

# CHISUM PATENT ACADEMY®

## Announces Our Next Advanced Patent Law Seminar: **Washington, D.C. (September 2015)**



The Chisum Patent Academy is pleased to announce that it will hold an Advanced Patent Law Seminar on **September 24-25, 2015** in our newest seminar location, Washington, D.C. Our uniquely formatted roundtable seminars are limited to **ten** participants, and are appropriate for those who specialize in patent prosecution or patent litigation. Registration is now open via our website, <https://chisum-patent-academy.com/>. *Because attendance is limited to ten persons, you may wish to email us at [info@chisum.com](mailto:info@chisum.com) to confirm the availability of seats before registering.*

### **Location:**

Our Washington, D.C. seminar will be held at the office of

[Kaye Scholer LLP](#)

The McPherson Building

[901 Fifteenth Street, NW](#)

Washington, DC 20005-2327

United States

Kay Scholer's office is conveniently located in the heart of downtown D.C., steps from the [McPherson Square Metro Station](#), the [U.S. Court of Appeals for the Federal Circuit](#), and the White House.

# Seminar Coverage:

The Syllabus for our September 2015 Washington, D.C. seminar is currently under construction, because we update the syllabus for every seminar in order to cover the most significant and timely Federal Circuit and Supreme Court patent law developments. We cover a wide range of patent prosecution and litigation topics. At this time we expect the D.C. seminar to address many of the following topics:

- **Blockbuster Recent Supreme Court and Federal Circuit *En Banc* Decisions:** The year 2014 was undoubtedly a high water mark for Supreme Court intervention in patent law, and the Federal Circuit is now interpreting and applying the Court's lessons. In 2015, the Supreme Court continues to correct the Federal Circuit. For example, the Court on January 20, 2015 issued a 7-2 decision in *Teva Pharms. v. Sandoz, Inc.*, on the critical issue of standard of review for district court patent claim construction. Changing longstanding Federal Circuit practice, the Court held that while the ultimate question of claim interpretation remains a legal question subject to *de novo* (no deference) review, district court findings on disputed factual underpinnings must be reviewed under the deferential "clearly erroneous" standard of Fed. R. Civ. P. 52. How will this new recognition that claim construction can involve factual disputes impact strategies for *Markman* hearings and Federal Circuit appeals? Thus far, the Circuit has rejected attempts to inject fact issues and continues to construe claims *de novo* based on intrinsic evidence only.
- Additional Supreme Court guidance is expected in 2015; the Court granted *certiorari* and heard oral argument on March 31, 2015 in No. 13-896, *Commil USA v. Cisco Sys., Inc.*, to determine 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). In dissenting from the Circuit's 6-5 denial of rehearing *en banc*, Judge Reyna offered compelling arguments that the *Commil USA* majority had erroneously and fundamentally "changed the operating landscape" of U.S. patent law by establishing "an escape hatch from liability of infringement that is not now in the statute." Will the Supreme Court agree? **UPDATE:** On **May 26, 2015**, the U.S. Supreme Court held in *Commil USA, LLC v. Cisco Sys., Inc.*, No. 13-896, 2015 WL 2456617, that an accused infringer's belief that the patent it allegedly infringed is invalid is NOT a defense to a claim of induced infringement under 35 U.S.C. §271(b). Vacating the Federal Circuit's contrary judgment (and vindicating views expressed in dissenting opinions authored by Circuit Judges Newman and Reyna), the Supreme Court concluded that "belief in invalidity is no defense to a claim of induced infringement." It reasoned that infringement and validity are separate issues under the Patent Act. If one commits an act that induces infringement of a patent shown to be invalid, of course the actor bears no liability. But to conflate the issues of infringement and validity would disrupt the allocation of the burden to persuade on these issues and the timing for the relevant arguments in litigation. Moreover, treating belief in invalidity as a defense to infringement would drastically lessen the force of the presumption of validity under 35 U.S.C. §282. An accused infringer could prevail if it

proved it reasonably believed the asserted patent was invalid. That result would circumvent the high “clear and convincing evidence” bar that Congress is presumed to have chosen and that the patent challenger in an infringement suit must meet in order to rebut the presumption of validity.

- In *Alice Corp. v. CLS Bank* (June 19, 2014), the Supreme Court held that the two-step framework for determining the Section 101 patent-eligibility of a patent claim, which the Court previously articulated in its 2012 *Mayo* decision on the patentability of a diagnostic method, applied to computer-implemented inventions. Thus, one determines: (1) does the claim recite an ineligible concept (natural phenomena, natural law or abstract idea), and (2) if so, does the claim recite sufficient additional elements to make the claim one that is directed to an application of the concept, rather than to the concept itself? We will consider whether the *Alice* opinion provides any meaningful guidance to fill the near void left by the Court in its prior *Mayo* and *Bilski* decisions. Those decisions provided no definition of an “abstract idea” (or “law of nature”) and little direction on, precisely, how much “more” was required for the transformation. The Court’s fuzz left stranded in a desert of uncertainty an array of feet-on-the-ground decision makers, from inventors to rights owners to patent professionals drafting and amending claims to examiners to USPTO officials to licensing negotiators to litigators to district court judges to Federal Circuit judges to treatise authors. As of May 2015, a number of Federal Circuit decisions have applied *Alice*, with most of those decisions concluding that the claimed inventions were *not* directed to patent-eligible subject matter.
- On June 2, 2014, the Supreme Court decided *Nautilus Inc. v. Biosig Instruments*, jettisoning the Federal Circuit’s overly-lenient “insolubly ambiguous” standard for claim indefiniteness; and *Limelight Networks v. Akamai Technologies*, reversing the Circuit because there can be no §271(b) induced infringement of multi-actor method claims absent a predicate act of §271(a) direct infringement. Decisions issued earlier in 2014 include *Medtronic v. Mirowski*, on the burden of proof in licensee declaratory actions; *Octane Fitness* and *Highmark* on attorney fee awards against patent owners; and *Petrella* on laches and estoppel (the Federal Circuit on Dec. 30, 2014 granted *en banc* review of the question of *Petrella*’s applicability to the laches defense in patent cases in No. 2013–1564, *SCA Hygiene Prods. v. First Quality Baby Prods.*).
- In January 2014 the Supreme Court also issued its decision in *Medtronic Inc. v. Boston Scientific Corp.*, reversing the Federal Circuit’s holding that declaratory judgment plaintiff/patent licensee Medtronic bore the burden of proving noninfringement when the continued existence of its license prevented declaratory judgment defendant/patent licensor MFV from counterclaiming for infringement.
- **Active Inducement, Method and System Claims, and Joint Infringement:** Cases including the Federal Circuit’s *DSU* (2006) *en banc* decision and the Supreme Court’s *Global-Tech* (2011) decision focus on the requirement of scienter (knowledge and/or intent) for indirect infringement, a requirement not applicable to direct infringement. Congress has also weighed in with Section 17 of the America Invents Act (AIA), barring reliance on a party’s failure to obtain advice of counsel to show active inducement. Is the scienter element of active inducement now fully synonymous with

willful infringement? Does a good faith non-infringement position per se preclude active inducement liability? Active inducement is now intertwined with joint (or distributed) infringement. The Federal Circuit's 6-4-1 *en banc* majority decision in *Akamai* (2012) held that active inducement requires proof of direct infringement but not proof of a single direct infringer; the Supreme Court in *Limelight* (2014) rejected this reasoning. On May 13, 2015, the Federal Circuit held by 2-1 vote on remand in *Akamai* that direct infringement of a method claim requires that a single entity perform or control performance of all method steps via a principal-agent relationship, a contractual relationship, or a joint enterprise. What is *Akamai*'s impact on the law of inducement? What is the test for direct infringement after *Akamai*? Also problematic is the geographic scope of the active inducement remedy. Must a patent owner prove that all steps of a method are carried out in the United States? How does the analysis of any of these issues change if a claim is drafted to a "system," which effectively contains all the same steps as a corresponding method claim?

- **Injunctive Relief: The Apple v. Samsung Smartphone Wars.** In 2012, the Federal Circuit rendered two important decisions on preliminary injunctions in the context of alleged infringement of Apple's design and utility patents on smartphones and tablets. In November 2013, the Circuit decided *Apple v. Samsung III*, extending its newly announced, controversial "causal nexus" requirement for irreparable harm to permanent injunctions but refining and narrowing the requirement. Subsequent Federal Circuit decisions continue to grapple with the "causal nexus" requirement for injunctive relief.
- **Patent Practice Gone Wrong: Lessons from Patent Malpractice, Exceptional Case and Rule 11 Sanctions, and Inequitable Conduct Cases:** In *Gunn v. Minton*, 133 S. Ct. 1059 (2013), the Supreme Court held that state courts have subject matter jurisdiction over patent malpractice actions. What are the implications of state courts deciding patent issues as part of the "case within a case" component of malpractice? In the Federal Circuit's landmark *Therasense* decision (2011) (*en banc*), the majority, over a vigorous dissent, set a new standard of "but for" materiality and tightened the requirements for showing intent to deceive. The majority sought to cure the "plague" of inequitable conduct assertions in litigation. Did it succeed? The court has now issued a number of post-*Therasense* Federal panel decisions. The Supreme Court in 2014 rewrote Federal Circuit law on "exceptional case" determinations and awards of attorney fees in patent litigation by deciding *Highmark v. Allcare Health* and *ICON Health v. Octane Fitness*. Will the Circuit apply these changes to the law of willfulness?
- **Inter Partes Review:** As of May 2015, the Patent, Trial and Appeal Board (PTAB) has issued final written decisions in 340 America Invents Act-implemented inter partes review (IPR) proceedings. We will review the basic structure of IPR and evaluate what lessons can be learned on claim construction, the relation to pending litigation, and the use of "objective indicia" of unobviousness such as commercial success. On Feb. 4, 2015, the Federal Circuit in *In re Cuozzo* issued its first decision reviewing the merits of an IPR appeal. A two-judge panel majority of the appellate court confirmed the PTAB's controversial use of the "broadest reasonable construction" rule in IPR claim constructions despite recognizing that opportunities to amend claims in IPRs are

“cabined.” On the merits, the *Cuozzo* majority affirmed the PTAB’s determination that the claimed invention was unpatentable for obviousness over the prior art.

- **Exhaustion:** We will address "patent exhaustion," which is an important defense to alleged patent infringement. Recent Supreme Court and the Federal Circuit cases have recognized fine distinctions and introduced some uncertainty. *E.g.*, *Helperich Patent Licensing, LLC v. New York Times Co.* (Fed. Cir. Feb. 10, 2015). On April 14, 2015, the Federal Circuit issued an order indicating that it will consider *en banc* the effect of the Supreme Court's 2013 *Kirtsaeng* copyright decision on international patent exhaustion. *Lexmark International, Inc. v. Impression Products, Inc.* (April 14, 2015) (*en banc* order). The order also indicates that a second issue will be considered: does exhaustion arise from "a sale of a patented article, when the sale is made under a restriction that is otherwise lawful and within the scope of the patent grant"? In other words, can a patent owner prevent exhaustion by selling an item subject to a contractual condition restricting the subsequent use or resale of the item? An earlier Federal Circuit case held that there was no exhaustion by sale of an item subject to a "single use only" condition. *Mallinckrodt, Inc. v. Medipart, Inc.*, 976 F.2d 700 (Fed. Cir. 1992).

Complete syllabi from our previous 2015, 2014, 2013, 2012, 2011, 2010, and 2009 seminars are available [here](#).

## MCLE Credit:

The Chisum Patent Academy applies for CLE accreditation in those states where we conduct seminars. For our two-day seminars, we apply for 12.0 CLE credits. However, the D.C. Bar does not provide CLE accreditation for organizations’ courses or events, nor does it certify CLE providers or keep records of members’ attendance at other providers’ CLE courses. While the D.C. Bar requires members to maintain their legal competence, it does not specify how they must do so and does not require that attorneys submit attendance documentation from any courses they attend. For more information, contact the D.C. Bar’s Continuing Legal Education Program at 202-626-3488.

*MCLE credit for other states:* Where state bars require, we submit attendees’ names as they are listed on the sign-in sheet that we will maintain at each seminar. If you are seeking CLE credit for a state other than where that seminar is being held, please apply directly to the appropriate state bar. We are happy to provide any necessary documentation required for your application (syllabus, materials, faculty bios, etc).

## Schedule and Format:

Our two-day Advanced Patent Law Seminars run from 9 am to 12 noon and 1 pm to 4 pm each day, for a total of 12 seminar hours. Lunch (from 12-1 pm) is on your own.

Our unique seminars are limited to **ten** (10) attendees. To maximize opportunities for discussion and questioning, we conduct the seminars in interactive, informal, round-table style. We are the antithesis of passive, mega-ballroom CLEs; we welcome those who want to discuss and debate patent law's myriad nuances and practical strategies. All sessions are co-taught by patent law treatise authors and educators [Donald Chisum](#) and [Janice Mueller](#).

## Fee:

The registration fee for the two-day Washington, D.C. September 24-25, 2015 seminar is \$1,500 per person, which includes extensive course materials.