2014

In This Issue

- Federal Circuit Affirms Declaratory Judgment Against Co-Inventorship
- Federal Circuit Reverses PTAB Interference Dismissal
- Federal Circuit Affirms Invalidity Summary Judgment
- Federal Circuit Affirms In Part / Reverses In Part Summary Judgment of Non-Infringement
- Federal Circuit Affirms Limited Sanctions: Striking Defense and Counterclaims, Awarding Attorney Fees

Federal Circuit Affirms Declaratory Judgment Against Co-Inventorship

In *General Electric Co. v. Wilkins* (Appeal No. 2013-1170), the Federal Circuit affirmed declaratory judgment against co-inventorship of GE's '985 patent because Wilkins failed to prove it by clear and convincing evidence.

"Because the issuance of a patent creates a presumption that the named inventors are the true and only inventors, the burden of showing misjoinder or non-joinder of inventors is a heavy one and must be proved by clear and convincing evidence." The Federal Circuit reviews inventorship without deference as it is a question of law, but credibility determinations are entitled to strong deference.

A putative inventor's credible testimony must have corroboration, which is measured under a "rule of reason" standard. The Federal Circuit noted that "in order for the rule of reason requirement to even apply ... the putative inventor must first provide credible testimony," and agreed with the district court that Wilkins did not present any credible testimony that could be corroborated. Nevertheless, the district court analyzed the presented evidence and found no clear and convincing evidence of Wilkins' co-inventorship of the '985 patent. The Federal Circuit found no error in the district court analysis of the evidence and affirmed the decision.

Federal Circuit Reverses PTAB Interference Dismissal

In *Tobinick v. Olmarker* (Appeal No. 2013-1499), an appeal from the USPTO in an Interference, the PTAB construed "administered locally" as administering "directly to the site where it is intended to act..." Based on this construction it found that Tobinick's patent application did not include written description support for the interference.

The Federal Circuit affirmed the claim construction, but found that "Tobinick's application contains sufficient written description support ... because it describes administering ... adjacent to a herniated spinal disc, which is the site where the compound is intended to act..." Olmarker argued that this is not local administration because the medicine is not administered directly to the nerve root. While other administrations in the Tobinick application cover non-local administration, the Court held that "directly to the site where it is intended to act, that is, to the location where the nucleus pulposus is causing the symptoms of the nerve disorder," is local administration. The Federal

Circuit reviewed for substantial evidence and found that the PTAB finding of lack of adequate written description is not supported by substantial evidence. Accordingly, the Court reversed and remanded for further proceedings.

Federal Circuit Affirms Invalidity Summary Judgment

In *Suffolk Tech v. Google* (Appeal No. 2013-1392), the Federal Circuit affirmed the grant of summary judgment of invalidity. The district court held that claims 1, 7, and 9 were anticipated by a Usenet newsgroup Post; and Suffolk stipulated that "in light of the district court's prior art, claim construction, and expert testimony rulings, claim 6 was also anticipated." Suffolk then appealed.

The Federal Circuit analyzed and affirmed the claim construction. The Court then noted that "public accessibility has been called a touchstone in determining whether a reference constitutes a printed publication." The anticipating reference was a newsgroup post by a college student answering a question, and commented on by six other individuals. This constituted "publicly accessible" and the Federal Circuit stated that "a printed publication need not be easily searchable after publication if it was sufficiently disseminated at the time of its publication."

Suffolk's validity expert initially opined that the Post did not anticipate claim 6, but offered no opinion as to claims 1, 7, and 9. After the district court issued its claim construction, the expert filed a supplemental report stating that it did not anticipate claim 1. The district court excluded that portion of the supplemental report. The Federal Circuit reviewed this decision for abuse of discretion, and although it did "not conclude that every time a validity expert goes from having no opinion concerning a claim to having an opinion," that it should be excluded, but did conclude that the district court did not abuse its discretion in excluding it in this case.

The Federal Circuit found that Suffolk's arguments against summary judgment were merely attorney arguments without expert testimony or evidentiary support. The Court noted that holding against summary judgment because Suffolk "can still attack Google's affirmative case (on cross-examination or otherwise)" would "improperly empower cross-examination with the ability to defeat nearly all motions for summary judgment." The Federal Circuit therefore affirmed the grant of summary judgment of invalidity.

Federal Circuit Affirms In Part / Reverses In Part Summary Judgment of Non-Infringement

In *GE Lighting Solutions, LLC, v. AgiLight, Inc.* (Appeal No 2013-1267), after claim construction, the parties stipulated to non-infringement of the '140 and '771 patents. The district court entered partial summary judgment consistent with the stipulation and granted AgiLight's motion for summary judgment of non-infringement of the '896 and '055 patents.

The Federal Circuit held that the district court incorrectly construed "IDC Connector" to meet the limits of other claims and the embodiment rather than using the plain meaning. The Court notes that claim construction departs from the plain meaning when the inventor acts as a lexicographer, clearly redefining a term, or when the inventor makes a disavowal, making it clear "that the

invention does not include a particular feature." There was no lexicography or disavowal in the '140 and '771 patents and the Court reverses and remands for further proceedings based on the plain meaning of the claim term.

All the asserted claims of the '896 patent recite a light engine with an "optical element having a substantially ellipsoidal inner profile and generally spherical outer profile." The district court held that this meant the entire inner profile must be ellipsoidal. The AgiLight structure, therefore, did not have a substantially ellipsoidal inner profile. The Federal Circuit found that the district court erred in construing this to mean that the entire inner profile must be ellipsoidal as this would exclude the only embodiment in the '896 specification. The Court noted that there is "a genuine factual dispute as to whether the AgiLight structure includes a substantially ellipsoidal inner profile and reversed the grant of summary judgment. One judge dissented as to the '896 patent.

The Federal Circuit affirmed the grant of summary judgment of non-infringement of the '055 patent agreeing with the district court that AgiLight's concave lens was not an "annular gasket" as in the GE Lighting claims. Accordingly, the Court affirmed summary judgment of non-infringement of the '055 patent and reversed and remanded the summary judgment of non-infringement of the '140, '771, and '896 patents.

Federal Circuit Affirms Limited Sanctions: Striking Defense and Counterclaims, Awarding Attorney Fees

In *Monsanto Co v. E.I. Du Pont De Nemours and Co.* (Appeal No. 2014-1349), the Federal Circuit affirmed limited sanctions on different reasoning than the district court. DuPont stacked, or combined, its OGAT seed trait with a Roundup Ready (RR) trait which it had licensed from Monsanto. DuPont found that the OGAT/RR stack produced greater yields in field trials, but did not commercialize it and discontinued development in 2011 or 2012. In 2009 Monsanto sued DuPont for breach of the license and infringement of the '247 patent. DuPont argued that the license allowed stacking and that if the license were interpreted not to allow it, then the license should be reformed. The district court concluded that the license prohibited OGAT/RR stacking, but granted DuPont leave to file a second amended answer and counterclaims to reform the license and defenses.

Delaware, the licensing state, allows contract reformation for three reasons and DuPont asserted all three (1) mutual mistake, (2) DuPont's unilateral mistake and Monsanto's knowing silence, and (3) Monsanto's fraud. DuPont claimed that it did not at any time understand the license to restrict stacking of similar traits such as OGAT and RR. As this assertion put "its subjective belief concerning its stacking rights at issue," the district court gave DuPont the option to dismiss the claims or produce previously withheld documents. These documents included internal email by in-house attorneys and negotiators of the license advising that DuPont could not commercialize an OGAT/RR stack.

Monsanto moved for, and the district court granted, sanctions due to DuPont's misrepresentation of its subjective belief concerning stacking rights. The court held that DuPont had perpetrated a fraud on the court and abused the judicial process. The district court struck DuPont's reformation defense and counterclaims and after finding bad faith, awarded attorney fees limited to

fees incurred by Monsanto in defending against DuPont's reformation counterclaims after its request to restore the claims or incurred for the sanctions motions.

DuPont appealed, arguing that it was improperly sanctioned for "making reasonable legal arguments" that the license allowed stacking, that the documents did not show misrepresentation, that employee statements were "merely conservative legal advice," and that its conduct was not fraud on the court. The Federal Circuit agreed with the district court that DuPont showed bad faith and that its assertions of subjective belief concerning the license were factual statements rather than legal arguments; but did not agree that its conduct met the high standard for "fraud on the court." In the 8th Circuit fraud on the court is narrowly defined as "the most egregious misconduct directed to the court itself, such as bribery of a judge or jury or fabrication of evidence by counsel." The Court found, however, that the 8th Circuit allows for sanctions in cases of bad faith and does not require the higher standard of "fraud on the court."

The Federal Circuit concluded that the district court did not abuse its discretion in imposing sanctions noting that, "[b]ecause the district court correctly found that DuPont had abused the judicial process and acted in bad faith by making affirmative factual misrepresentations and because the court imposed narrowly-tailored sanctions, we affirm."

Contact Us:

www.gbpatent.com

gbpatent@gbpatent.com

703-716-1191 (phone)

703-716-1180 (fax)

[Forward this email](#)



This email was sent to mail@siks.jp by gopatent@gopatent.com |
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Greenblum & Bernstein, P.L.C | 1950 Roland Clarke Place | Reston | VA | 20191

