

Top Issues in 2020: Patent Law

CONTINUED EVOLUTION OF - AND CHALLENGES TO - POST-GRANT PRACTICE

The Federal Circuit and the Supreme Court continue to hear cases related to the post-grant practice created by the America Invents Act (AIA). These cases have the potential to invalidate many rulings that have been handed down in the almost eight years since the AIA was passed and to change the course of post-grant practice. These include:

- Retroactive Application of AIA Provisions: The Federal Circuit rejected in August the
 argument that inter partes review petitions (IPRs) as to pre-AIA patents are an
 unconstitutional taking such that IPRs can deprive the patentee of property because at the
 time the patent issued, the patentee had no idea the patent would later be subject to an IPR.
 A cert petition presenting the same issue is pending before the Supreme Court. The
 deadline to responding to the cert petition has been extended until February.
- **Timeliness:** The Supreme Court agreed to decide in *Dex Media, Inc. v. Click-to-Call Techs.* whether a ruling by the Patent Trial and Appeal Board (PTAB) regarding timeliness is reviewable. This issue has plagued IPRs from the very beginning. The latest decision is expected in the Spring.
- Challenges to PTAB Appointments: On Halloween 2019, the Federal Circuit ruled in
 Arthrex that the method by which PTAB judges are appointed is unconstitutional as the
 panel judges do not receive sufficient oversight and supervision from the director of the
 United States Patent and Trademark Office (USTPO). The decision touched off a significant
 debate among the bench and bar as to the proper remedy that should last at least until the
 Summer.

CHALLENGE TO MAYO V. PROMETHEUS

The Supreme Court upended patent law in *Mayo v. Prometheus*, asserting a naturally occurring law of nature or natural phenomena cannot be patented. Now, after years of chaos, the court has before it the question if *Mayo* was properly decided. If the ruling is overturned, the impact on the patentability of inventions derived from the natural world, including those in the life sciences space, is hard to overstate.

POTENTIAL IMPACT OF BERKHEIMER

In the *Berkheimer* line of cases the Federal Circuit ruled an invention is not patentable unless it has unconventional features that add something "significantly more" to the pre-existing technology – this ruling was particularly significant because it raised the prospect that a fact-finding exercise might be necessary to decide certain 101 issues. The courts will continue to sort out the implications of *Berkheimer*.

IMPORTANCE OF OPINION WORK POST-HALO

The Supreme Court's *Halo* decision eased a patentee's burden to demonstrate willful infringement of another's patent, increasing the frequency of awards of enhanced damages.



Three years after the decision, companies are still grappling with the impact of *Halo* due to the varied circumstances under which the lower courts award enhanced damages. To manage this uncertainty, in certain situations, it can be beneficial for clients to seek IP counsel opinions related to infringement, invalidity, and/or enforceability. Having these opinions in place can assist in litigation avoidance and potentially mitigate the risk of enhanced damages, thus saving both time and money.

STATUTORY BARS TO PATENTABILITY

There are several types of events that, were they to occur, can cause an inventor to inadvertently surrender their patent rights to an invention. The on-sale bar, for example, provides that an invention cannot be patented in the U.S. if it has been on sale for over a year before a patent is filed. Similarly, if an invention is disclosed to the public more than one year before a patent is filed, there is a risk it cannot be patented. A good understanding of bars to patentability can ensure an inventor maintains the rights to his or her intellectual property.

HOW WE CAN HELP

Michael Best assists clients in managing large and small patent portfolios, including conducting portfolio wide- analyses and preparing infringement and invalidity opinions. We also conduct major intellectual property litigation on behalf of our clients. In that regard, we provide in-house trainings and presentations to clients to ensure in-house legal teams are able to protect a company's most valuable asset – its intellectual property.

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