

*This is your Release #6 (September 2018)*

# Patent Litigation

*Third Edition*

**Edited by Charles S. Barquist**

This release to *Patent Litigation* includes updates of nine chapters, providing you with the information and strategies you need to litigate patent cases successfully. Contributors for this release are **Charles S. Barquist** (chapter 1), **Karen A. Jacobs**, **Megan E. Dellinger**, and **Eleanor G. Tennyson** (chapter 5), **Jason Bartlett** and **Hui Liu** (chapter 6), **Charles W. Saber**, **Dipu A. Doshi**, and **Megan R. Wood** (chapter 7), **Christopher J. Renk** and **Ted L. Field** (chapter 8), **Karen Vogel Weil**, **Yanna S. Bouris**, and **Shuchen Gong** (chapter 9), **Joseph A. Farco** (chapter 10), **James R. Barney** and **J. Derek McCorquindale** (chapter 13), and **Paul D. Tripodi II**, **Ellen S. Robbins**, and **Grace Pak** (chapter 14). These experts discuss the following topics and more:

**On-sale bar:** The Federal Circuit held in *Helsinn Healthcare S.A. v. Teva Pharmaceuticals USA, Inc.* that an exclusive supply and purchase agreement qualified as an invalidating “offer for sale,” even where the terms and price were kept confidential. The court rejected the argument that the addition of the phrase “or otherwise available to the public” in the AIA changed the meaning of the on-sale bar such that “secret sales” were not disqualifying, holding that “after the AIA, if the existence of the sale is public, the details of the invention need not be publicly disclosed in the terms of the sale.” In June 2018, the Supreme Court granted certiorari to consider whether “an inventor’s sale of an invention to a third party that is obligated to keep the invention confidential qualifies as prior art.” See § 1:3.3[D][1], at note 187.2.

**Supreme Court decisions on post-grant proceedings:** In 2018, in *Oil States Energy Services v. Greene’s Energy Group*, the Supreme Court upheld the constitutionality of inter partes review proceedings: They do not violate either Article III or the Seventh Amendment of the U.S. Constitution for proceeding without a jury. And in *SAS Institute Inc. v. Iancu*, the Court held that the PTAB may not institute an inter partes review on only a subset of the challenged claims, but must decide the patentability of all challenged claims. See § 1:5.1[C], at note 342.3.

**Patent practitioner privilege:** The Patent Office has issued a final rule describing when privilege applies to individuals practicing before the PTAB. Under the rule, “communication between a client and a USPTO patent practitioner or a foreign patent practitioner” is afforded the same protections as communication between an attorney and a client. The privilege is also qualified

*(continued on reverse)*

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insofar as the communication must be “reasonably necessary and incident to the scope of the practitioner’s authority.” See § 5:2.3[A][2], at note 36.4.

**Section 101 motion to dismiss:** Two recent Federal Circuit decisions, *Berkheimer v. HP Inc.* and *Aatrix Software v. Green Shades*, cast doubt on the effectiveness of early motions on patent subject matter eligibility. In these cases, the Federal Circuit clarified that although section 101 is ultimately a question of law, it may involve subsidiary fact questions that preclude a finding of unpatentability at the early stage of a case. See § 6:4.1, at note 23.2.

**Expert opinions based on alternative claim constructions:** The lack of a *Markman* ruling presents a challenge for expert discovery, because experts often need a firm understanding of the claims to form their opinions. In the absence of a *Markman* ruling, an expert may have to present two alternative theories under the competing claim constructions advanced by the parties. Such an approach not only generates additional costs, it may also make the expert vulnerable to cross-examination due to the often inevitable inconsistencies between the opinions developed under alternative claim construction positions. See § 6:4.3.

**Claim construction—actual disputes:** The Supreme Court’s *O2 Micro* decision imposes a duty on district courts to resolve “actual disputes” regarding claim scope, but provides little guidance about what constitutes an “actual dispute,” if and when a court may rely on a claim term’s plain and ordinary meaning to resolve the dispute, and whether the timing of the dispute impacts a court’s duty. This has led to confusion among district courts. Some district courts have interpreted this duty to apply regardless of when the dispute arises. As a result, litigants have invoked *O2 Micro* to justify a request that a court construe a claim term in the eleventh hour, long after court-ordered claim construction deadlines have passed. See § 7:2.5[B], at note 185.

**Inventor testimony:** According to the Federal Circuit in *Apator Mitros ApS v. Kamstrup A/S*, it is well-established that “when a party seeks to prove conception through an inventor’s testimony the party must proffer evidence, in addition to [the inventor’s] own statements and documents, corroborating the inventor’s testimony.” See § 8:2.1[B], at note 17.

**Damages—extraterritorial issues:** In 2018, the Supreme Court held in *WesternGeco L.L.C. v. ION Geophysical Corp.* that a patentee may recover lost foreign profits for infringement under section 271(f)(2). The Court rejected the argument that this was an extraterritorial application of U.S. law. Instead, awarding lost profits on lost foreign contracts was merely a domestic application of the damages statute, section 284, “as it was ION’s domestic act of supplying the components that infringed WesternGeco’s patents.” The Court did not address the availability of foreign lost profits under section 271(f)(1). See § 9:1.2, at note 32.

**Briefing in the Federal Circuit:** Federal Circuit Rule 47.4 was amended in late 2017 to require a more robust Certificate of Interest. Such certificates must be filed early and often in an appeal, with the entry of appearance and with each motion, petition, or response thereto, and in each principal brief and brief *amicus curiae*. Further, whenever ownership, representation, or contact information changes, an updated Certificate of Interest must be filed. See § 13:7.3.

**International Trade Commission—section 337 domestic industry requirement:** The Commission has recently made it easier for patent holders to establish a domestic industry based on nonmanufacturing activities such as investments in engineering, research, and development, as well as expenditures on components and contract labor associated with the domestic industry product (*Certain Solid State Storage Drives, Stacked Electronics Components, and Products Containing Same*). See § 14:4.7[B][1], at note 314.

The **Table of Authorities** and the **Index** have also been updated.

# FILING INSTRUCTIONS

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**REMOVE OLD PAGES  
NUMBERED:**

- Title page to 1-84
- 5-1 to 10-48
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**INSERT NEW PAGES  
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