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FEDERAL CIRCUIT UPDATE (JULY 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, the report and recommendation from the ongoing investigation by the Judicial Council of the Federal Circuit, and recent Federal Circuit decisions concerning claim preclusion, obviousness, the “original patent” rule under 35 U.S.C. § 251, patent-eligibility under 35 U.S.C. § 101, the AIA’s first-to-file system, and enablement/written description.

Federal Circuit News

Noteworthy Petitions for a Writ of Certiorari:

There were no new potentially impactful petitions, where the petitioner was represented by counsel, filed before the Supreme Court in July 2023. As we summarized in our [June 2023](#) update, there are a few other petitions pending before the Supreme Court. We provide an update below:

- The Court will consider *Killian v. Vidal* (US No. 22-1220) and *Ingenio, Inc. v. Click-to-Call Technologies, LP* (US No. 22-873) during its September 26, 2023 conference.
- In *CareDx Inc. v. Natera, Inc.* (US No. 22-1066), after the respondents waived their right to file a response, retired Federal Circuit Judge Paul R. Michel and Professor John F. Duffy filed an *amici curiae* brief in support of Petitioners. The Court thereafter requested a response, which is now due on August 9, 2023.

Other Federal Circuit News:

Report and Recommendation in Judicial Investigation. As we summarized in our [June 2023](#) update, there is an ongoing proceeding by the Judicial Council of the Federal Circuit under the Judicial Conduct and Disability Act and the implementing Rules involving Judge Pauline Newman. On July 31, 2023, the Special Committee issued its report and recommendation, which was unanimously adopted by the Committee, finding that Judge Newman’s “continued non-cooperation justifies suspending case assignments for the fixed period of one year or at least until she ceases her misconduct and cooperates such that the Committee can complete its investigation, whichever comes sooner.” The report and recommendation, along with other prior orders and letter responses, may be accessed [here](#).

Upcoming Oral Argument Calendar

The list of upcoming arguments at the Federal Circuit is available on the court’s [website](#).

Key Case Summaries (July 2023)

Inguran, LLC v. ABS Global, Inc., No. 22-1385 (Fed. Cir. July 5, 2023): Inguran, doing business as STGenetics (“ST”), brought claims for patent infringement against ABS related to bovine sperm straws used for artificial insemination (“*ABS I*”), and ABS stipulated that its system directly infringed. In a second infringement suit (“*ABS II*”), ST learned that ABS had begun selling and licensing its system to third parties. ST then filed a third suit (“*ABS III*”), arguing that ABS is liable for inducing infringement by licensing its technology to third parties who were then making the straws. ABS moved to dismiss on the ground that ST’s claim was precluded by the judgment in *ABS I*, arguing that ST already had the opportunity to prove ABS’s infringement. The district court granted the motion.

The Federal Circuit (Reyna, J., joined by Lourie and Bryson, JJ.) **reversed**. On appeal, ST and ABS disputed only the second element of the three required elements for claim preclusion (*res judicata*): whether *ABS I* and *ABS III* involved “the same cause of action.” ST’s position was that *ABS I* focused on direct infringement and *ABS III* focused on induced infringement and were therefore not the same causes of action. The Court thus addressed whether ST could have brought the induced infringement action in *ABS I*, *i.e.*, whether an induced infringement claim could have been raised out of the same transactional facts that existed in *ABS I*, and determined that it could not. The Court explained that ST needed additional facts to allege an induced infringement claim—facts that largely came to light during discovery in *ABS II*.

Axonics, Inc. v. Medtronic, Inc., Nos. 22-1451, 22-1452 (Fed. Cir. July 10, 2023): Axonics filed an *inter partes* review (“IPR”) petition concerning Medtronic’s patents, which describe a neurostimulation lead and method for implanting and anchoring that lead, arguing that certain claims would have been obvious over two prior art references, Young and Gerber. In particular, Axonics argued the Young reference expressly states that it could be improved to provide multiple stimulation sites, and that Gerber teaches multiple stimulation sites. The Patent Trial and Appeal Board (“Board”) rejected Axonics’s proposed combination, finding that there would have been no motivation to combine Young and Gerber because the relevant field of Medtronic’s patents was limited to implantable leads for sacral-nerve stimulation, whereas Young describes a lead for trigeminal nerve stimulation.

The Federal Circuit (Taranto, J., joined by Lourie and Dyk, JJ.) **vacated and remanded**. The Court held that even if the Medtronic patent claims were limited to the sacral nerve context, the Board erred by framing the obviousness inquiry as whether a relevant artisan would have been motivated to combine Young and Gerber for use in the trigeminal nerve context (taught by Young), rather than to arrive at the claimed invention.

In re Float’n’Grill LLC, Nos. 22-1438 (Fed. Cir. July 12, 2023): Float’N’Grill filed a reissue application for its patent on a float designed to support a grill top in water. The specification and claims of the original patent describe a single embodiment of a float with supports having a plurality of magnets for securing the grill to the float. Float’N’Grill sought reissue claims that eliminated the plurality of magnets limitations, and the Board rejected those claims as not complying with the “original patent” requirements of 35 U.S.C. § 251, which requires that the reissue claims be directed to the “same invention” as the original patent.

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The Federal Circuit (Linn, J., joined by Prost and Cunningham, JJ.) affirmed. Because the “plurality of magnets” requirement in Float’N’Grill’s original patent was an essential part of the invention and not optional or “representative of removable fasteners generally,” Float’N’Grill could not obtain reissue claims without the “plurality of magnets” limitation.

SNIPR Technologies Ltd. v. Rockefeller University, No. 22-1260 (Fed. Cir. June 14, 2023): SNIPR is the owner of five patents that claim priority to May 3, 2016, and thus, the patents are subject to the Leahy-Smith America Invents Act (AIA). The AIA changed how priority is determined from a first-to-invent system to a first-to-file system. Rockefeller sought an interference, arguing that SNIPR’s patents were unpatentable because one of Rockefeller’s patent applications showed that Rockefeller was the first to invent the subject matter of SNIPR’s patents. The Board declared an interference, concluded that Rockefeller was the senior party with the earlier priority date, and cancelled all the claims of SNIPR’s patents.

The Federal Circuit (Chen, J., joined by Wallach and Hughes, JJ.) reversed. The Court held that the AIA eliminated interferences in switching to a first-to-file system, meaning that the Board erred by subjecting the SNIPR patents to an interference.

Trinity Info Media, LLC v. Covalent, Inc., No. 22-1308 (Fed. Cir. July 14, 2023): Trinity sued Covalent for allegedly infringing patented methods and systems for connecting users based on their answers to polling questions. The district court dismissed the complaint, concluding that the asserted patent claims were ineligible under 35 U.S.C. § 101.

The Federal Circuit (Cunningham, J., joined by Stoll and Bryson, JJ) affirmed. At step one of the *Alice* inquiry, the Court agreed that the claims were directed to “the abstract idea of matching based on questioning,” a mental process that “can be performed in the human mind.” At step two of the *Alice* inquiry, the Court held, just as claims are not patent eligible when merely applying an abstract idea “on a computer,” a claim is not rendered patent eligible merely because the abstract idea is applied “on a handheld device or using a mobile application.” Nor can inventiveness be based on “the improved speed inherent with applying the abstract idea using a computer.”

United Therapeutics Corp. v. Liquidia Technologies, Inc., Nos. 22-2217, 23-1021 (Fed. Cir. July 24, 2023): United Therapeutics sued Liquidia for infringing two of its patents directed to methods of treating pulmonary hypertension (“PH”) and pharmaceutical compositions comprising treprostinil, the drug approved for the treatment of PH. Experts consider there to be five subgroups of PH. Group 2 PH has a differing etiology than the other four groups, and as a result, treprostinil provides no benefit to Group 2 PH patients. Liquidia argued that certain of the asserted claims were therefore invalid as lacking adequate enablement and written description because the specification fails to describe how to treat Group 2 PH patients with treprostinil, but the district court disagreed.

The Federal Circuit (Lourie, J., joined by Dyk and Stoll, JJ.) affirmed. Liquidia first argued that “treating pulmonary hypertension” requires a showing of safety and efficacy, and both parties’ experts had agreed that the claimed treatment would not benefit Group 2 PH patients. The Court rejected this argument explaining that where the claims do not incorporate safety and efficacy requirements, “questions of

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safety and efficacy in patent law” are matters for the FDA. Liquidia next argued that because the specification provided no guidance or examples of treating Group 2 PH patients, a skilled artisan would have to engage in undue experimentation to practice the full scope of the claims. The Court determined that it need not address this argument because, again, safety and efficacy requirements were not in the claims. However, the Court observed that even if “a subset of patients . . . would not benefit from or should not take the claimed treatment,” that “does not mean that such claims are not sufficiently enabled or supported by written description.”



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:

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