

# GIBSON DUNN

Appellate & Constitutional Law and  
Intellectual Property Update

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## Federal Circuit Update

This edition of Gibson Dunn's Federal Circuit Update for March 2024 summarizes the current status of several petitions pending before the Supreme Court, and recent Federal Circuit decisions concerning indefiniteness, obviousness, eligibility under Section 101, and the safe harbor provision under Section 271.

## Federal Circuit News

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

There were no new potentially impactful petitions filed before the Supreme Court in March 2024. We provide an update below of the petitions pending before the Supreme Court that were summarized in our [February 2024 update](#):

- In ***Vanda Pharmaceuticals Inc. v. Teva Pharmaceuticals USA, Inc.*** (US No. 23-768), after the respondents waived their right to file a response, the Court requested a response, which was filed on March 18, 2024. Three *amicus curiae* briefs have been filed.
- The Court denied the petition in ***Ficep Corp. v. Peddinghaus Corp.*** (US No. 23-796).

## Upcoming Oral Argument Calendar

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

## Key Case Summaries (March 2024)

***Chewy, Inc. v. International Business Machines Corporation***, No. 22-1756 (Fed. Cir. Mar. 5, 2024): Chewy sued IBM seeking a declaratory judgment of noninfringement of several patents including two patents relating to improvements in web-based advertising. Following claim construction, the district court granted Chewy's motion for summary judgment of noninfringement of the asserted claims for one patent, because it determined no reasonable factfinder could find Chewy's accused products "establish[] characterizations for respective users based on the compiled data" as required by the claims. The district court also granted a motion for summary judgment that claims from the second patent were ineligible under 35 U.S.C. § 101.

The Federal Circuit (Moore, C.J., joined by Stoll and Cunningham, JJ.) [affirmed-in-part and reversed-in-part](#). The Court reversed the grant of summary judgment of noninfringement, because it determined that Chewy's privacy policy and other documents created a genuine dispute of material fact regarding whether Chewy "establish[es] characterizations for respective users." Indeed, the privacy policy explained that the ads were based on information such as "browsing or purchasing," and drawing all inferences in the nonmoving party's favor, this provided evidence that Chewy uses a specific user's browsing or purchasing history to provide personalized or targeted ads. The Court affirmed the grant of summary judgment that the second patent was ineligible under § 101, determining that the patent was directed to the abstract idea of "identifying advertisements based on search results." The Court concluded that the patent claims as an ordered combination did not recite an inventive concept because none of the three distinctive concepts raised by IBM—(1) a generic database configured to associate search results with advertisements, (2) offline batching process, and (3) assigning session identifiers to a search query—transformed the claimed abstract idea into patent-eligible subject matter.

***Maxell, Ltd. v. Amperex Technology Limited***, No. 23-1194 (Fed. Cir. Mar. 6, 2024): Maxell sued Amperex for infringement of Maxell's patent directed to a rechargeable lithium-ion battery. The district court conducted claim construction proceedings and held that the claims were indefinite because the claim language recited a contradiction—one limitation did not require the presence of cobalt (it was optional), whereas the second limitation did.

The Federal Circuit (Taranto, J., joined by Prost and Chen, JJ.) [reversed and remanded](#). The Court concluded that the claim language was not indefinite because even "[i]f there are two requirements," if "it is possible to meet both, there is no contradiction." Moreover, "[t]hat there are other ways of drafting the claim does not render the claim language contradictory or indefinite."

***Edwards Lifesciences Corp. et al. v. Meril Life Sciences Pvt. Ltd. et al.***, No. 22-1877 (Fed. Cir. Mar. 25, 2024): Edwards sued Meril for patent infringement after Meril imported two

transcatheter heart valve systems into the United States that it intended to display at a conference in order to, among other things, find clinical investigators for its FDA premarket submission. The district court held that their importation fell within the safe harbor provision of 35 U.S.C. § 271(e)(1), and therefore granted summary judgment of noninfringement to Meril.

The majority (Stoll, J., joined by Cunningham, J.) [affirmed](#). Section 271(e)(1) “is a safe harbor for defendants for what would otherwise constitute infringing activity.” It states that it “shall not be an act of infringement to . . . import into the United States a patented invention . . . solely for uses reasonably related to the development and submission of information under a Federal law . . . .” The majority held that “solely” in § 271(e)(1) modifies the phrase “for uses,” meaning that a use falls within the safe harbor provision if it is reasonably related to preparing a regulatory submission, even if the use also has additional (*e.g.*, commercial) purposes.

Judge Lourie dissented, reasoning that the Court has consistently erred in interpreting the word “solely” in the safe harbor provision and that the question could benefit from en banc review. Specifically, Judge Lourie explained that the plain meaning of “solely” and the legislative history of § 271(e)(1) requires an otherwise infringing use to be carried out only for regulatory purposes (*i.e.*, not for additional or commercial purposes) to benefit from the safe harbor.

***Virtek Vision International ULC v. Assembly Guidance Systems, Inc.***, No. 22-1998 (Fed. Cir. Mar. 27, 2024): Assembly Guidance d/b/a Aligned Vision challenged Virtek’s patent directed to an improved method for aligning a laser project with respect to a work surface in an *inter partes* review (“IPR”). The Patent Trial and Appeal Board (“Board”) had found that a skilled artisan would have been motivated to use the 3D coordinate system in one prior art reference (Briggs) instead of the angular direction systems found in the other prior art references (Keitler, Bridges), and that it would have been obvious to try because Briggs disclosed both. The Board issued a final written decision holding that certain claims of the patent were unpatentable.

The Federal Circuit (Moore, C.J., joined by Hughes and Stark, JJ.) [reversed-in-part and affirmed-in-part](#). The Court concluded that the Board erred as a matter of law with regard to the motivation to combine. The Court found that although Briggs disclosed that different possible arrangements existed, this did not provide a reason why a skilled artisan would have substituted the one-camera angular direction system in Keitler and Bridges with the two-camera 3D coordinate system disclosed in Briggs. “In short, this case involves nothing other than an assertion that because two coordinate systems were disclosed in a prior art reference and were therefore ‘known,’ that satisfies the motivation to combine analysis. That is an error as a matter of law. It does not suffice to simply be known. A reason for combining must exist.”

**The following Gibson Dunn lawyers assisted in preparing this update: Blaine Evanson, Jaysen Chung, Audrey Yang, Julia Tabat, Michelle Zhu, and Evan Kratzer.**

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, any leader or member of the firm's Appellate and Constitutional Law or Intellectual Property practice groups, or the following authors:

Blaine H. Evanson – Orange County (+1 949.451.3805, [bevanson@gibsondunn.com](mailto:bevanson@gibsondunn.com))

Audrey Yang – Dallas (+1 214.698.3215, [ayang@gibsondunn.com](mailto:ayang@gibsondunn.com))

**Appellate and Constitutional Law:**

Thomas H. Dupree Jr. – Washington, D.C. (+1 202.955.8547, [tdupree@gibsondunn.com](mailto:tdupree@gibsondunn.com))

Allyson N. Ho – Dallas (+1 214.698.3233, [aho@gibsondunn.com](mailto:aho@gibsondunn.com))

Julian W. Poon – Los Angeles (+ 213.229.7758, [jpoon@gibsondunn.com](mailto:jpoon@gibsondunn.com))

**Intellectual Property:**

Kate Dominguez – New York (+1 212.351.2338, [kdominguez@gibsondunn.com](mailto:kdominguez@gibsondunn.com))

Y. Ernest Hsin – San Francisco (+1 415.393.8224, [ehsin@gibsondunn.com](mailto:ehsin@gibsondunn.com))

Josh Krevitt – New York (+1 212.351.4000, [jkrevitt@gibsondunn.com](mailto:jkrevitt@gibsondunn.com))

Jane M. Love, Ph.D. – New York (+1 212.351.3922, [jlove@gibsondunn.com](mailto:jlove@gibsondunn.com))

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