

July 21, 2017

This Week at the Board - July 21, 2017

Related Practices

Intellectual Property
Patent

Federal Circuit Affirms PTAB Invalidation Decision Based on Inadequate Written Description

In *TransPerfect Global, Inc. v. Matal* (Fed. Cir. 2016-1121) the Federal Circuit affirmed that TransPerfect's patent on translating websites was invalid because it lacked adequate written description. The appeal from a covered business method review centered on the construction of the term "said hyperlink." TransPerfect argued that the PTAB's construction of the term lead the claims to not make sense. The Federal Circuit, however, upheld the Board's construction, relying in part on the fact that TransPerfect argued opposite its position in a separate re-examination proceeding. With the Board's construction, the Federal Circuit found the specification provided no disclosure on how the system would operate, and affirmed invalidity for inadequate written description.

A link to the Federal Circuit Decision is provided here.

PTAB Permits Patent Owner to Amend Claims, Finds Amended Claims Patentable Based on Unexpected Results

In *Valeo North America, Inc. and Valeo Embrayages v. Schaeffler Technologies AG & Co. KG* (IPR2016-00502), the Board allowed Patent Owner to amend the claims after finding the claims of Patent Owner's patent to be invalid. Petitioner asserted that Patent Owner did not provide a construction for all newly-added terms in the amended claims. The Board noted that while not all newly added terms were construed by Patent Owner, that Patent owner's failure to address each and every newly added term was not fatal. Petitioner also asserted that Patent Owner did not demonstrate that the amended claims were patentable over the prior art of record and art of which the Patent Owner was aware. The Board found that the prior art taught the claimed elements of certain claims, but that those claims were not obvious due to secondary considerations. Specifically, the Board found that the unexpected results evidence provided by Patent Owner outweighed what the Board considered a relatively weak reason for combining the prior art references together.

A link to the PTAB's Decision is provided here.

PTAB Denies Second Petition Under §325(d) Despite Grounds From Prior Petition Being Different

In *NRT Technology Corp. and NRT Technologies, Inc. v. Everi Payments Inc.* (CBM2016-00080), the Board denied a request for rehearing and upheld its finding that a second petition should be denied under §325(d). Petitioner asserted that the arguments raised in the second petition were different than those in the first, prior petition. The Board agreed that the grounds were not identical, but found that the analysis raised in the prior petition “overlapped substantially” with the analysis in the second petition. The Board noted that there is no requirement of identicalness of either prior art or arguments for a petition to be denied under §325(d).

A link to the PTAB's Decision is provided here.

Federal Circuit Vacates Board's Findings of Unpatentability Based on Improper Claim Construction

In *IPCom GmbH & Co. v. HTC Corporation* (Fed. Cir. 2016-1474), the Federal Circuit vacated and remanded the PTAB's ruling that claims of IPCom GmbH & Co.'s U.S. Patent No. 6,879,830 were obvious under 35 U.S.C. § 103 after an inter partes reexamination. In its decision, the Court determined that the PTAB had failed to conduct a proper claim construction of a claim limitation the PTAB had properly determined to have invoked pre-AIA 35 U.S.C. § 112(f). In construing the claim, the PTAB had rejected IPCom's proposed construction of the limitation, which required a three-step process that was allegedly disclosed in the specification of the '830 Patent. In rejecting this construction, though, the PTAB did not identify what they believed to be a proper construction. As such, the Federal Circuit concluded the mean-plus function limitation must be explicitly construed by the PTAB on remand.

A link to the Federal Circuit Decision is provided here.

Federal Circuit Vacates and Remands PTAB's Decision to Allow Patent Owner to Amend Claims

In *Shinn Fu Company of America, Inc. Shinn Fu Corporation v. The Tire Hanger Corporation* (Fed. Cir. 2016-2250), the Federal Circuit vacated and remanded the Board's decision to grant Patent Owner's motion to amend, finding that the Board had failed to consider in the first instance arguments raised by Petitioner against the motion to amend. Specifically, the Federal Circuit noted that the Board never provided any analysis with regard to the manner in which Petitioner proposed its obviousness combination in Petitioner's opposition to the motion to amend. Thus, the Federal Circuit was left with no meaningful way in which to review the Board's patentability determination in view of Petitioner's arguments.

A link to the Federal Circuit Decision is provided here.

Federal Circuit Affirms PTAB's Finding of Claim Invalidity, Vacates and Remands Finding of Claim Validity Based Upon Lack of Support

In *Google Inc. v. Intellectual Ventures II LLC* (Fed. Cir. 2016-1543), the Federal Circuit reviewed the PTAB's final written decision for IPR2014-00787 in which the validity of claims 1-3, 5, 7-10, and 12-14 of Intellectual Venture's U.S. Patent No. 6,121,960 was upheld while claims 19-22 and 24-30 were determined to be anticipated or obvious. Appellant Google Inc. persuaded the Court to vacate the decision with respect to claims 1-3, 5, 7-10 and 12-14 and remand to the Board for further consideration by arguing that the Board's ultimate determination that the claims were neither anticipated nor obvious

was not adequately supported by substantial evidence. The Court strongly concurred, finding that the Board summarily “disagreed” with Google’s arguments thereby failing to properly explain, or in some cases even address, why Google’s arguments, expert testimony, and evidence were dismissed as unpersuasive. Cross-Appellant Intellectual Ventures, however, was unable to persuade the Court that the Board had erred in its construction of claims 19-22 and 24-30. Thus, this portion of the decision was affirmed. As such, the Board will review the patentability of claims 1-3, 5, 7-10, and 12-14 on remand to provide adequate factual support and explanation for their findings.

A link to the Federal Circuit Decision is provided here.

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