

Top Ten Patent Cases

October 20, 2014

M = Sup. Ct. Merits Stage **P** = S. Ct. Petition Stage **FC** = Ct. of Appeals **x →** Conf. Scheduled

Rank		Case Name	Issue	Status
1	M	<i>Teva v. Sandoz</i>	Deference (<i>Lighting Ballast</i>)	Awaiting decision
1a	P	<i>Lighting Ballast</i>	Deference	Awaiting <i>Teva</i> decision
2	FC	<i>WildTangent</i>	§ 101 Patent-Eligibility	GVR Remand
3	FC	<i>BioSig v. Nautilus</i>	§ 112(b) Definiteness	Argument October 29
4	P	<i>Commil v. Cisco</i>	§ 271(b) Scierter	CVSG Outstanding
5	M	<i>Perez v. Mort. Bankers</i>	Interpretative Rules	Argument Dec. 1
6	P	<i>Packard v. Lee</i>	Indefiniteness	Petition due Dec. 2
7	M	<i>Hana Financial</i>	Jury Question	Argument Dec. 3
8	FC	<i>Suprema v. ITC</i>	Induced Infringement/ITC	Awaiting En banc Hr'g
9	P	<i>STC.UNM v. Intel</i>	Rule 19 Joinder	Petition due Dec. 16
10	P	<i>Kimble v. Marvel</i>	Post-Expiration Royalties	CVSG Outstanding
	P	<i>Consumer W'dog v. WARF</i>	Post-Grant Standing	Petition due October 31
	P	<i>Cisco v. Commil</i>	Jury Trial	CVSG Outstanding

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About the List – Rankings: Cases where *certiorari* has been granted are ranked according to potential impact on patents. Rankings at the petition stage are based upon a blend focusing mainly on the likelihood of grant but also considering the impact of the case. Where *certiorari* has *already* been granted, then the main ranking criterion is importance of the outcome as to a potential change in the law.

Case rankings for the numbered Top Ten cases are made under this set of criteria. Other cases are not necessarily ranked according to this guideline.

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Any opinions or characterizations expressed in this paper represent the personal viewpoint of the author and do not necessarily reflect the viewpoint of any colleague, organization or client thereof.

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OCTOBER 2014 TERM (through June 2015)

Opening conference: September 29, 2014

OCTOBER						
S	M	T	W	T	F	S
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NOVEMBER						
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2015

JANUARY						
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FEBRUARY						
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MARCH						
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APRIL						
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MAY						
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JUNE						
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Argument Session

Non-Argument Session

Conference

“Red”/“Blue” Dates to Announce *Certiorari* Decisions: The Court notes grants and denials of *certiorari* as part of an electronic Orders List at 9:30 AM the date of the first session (“red” or “blue”) following the Conference considering the case, *except* that early in the Term a grant may be issued as part of an earlier, special Orders List.

TOP TEN PATENT CASES

Supreme Court Cases Yellow Highlighted	Circuit Court Cases Pink Highlighted
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(1) *Teva v. Sandoz* –Deference (*Lighting Ballast*)

In *Teva Pharms. USA, Inc. v. Sandoz, Inc.*, Supreme Court No. 13-854, *opinion below*, 723 F.3d 1363 (Fed. Cir. 2013)(Moore, J.), petitioner challenges the Federal Circuit standard of appellate deference under *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448 (Fed. Cir. 1998) (en banc), as most recently reaffirmed by the appellate tribunal in *Lighting Ballast Control LLC v. Philips Electronics North America Corp.*, 744 F.3d. 1272 (Fed. Cir. 2014)(en banc).

Status: Awaiting decision before the end of the Term in June 2015. Decision unlikely until 2015. Argument was held October 15, 2014.

Question Presented: “Whether a district court's factual finding in support of its construction of a patent claim term may be reviewed *de novo*, as the Federal Circuit requires (and as the panel explicitly did in this case), or only for clear error, as Rule 52(a) requires.”

(1a) *Lighting Ballast* –Deference

Lighting Ballast, Piggbacking off Teva v. Sandoz: *Lighting Ballast Control LLC v. Universal Lighting Technologies, Inc.* Supreme Court No. 13-1536, is the styling of the petition from review of the *en banc* decision of the Federal Circuit *Lighting Ballast Control LLC v. Philips Electronics North America Corp.*, 744 F.3d 1272 (Fed. Cir. 2014)(en banc), that – under a theory of *stare decisis* – reaffirms the continued validity of appellate *de novo* claim construction under *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448 (Fed. Cir. 1998) (en banc).

Status: The case is apparently being held for a *certiorari* vote until after a merits decision in Top Ten No. (1) *Teva v. Sandoz*. (*Lighting Ballast* was scheduled for Conference on September 29, 2014, but no decision was reached.)

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(2) *WildTangent* – § 101 Patent-Eligibility

In *WildTangent, Inc. v. Ultramercial, LLC*, Supreme Court No. 13-255, the Court granted certiorari, vacated the decision below and remanded to the Federal Circuit for further consideration in light of *Alice Corporation Pty. Ltd. v. CLS Bank International*, 134 S. Ct. 2347 (2014).

The opinion below is reported as *Ultramercial, LLC v. WildTangent, Inc.*, 722 F.3d 1335 (Fed. Cir. 2013)(Rader, C.J.), *previous proceedings, WildTangent, Inc. v. Ultramercial, LLC*, 132 S.Ct. 2431 (2012)(GVR vacating panel opinion, *Ultramercial, LLC v. WildTangent, Inc.*, 657 F.3d 1323 (Fed. Cir. 2011)(Rader, C.J.)), the petition revisits software patent-eligibility under 35 USC § 101.

Status: The GVR was issued June 30, 2014.

A Partially New Panel: The case is expected to be heard by a panel of Lourie, O'Malley, JJ., and a third judge to be added to the panel. (The original panel included Rader, C.J., who has resigned his commission effective June 30, 2014).

Mode of Proceeding: The panel has the option to simply consider the case anew (which would be consistent with the GVR) but also may first issue an order for additional briefing to address the impact of *Alice v. CLS Bank* on this case

(3) *Biosig v. Nautilus* – § 112(b) Indefiniteness

In *Biosig Instruments, Inc. v. Nautilus, Inc.*, on remand from the Supreme Court, *Nautilus, Inc. v. Biosig Instruments, Inc.*, ___ U.S. ___ (2014)(Ginsburg, J.), *prior opinion, Biosig Instruments, Inc. v. Nautilus, Inc.*, 715 F.3d 891, 900 (Fed. Cir. 2013)(Wallach, J.), the Federal Circuit must redefine a test for indefiniteness under 35 USC § 112(b) to implement the holding of the Supreme Court:

Status: Federal Circuit argument October 29, 2014, on remand from Supreme Court, presumably before the same panel as in 2013 before reaching the Supreme Court [Newman, J., Schall, J. (concurring opinion), Wallach, J. (majority opinion)].

Discussion: The Supreme Court stated – “According to the Federal Circuit, a patent claim passes the §112, ¶2 threshold so long as the claim is ‘amenable to construction,’ and the claim, as construed, is not ‘insolubly ambiguous.’ 715 F. 3d

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891, 898–99 (2013). We conclude that the Federal Circuit's formulation, which tolerates some ambiguous claims but not others, does not satisfy the statute's definiteness requirement. In place of the 'insolubly ambiguous' standard, *we hold that a patent is invalid for indefiniteness if its claims, read in light of the specification delineating the patent, and the prosecution history, fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention.*" (emphasis added to show the holding).

Guidance from *Interval Licensing*: The panel in *BioSig* does not write with an empty slate. In *Interval Licensing LLC v. AOL, Inc.*, __ F.3d __ (Fed. Cir. 2014)(Chen, J.), as part of an affirmance of an invalidity holding in an inter partes Patent Office decision, a panel interpreted the standard of claim definiteness under what has become 35 USC § 112(b) in the wake of the Supreme Court *Nautilus* decision.

The Court states that "[t]he claims, when read in light of the specification and the prosecution history, must provide objective boundaries for those skilled in the art." In support of this position, the panel cites to and quotes from *Nautilus* as "indicating that there is an indefiniteness problem if the claim language 'might mean several things and if 'no informed and confident choice is available among the contending definitions[.]'"(citation omitted).

(4) *Commil v. Cisco* -- § 271(b) *Scienter*

In *Commil USA, LLC v. Cisco Sys., Inc.* Supreme Court No. 13-896, Petitioner challenges the new Federal Circuit standard of *scienter* for active inducement under 35 USC § 271(b).

Status: A CVSG Order was issued May 27, 2014, asking for the views of the United States whether *certiorari* should be granted.

A cross-petition has also been filed, *infra*, as *Cisco v. Commil – Jury Trial.*"

First Question Presented: "Whether the Federal Circuit erred in holding that a defendant's belief that a patent is invalid is a defense to induced infringement under 35 U.S.C. § 271(b)."

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A Deeply Fractured Federal Circuit: The proceedings below start with a divided panel opinion, *Commil USA, LLC v. Cisco Sys., Inc.*, 720 F.3d 1361 (Fed. Cir. 2013) (Prost, J.) (Newman, J., dissenting), with further *en banc* proceedings denying rehearing, 737 F.3d 699, 700 (Fed. Cir. 2013) (Reyna, J., joined by Rader, C.J., Newman, Lourie, Wallach, JJ., dissenting from den. reh'g en banc); *id.*, 737 F.3d at 703-04 (Newman, J., joined by Rader, C.J., Reyna, Wallach, JJ., dissenting from den' reh'g en banc).

(5) *Perez v. Mortgage Bankers* – Interpretative Rules

In the concurrently granted petitions from the D.C. Circuit in *Perez v. Mortgage Bankers Assoc.*, Supreme Court No. 13-1041, and *Nickols v. Mortgage Bankers Assoc.*, Supreme Court No. 13-1052, consolidated for oral argument, the question is asked whether an Agency can issue an interpretative rule *without* notice-and-comment rulemaking. The Federal Circuit takes the position that notice-and-commenting is *not* required for Patent Office interpretative rules.

Status: *Certiorari* was granted in both cases on January 16, 2014. The cases will be briefed over the summer; oral argument is expected in Fall 2014 with a decision before the end of the Term running through the end of June 2015.

Perez Question Presented: “The Administrative Procedure Act (APA), 5 U.S.C. 551 *et seq.*, generally provides that ‘notice of proposed rule making shall be published in the Federal Register,’ 5 U.S.C. 553(b), and, if such notice is required, the rulemaking agency must give interested persons an opportunity to submit written comments, 5 U.S.C. 553(c). The APA further provides that its notice-and-comment requirement ‘does not apply * * * to interpretative rules,’ unless notice is otherwise required by statute. 5 U.S.C. 553(b)(A). * * * The question presented is:

“Whether a federal agency must engage in notice-and-comment rulemaking before it can significantly alter an interpretive rule that articulates an interpretation of an agency regulation.”

Nickols Question Presented: “The Administrative Procedure Act, 5 U.S.C. §§ 551–59, ‘established the maximum procedural requirements which Congress was willing to have the courts impose upon agencies in conducting rulemaking procedures.’ *Vt. Yankee Nuclear Power Corp. v. Natural Res. Def. Council, Inc.*, 435 U.S. 519, 524 (1978). Section 553 of the Act sets forth notice-and-comment

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rulemaking procedures, but exempts ‘interpretative rules,’ among others, from the notice-and-comment requirement. 5 U.S.C. § 553(b). The D.C. Circuit, in a line of cases descending from *Paralyzed Veterans of America v. D.C. Arena L.P.*, 117 F.3d 579 (D.C. Cir. 1997), has created a per se rule holding that although an agency may issue an *initial* interpretative rule without going through notice and comment, ‘[o]nce an agency gives its regulation an interpretation, it can only change that interpretation as it would formally modify the regulation itself: through the process of notice and comment rulemaking.’ *Id.* at 586. In this case, the D.C. Circuit invoked the *Paralyzed Veterans* doctrine—which is contrary to the plain text of the Act, numerous decisions of this Court, and the opinions of the majority of circuit courts—to invalidate a Department of Labor interpretation concluding that mortgage loan officers do not qualify for the administrative exemption under the Fair Labor Standards Act.

“The question presented is:

“Whether agencies subject to the Administrative Procedure Act are categorically prohibited from revising their interpretative rules unless such revisions are made through notice-and-comment rulemaking.”

Federal Circuit on Patent Office “Interpretative” Rules: The Federal Circuit says that interpretative rules for the Patent Office do *not* require notice-and-comment rulemaking. *Animal Legal Defense Fund v. Quigg*, 932 F.2d 920 (Fed. Cir. 1991); *Cooper Technologies Co. v. Dudas*, 536 F.3d 1330 (Fed. Cir. 2008).

A thumbnail picture of the Federal Circuit view is set forth in *Mikkilineni v. Stoll*, 410 Fed. Appx. 311 (Fed. Cir. 2011)(*per curiam*). In *Mikkilineni* the court explains that “[u]nder § 553 of the APA, certain agency actions require prior public notice and comment. 5 U.S.C. § 553. Generally speaking, ‘substantive’ rules require notice and comment, while ‘interpretive’ rules do not. 5 U.S.C. § 553(b)(3)(A); *Lincoln v. Vigil*, 508 U.S. 182, 195-96 (1993); *Animal Legal Defense Fund v. Quigg*, 932 F.2d 920, 927 (Fed. Cir. 1991). A rule is ‘substantive’ where it causes a change in existing law or policy that affects individual rights and obligations and ‘interpretive’ where it ‘merely clarifies or explains existing law or regulations.’ *Animal Legal Defense Fund*, 932 F.2d at 927.” *Mikkilineni*, 410 Fed. Appx. at 312.

Earlier, the Court explained its position on interpretative rules in *Cooper Technologies*:

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“By its own terms, section 553[, 5 USC § 553,] does not require formal notice of proposed rulemaking for ‘interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice.’ *Id.* § 553(b)(3)(A); *see also id.* § 553(d)(2) (exempting ‘interpretive rules and statements of policy’ from publication more than thirty days before its effective date). The Patent Office’s interpretation of ‘original application’ was therefore not subject to the formal notice-and-comment requirements of section 553. *See also Animal Legal Def. Fund*, 932 F.2d at 931 (remarking that not ‘every action taken by an agency pursuant to statutory authority [is] subject to public notice and comment’ because such a requirement ‘would vitiate the statutory exceptions in § 553(b) itself’ including the exception for interpretive rules). Though not required by section 553, the Patent Office’s April 6, 2006 notice of proposed rulemaking expressly described the ‘subjects and issues involved’— namely, the operation of the effective date provision of section 4608. *See* 65 Fed. Reg. § 553(b)(3 at 18,155, 18,177-78. Moreover, the Patent Office received and acted on comments directly relating to the ‘original application’ statutory language. *See* 65 Fed. Reg. at 76,763; *see also* 5 U.S.C. § 553(c) (requiring that agency ‘give interested persons an opportunity to participate in the rule making through submission of written data, views, or arguments with or without opportunity for oral presentation’).” *Cooper Technologies*, 536 F.3d at 1336-37.

(6) *Packard v. Lee* –§ 112(b) Definiteness

Packard v. Lee is the anticipated petition from *In re Packard*, ___ F.3d ___ (Fed. Cir. 2014)(*per curiam*), where the panel created a new examination regime for indefiniteness under 35 USC § 112(b).

Status: Petition due December 2, 2014.

Petition for Rehearing En Banc: “The Panel created and decided this case on the basis of a new agency procedure—a ‘*prima facie* case’ procedure for indefiniteness. This was error. The Patent Office has not enacted any such procedure, and the Board did not rely on any such procedure in rejecting Mr. Packard’s claims. ‘[A]dministrative agencies’ are ‘free to fashion their own rules of procedure.’ *Vermont Yankee Nuclear Power Corp. v. Natural Res. Def. Council, Inc.*, 435 U.S. 519, 543 (1978).

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‘[A] fundamental rule of administrative law. . . [is] that a reviewing court, in dealing with a determination or judgment which an administrative agency alone is authorized to make, must judge the propriety of such action solely by the grounds invoked by the [] agency.’ *Sec. & Exch. v. Chenery Corp.*, 332 U.S. 194, 196 (1947).”

(7) *Hana Financial* – Jury Question

In *Hana Financial, Inc. v. Hana Bank & Hana Financial Group*, Supreme Court No. No. 13-1211, *opinion below*, 735 F.3d 1158 (9th Cir. 2013)(Callahan, J.), the Court faces the issue as to whether a jury or the court determines trademark “tacking”. Whatever the Court decides may have an impact on jury vs. court decision in patent areas of the law.

Status: Argument December 3, 2014.

Question Presented: “To own a trademark, one must be the first to use it; the first to use a mark has ‘priority.’ The trademark ‘tacking’ doctrine permits a party to ‘tack’ the use of an older mark onto a new mark for purposes of determining priority, allowing one to make slight modifications to a mark over time without losing priority. Trademark tacking is available where the two marks are ‘legal equivalents.’”

“The question presented, which has divided the courts of appeals and determined the outcome in this case, is:

“Whether the jury or the court determines whether use of an older mark may be tacked to a newer one?”

Discussion: The Federal Circuit has not addressed the jury vs. court issue of determination of “tacking”, but provides its understanding of the substantive law in this area *Van Dyne-Crotty, Inc. v. Wear-Guard Corp.*, 926 F.2d 1156 (Fed. Cir. 1991)(Michel, J.).

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(8) *Suprema v. ITC: Induced Infringement/ITC*

The Federal Circuit has granted *two* petitions for *en banc* review raising a total of five different questions for *en banc* review in *Suprema, Inc. v. ITC*, ___ Fed. App'x ___ (Fed. Cir. 2014) (unpublished Order), *vacating panel opinion*, 742 F.3d 1350 (Fed. Cir. 2013) (O'Malley, J.). In a nutshell, does the importation of a noninfringing component of a patented combination provide basis for an ITC exclusion order where there *is* infringement by customers in the United States who practice the patented combination?

Status: Awaiting argument. (The Order granting rehearing *en banc* was issued May 13, 2014.)

Panel Majority Denies Relief with only Post-Border Crossing Infringement: The panel majority, following the literal wording of the law, found no ITC liability for the post-border crossing infringement.

The third member of the panel disagreed, presenting unique and bold theories that because the ITC is a *trade law*, the literal wording of the statute should be disregarded:

“My problem with the majority's opinion is that it ignores that Section 337 is a trade statute designed to provide relief from specific acts of unfair trade, including acts that lead to the importation of articles that will result in harm to a domestic industry by virtue of infringement of a valid and enforceable patent. To negate both a statutory trade remedy and its intended relief, the majority overlooks the Congressional purpose of Section 337, the long established agency practice by the Commission of conducting unfair trade investigations based on induced patent infringement, and related precedent by this Court confirming this practice. In the end, the majority has created a fissure in the dam of the U.S. border through which circumvention of Section 337 will ensue, thereby harming holders of U.S. patents.” *Suprema, Inc. v. ITC*, 742 F.3d at 1372 (Reyna, J., dissenting-in-part)

Plain Wording of the Statute vs. the “Trade Law” Intent of the Statute: The dissenting member's “problem with the majority's opinion is that it ignores that Section 337 is a *trade statute* designed to provide relief from specific acts of unfair trade....” *Suprema, Inc. v. ITC*, 742 F.3d at 1372 (Reyna, J., dissenting-in-part) (more fully quoted above). But, used upon the wording of the statute, the panel majority in *Suprema* “hold[s] that an exclusion order based on a violation of

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§ 1337(a)(1)(B)(i) may not be predicated on a theory of induced infringement where no direct infringement occurs until post-importation.” *Suprema*, 742 F.3d at 1353. The holding is keyed to the wording of the statute that a patent-based exclusion order must be based upon “importation * * * of articles that... infringe a valid and enforceable United States patent[.]” § 1337(a)(1)(B)(i) (“[T]he following are unlawful [methods of competition]. * * * The importation into the United States* * * of articles that... infringe a valid and enforceable United States patent* * *.”) Thus, the *articles* must be an infringement of the patent.

The third member of the panel jumps over the literal wording of the statute to look to the point that the ITC statute is a “trade law”: The jurist explains that “[his] problem with the majority's opinion is that it ignores that Section 337 is a trade statute designed to provide relief from *specific acts of unfair trade*, including acts that lead to the importation of articles that will result in harm to a domestic industry by virtue of infringement of a valid and enforceable patent. To negate both a statutory trade remedy and its intended relief, the majority overlooks the Congressional purpose of Section 337, the long established agency practice by the Commission of conducting unfair trade investigations based on induced patent infringement, and related precedent by this Court confirming this practice. In the end, the majority has created a fissure in the dam of the U.S. border through which circumvention of Section 337 will ensue, thereby harming holders of U.S. patents.” *Suprema, Inc. v. ITC*, 742 F.3d at 1372 (Reyna, J., dissenting-in-part)(emphasis added).

The crux of this case, of course, is whether or not the *definition* of the “specific acts of unfair trade” should be interpreted in a manner that is broad enough to go outside the wording of the statutory definition of § 1337(a)(1)(B)(i).

“[T]he remedy lies with the law making authority, and not with the courts”: As explained by then-Justice Rehnquist: “Laws enacted with good intention, when put to the test, frequently, and to the surprise of the law maker himself, turn out to be mischievous, absurd or otherwise objectionable. But in such case the remedy lies with the law making authority, and not with the courts.” *Griffin v. Oceanic Contractors*, 458 U.S. 564, 575 (1982)(Rehnquist, J.)(quoting *Crooks v. Harrelson*, 282 U.S. 55, 60 (1930)). “Policy considerations cannot override our interpretation of the text and structure of [a statute], except to the extent that they

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may help to show that adherence to the text and structure would lead to a result so bizarre that Congress could not have intended it." *Chamberlain Group, Inc. v. Skylink Techs., Inc.*, 381 F.3d 1178, 1192 (Fed. Cir. 2004)(quoting *Central Bank, N.A. v. First Interstate Bank, N.A.*, 511 U.S. 164, 188 (1994)).

A Limelight "Domino": The decision fo the Supreme Court in *Limelight* that will take place in the coming weeks will have a domino impact on the Federal Circuit. Perhaps the first domino to fall will be *Suprema*: To the extent that the Supreme Court *affirms* the divided Federal Circuit in *Limelight* (that will be decided even before the briefing period has expired in *Suprema*) there is a stronger chance that the panel majority will be overturned. But, to the extent that the Supreme Court *reverses* in *Limelight* this may provide a strong indicator that the panel majority, here, should be sustained.

The Five Questions Rasied in Two Petitions for Rehearing En Banc: Petitions of both the ITC *and* one of the parties were granted which cumulatively raise five questions:

(i) The Commission's Petition asks four Questions: 1. Did the panel contradict Supreme Court precedent in [*Metro-Goldwyn-Mayer Studios Inc. v. Grokster, Ltd.*, 545 U.S. 913 (2005),] and precedents of this Court^[*] when it held that infringement under 35 U.S.C. § 271(b) "is untied to an article"?

2. Did the panel contradict Supreme Court precedent in *Grokster* and this Court's precedent in *Standard Oil [Co. v. Nippon Shokubai Kagaku Kogyo Co.]*, 754 F.2d 345 (Fed. Cir. 1985),] when it held that there can be no liability for induced infringement under 35 U.S.C. § 271(b) at the time a product is imported because direct infringement does not occur until a later time?

3. When the panel determined the phrase "articles that . . . infringe" in 19 U.S.C. § 1337(a)(1)(B)(i) does not extend to articles that infringe under 35 U.S.C. § 271(b), did the panel err by contradicting decades of precedent^[*] and by failing to give required deference to the [ITC] in its interpretation of its own statute?

4. Did the panel misinterpret the Commission's order as a "ban [on the] importation of articles which may or may not later give rise to direct infringement" when the order was issued to remedy inducement of infringement and when the order permits U.S. Customs and Border Protection to allow importation upon certification that the articles are not covered by the order?

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[*] Beyond *Grokster* and *Standard Oil*, the ITC cites *Crystal Semiconductor Corp. v. TriTech Microelectronics Int'l, Inc.*, 246 F.3d 1336 (Fed. Cir. 2001); *Young Eng'rs, Inc. v. ITC*, 721 F.2d 1305 (Fed. Cir. 1983); *Vizio, Inc. v. ITC*, 605 F.3d 1330 (Fed. Cir. 2010); and *Enercon GmbH v. Int'l Trade Comm'n*, 151 F.3d 1376 (Fed. Cir. 1998).

(ii) *The Cross Match Petition* asks “[w]hether the [ITC] has authority to find a Section 337 violation ... where it finds that an importer actively induced infringement of a patented invention using its imported articles but the direct infringement occurred post-importation.” *Cross Match* cites *Young Engineers* and *Vizio* (also relied upon by the ITC) and *Disabled Am. Veterans v. Sec’y of Veterans Affairs*, 419 F.3d 1317 (Fed. Cir. 2005).

Professor Dennis Crouch provides a complete set of the petition documents as well as his own commentary. See Dennis Crouch, *En Banc Federal Circuit to Review ITC’s Power over Induced Infringement*, PATENTLY O (May 15, 2014), available at <http://patentlyo.com/patent/2014/05/federal-circuit-infringement.html>

(9) *STC.UNM v. Intel: Rule 19*

A petition for *certiorari* is expected following *STC.UNM v. Intel Corp.*, __ F.3d __ (Fed. Cir. 2014)(Order)(per curiam), where the Court denied *en banc* consideration of the panel’s ruling that precludes a patent owner from using Rule 19 to join an indispensable party, effectively denying the right to enforce the patent.

Status: A petition for *certiorari* is due December 16, 2014.

Discussion: Plural opinions concurring and dissenting from the denial of rehearing *en banc* were issued, most notably one from the sharpest pen on the Court, *STC.UNM*, __ F.3d at __ (O’Malley, J., dissenting from den. reh’g *en banc*, joined by Newman, Lourie, Wallach, JJ.).

(10) *Kimble v. Marvel – Post-Expiration Royalties*

In *Kimble v. Marvel Enterprises, Inc.*, Supreme Court No. 13-720, *opinion below*, 727 F.3d 856 (9th Cir. 20130 (Callahan, J.), petitioner challenges the rule of *Brulotte v. Thys* that a patentee’s use of a royalty agreement that projects payments beyond the expiration date of the patent is unlawful *per se*.

Status: CVSG Order (June 2, 2014) outstanding.

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Question Presented: “Petitioners are individuals who assigned a patent and conveyed other intellectual property rights to Respondent. The [Ninth Circuit] ‘reluctantly’ held that Respondent, a large business concern, was absolved of its remaining financial obligations to Petitioners because of ‘a technical detail that both parties regarded as insignificant at the time of the agreement.’ App. 2-3; 23. Specifically, because royalty payments under the parties’ contract extended undiminished beyond the expiration date of the assigned patent, Respondent’s obligation to pay was excused under *Brulotte v. Thys Co.*, 379 U.S. 29, 32 (1964), which had held that ‘a patentee’s use of a royalty agreement that projects beyond the expiration date of the patent is unlawful *per se*.’”

“A product of a bygone era, *Brulotte* is the most widely criticized of this Court’s intellectual property and competition law decisions. Three panels of the courts of appeals (including the panel below), the Justice Department, the Federal Trade Commission, and virtually every treatise and article in the field have called on this Court to reconsider *Brulotte*, and to replace its rigid *per se* prohibition on post-expiration patent royalties with a contextualized rule of reason analysis.

“The question presented is:

“Whether this Court should overrule *Brulotte v. Thys Co.*, 379 U.S. 29 (1964).”

***Consumer Watchdog v. WARF* – Post-Grant Standing**

In *Consumer Watchdog v. Wisconsin Alumni Research Foundation*, Supreme Court No. 14A162, *proceedings below*, __ F.3d __ (Fed. Cir. 2014)(Rader, J.), the patent challenger may file a petition that challenges the appellate court’s dismissal of its patentability challenge on the basis of lack of standing.

Status: The petition is due October 31, 2014 (once extended).

Discussion: The PTO in the decision below had denied the public interest patent challenger’s attack in an *inter partes* reexamination. Although the patent challenger had a *procedural* right to appeal to the Federal Circuit, the Court dismissed the appeal on the basis of lack of standing:

“[W]here Congress has accorded a procedural right to a litigant, such as the right to appeal an administrative decision, certain requirements of standing — namely immediacy and redressability, as well as prudential aspects that are not part of

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Article III—may be relaxed. See *Massachusetts v. E.P.A.*, 549 U.S. 497, 517–18 (2007). However, the ‘requirement of injury in fact is a hard floor of Article III jurisdiction that cannot be removed by statute.’ *Summers [v. Earth Island Inst.]*, 555 U.S. 488, 497 (2009)]. That injury must be more than a general grievance, *Hollingsworth [v. Perry]*, 133 S. Ct. 2652, 2661 (2013)], or abstract harm, *City of Los Angeles v. Lyons*, 461 U.S. 95, 101 (1983).”

Implications for the America Invents Act Post-Grant Proceedings: The Federal Circuit decision has manifest implications for the Inter Partes Review and Post Grant Review proceedings of the America Invents Act where a patent challenger who loses before the Patent Trial and Appeal Board has a similar *procedural* right to appeal.

Implications for AIA Post Grant Proceedings: Post grant proceedings under the *Leahy Smith America Invents Act* – Inter Partes Review and Post Grant Review – permit public interest groups to challenge patents. If the public interest group loses at the PTAB there is a statutory *procedural* right to appeal to the Federal Circuit just as there is for inter partes review that is the subject of the *Consumer Watchdog* case.

Cisco v. Commil – Jury Trial

In *Cisco Sys., Inc. v. Commil USA, LLC*, Supreme Court No. 13-1044, is a conditional cross-petition for grant of review in the event that *certiorari* is granted in *Commil USA, LLC v. Cisco Sys., Inc.* Supreme Court No. 13-896, *opinion below*, 720 F.3d 1361(Fed. Cir. 2013).

In the cross-petition, cross-petitioner asks whether and when the Seventh Amendment permits a court to order a partial retrial of induced patent infringement without also retrying the related question of patent invalidity. (The main petition challenges the new Federal Circuit standard of *scienter* for active inducement under 35 USC § 271(b)).

This is a cross-petition from No. (4) *Commil v. Cisco*.

Status: A CVSG Order was issued May 27, 2014, asking for the views of the United States whether *certiorari* should be granted.

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Questions Presented: “When a court sets aside a jury verdict and orders a new trial, the Seventh Amendment requires that *all* issues be retried ‘unless it clearly appears that the issue to be retried is so distinct and separable from the others that a trial of it alone may be had without injustice.’ Gasoline Prods. Co. v. Champlin Ref. Co., 283 U.S. 494, 500 (1931).

“In this case, the Federal Circuit directed a retrial of Commil's claim that Cisco induced infringement of its patent, but forbade retrial of Cisco's claim that the patent was invalid, even though--as the Federal Circuit held--Cisco's good-faith belief of the patent's invalidity can negate the requisite intent for induced infringement.

“The question presented is:

“Whether, and in what circumstances, the Seventh Amendment permits a court to order a partial retrial of induced patent infringement without also retrying the related question of patent invalidity.”