THE SCOTUS YEAR IN REVIEW FOR IP

Penny Slicer

May 19, 2014

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Patent Exhaustion

Vernon Hugh Bowman v. Monsanto,
133 S.Ct. 1761 (May 13, 2013)

- Exhaustion doctrine does not permit purchaser to make new copies of patented item.
- Harvesting new soybeans constitutes infringement.
- "Blame the bean" defense rejected.

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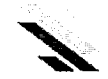
Patent Eligibility for Isolated DNA and cDNA (35 U.S.C. §101)

Association for Molecular Pathology v. Myriad Genetics, 133 S.Ct. 2107 (June 13, 2013)

- A naturally occurring segment of DNA is not patent eligible by virtue of its isolation from the rest of the human genome.
- cDNA is not naturally occurring even though the order of the exons may be dictated by nature.



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Reverse Payment Settlements in Patent Cases

Federal Trade Commission v. Actavis, 133 S.Ct. 2223 (June 17, 2013)

- Reverse payment settlements can violate the antitrust laws even if anticompetitive effects fall within the scope of the exclusionary potential of the patent.
- A "large and unjustified" reverse payment can bring with it the risk of significant anticompetitive effects that are not immune to antitrust liability.

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Burden of Proof for Patent Infringement

Medtronic v. Mirowski Family Ventures, 134 S.Ct. 843 (Jan. 22, 2014)

- DJ action for non-infringement by licensee is "action arising under an act of Congress relating to patents" such that subject matter jurisdiction is present.
- The burden of proving infringement rests with the patentee even in the limited circumstance when an infringement counterclaim by a patentee is foreclosed by the continued existence of a license.

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Exceptional Case Attorneys' Fees Award (35 U.S.C. §285)

Octane Fitness v. Icon Health & Fitness,
2014 U.S. LEXIS 2107 (April 29, 2014)

- An "exceptional" case is "simply one that stands out from others with respect to the substantive strength of a party's litigating position ... or the unreasonable manner in which the case was litigated."
- District courts are to consider the totality of the circumstances based on a preponderance of the evidence standard.

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Standard of Review for Exceptional Case Finding (35 U.S.C. §285)

Highmark Inc. v. Allcare Health Management System, 2014 U.S. LEXIS 3106 (April 29, 2014)

- §285 commits the determination of whether a case is exceptional to the discretion of the district court.
- The Federal Circuit should have reviewed the district court's §285 determination under a deferential abuse-of-discretion standard.

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Patent Eligibility for Computer Implemented Inventions (35 U.S.C. §101)

Alice Corp. v. CLS Bank Intern., (Oral Argmt. March 31, 2014)

- **Question Presented:** Whether claims to computer-implemented inventions — including claims to systems and machines, processes and items of manufacture —are directed to patent-eligible subject matter within the meaning of 35 U.S.C. §101 as interpreted by this Court?

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Induced Patent Infringement (35 U.S.C. §271(b))

Limelight Networks v. Akamai Technologies, *(Oral Argmt. April 30, 2014)*

- **Question Presented:** Whether the U.S. Court of Appeals for the Federal Circuit erred in holding that a defendant may be held liable for inducing patent infringement under 35 U.S.C. §271(b) even though no one has committed direct infringement under Section 271(a)?

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Indefiniteness (35 U.S.C. §112)

Nautilus v. Biosig Instruments, (Oral Argmt. April 28, 2014)

- **Questions Presented:**
- Does the Federal Circuit's acceptance of ambiguous patent claims with multiple reasonable interpretations - so long as the ambiguity is not "insoluble" by a court - defeat the statutory requirement of particular and distinct patent claiming?
- Does the presumption of validity dilute the requirement of particular and distinct patent claiming?

Standard of Review for Claim Construction

Teva Pharm. USA v. Sandoz, (Cert. granted April 18, 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.

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Standing for Trademark Invalidity Claim

Already dba Yums, v. Nike, 133 S.Ct. 721 (Jan. 9, 2013)

- Broad covenant not to sue can moot DJ claim if party originally asserting infringement meets burden of showing that it could not reasonably be expected to resume its enforcement efforts.

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"Standing" for False Advertising Claim (15 U.S.C. §1125(a))

Lexmark International v. Static Control Components, 134 S.Ct. 1377 (March 25, 2014)

- The zone of interests test and proximate-cause requirement should be applied to determine if plaintiff has a cause of action.
- Cause of action for false advertising requires injury to a *commercial interest* in sales or business reputation *proximately caused* by the defendant.

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FDCA Preemption Of Trademark Infringement Claim

Pom Wonderful v. The Coca-Cola Company, (Oral Argmt. April 21, 2014)

- **Question Presented:** Whether the court of appeals erred in holding that a private party cannot bring a Lanham Act claim challenging a product label regulated under the Food, Drug, and Cosmetic Act.

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Laches Defense in Continuing Copyright Infringement Action

Petrella v. Metro-Goldwyn-Mayer (Oral Argmt. Jan. 21, 2014)

- **Question Presented:** Is the non-statutory defense of laches available without restriction to bar all remedies for civil copyright claims filed within the three-year statute of limitations prescribed by Congress, 17 U.S.C. § 507(b)?

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Copyright Infringement by Public Performance

American Broadcasting Companies v. Aereo, (Oral Argmt. April 22, 2014)

- **Question Presented:** Whether a company "publicly performs" a copyrighted television program when it retransmits a broadcast of that program to thousands of paid subscribers over the Internet.

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