GIBSON DUNN

April 3, 2023

FEDERAL CIRCUIT UPDATE (MARCH 2023)

To Our Clients and Friends:

This edition of Gibson Dunn's Federal Circuit Update summarizes the current status of several petitions pending before the Supreme Court. We also discuss recent Federal Circuit decisions concerning written description, motivation to combine, and requirements for stipulated judgments of non-infringement based on a district court's claim construction.

Federal Circuit News

***Supreme Court*:**

On March 27, 2023, the United States Supreme Court heard oral argument in ***Amgen Inc. v. Sanofi*** (U.S. No. 21-757) on the issue of enablement under 35 U.S.C. § 112. During argument, the Court expressed concern with the breadth of Amgen's genus claims, which potentially cover millions of antibodies, and repeatedly asked petitioner to clarify what Amgen actually invented. The Court also observed that there appeared to be general agreement between the parties on the enablement legal standard (that a patent must enable a skilled artisan to practice the full scope of the claims without undue experimentation) and questioned what was left for the Court to do. A more detailed summary of the argument may be found on SCOTUSblog here.

***Noteworthy Petitions for a Writ of Certiorari*:**

There are several new potentially impactful petitions pending before the Supreme Court:

- ***Thaler v. Vidal*** (US No. 22-919): "Does the Patent Act categorically restrict the statutory term 'inventor' to human beings alone?" The government waived its right to file a response.

- ***Nike, Inc. v. Adidas AG et al.*** (US No. 22-927): "Whether, in *inter partes* review, the Patent Trial and Appeal Board may raise *sua sponte* a new ground of unpatentability—including prior art that the petitioner neither cited nor relied upon—and whether the Board may rely on that new ground to reject a patent-holder's substitute claim as unpatentable." Adidas waived its right to file a response.

- ***Avery Dennison Corp. v. ADASA, Inc.*** (US No. 22-822): "The question presented is whether [a] claim, by subdividing a serial number into 'most significant bits' that are assigned such that they remain identical across RFID tags, constitutes patent-eligible subject matter under 35 U.S.C. § 101." After ADASA waived its right to file a response, a response was requested by the Court and is due May 2, 2023.

- ***Ingenio, Inc. v. Click-to-Call Technologies, LP*** (US No. 22-873): "1. Whether 35 U.S.C. § 315(e)'s IPR estoppel provision applies only to claims addressed in the final written decision, even if other claims were or could have been raised in the petition. Whether the Federal Circuit erroneously extended IPR estoppel under 35 U.S.C. § 315(e) to all grounds that reasonably could have been raised in the petition filed before an *inter partes* review is instituted, even though the text of the statute applies estoppel only to grounds that "reasonably could have [been] raised during that *inter partes* review." After Click-to-Call waived its right to file a response, a response was requested by the Court and is due May 26, 2023.

As we summarized in our January 2023 and February 2023 updates, the Court is considering petitions in ***Novartis Pharmaceuticals Corp. v. HEC Pharm Co., Ltd.*** (US No. 22-671) and ***Arthrex, Inc. v. Smith & Nephew, Inc.*** (US No. 22-639). The response in ***Arthrex*** is due April 12, 2023. ***Novartis*** will be considered during the Court's April 14, 2023 conference. Gibson Dunn partners Thomas G. Hungar, Jacob T. Spencer, Jane M. Love, and Robert Trenchard are counsel for Novartis. The petitions in ***Interactive Wearables, LLC v. Polar Electro Oy*** (US No. 21-1281) and ***Tropp v. Travel Sentry, Inc.*** (US No. 22-22) are still pending the views of the Solicitor General.

Upcoming Oral Argument Calendar

The list of upcoming arguments at the Federal Circuit is available on the court's website.

Key Case Summaries (March 2023)

***Regents of the University of Minnesota v. Gilead Sciences, Inc.*,** No. 21-2168 (Fed. Cir. Mar. 6, 2023): The Patent Trial and Appeal Board ("Board") determined that UM's patent directed to phosphoramidate prodrugs of nucleoside derivatives (used to prevent viruses from reproducing or cancerous tumors from growing) was invalid as anticipated by one of Gilead's patents. The Board concluded that Gilead's patent was prior art to UM's patent, because UM's patent could not claim priority to its parent applications, which failed to provide sufficient written description support for the challenged claims.

The Federal Circuit (Lourie, J., joined by Dyk and Stoll, JJ.) affirmed. The Court explained that written description of a broad genus of chemical compounds requires description not only of the outer limits of the genus but also of either a representative number of members of the genus or structural features common to the members of the genus, both with enough precision for a person of skill in the art to visualize or recognize the members of the genus. The Court reasoned that the various claims in the parent applications created "a maze-like path, each step providing multiple alternative paths" that lead to so many varying options that it is "unclear how many compounds actually fall within the described genera and subgenera." The Court therefore agreed with the Board that UM's parent applications failed to provide adequate written description support for the challenged claims, and thus, Gilead's patent was anticipatory prior art.

***Intel Corp. v. PACT XPP Schweiz AG*,** No. 22-1037 (Fed. Cir. Mar. 13, 2023): The Board determined the challenged claim was not unpatentable as obvious over two prior art references (Kabemoto and

Bauman). The Board concluded that prior art did not disclose the recited segment-to-segment limitation in the claim, and that one skilled in the art would not be motivated to combine the two references.

The Federal Circuit (Prost, J., joined by Newman and Hughes, JJ.) reversed and remanded. The Court concluded that Bauman plainly disclosed the segment-to-segment limitation. The Court also reversed the Board's rejection of Intel's motivation to combine argument, which was that when a known technique has been used to improve one device, a person of ordinary skill in the art would recognize that it would improve similar devices in the same way. Here, Bauman disclosed that a secondary cache could be used to improve cache coherency, and a person of ordinary skill in the art would have recognized that such a cache would improve similar multiprocessor systems, like the one in Kabemoto, by addressing the same cache coherency problem.

***AlterWAN, Inc. v. Amazon.com, Inc.*,** No. 22-1349 (Fed. Cir. Mar. 13, 2023): After the district court construed two disputed terms, the parties stipulated to judgment of non-infringement so that AlterWAN could appeal the constructions.

The Federal Circuit (Dyk, J., joined by Lourie and Stoll, JJ.) vacated the judgment and remanded to the district court for further proceedings on the basis that the stipulation failed to identify which claims remained at issue, and failed to specify whether the construction of both terms must be correct for Amazon to prevail. The Court explained that a stipulated judgment of non-infringement based on a district court's claim construction must specify which claims remain at issue and which constructions affect the issue of infringement.

Gibson Dunn's lawyers are available to assist in addressing any questions you may have regarding developments at the Federal Circuit. Please contact the Gibson Dunn lawyer with whom you usually work or the authors of this update:

Blaine H. Evanson – Orange County (+1 949-451-3805, bevanson@gibsondunn.com)
Audrey Yang – Dallas (+1 214-698-3215, ayang@gibsondunn.com)

Please also feel free to contact any of the following practice group co-chairs or any member of the firm's Appellate and Constitutional Law or Intellectual Property practice groups:

Appellate and Constitutional Law Group:

Thomas H. Dupree Jr. – Washington, D.C. (+1 202-955-8547, tdupree@gibsondunn.com)
Allyson N. Ho – Dallas (+1 214-698-3233, aho@gibsondunn.com)
Julian W. Poon – Los Angeles (+ 213-229-7758, jpoon@gibsondunn.com)

Intellectual Property Group:

Kate Dominguez – New York (+1 212-351-2338, kdominguez@gibsondunn.com)
Y. Ernest Hsin – San Francisco (+1 415-393-8224, ehsin@gibsondunn.com)
Josh Krevitt – New York (+1 212-351-4000, jkrevitt@gibsondunn.com)
Jane M. Love, Ph.D. – New York (+1 212-351-3922, jlove@gibsondunn.com)