



ASPI-GRAPI-AROPI Oct. 2018

Inventive entity, joint inventorship

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Intellectual Property Law

Inventive entity introduction

- Project manager?
 - Researcher/scientist/engineer?
 - Assistant?
 - Peripheral or remote adviser?
 - Priest/doctor?
-

Inventive entity determination

- Determining inventorship = determining **who conceived** the subject matter of **the claims**
 - Conception = definite and permanent idea of a complete and operative invention, including every feature of the claimed subject matter
 - A particular solution, not just a general goal or research plan
 - Not just explaining the state of the art or participating in the execution
-

Inventive entity consequence of error: invalidity

- Pre-AIA 35 U.S.C. 102(f): “A person shall be entitled to a patent **unless... (f) he did not himself invent** the subject matter sought to be patented”)
 - Pre-AIA and AIA 35 U.S.C. 115(a): “An application for patent... shall include, or be amended to include, the **name of the inventor** for any invention claimed in the application”
-

Inventive entity

types of inventorship errors

- Nonjoinder (only A is named as inventor, but A and B are joint inventors)
 - Misjoinder (A and B are named as joint inventors, but only B is inventor)
 - Combination of nonjoinder and misjoinder (A and B are named as joint inventors, but A and C are joint inventors)
-

Inventive entity correction

- Patent application: section 116
 - Issued patent: section 256
 - AIA: removed the requirement “without deceptive intent”
 - Inventorship correction can be difficult because of ownership issues
-

In re VerHoef (Fed. Cir. May 3, 2018)

- Patent application claims a dog mobility device
 - Filed by Jeff VerHoef
 - Pre-AIA section 102(f) rejection
 - VerHoef filed an affidavit explaining sole inventorship
-

In re VerHoef the story

- VerHoef's dog Reilly dragged his rear paws
 - Veterinarian Dr. Alycia Lamb suggested commercial harness
 - VerHoef had the idea of adapting the commercial design to connect to the dog's toes
 - Lamb suggested a strap forming an "8" to support the leg
 - Modified harness with strap reduced Reilly's paw-dragging
-

In re VerHoef drawings

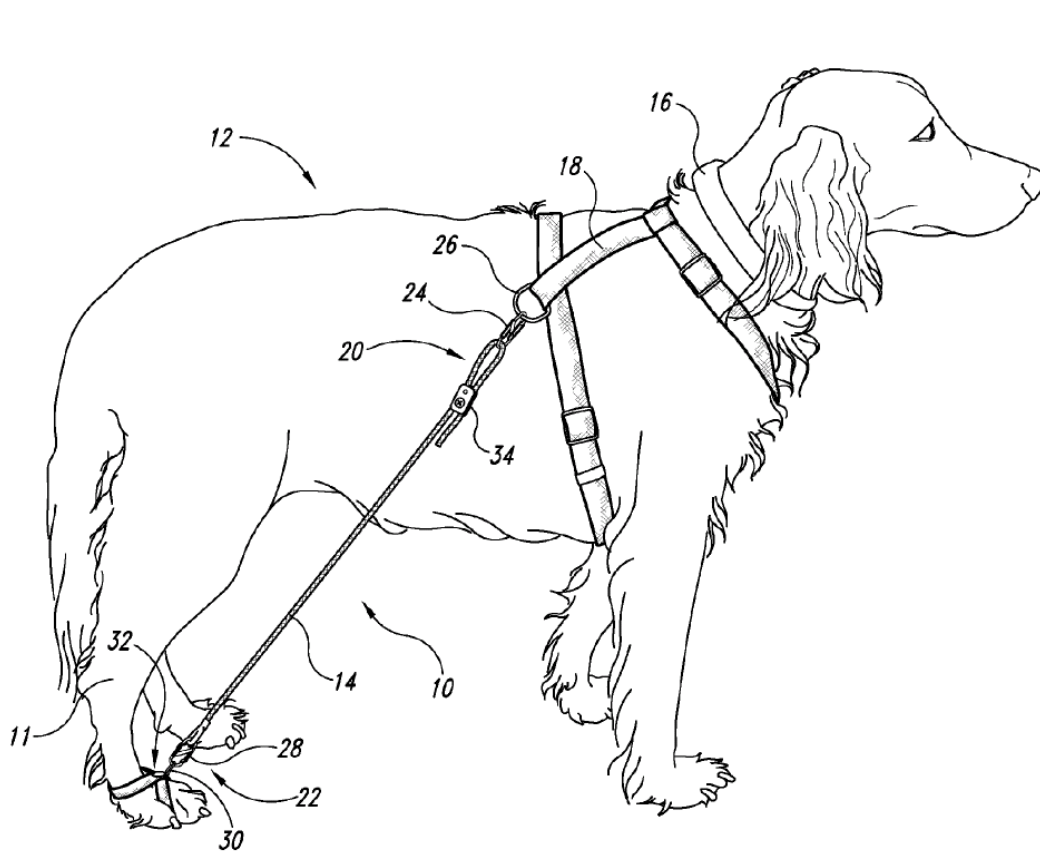


Fig. 1

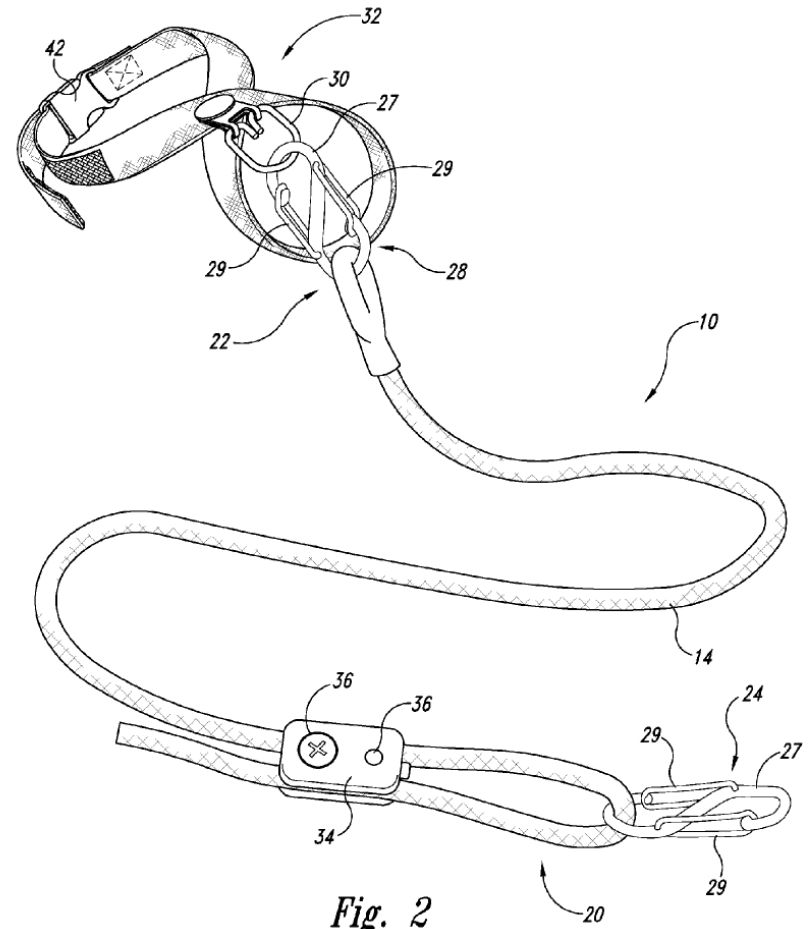


Fig. 2

In re VerHoef first patent application

- VerHoef and Lamb as joint inventors
 - Claim 1: **“a material strip looped into a figure eight configuration...”**
 - Abandoned
-

In re VerHoef

second and third patent application

- Second application filed by Lamb alone
 - Third application filed by Verhoef alone
 - Second and third filed on the same day, both substantially identical to the first
 - VerHoef application rejected under section 102(f)
 - Final rejection
-

In re VerHoef PTAB appeal

- Paw loop forming “8” is an “essential element”
 - VerHoef did not maintain “intellectual domination” over the inventive process
 - Examiner’s rejection sustained
-

In re VerHoef

Fed. Cir. appeal: test for joint inventor

1) Contributes to the conception

- ❑ Lamb contributed the figure “8” strap

2) Contribution is not insignificant as measured against the full invention

- ❑ The figure “8” strap is an “essential element” which is expressly recited in the claim

3) Not merely explain the state of the art

- ❑ VerHoef relied on the figure “8” strap to distinguish over the art
-

In re VerHoef

contribution ≠ suggestion of options

- Example discussed and distinguished in In re VerHoef:
 - ❑ Invention claims a particular stitching pattern
 - ❑ Collaborator A tested various stitching solutions: inventor
 - ❑ Collaborator B suggested a list of available stitching options: not inventor
 - ❑ Morse v. Porter (BPAI 1965)
-

Note:

contribution ≠ suggestion of options

- Other factor: joint inventor must have “**firm and definite idea**” of the claimed invention
 - Cf. O’Reilly v. Morse (S. Ct. 1853) cited in Ethicon v. US Surgical (Fed. Cir. 1998)
-

Note 2:

conception \neq research plan or wish

- Conception does not occur at the determination of a method to arrive at the claimed invention
 - Example: experimental science (chemical/biotech)
 - Fiers v. Revel (Fed. Cir. 2004): claimed DNA was not conceived at the conception of the method for isolating and purifying it
-

Note 3:

conception \neq reduction to practice

- Reduction to practice: the claimed invention works for its intended purpose
 - But: in some situations, conception occurs only with reduction to practice
 - Example: experimental science (biotech)
 - Amgen v. Chugai (Fed. Cir. 1991): lab technician who performed reduction to practice is not a joint inventor of claims to purified and isolated DNA sequence
 - Inventors are those who conceived and instructed the reduction to practice, not the lab technicians who performed it
-

Note 4: joint conception ≠ working together in the same location

- Inventors may apply for a patent jointly even though:
 - (1) they did not physically work together or at the same time,
 - (2) each did not make the same type or amount of contribution, or
 - (3) each did not make a contribution to the subject matter of every claim of the patent.
 - 35 U.S.C. 116
-

Why is inventorship important?

- Validity: improper naming of inventors is a cause of patent invalidity
 - Ownership: each co-inventor owns a same undivided portion of the patent
 - Even if contributed to conception of a single claim
 - Cf. Ethicon v. U.S. Surgical (Fed. Cir. 1998): joint inventor of dependent claims 33 and 47 is co-owner of the entire patent, gives retroactive license to infringer
-

Conclusion

- At or before filing, investigate the evidence to determine the inventive entity
 - Document the determination
 - Document ownership and assignments
-

Questions, comments?

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ASPI-GRAPI-AROPI Oct. 2018

Claim language: capability, configuration

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Parkervision v. Qualcomm (Fed. Cir. Sep. 13, 2018)

- Appeal from IPR
 - PTAB held the apparatus claims unpatentable as obvious based on a document Nozawa
-

Parkervision v. Qualcomm (Fed. Cir. Sep. 13, 2018)

21. An apparatus for frequency up-conversion, comprising:

a pulse shaping module to receive an *oscillating signal* and to output a shaped string of pulses that is a function of said oscillating signal;

a switch module to receive said shaped string of pulses and a bias signal, wherein said *shaped string of pulses causes said switch module to gate* said bias signal and thereby *generate a periodic signal having a plurality of harmonics*, said bias signal being a function of an information signal, said periodic signal having an amplitude that is a function of said bias signal; and

a filter coupled to said switch module to isolate one or more desired harmonics of said plurality of harmonics.

25. A method of communicating, comprising the steps of:

(1) shaping an *oscillating signal* to create a string of pulses that is a function of said oscillating signal;

(2) gating a reference signal at a rate that is a function of said string of pulses to *create a periodic signal having a plurality of harmonics*, said reference signal being a function of an information signal, and at least one of said plurality of harmonics being a desired harmonic; and

(3) outputting said periodic signal, said periodic signal having an amplitude that is a function of said reference signal.

Apparatus claim

- A switch module...
 - **to gate** said bias signal
 - **and thereby generate** a periodic signal having a plurality... of harmonics
-

Nozawa

- Discloses a switch module operated to generate **single harmonics**
 - Although not disclosed in Nozawa, the switch module of Nozawa **could be controlled differently** to generate plural harmonics
-

Anticipation test for apparatus claim

- Apparatus claims cover **what a device is**, not what a device does
 - Same test for infringement and for anticipation (what infringes if later, anticipates if earlier)
 - The language used in the claims is critical
-

Claim language:

“capable of...” vs. “configured to...”

- “Capable of”: anticipation or obviousness if the component disclosed has the **capability** to operate in the manner claimed
 - Even if that operation mode is not disclosed or provided
 - “Configured to”: anticipation or obviousness only if the component disclosed has the **configuration** as claimed
-

Examples: “capable of”

- “Capable of”:
 - A processor **for arranging** information
 - A logical engine **for preventing** execution
 - A communication engine **for obtaining** a downloadable
 - Capabilities **without requiring** that any software component be **“active” or “enabled”**
 - Anticipation or obviousness if the prior art component is “reasonably capable... without significant alteration”
 - Ericsson v. D-Link (Fed. Cir. 2014)
-

Examples: “configured to”

- “Configured to”:
 - Protrusions **resting upon** the cover
 - Infringement [resp., anticipation/obviousness] occurs **only if** the accused [resp., prior art] product is **configured** with the cover being used as a base [for the protrusions]
 - Ball Aerosol v. Speciality Container (Fed. Cir. 2009)
-

Parkervision: Fed. Cir. decision

- Apparatus claim requires capability, not configuration
 - Switch module... **to gate** said bias signal **and thereby generate** a periodic signal having a plurality of harmonics
 - Nozawa's circuit is capable of producing a "plurality of harmonics"
 - Apparatus claim **obvious** based on Nozawa
 - Process claim ("gating...") **not** obvious
 - PTAB decision affirmed
-

Conclusion

- Choose your words
 - Diversify your claims
 - Broad scope (“capable”): potentially more infringers, potentially more prior art
 - Narrow scope (“configured”): potentially less infringers, potentially less prior art
-

Questions, comments?

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Claiming priority of an earlier application

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Introduction: types of priority claims

- 35 USC 120: US nonprovisional application claims the benefit of an earlier US nonprovisional or PCT/US application
 - 35 USC 119(e): US nonprovisional application claims the benefit of an earlier US provisional application
 - 35 US 119(a): US nonprovisional application claims priority of an earlier foreign application (Paris Convention)
-

1) Droplets v. E*Trade (Fed. Cir. Apr. 19, 2018)

Too dumb: forgetting priority claim

- 917 provisional
 - 838 patent claims the benefit of the 917 provisional under section 119(e)
 - 115 patent **claims the benefit** of the 838 patent under section 120
 - 115 patent **also incorporates by reference** the 838 patent under Rule 1.57
-

Droplets v. E*Trade (Fed. Cir. Apr. 19, 2018)

the decision

- The incorporation by reference of the 838 patent in the 115 patent is not the required “specific reference” of a claim for priority under section 119(e)
 - The 115 patent has **no priority claim** to the 917 provisional
 - **115 claims obvious based on an intermediate document**
-

2) Natural Alternatives v. Iancu (Oct. 1, 2018)

Too smart: planning a longer patent term

- 1st US application
 - 2nd US application claims the benefit of the 1st
 - 3rd US application claims the benefit of the 1st, 2nd
 - 4th US application claims the benefit of the 1st-3rd
 - US provisional application
 - 5th US application claims the benefit of the 1st-4th and claims priority of the provisional
 - 6th US application claims the benefit of the 1st-5th
 - 7th US application claims the benefit of the 1st-6th
 - 8th US application claims the benefit of the 1st-7th
-

Natural Alternatives v. Iancu (Oct. 1, 2018)

Amended benefit claim in 5th application

- 1st application
 - 2nd application claims the benefit of the 1st
 - 3rd application claims the benefit of the 1st, 2nd
 - 4th application claims the benefit of the 1st-3rd
 - Provisional application
 - 5th application ~~claims the benefit of the 1st-4th~~ and claims priority of the provisional
 - **Objective: 20-year patent term calculated from the 5th application filing date**
-

Natural Alternatives v. Iancu (Oct. 1, 2018)

earliest effective filing date of 381 patent?

- 1st application
 - 2nd application claims the benefit of the 1st
 - 3rd application claims the benefit of the 1st, 2nd
 - 4th application claims the benefit of the 1st-3rd
 - Provisional application
 - 5th application ~~claims the benefit of the 1st-4th~~ and claims priority of the provisional - 376 patent has 20-year patent term from 5th application filing date
 - 6th application claims the benefit of the 1st-5th
 - 7th application claims the benefit of the 1st-6th
 - 8th application claims the benefit of the 1st-7th 381 patent?
-

Natural Alternatives v. Iancu (Oct. 1, 2018)

earliest effective filing date of 381 patent?

- 1st application
 - 2nd application claims the benefit of the 1st
 - 3rd application claims the benefit of the 1st, 2nd
 - 4th application claims the benefit of the 1st-3rd
 - Provisional application
 - 5th application ~~claims the benefit of the 1st-4th~~ and claims priority of the provisional - 376 patent has 20-year patent term from 5th application filing date
 - 6th application claims the benefit of the ~~1st~~ 5th
 - 7th application claims the benefit of the ~~1st~~ 5th-6th
 - 8th application claims the benefit of the ~~1st~~ 5th-7th 381 patent has earliest effective filing date on 5th appl. filing date
 - **Obvious based on the patent issued from the 1st appl.**
- 1st-4th patents issued before 6th appl. was filed
-

3) Hologic v. Smith (Fed. Cir., Mar. 14, 2018)

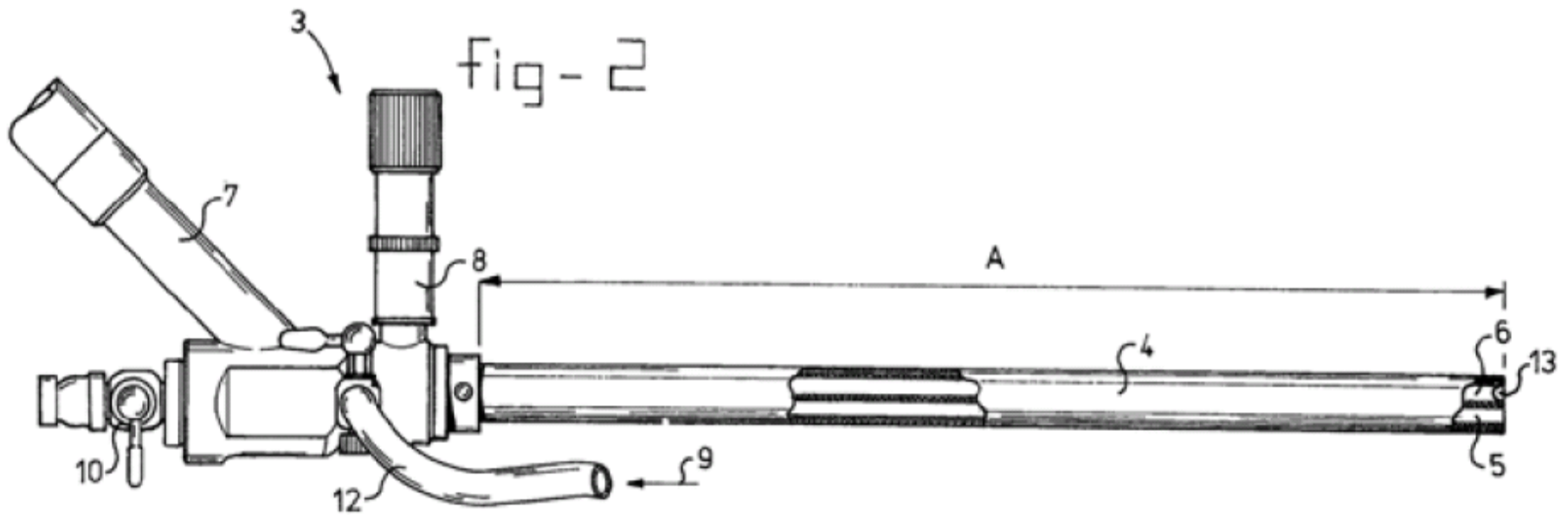
Just right: sufficient written description support

- PCT application – its US national stage matures into the 602 patent
 - US continuation application claims the benefit of the PCT application – it matures into the 359 patent
-

Hologic v. Smith (Fed. Cir., Mar. 14, 2018) the 359 claim

- Method for removal of tissue... comprising:
 - Inserting a distal region of an endoscope...
 - [the endoscope] including... a elongated member
 - [the elongated member] defining discrete first and second channels...
 - The first channel having **a light guide**... therein...
-

Hologic v. Smith (Fed. Cir., Mar. 14, 2018) the figure



Hologic v. Smith (Fed. Cir., Mar. 14, 2018) the 359 claim (showing amendment)

- Method for removal of tissue... comprising:
 - Inserting a distal region of an endoscope...
 - [the endoscope] including... a elongated member
 - [the elongated member] defining discrete first and second channels...
 - The first channel having ~~a fibre optics bundle~~
a light guide... therein...
-

Hologic v. Smith (Fed. Cir., Mar. 14, 2018) the 359 description (showing amendment)

- “A connection 8 for a light source is also present, for connection to **a light guide,** **such as a fibre optics bundle** which provides for lighting at the end of lens 13.”
-

Hologic v. Smith (Fed. Cir., Mar. 14, 2018) the priority PCT description

- “A connection 8 for a light source is also present, for connection to **a fibre optics bundle** which provides for lighting at the end of lens 13.”
-

Hologic v. Smith (Fed. Cir., Mar. 14, 2018)

the procedural history

- Hologic initiated *inter partes* reexam of the 359 patent
 - Hologic argued that the benefit claim is not valid, so the 359 claim is anticipated by the published PCT application
 - The Board held that the PCT application has sufficient written description for a valid priority claim
 - Hologic appealed to the Federal Circuit
-

Hologic v. Smith (Fed. Cir., Mar. 14, 2018)

the test

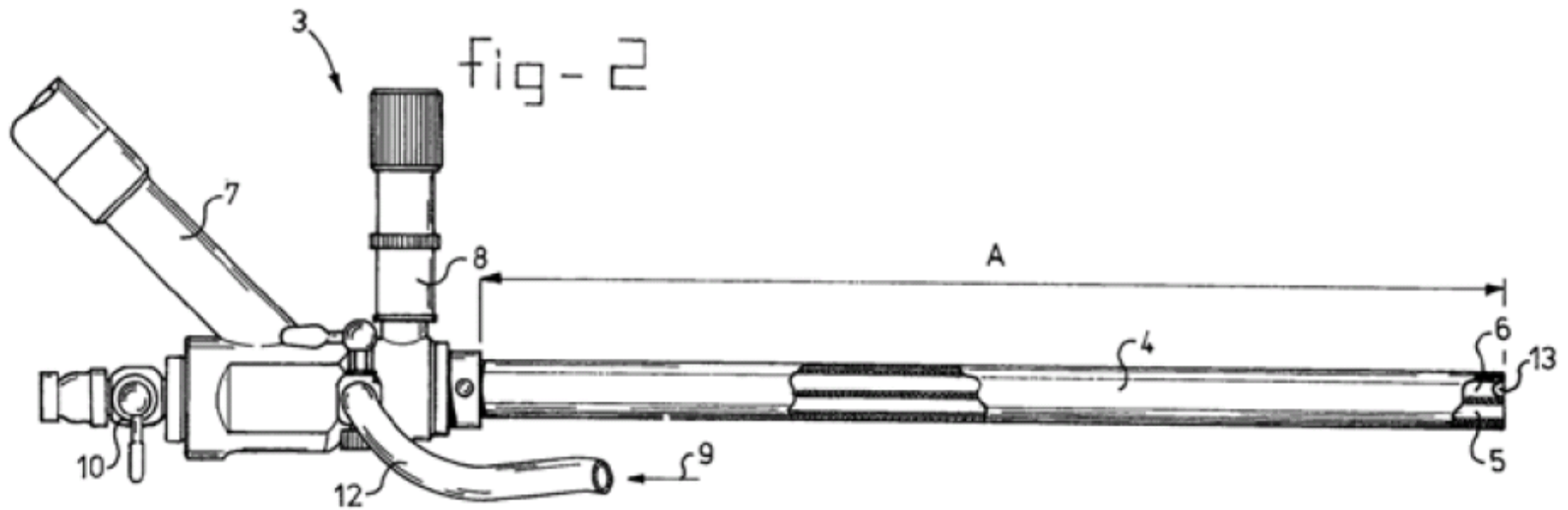
- Substantive requirement for valid priority claim: written description support
 - Same as written description support for claim amendment after application filing date
 - Test: does the earlier application reasonably convey to those skilled in the art that **the inventor had possession of the claimed subject matter** in the later application?
-

Hologic v. Smith (Fed. Cir., Mar. 14, 2018)

the analysis

- Fibre optic bundle is a type of light guide
 - Various types of light guides were well known
 - Description states tht element 6 on Fig. 2 is a “light channel” terminating in lens 13 at one end and viewing tube 7 connecting to a camera at the other end
 - On Fig. 2 element 6 is next to connection 8
 - Description states that connection 8 is “for a light source... for connection to a fibre optics bundle”
-

Hologic v. Smith (Fed. Cir., Mar. 14, 2018) the figure



Hologic v. Smith (Fed. Cir., Mar. 14, 2018)

the analysis (extrinsic evidence)

- Other patents show a structure similar to Fig. 2 and describe it as a “light guide”
 - Smith & Nephew’s expert opined that a person of the art would recognize that the endoscope of Fig. 2 is of the type having a “light guide”
-

Hologic v. Smith (Fed. Cir., Mar. 14, 2018)

the decision

- PCT application provides sufficient written description support for “light guide”
 - 359 patent priority claim to the PCT application is valid
 - 359 claim is not anticipated by the PCT application
 - Board’s decision maintaining the 359 patent is affirmed
-

Conclusion

- Au choix:
 - La fortune sourit aux audacieux
 - Un « tiens » vaut mieux que deux « tu l'auras »
-

Questions, comments?

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PTAB – Post Grant Proceedings updates

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Intellectual Property Law

PGP (Post-Grant Proceedings) updates

- Judicial answers and guidance:
 - 1) Are Inter Partes Reviews (IPR) constitutional?
 - 2) Partial institution of IPR?
 - 3) Immunity from IPR for sovereign Indian tribes?
 - 4) Who can appeal from a PTAB decision?
 - Other updates:
 - 5) Claim interpretation: from BRI to ordinary meaning
 - 6) Parallel litigation PTAB and District Court
-

1) Are IPR constitutional?

- Oil States v. Greene (S. Ct. Apr. 24, 2018)
 - Patents are a “public right”
 - Revision or cancellation of a public right is not an unconstitutional taking or privation of right to jury
 - Note: Congress has defined the patent rights to include a private right of ownership, so patents are a public right to private ownership
-

2) Partial institution of IPR?

- SAS Institute v. Iancu (S. Ct. Apr. 24, 2018)
 - PGP statute does not allow claim-by-claim or ground-by-ground decision on IPR institution
 - The petition governs IPR institution decision
 - PTAB must make “all or nothing” decision on institution
-

No more partial institution of IPR: consequences

- PTAB is modifying pre-SAS partial institutions to complete institutions
 - Decisions currently on appeal at the Federal Circuit can be remanded to the PTAB for complete institution
-

No more partial institution of IPR: who wins, who loses

■ Advantages

- Petitioner: if the PTAB decides institution, all claims and grounds in the petition will be considered
- Patent owner: hope that the PTAB will reject the entire petition more easily to avoid the burden of instituting weak grounds

■ Drawbacks

- Petitioner: estoppel at final decision will apply to entire grounds in the petition
 - Patent owner: in concurrent PTAB and District Court litigation, a District Court stay will be more likely
-

3) Immunity from IPR for sovereign Indian tribes?

- Background: U.S. States have immunity from Federal lawsuits by private parties under the U.S. (Federal) Constitution
 - IPR against a patent owned by a U.S. State entity will not be instituted or will be dismissed
-

Immunity from IPR for sovereign Indian tribes?

- Background: exceptions to U.S. State immunity from IPR:
 - A co-owner of the patent is a private party (Reactive Surfaces v. Toyota & U. Minnesota, PTAB July 13, 2017)
 - The U.S. State entity consents (Ericsson v. U. Minnesota, PTAB Dec. 19, 2017)
-

Immunity from IPR for sovereign Indian tribes?

Saint Regis Mohawk v. Mylan case history:

- Mylan filed IPR petition against Allergan patents
 - Allergan assigned patents to Mohawk tribe
 - Mohawk tribe granted exclusive license to Allergan
 - Mohawk filed a motion to dismiss IPR
 - PTAB denied the motion
-

Immunity from IPR for sovereign Indian tribes?

- Saint Regis Mohawk v. Mylan (Fed. Cir. July 20, 2018): no tribe immunity from IPR
 - Tribe immunity protects tribe from private lawsuits
 - IPR is different from litigation between private parties
 - No need to decide if Congress removed tribe sovereignty by passing AIA
-

4) Who can appeal from a PTAB decision?

- Issue is “standing” to appeal in the judiciary
 - PTAB is “Article I” court: administrative
 - Created by an Act of Congress (US constitution, Article I: legislative branch)
 - Federal Circuit is “Article III” court: judicial
 - Created by the US constitution, Article III: judicial branch
 - Judicial power is constitutionally limited to “cases and controversies”
 - Appellant needs a “concrete and particularized injury”
-

Standing to appeal IPR decision: examples

- Petitioner is an organization defending the general interest of the public: not sufficient
 - Consumer Watchdog v. Wisconsin Alumni Research Foundation (Fed. Cir. 2014)
-

Standing to appeal IPR decision: examples

- Petitioner is in direct economic competition with patent owner: not sufficient
 - Phigenix v. Immunogen (Fed. Cir. 2017)
-

Standing to appeal IPR decision: examples

- Petitioner has entered an exclusive manufacturing agreement with patent owner + has industrial capacity to produce for others + has a concrete plan to do so + patent owner refuses to stipulate that it will not sue for infringement: sufficient
 - *Altaire v. Paragon* (Fed. Cir. May 2, 2018)
-

Standing to appeal IPR decision: examples

- Petitioner has an on-going product development program + potentially infringing design is an option under consideration: not sufficient
 - JTEKT v. GKN (Fed. Cir. Aug. 3, 2018)
-

Comments

- Check standing to appeal before filing IPR petition
 - Compare to declaratory judgment standing
-

5) Claim interpretation: from BRI to ordinary meaning

- USPTO current rule: broadest reasonable interpretation (BRI)
 - Broadest reasonable interpretation “in light of the specification” (same as during examination)
 - Has promoted PTAB’s reputation as patent “death squad”
 - USPTO proposed rule (May 9, 2018): ordinary meaning
 - Would be the same as in District Court and ITC
 - Cf. Phillips v. AWH Corp (Fed. Cir. 2005)
-

Claim interpretation: from BRI to ordinary meaning

- Concurrent PTAB and District Court litigation:
 - Expectation that PTAB's claim interpretation will come first in most cases
 - Less than 18 months: PTAB must decide on institution of PGP within 6 months from petition, and must decide PGP within 12 months of institution
 - In addition, expectation of more District Court stays because of institution "all or nothing" after SAS
 - Expectation that the District Court will tend to adopt the PTAB's claim interpretation
 - District Court judges will likely give deference to the PTAB's interpretation made by technically-competent patent judges
-

Claim interpretation: from BRI to ordinary meaning

- Who wins, who loses
 - Petitioner: expectation of simpler and less expensive procedure
 - More District Court stays
 - Simpler PTAB procedure
 - More chances of identical claim interpretation
 - Patent owner: expectation that more claims will survive PGP
 - Ordinary meaning tends to be narrower than BRI
 - One factor of ordinary meaning is preservation of validity
-

6) Concurrent PTAB and District Court litigation: VirnetX v. Apple

■ District Court:

- 2010: VirnetX sues Apple in the Eastern District of Texas for infringement of various patents on internet security by VPN on Demand, FaceTime and iMessage
- 2012 First trial, District Court judgment: \$368.2 million
- 2014: Fed. Cir. reversed and remanded
- 2016 (Feb): Second trial District Court judgment \$625.6 million
- District Court orders retrial
- 2016 (Oct): Third trial, District Court judgment \$439.7 million
- 2018 (Apr) Fourth trial, jury verdict \$ 502,567,709.00
- 2018 (Aug) District Court judgment \$502.6 million

■ Expected appeals to the Federal Circuit

VirnetX v. Apple

VirnetX stock 2018 YTD

Apr 12, 2018
Jury verdict

Aug 31, 2018
DC judgment



Concurrent PTAB and District Court litigation: VirnetX v. Apple

- PTAB:
 - All patents-in-suit rejected or held unpatentable in Inter Partes Reexams and Inter Partes Reviews
 - Expected appeals to the Federal Circuit
-

VirnetX v. Apple

VirnetX stock from start



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