

IN-DEPTH

Patent Litigation

USA

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Patent Litigation

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Contributing Editor

Trevor Cook

Bird & Bird LLP

In-Depth: Patent Litigation (formerly The Patent Litigation Law Review) provides a perceptive overview of patent litigation procedures in major jurisdictions worldwide, while also examining the practical implications of the most important recent court decisions. In addition, it offers useful insights into the current controversies that affect patent law generally.

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Introduction

Patent litigation in the United States is complex. It typically involves well-heeled parties battling over technology rights that underpin a value in a United States market.

In recent years, the burden and complexity of US patent litigation have been exacerbated, in part, by: increased litigation initiated by non-practising entities and third-party funded litigants; the America Invents Act of 2011^[1] that provides an administrative court with authority to reexamine the validity of patents duly issued by the US Patent and Trademark Office (USPTO), and seismic changes in patent jurisprudence from the US Supreme Court, including, *Alice/Mayo* (limiting patent eligibility), *eBay* (limiting injunction availability), and *Oil States* (limiting the right to a jury trial in court on the issue of invalidity).

In view of these developments and US Congress' inability to rectify this gradual erosion of US patent rights, there has been a noticeable swing in the US patent environment that has rendered outcomes in patent disputes less predictable. Indeed, the US patent litigation landscape in 2023-2024 is characterised by a decline in patent litigation filings, fewer orders to enjoin infringement (i.e., less granted injunctions), downward pressure on damages awards, and growing challenges to adequately protect inventive aspects of emerging technologies, like artificial intelligence, software, biotechnology and blockchain. Going forward, it will be important for granted patents to be returned to their traditional moorings and the constitutionally-promised exclusivity as a chief remedy in litigation. With it, the United States will be able to remain at the forefront of the innovation ecosystem and help strengthen its and the broader world economy.

Below we provide a year (or so) in review that summarises notable recent developments in US patent litigation, the types of US patent protection, and the basic procedural and substantive patent law for US patent litigation, including final remedies for infringement, and appeal.

Year in review

Over the past 18 months, there have been of several notable developments in US patent cases and proposed US patent legislation. In fact, there have been more developments than can be fairly discussed here. Nonetheless, several of those cases and pieces of proposed legislation are highlighted below.

Notable patent cases

The US Supreme Court's most recent term (October 2023) had 27 IP-related petitions for *writ of certiorari* filed. A *writ of certiorari* is a request for the US Supreme Court to hear an appeal from a lower court. Of the four remaining awaiting a grant or denial of a *writ of certiorari*, the most interesting case that the Supreme Court may agree to hear in 2024 is the Federal Circuit's decision in *In re Collect, LLC*.^[2]

In re Collect – Invalidation of family (related) patents by obviousness-type double patenting

In re Collect involves a matter of first impression in the lower courts.^[3] In *In re Collect*, the Federal Circuit (the US Court of Appeals with exclusive jurisdiction to hear US patent cases) held that one related patent could invalidate another related patent under the judicially-created doctrine of obviousness-type double patenting, where the related patent expired on a different date. The reason for a different expiration date was because the US Patent and Trademark Office (USPTO) gave additional term to one of the related patents due to USPTO delays during substantive examination, such an adjustment is called a patent term adjustment (PTA).^[4]

This judicially-created doctrine prevents patent term extensions (PTEs) of later-filed patents based on obvious variations of the claimed invention.^[5] An extension of term 'must be based on the expiration date of the patent after patent term adjustment (PTA) has been added'.

This stands in contrast to the Federal Circuit's analysis in a similar context of PTEs, where it concluded that term must be based on the expiration date before the PTE is added.^[6] Nonetheless, the Federal Circuit clarified: '[e]ven though both PTA and PTE are statutorily authorised extensions, and each serves to recover lost term, each has its own independent framework'.^[7]

The decision in *In re Collect* stands to have significant implications to patent portfolios with two or more related applications.^[8] It will affect the decision whether to challenge double patenting rejections, whether to file a terminal disclaimer and execution of portfolio strategies (such as when to file continuation/divisional application). In litigation, alleged infringers will also attempt to rely on *In re Collect* to argue, using the obviousness-type double patenting doctrine, that an earlier-expiring patent in a patent family invalidates other later-expiring patents in the same family.^[9]

Amgen, Inc. v. Sarnoff – Tightening the enablement standard

Outside the writ in *In re Collect*, the Supreme Court decided in 2023 an important case involving the standard for enablement under 35 USC § 112 (a). In an opinion authored by Justice Gorsuch, the Supreme Court unanimously affirmed the Federal Circuit's decision in *Amgen, Inc. v. Sanofi*.^[10]

The decision involved two Amgen patents. The patents involved antibody drugs that reduce LDL cholesterol according to their function of 'binding' with certain proteins. The question was whether the patents sufficiently 'enabled' someone to 'make and use' the claimed invention.^[11] The Amgen patents claimed a genus of antibodies that bind to specific amino acid residues on PCSK9 and that block PCSK9 from binding to low-density lipoprotein receptors.^[12] The decision affirmed that the Amgen patents did not satisfy 35 USC § 112(a). In short, '[i]f a patent claims an entire class of processes, machines, manufactures, or compositions of matter, the patent's specification must enable a person skilled in the art to make and use the entire class'.^[13]

While patent prosecutors will likely need to draft claims more narrowly and with more robust disclosures (e.g., with a variety of examples and other data), particularly in the life science and chemical arts,^[14] patent owner's will likely face, at least in the near term, redoubled dispositive motion efforts (i.e., summary judgment motions) as the courts and

parties toil to determine the scope of the *Amgen* decision, which, in turn, may also spawn challenges in other related areas, like written description.

Federal Circuit cases

Beyond the US Supreme Court, the Federal Circuit decided a number of noteworthy cases over the last 18 months.

VLSI Tech. LLC v. Intel Corp. – Reversing US\$2.1 billion damages on faulty damages model

In *VLSI Tech*, the Federal Circuit reversed a jury verdict of infringement against Intel involving two VLSI Tech semiconductor patents, which erased US\$2.1 billion in damages awarded to VLSI Tech.^[15] At trial, VLSI's damages evidence included a 'regression analysis' based on a multi-step analysis to identify one of the asserted patent's technical advantages, which yielded a lump sum royalty. The case presents an issue that is common in patent cases; that is, how to apportion the value between patented and unpatented features. The regression analysis modelled how distinct factors affected the value of the patented feature in an infringing device or process (in what is called a hedonic regression model). The Federal Circuit decided that there was a 'readily identifiable error' that 'departed from essential logic of the value-of-the-patented-technology assessment', which the court viewed as having the effect of inappropriately inflating the damages. The Federal Circuit remanded for a new trial to determine the appropriate damages for one of the two asserted patents.

Brumfeld v. IBD, LLC – Excluding damages theory for foreign sales

In *Brumfeld*, the Federal Circuit affirmed exclusion of a damages expert's testimony involving foreign infringing sales.^[16] Specifically, Brumfeld (formerly Trading Technologies Int'l, Inc. (TT)) sued Interactive Brokers on four patents. Two patents were held invalid and two other patents found by a jury to be infringed.

The Federal Circuit found that 'TT, like [damages expert] Ms Lawton, focused on IBG's domestic designing and programming of TWS BookTrader when discussing the 'making' identified in this basis for damages, and on the assertion that IBG 'markets and distributes/licenses its BookTrader tool to a worldwide audience.' Under the Supreme Court's *WesternGeco*, the Supreme Court held that 'a patent owner claiming infringement under 35 USC § 271(f)(2) may recover lost foreign profits proximately caused by domestic infringement'.^[17] Applying that *WesternGeco* standard, the Federal Circuit found that the evidence was properly excluded because it did not show 'the needed causal relationship' to the claimed invention.

Edwards Lifesciences v. Meril – Shaping the scope of the Hatch-Waxman safe harbour

In *Edwards Lifesciences*, the Federal Circuit upheld a district court judgment of non-infringement. The district court determined that Meril's importation of two allegedly infringing transcatheter heart valve systems fell under 35 USC § 271(e)(1)'s safe harbour for importing a patented invention. Meril imported two samples to recruit clinical trial

investigators at a trade conference, who might aid in Meril's submission to the FDA. The valves 'were never taken out of the bag or shown to anyone'.

Nonetheless, the importation and transportation were 'reasonably related to FDA approval'. The Federal Circuit found that the importation was 'solely for uses reasonably related to the development and submission of information under a federal law which regulates the manufacture, use, or sale of drugs'.^[18]

Ironburg v. Valve – Framing the burden of proof for IPR estoppel

In *Ironburg*, the Federal Circuit held that the patent owner, who seeks the benefit of the IPR estoppel provision (a provision preventing a patent challenger from later challenging invalidity on bases already challenged or that could have been raised at the Patent Trial and Appeal Board (PTAB), which was decided in a final written decision), bears the burden of proof, by a preponderance of the evidence, to show that the petitioner (patent challenger) 'reasonably could have raised' the ground during the IPR. Reasonableness is based on the reasonable diligence of a 'skilled and diligent search' who would have 'reasonably . . . discovered' the ground to be raised.^[19]

The patent asserted by Ironburg was directed to a hand-held video game controller.^[20] The trial court agreed with Ironburg that IPR estoppel provision barred the defendant/petitioner, Valve, based on two non-instituted grounds raised in the IPRs and on grounds not raised by Valve, but by a separate third-party petitioner. The Federal Circuit agreed that IPR estoppel applied to the two non-instituted grounds but remanded for further consideration (in view of the standard set forth above) of the IPR estoppel based on the third-party petition.

Litigation funding

Litigation funding in patent litigation has grown rapidly recently and, in turn, it is facing closer scrutiny by the US courts due to its opaqueness to the court, parties and public, and the need to determine the role that the funders play in litigation decisions. To be sure, litigation funding may be a legitimate and potentially necessary tool to help in protecting IP rights in the United States, so appreciating how the area is developing is important.^[21] A exemplary case for review is below:

Nimitz Techs v. CNET Media – Sanctioning for third party litigation funding disclosures

In *Nimitz*, following the entry of the judge's standing order,^[22] Judge Connolly issued a show cause order why the plaintiff, who was connected to IP Edge, should not be held in contempt for failing to comply with disclosures of all the third party interests in the litigation.^[23] Companies associated with IP Edge have filed several thousand suits in the name of hundreds of different entities.^[24]

The Federal Circuit denied the *writ of mandamus*. It held that Judge Connolly's disclosure orders were justified because they '[a]ll are related to potential legal issues in the case' and that his orders 'did not seek information simply in order to serve an interest in public awareness, independent of the adjudicatory and court-functioning interests reflected in the stated concerns'.^[25]

Ultimately, Judge Connolly issued a 105-page opinion holding that IP Edge, the de facto-owner of the asserted patents, had attempted to shield itself from liability and had perpetuated a fraud by arranging for the patents to be assigned to LLCs it formed under the names of individuals recruited by counsel.^[26] Judge Connolly referred plaintiff's counsel of record and counsel for IP-related entities to attorney disciplinary bodies.

Notable patent legislation

Below we highlight some of the patent-related legislative initiatives, from the past 18 months, in the current US Congress (118th Congress, 2023-2024). We also compile the patent-related initiatives also pending in some fashion in the US Congress, with some of the initiatives seemingly further from adoption than those discussed in more detail below.

Patent Eligibility Restoration Act of 2023

This proposed Patent Eligibility Restoration Act (PERA) would restore patent eligibility standard under 35 USC § 101 that is closer to the pre-*Alice/Mayo*^[27] standard. It eliminates the judicially-created exceptions to patent eligibility and provides clearer guidance on determining patent eligibility.^[28] PERA overrules the current patent eligibility jurisprudence to re-establish that only specified subject matter is ineligible for patenting.

Subject matter will be patent-ineligible only if it 'falls within specified categories, such as (1) a mathematical formula that is not part of a useful process, machine, manufacture, or composition; (2) a mental process that is performed solely in the human mind; or (3) an unmodified human gene as the gene exists in the human body'.^[29] Currently, the patent eligibility standard in the United States is effectively a higher burden than (or at least does not align with) other competing countries. This burden has hampered innovators and applicants from securing patent protection in the United States for the same subject matter eligible in these other competing countries, particularly relating to high-end technology areas.

PREVAIL Act

The Promoting and Respecting Economically Vital American Innovation Leadership Act (or PREVAIL Act) seeks to revise certain procedures delegated to the PTAB. The PREVAIL Act would:

1. require a challenger to raise all arguments in one challenge;
2. impose estoppel on the challenger at the time of filing of the challenge at the PTAB, as opposed to after the PTAB's final written decision;
3. require a challenger to be sued or be threatened with suit before filing the challenge at the PTAB;
4. align the challenger's burdens of establishing invalidity in the PTAB with the standard applied in validity challenges in district court, (i.e., the 'clear and convincing evidence' standard);
5. require a challenger to choose a single forum for making the validity challenge; and
- 6.

align the PTAB's claim interpretation standard in PTAB proceedings with the standard applied in district court proceedings, (i.e., by requiring use of the same 'plain and ordinary meaning' standard).

Advancing America's Interests Act

The Advancing America's Interests Act (AAIA) seeks to minimise the improper use of the International Trade Commission (ITC) by licensing and assertion entities, as well as foreign entities, that attack US operating companies. The proposed AAIA would:

1. require licensing entities to establish that the licensing activity is connected to products that actually incorporate the patented features claimed for purposes of establishing the required 'domestic industry';
2. require the Commission to affirmatively determine that the remedy (i.e., an exclusion order, etc) is in the public's interest;
3. prohibit a complainant from using subpoena power to secure discovery from an unwilling entity for purpose of securing domestic industry evidence; and
4. codify the 100-day pilot program used at the ITC to determine certain dispositive issues.^[30]

Pending legislation

Below is a compilation listing the pending legislative initiatives, including those discussed above, that pertain to US patents, along with some indication of the current direction of US patent policy.

US Senate

Legislation	Status
S. 79: The Interagency Patent Coordination and Improvement Act of 2023 ^[31]	Introduced by Sen. Richard Durbin (D - IL); passed by the Senate Judiciary Committee on 9 February 2023
S. 1396: Research Advancing to Market Production ^[32]	Introduced by Senators Chris Coons (D - DE) and Marco Rubio (R - FL) on 2 May 2023
S. 2140: Patent Eligibility Restoration Act ^[33]	Introduced by Senators Thom Tillis (R - NC) and Chris Coons (D - DE) on 22 June 2023
S. 2220: Prevail Act ^[34]	Introduced by Senators Chris Coons (D - DE), Thom Tillis (R - NC), Dick Durbin (D - IL), and Mazie Hirono (D - HI) on 10 July 2023

S. 2905: Protecting Our Courts From Foreign Manipulation Act of 2023^[35]

Introduced by Senator John Kennedy (R - LA) and Joe Manchin (D - WV) on 14 September 2023 (same as H.R. 5488)

US House of Representatives

Legislation	Status
H.R. 1707: Save Cash on Auto Restore Transportation Act (SMART Act) ^[36]	Introduced by Rep. Darrell Issa (R - CA) on 22 March 2023
H.R. 1717: The Interagency Patent Coordination and Improvement Act of 2023 ^[37]	Introduced by Rep. Joe Neguse (D - CO) on 22 March 2023
H.R. 3056: Research Advancing to Market Production for Innovators Act ^[38]	Introduced by Reps. Chrissy Houlahan (D - PA) and Troy Balderson (R - OH) on 2 May 2023
H.R. 3535: Advancing America's Interests Act ^[39]	Introduced by Reps. David Schweikert (D - AR) and Don Beyer (D - VA) on 18 May 2023
H.R. 4370: PREVAIL Act ^[40]	Introduced by Reps. Ken Buck (R - CO) and Deborah Ross (D - NC) on 27 June 2023
H.R. 5475: Prohibiting Adversarial Patents Act ^[41]	Introduced by Reps. Scott Fitzgerald (R - WI), Darrell Issa (R - CA), Blaine Luetkemeyer (R - MO), Mike Gallagher (R - WI), Doug Lamborn (R - CO), Russell Fry (R - S), and Nathaniel Moran (T - TX) on 14 September 2023
H.R. 5488: Protecting Our Courts from Foreign Manipulation Act of 2023 ^[42]	Introduced by Rep. Mike Johnson (R - LA) on 14 September 2023

Types of patent

In framing the US Constitution, the framers recognised the economic value of patent rights rooted in earlier regimes like England's Statute of Monopolies and elsewhere in continental Europe, like Venice.^[43] They authorised that 'Congress Shall Have Power . . . [t]o promote the Progress of Science and useful Arts, by securing for limited Times to . . . Inventors the exclusive Right to their respective . . . Discoveries'.^[44]

However, US patent rights do not arise automatically; rather, applicants must apply for and satisfy the requirements of the US Patent Act.^[45] Patent rights may be obtained, subject to the requirements set forth by the Patent Act, by '[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition of matter'.^[46]

There are three types of US patent applications: (1) utility patent, (2) plant patent and (3) design patent. A utility patent protects new, useful, and non-obvious machines, manufacture, composition of matter or process. A plant patent protects 'an asexually

reproducible, distinct, and new variety of plant, including cultivated sports, mutants, hybrids, newly found seedling, other than a tuber propagated plant or plant found in an uncultivated state'.^[47] A design patent protects any 'new, original and ornamental design for an article of manufacture'.^[48] Details and other nuances involving plant and design patent protection and enforcement are not the focus of this article, but many principles have applicability.

Notably, while design patents are not the focus of this article, the Federal Circuit did decide, in 2024, two seminal decisions involving design patent litigation. In one, *LKQ*, the Federal Circuit overturned the *Rosen-Durling* test for obviousness in design patent cases, and resorted to the *KSR* standard for non-obviousness that is applied in utility applications.^[49] In the other case, *Columbia*, the Federal Circuit held that the prior-art design must be applied to the same article of manufacture to qualify as comparison prior art in the design patent infringement analysis.^[50]

Typical patent prosecution process

Any of the above patent applications is submitted to and examined by USPTO, which is an agency of the US Department of Commerce.^[51] The USPTO receives about 500,000 patent applications each year (compared with China at about 1.6 million and Japan with 400,000 applications), with about 91 percent being utility applications, 8 percent being design applications and 2 percent being plant applications.^[52]

The USPTO examines an application from its submission to patent grant or final rejection. If the Examiner finds insufficient evidence that the invention disclosed is publicly disclosed and satisfies the other statutory requirements, the Examiner will allow the application, and the application will grant as a patent. If the Examiner finds sufficient evidence that all aspects of the invention disclosed has been publicly disclosed or does not satisfy the other statutory requirements, the Examiner will reject the application. The applicant may respond to the rejection and may repeat this rejection-and-response process with the Examiner until the application is allowed or finally rejected.

If the USPTO Examiner finally rejects the patent application, the applicant may file a continuing application or appeal. The final rejection of the PTAB may, by right, be appealed to the US Court of Appeals for the Federal Circuit, and then, by a granted *writ of certiorari*, reviewed by the US Supreme Court of the United States.

Patent term generally

US patents, filed and granted after 8 June 1995, have a term of 20 years from the earliest effective priority date, subject to a term adjustment or extension.^[53] Patent terms of utility patents and plant patents (but not design patent or reissue patents) may be adjusted to compensate for administrative delays by the USPTO, or PTA, as discussed above.^[54]

¹ In a comparable way, patent terms may be extended to compensate for delays at the regulatory agency, like the Food and Drug Administration, but only for patents on human drug products, medical devices, food and colour additives and animal drug products.^[55] This is called a patent term extension (PTE). To keep a utility (but not design or plant) patent in force such that it can be asserted in litigation after it is granted, an applicant

must pay PTO maintenance fees for the patent. Those maintenance fees are due 3.5, 7.5 and 11.5 years after the patent issue date.

Procedure in patent enforcement and invalidity actions

Once a patent issues, the patentee has the right to exclude others from the acts of making, using, selling, offering to sell, or importing into the US the patented invention.^[56] Any party, without the permission of the patentee, who engages in those acts during the patent term may be held liable for patent infringement.

The patentee may file a civil suit in US federal court to enjoin infringers and obtain monetary remedies.^[57] Issued patents hold a presumption of validity in district court, but accused infringers may still challenge that the patent's validity or enforceability, among other grounds.^[58]

If the requisite requirements are met, a patent infringement case may be launched in US federal district court, which can include abbreviated new drug application (ANDA) litigation and multi-district litigation (MDL), or it may be initiated by instituting an action in the US International Trade Commission, or both. An accused infringer may challenge the validity, enforceability, or both, in a district court and the US Patent Trial and Appeal Board.

US patent litigation has been slowing recently. Filings have trended down from 6,497 patent cases filed in US district courts in fiscal year 2013.^[59] In 2023, 3,111 patent cases were filed in US district court.^[60] Non-practising entities represent on average about 44 per cent of the filings.^[61] Nonetheless, there has been increase in US district court filings in the first half of 2024 of about 9 per cent compared to the same period in 2023.^[62] The Western District of Texas has been the most active district in the United States with almost 22 per cent of the patent infringement filings filed from 2021-2023.^[63]

Litigating in US district courts

US district court litigation is a civil action and may be initiated in one of the nation's 94 districts, if certain requirements are met.^[64] US district courts are Article III courts under the US Constitution.^[65] Such court actions are initiated by the filing of a complaint.

A complaint may be made by the patentee to claim infringement by another party. A district court action may also be initiated by an accused infringer who may initiate a declaratory judgment action, if certain preconditions are met, by filing a complaint to challenge, infringement, invalidity, and/or unenforceability. The patent case must be brought in the proper venue, which is any district in which infringing activity has occurred.^[66] The complaint typically sets forth an identification of the parties, an identification of the patent(s) asserted and ownership, a statement reflecting the infringing acts (which typically includes the asserted claims and infringed elements) and relief sought, for example.^[67]

A complaint may include multiple accused infringements if the actions arise out of the same transaction, occurrence or series of transactions or occurrences. If all defendants

in one district can be joined in one case, such cases still can be consolidated if there are common legal or factual questions. Similarly, patent cases in more than one district can be consolidated for pretrial proceedings before a Judicial Panel on Multi-District Litigation cases, if the cases share a common question of fact, for example.^[68]

A federal district court judge tries all patent cases. The judge is not required to possess a technical background to preside over a patent case and usually does not. The case procedures governing patent cases are found in the Federal Rules of Civil Procedure and the Federal Rules of Evidence. Each district and, in turn, each judge may have more specific case rules and procedures governing a patent case.^[69]

Once the litigation commences, a schedule is set and discovery for trial ensues. Discovery is the process of obtaining relevant information from the other parties. Discovery in the United States has a broad scope. Discovery includes initial disclosures, written discovery, document production, admissions, expert disclosures and depositions. Discovery by subpoena of a third party (not a party to the litigation) is possible, as is discovery from parties based in foreign countries under international treaties and letters rogatory. Protective orders may limit the scope and use of the information outside of the discovery information.

During discovery and at trial, expert witnesses may be relied on. A party may rely on an expert to testify about how a person of skill in the art understands the patent and the accused infringing products or processes on the technical side. An expert may be relied on for damages topics and claim construction as well.

At trial, fact and expert witnesses testify. These witnesses provide direct testimony and are subject to cross examination. A jury, if requested, decides the typical patent case in federal court.^[70] A juror is not required to possess a technical background (and usually does not) to sit on a jury to decide a patent case. If no jury is requested, the judge may also decide the infringement claim in a 'bench trial.'

Additionally, US district courts can hear ANDA litigation, another type of patent case, under 35 USC § 271(e). This involves generic drug manufacturers that seek to manufacture a drug covered by a patent. Applicants for New Drugs are required, under the Hatch-Waxman Act, to notify the patentees that are the subject of a paragraph IV certification.^[71] In turn, the patentee may commence a patent litigation action against the generic manufacturer. This is a technical claim of infringement because the manufacturer has only asked the US Food and Drug Administration to market a drug.^[72] If the patentee brings the action within 45-day notice period from the generic manufacturer, the patentee obtains an automatic 30-month stay of the FDA approval process of the generic drug. A judge tries and decides an ANDA case. There is no jury. A successful ANDA claim of infringement prevents the generic manufacturer from marketing that generic equivalent until the expiration of the patent.^[73]

The median time to resolution of patent infringement cases in US district courts is three years.^[74] Since about 2021, a typical ANDA case is estimated to get to trial in 2.1 years.^[75] Of course, the time to resolution can vary widely because of myriad of issues that affect the time to resolution.

Substantive law

Infringement

The US Patent Act provides for liability for both direct and indirect infringement.^[76]

Direct infringement occurs where an accused infringer ‘without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor’.^[77] Put another way, infringement will be found where a person or entity practices each and every element of a claim in violation of the exclusive rights granted by the USPTO. Direct infringement is a strict liability offence, meaning that the infringer’s intent is not relevant.

Indirect infringement occurs where a person or entity induces or contributes to another to directly infringe a patent claim.^[78] This indirect infringement can involve multiple infringing actors.^[79] The indirect infringer and direct infringer are jointly and severally liable.^[80] Induced infringement requires ‘knowledge [by the inducer] that the induced acts constitute patent infringement’.^[81] Contributory infringers must have knowledge of the patent.^[82] However, the accused infringer’s election not to obtain and/or present advice of counsel cannot be used to prove an infringer intent to induce infringement (or wilfully infringed).^[83]

To establish direct patent infringement, the infringement claim is analysed in two steps: determining what the claims mean (claim construction) and comparing the accused product or process to the properly construed claims.^[84] The patent holder bears the burden of proving infringement. That burden is met by proving infringement by a ‘preponderance of the evidence’ (which can be paraphrased as being ‘more probable than not’).^[85]

The first step is claim construction. This step is used to construe the claim elements (phrases or words) meaning and that involves construction of the terms or phrases in the claim that are in dispute. Typically, claim terms will be accorded ‘ordinary and customary meaning’ to person of ordinary skill in the art.^[86] The claim construction standard in the district court is a different standard than applied in proceedings before the PTAB.^[87]

Claim construction is necessary for analysis in both the infringement and validity analysis. Construction of the claims can also bear on the other issues, such as unenforceability, enablement and remedies. In a district court, the construction of patent terms is conducted by the presiding judge, even if a jury trial has been requested. This determination is referred to as a ‘*Markman*’, after the US Supreme Court case by that name that set the claim construction standard.^[88]

The process of evidence collection for a *Markman* hearing starts in the early part of discovery and will typically include disclosures of each party’s respective claim construction positions. The evidence the court may consider can include intrinsic and extrinsic evidence. Intrinsic evidence includes the patent (specification and claims), the prosecution history for the patent (the back and forth between applicant and the PTO from application to grant), and other prior art patents relevant to the meaning of the claims. Extrinsic evidence includes inventor and expert testimony, dictionaries, treatises, and other documentary evidence outside of the four corners of the patent evidencing how the claim terms have been understood at the time of the invention.

Once claim construction discovery is completed, the court usually conducts a *Markman* hearing and construes the terms and phrases in dispute, Leading up to the *Markman*

hearing, the Court may request a technology tutorial, briefing, testimony, and a hearing. The *Markman* hearing and construction decision usually occur during discovery, and before expert discovery closes. But the *Markman* hearing, and decision, may come earlier or later, depending on the case.

With the claims construed, the fact finder (jury or judge) turns to the second step – determining whether there has been infringement of the properly construed claims. Literal infringement is shown by establishing that the accused product or process contains each and every element of the asserted claim.^[89] This is the same comparison that is made between the patent claims and the prior art for invalidity challenges, or, put another way, ‘that which would infringe a patent if later, anticipates if earlier’.^[90] In short, if all elements are not present in the accused product or process, there can be no literal infringement. And similarly, if the prior art does not contain each feature of the claimed product or process, there is no invalidity.

If there is no literal infringement, infringement may still be found under the doctrine of infringement, a judge-made doctrine. The doctrine of equivalents permits a finding of infringement where only insubstantial changes to the invention have been made by the accused infringer.^[91] There are limits to the application of the doctrine of equivalents including: prosecution history estoppel,^[92] the all-elements rule,^[93] the public dedication rule,^[94] and the prior art rule.^[95]

Invalidity and other defences

An accused infringer, as mentioned above, may avoid liability by establishing by a preponderance of evidence that there has been no infringement. Other defences, even if there is infringement, may allow the accused infringer to avoid infringement.^[96]

For example, the accused infringer may challenge the validity of the asserted patent(s). A patent is presumed to be valid, because the US Patent and Trademark Office is presumed to have done its examination of the invention correctly.^[97] Accordingly, such challenges must be proven by the accused infringer by ‘clear and convincing’ evidence – a higher standard than the ‘preponderance of evidence’ standard used in infringement.^[98] Such challenges may include failure of the asserted patent to comply with the requirements of the Patent Act requiring subject matter eligibility (§ 101), prior art validity (§§102 and 103), and written description and enablement support (§ 112).

Several other legal and equitable defences are available. For example, an accused infringer may also challenge the patent(s) as being obtained by inequitable conduct, which renders the entire patent unenforceable.^[99] Other defences can include a defence of patent misuse,^[100] consent to use the invention or licence,^[101] experimental use,^[102] equitable estoppel^[103] and equitable laches.^[104]

Final remedies for infringement

Remedies for patent infringement include injunctive relief, monetary damages, enhanced damages for wilful infringement, costs, pre- and post-judgment interest, and attorney’s fees.^[105] In cases with adjudicated resolutions, roughly US\$6 billion in damages were

awarded from 2021-2023.^[106] The largest adjudicated award in that time period was US\$2.15 billion in *VLSI Tech. LLC v. Intel Corp* (the appeal was discussed above)^[107] but, in 2024, the overall median damages award trended down to approximately US\$5.6 million, when excluding default judgments.^[108]

Injunctive relief

Regarding injunctive relief, the US Patent Act provides that the district court ‘may grant injunctions in accordance with the principles of equity to prevent the violation of any right secured by patent, on such terms as the court deems reasonable’.^[109] The district court may issue temporary restraining orders, preliminary injunctions, and permanent injunctions. Indeed, injunctive relief serves to uphold the right to exclude granted by a patent.^[110]

A temporary restraining order (TRO) is temporary injunctive relief that may be ordered where there is a threat of irreparable harm before the merits of a preliminary injunction can be determined.^[111] Such relief is sought on an ex parte basis and is ordered where there is a need to preserve the status quo and prevent irreparable harm before a hearing can be held.^[112] Such orders are exceedingly rare due to severe ramifications such an order could have on a competitive business.

District courts have discretion to grant preliminary injunctions before the final determination on the merits.^[113] The patent holder has the burden of proof and must establish the grounds for a preliminary injunction.^[114] The four-part test for preliminary and permanent injunctions are essentially the same and include the likelihood of the petitioner’s success on the merits, irreparable harm to the applicant, the balance of hardships between the parties, and the public interest.^[115] The grant or denial of an injunction must consider all four factors and be supported by findings of fact that address the equitable factors weighed, but the district court can grant or deny the injunction at its discretion.^[116]

A permanent injunction may be entered after a determination on the merits to prevent future infringement.^[117] The entry of an injunction is not automatic, as it largely once was before the *eBay* decision.^[118] Orders enjoining an accused patent infringer may be modified.

If an injunction is granted, the petitioner will need to provide a bond, essentially security, ‘in such sum as the court deems proper, for the payment of such costs and damages as may be incurred or suffered by any party who is found to have been wrongfully enjoined or restrained’.^[119] It is in the trial court’s sound discretion to set the bond amount. A stay of an injunction is not automatic, but it may be stayed if requested.

Monetary damages

Successful patentees in US district courts are also entitled to ‘damages adequate to compensate for the infringement . . . [b]ut in no event less than a reasonable royalty’.^[120] Compensatory damages can include lost profits,^[121] price erosion,^[122] convoyed sales,^[123] and a reasonable royalty.^[124] Damages are awardable in the context of standard essential patents as well.^[125]

The Patent Act does not require the patent products to be marked with a patent notice.^[126] But, an alleged infringer will only be liable for damages from the time constructively notified (via patent marking) or actually notified (via a complaint or other formal communication) of the infringement and afterwards continued to infringe.^[127]

The monetary damages determination is made by the jury. An award may be reviewed by the judge in post-trial briefings.

There is a six-year time limitation on damages prior to filing the claim.^[128] The monetary damages awarded may be enhanced against adjudicated wilful infringement up to three times the monetary damages.^[129] The patentee may recover pre-judgment interest absent some justification to award it, and costs other than attorneys' fees.^[130] In the United States, each party pays their fees and costs. But, in exceptional cases, the court may award reasonable attorney fees to the prevailing party.^[131] The patentee has the burden to execute on the judgment.

Other types of patent proceeding

US International Trade Commission

As mentioned above, another US jurisdiction where patent infringement cases may be filed, if certain requirements are met, is the US International Trade Commission (ITC). The ITC has jurisdiction to bar importation of articles into the United States that infringe a valid and enforceable US patent. The ITC is an independent government agency, and it conducts its fact findings for its investigations in an administrative court. It is not an Article III district court, as discussed above. While the dispute has all the markings of a district court litigation, an action at the ITC is technically an investigation of unfair trade practices that is conducted by the ITC in response to a complaint by a complainant (patentee) in a US domestic industry.

ITC disputes are decided initially by an administrative law judge (ALJ). There are no jury trials. The Commission randomly assigns ALJs to investigations.

The ITC litigation operates under its own set of agency rules, and ALJ Ground Rules.^[132] Discovery is conducted like district court cases but on an accelerated schedule. The hearings are like a bench trial in district court and are conducted in trial-like evidentiary hearings, with direct testimony and cross-examination. The hearings occur nine to twelve months after the initiation of the investigation, with the investigation being completed in less than about 18 months.

No money damages are available at the ITC. To obtain monetary damages, patentees typically simultaneously file complaints for relief in district court in parallel, but, typically, a parallel district court case will be stayed pending resolution of the ITC.^[133] However, injunctive-type relief at the ITC, called an exclusion order, is available. An exclusion order bars importation of the infringing articles in the United States. As a result, the ITC has had a heightened degree of popularity because of the generally easier burden to obtain an exclusion order, as compared to an injunction in district court after the Supreme Court's decision in *eBay*.

Determinations made by the ALJ are reviewed by a six-member commission. Decisions of the commission may be reviewed by the Office of the US President, unlike a district court case, and if it is not reviewed within 60-days of the decision, it becomes final. The commission's decision may then be further appealed to the US Federal Circuit and Supreme Court, like a district court case.

Patent Trial and Appeal Board

Another 'litigation' avenue for patent challengers is to challenge patent rights before the Patent Trial and Appeal Board (PTAB). These proceedings are review processes that can take the form of *inter partes* review (IPR), covered business method review (CBMR) or a post grant review (PGR).

Challenges of the validity of patents at the PTAB have declined since 2021.^[134] But, in the first half of 2024, PTAB filings have had about a 1 per cent increase but have been largely steady.^[135] In 2023, the PTAB received 1,157 IPRs, zero CBMRs and 34 PGRs. Notably, patent challengers have doubled the number of requests for reexamination made to the US Patent and Trademark Office (USPTO) in the first half of 2024 as compared to the first half of 2023.^[136]

The PTAB proceedings offer the promise for a challenger of a cheaper (than litigation) and more expeditious way to challenge the validity of the patent rights granted by the US government in specialised patent venue outside of the district court. During a PTAB proceeding, a district court may stay the litigation pending resolution of the PTAB proceeding, if circumstances merit it.

A PTAB proceeding is decided by a panel of three administrative patent judges (APJs). APJs are experienced patent lawyers with technical backgrounds. The USPTO, where possible, assigns patent challenges to APJs based on the technical subject matter and the APJs technical background.

A PTAB proceeding is initiated by a petition of a patent challenger. The petition includes evidence supporting the challenge, like prior art. The PTAB makes an institution decision, which may be denied on its discretion in view of parallel litigation,^[137] on or before three months after any patent owner preliminary response.^[138]

If a trial is instituted, the patent owner provides a response, which can include a motion to amend claims. The challenger may reply to the patent owner's response, and the patent owner may surreply. Once this initial briefing is completed, an oral hearing is had. Direct testimony, including experts, is received via declaration or affidavit, and the proponent of a witness must make that witness available for cross examination (e.g., a deposition). Live testimony at the hearing is possible, but rare. After the oral hearing is argued by the attorneys before a panel of three administrative patent judges, the PTAB issues a final written decision on the merits.

A PTAB's final written decision will be issued no more than 12 months from the institution's decision. The time to issue a written decision may be extended for worthy cause for up to six months. PTAB proceedings may be settled, which occurred in 30 percent of trials in 2023, with 52 percent occurring post-institution.^[139]

A PTAB's final written decision may be appealed to the US Federal Circuit, and on to the US Supreme Court. In 2023, there were 433 PTAB appeals to the Federal Circuit, down from 555 in 2020.^[140]

Appeal

The Court of Appeals of the Federal Circuit has exclusive jurisdiction over all patent cases appealed from district court, the US International Trade Commission (ITC) and the Patent Trial and Appeal Board (PTAB).^[141] It may also hear interlocutory appeals from district courts.^[142]

Most appeals are presided over by a panel of three federal judges. Federal Circuit judges do not necessarily have technical backgrounds (but some do). The judges have considerable experience with patent cases, as a substantial portion of the Court's docket are patent appeals (not all). The time to resolution by the Federal Circuit after a notice of appeal is about 15-18 months.

There were 306 appeals decided by the Federal Circuit in 2023, which is down from pre-pandemic appeals of about 440 decisions per year. Of those 306 decided appeals, about 59 percent of the decisions originated from the PTAB. The Federal Circuit upheld the lower court, either the PTAB or lower district court, in its entirety about 81 percent of the time. The Federal Circuit reversed 34 percent on the merits of appeal from district courts and reversed 22 percent appealed from the PTAB.

The Federal Circuit may review legal or factual determinations made at the lower court or PTAB. The Federal Circuit applies various standards of review depending on the issue appealed. For legal issues, the Federal Circuit applies a higher level of review with no deference to the lower court determination, called *de novo* review. For factual issues, the Federal Circuit applies a lower standard of review with some deference. For example, the Federal Circuit would apply the 'substantial evidence' standard for fact resolutions by a jury, or the 'clearly erroneous' standard if the determination is made by the judge. For attorney fee awards and for other equitable determinations, like an injunction, the lower court receives the most deference, and the Federal Circuit applies the 'abuse of discretion' standard.

From the Federal Circuit, patent cases may be appealed to the US Supreme Court, which is the final judicial arbiter in the US System. In general, appellants make over 7,000 petitions (of which patent petitions are an exceedingly small subset) to the Supreme Court, which only takes about 100-150 (which occasionally includes patent cases) of the over 7,000 petitions to be heard.^[143] The number of patent cases heard by the Supreme Court is, at best, small in any given term. The Supreme Court has discretion to accept or reject a petition, and the granting *writ of certiorari* for a patent appeal, though seemingly on the uptick over the last five to ten years, is not commonplace.

Outlook and conclusions

The US patent litigation system is the best in the world, but it has significant complexities and is costly. As such, it remains more important than ever to retain experienced US patent lawyers with trial experience to navigate the complexities of US patent law and litigation.

With reliable legal protections of patents in the US courts and at the Patent Trial and Appeal Board (PTAB) over the last decade (or so) being weakened, the ability of innovators to secure exclusivity of their patent rights has become increasingly uncertain and has pushed companies (that can afford to and have suitable patent protection) to pursue relief in more favourable jurisdictions outside of the United States for a remedy. The accelerating pace of innovation makes it vital that innovation economies, like the US, ensure robust and effective IP enforcement regimes if they wish to remain world leading innovation economies. And, as evident from the wide-variety of US patent-related legislation recently, there is a strong interest in US policy circles to strengthen US patent protection to adapt to the rapidly changing technological environment.

Endnotes

- 1 Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011); see Richard A. Epstein, *The Supreme Court Tackles Patent Reform: Post-Decision Article: Inter Partes Review Under the AIA Undermines the Structural Protections Offered by Article III Courts*, 19 *Federalist Soc'y Rev.* 132 (2018). [^ Back to section](#)
- 2 *In re Collect, LLC*, 81 F.4th 1216 (Fed. Cir. 2023). By the time of publication of this chapter, the Supreme Court will likely have decided whether to hear this appeal. [^ Back to section](#)
- 3 *Id.* [^ Back to section](#)
- 4 *Id.* [^ Back to section](#)
- 5 *Id.* [^ Back to section](#)
- 6 *Id.* at 1227. [^ Back to section](#)
- 7 *Id.* [^ Back to section](#)
- 8 *Id.* [^ Back to section](#)
- 9 *Allergan USA, Inc. v. MSN Laboratories Private Ltd*, 111 F.4th 1358 (Fed. Cir. 13 August 2024) (holding that 'a first-filed, first-issued, later-expiring claim cannot be invalidated by a later-filed, later-issued, earlier-expiring reference claim having a common priority date'.) [^ Back to section](#)
- 10 *Amgen Inc. v. Sanofi*, 598 US 594 (2023) (affirming *Amgen Inc. v Sanofi*, 987 F.3d 1080 (Fed. Cir. 2021)). [^ Back to section](#)

- 11 35 USC § 112 (a) (2012). Section 112 (a) states that a patent's specification must be descriptive enough to 'enable any person skilled in the art . . . to make and use [the claimed invention]'. ^ [Back to section](#)
- 12 *Amgen*, 598 US at 610-11. ^ [Back to section](#)
- 13 *Id.* ^ [Back to section](#)
- 14 Following the *Amgen* decision, the USPTO issued: Guidelines for Assessing Enablement in Utility Applications and Patents in View of the Supreme Court Decision in *Amgen Inc. et al. v. Sanofi et al.*, 89 Fed. Reg. 1563 (10 January 2024). ^ [Back to section](#)
- 15 *VLSI Tech. LLC v. Intel Corp.*, 87 F.4th 1332 (Fed. Cir. 2023). ^ [Back to section](#)
- 16 *Brumfield, Tr. for Ascent Tr. v. IBG LLC*, 97 F.4th 854 (Fed. Cir. 2024) ^ [Back to section](#)
- 17 *WesternGeco LLC v. ION Geophysical*, 585 U.S. 407 (2018). ^ [Back to section](#)
- 18 *Edwards Life Sciences Corp. v. Meril Life Science PVT, Ltd.*, 96 F.4th 1347 (Fed. Cir. 2024). In dissent, Judge Lourie viewed the majority as mistakenly applying the safe harbor too broadly. He said that the court ignored the word 'solely' in the 35 USC § 271(e)(1)'s which provides a safe harbor 'solely for uses reasonably related' to its FDA submission. ^ [Back to section](#)
- 19 *Ironburg Inventions, LTD. v. Valve Corp.*, 64 F.4th 1274 (Fed. Cir. 2023). Ironburg won and was awarded US\$4 million in damages by a virtual jury verdict (due to COVID). ^ [Back to section](#)
- 20 35 USC § 315(e)(2). ^ [Back to section](#)
- 21 Rao, Wil, *How Can You Enforce Patents When You Have Limited Capital?*, Built In (13 April 2021). ^ [Back to section](#)
- 22 The Federal Rules of Civil Procedure do not impose express disclosure requirements directly relating litigation funded parties. Though, other jurisdictions have imposed similar, many times more relaxed, disclosure requirements than Judge Connolly's Standing Order. The local rules of other jurisdiction impose similar disclosure requirements on funders. See e.g., C.D. Cal. L.R. 7.1-1; N.D. Cal. Civ. L.R. 3-15; N.D. Ga. L.R. 3.3; S.D. Ga. L.R. 7.1.1; N.D. Iowa L.R. 7.1; S.D. Iowa L.R. 7.1; D. Md. L.R. 103.3(b); D. Nev. L.R. 7.1-1; D.N.J. Civ. R. 7.1.1(a); M.D.N.C. L.R. 7.7; N.D. Tex. Civ. L.R. 3.1(c); W.D.N.Y. L.R. Civ. P. 7.1. ^ [Back to section](#)
- 23 *Nimitz Tech. LLC v. CNET Media, Inc.*, No. 21-1247-CFC, Mem. Order, Dkt. 27 (D. Del. 2022) (Connolly, J). ^ [Back to section](#)

- 24 RPX Report (cases filed by IP Edge LLC)(<https://insight.rpxcorp.com/entity/1034412-ip-edge-llc> (last viewed 20 August 2024)). ^ [Back to section](#)
- 25 *In re: Nimitz Techs. LLC*, No 23-103, Dkt. 44 at 5 (Fed. Cir. Dec. 8, 2022). ^ [Back to section](#)
- 26 See *Nimitz Technologies LLC v. CNET Media, Inc.*, 2023 WL 8187441(D. Del. 2023); *Nimitz Technologies LLC v. CNET Media, Inc.*, 2022 WL 17338396 (D. Del. 2022). ^ [Back to section](#)
- 27 *Alice Corp. v. CLS Bank Int'l*, 573 US 208 (2014); *Association for Molecular Pathology v. Myriad Genetics, Inc.*, 133 S. Ct. 2107 (2013); *Mayo Collaborative Servs. v. Prometheus Labs.*, 566 US 66 (2012); *Bilski v. Kappos*, 561 US 693 (2010). ^ [Back to section](#)
- 28 Text, S. 2140 – 118th Congress (2023-2024): Patent Eligibility Restoration Act of 2023 (<https://www.congress.gov/bill/118th-congress/senate-bill/2140> (last viewed 20 August 2024)). ^ [Back to section](#)
- 29 Summary, S. 2140 – 118th Congress (2023-2024): Patent Eligibility Restoration Act of 2023 (<https://www.congress.gov/bill/118th-congress/senate-bill/2140> (last viewed 20 August 2024)). ^ [Back to section](#)
- 30 Text – H.R. 3535 – 118th Congress (2023-2024): Advancing America’s Interests Act (<https://www.congress.gov/bill/118th-congress/house-bill/3535> (last viewed 20 August 2024)). ^ [Back to section](#)
- 31 S. 79 – 118th Congress (2023-2024): Interagency Patent Coordination and Improvement Act of 2023 (<https://www.congress.gov/bill/118th-congress/senate-bill/79> (last viewed 20 August 2024)). ^ [Back to section](#)
- 32 S. 1396 - 118th Congress (2023-2024): Research Advancing to Market Production for Innovators Act | Congress.gov | Library of Congress, <https://www.congress.gov/bill/118th-congress/senate-bill/1396/text> (last viewed August 20, 2024). ^ [Back to section](#)
- 33 S. 2140 – 118th Congress (2023-2024): Patent Eligibility Restoration Act of 2023 (<https://www.congress.gov/bill/118th-congress/senate-bill/2140> (last viewed 20 August 2024)). ^ [Back to section](#)
- 34 S. 2220 – 118th Congress (2023-2024): Prevail Act (<https://www.congress.gov/bill/118th-congress/senate-bill/2220> (last viewed 20 August 2024)). ^ [Back to section](#)

- 35 S. 2805 – 118th Congress (2023-2024): Protecting Our Courts from Foreign Manipulation Act of 2023 (<https://www.congress.gov/bill/118th-congress/senate-bill/2805> (last viewed on 20 August 2024)). ^ [Back to section](#)

- 36 H.R. 1707 – 118th Congress (2023-2024): SMART Act (<https://www.congress.gov/bill/118th-congress/house-bill/1707> (last viewed 20 August 2024)). ^ [Back to section](#)

- 37 H.R. 1717 – 118th Congress (2023-2024): Interagency Patent Coordination and Improvement Act of 2023 (<https://www.congress.gov/bill/118th-congress/house-bill/1717> (last viewed 20 August 2024)). ^ [Back to section](#)

- 38 H.R. 3056 – 118th Congress (2023-2024): Research Advancing to Market Production for Innovators Act (<https://www.congress.gov/bill/118th-congress/house-bill/3056> (last viewed 20 August 2024)). ^ [Back to section](#)

- 39 H.R. 3535 – 118th Congress (2023-2024): Advancing America's Interests Act (<https://www.congress.gov/bill/118th-congress/house-bill/3535> (last viewed 20 August 2024)). ^ [Back to section](#)

- 40 H.R. 4370 – 118th Congress (2023-2024): Prevail Act (<https://www.congress.gov/bill/118th-congress/house-bill/4370> (last viewed 20 August 2024)). ^ [Back to section](#)

- 41 H.R. 5475 – 118th Congress (2023-2024): Prohibiting Adversarial Patents Act of 2023 (<https://www.congress.gov/bill/118th-congress/house-bill/5475> (last viewed 20 August 2024)). ^ [Back to section](#)

- 42 H.R. 5488 – 118th Congress (2023-2024): Protecting Our Courts from Foreign Manipulation Act of 2023 (<https://www.congress.gov/bill/118th-congress/house-bill/5488> (last viewed 20 August 2024)). ^ [Back to section](#)

- 43 See *English Statute of Monopolies* (1625); Mossoff, A., *Rethinking The Development Of Patents: An Intellectual History, 1550-1800*, 52 HSTLJ 1255 (2001); see also Mossoff, A. et al., *Patent injunctions, Economics, and Rights*, 50 JLEGST S129 (2019); Kaufer, Erich, *The Economics of the Patent System* (1989). ^ [Back to section](#)

- 44 US Const., Article I, section 8, clause 8. See *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 US 141 (1989). ^ [Back to section](#)

- 45 35 USC § 101 et seq. The regulation implementing the patent laws are codified in 37 C.F.R. § 1 et seq. ^ [Back to section](#)

- 46 35 USC § 101. [^ Back to section](#)
- 47 35 USC §161. Additionally, the Plant Variety Protection Act provides for protection of sexually reproduced and tuber propagated plant varieties, 7 USC §§ 2321-2582. Technically, a novel plant variety could be protected as a utility patent if it qualifies as a new 'composition of matter'. 35 USC § 101. [^ Back to section](#)
- 48 35 USC § 171. [^ Back to section](#)
- 49 *LKQ Corp. v. GM Glob. Tech. Operations LLC*, 102 F.4th 1280 (Fed. Cir. 2024) *KSR Int'l Co. v. Teleflex, Inc.*, 550 US 398 (2007). [^ Back to section](#)
- 50 *Columbia Sportswear North America, Inc. v. Seirus Innovative Accessories, Inc.*, 80 F.4th 1363 (Fed. Cir. 2023) [^ Back to section](#)
- 51 35 USC § 1(a). [^ Back to section](#)
- 52 World Intellectual Property Indicators Report: Record Number of Patent Applications Filed Worldwide in 2022 (https://www.wipo.int/pressroom/en/articles/2023/article_0013.html (last viewed on 20 August 2024)). [^ Back to section](#)
- 53 See 35 USC § 154. [^ Back to section](#)
- 54 See 35 USC § 154(b). [^ Back to section](#)
- 55 See 35 USC §156(a); 37 C.F.R. § 1.710. [^ Back to section](#)
- 56 35 USC § 271(a). [^ Back to section](#)
- 57 35 USC §§ 283, 284. [^ Back to section](#)
- 58 35 USC § 282. [^ Back to section](#)
- 59 2024 LexMachina Patent Litigation Report. [^ Back to section](#)
- 60 *Id.* [^ Back to section](#)
- 61 Unified Patents Mid Year Report, 2024. [^ Back to section](#)
- 62 *Id.* [^ Back to section](#)
- 63 2024 LexMachina Patent Litigation Report. [^ Back to section](#)

- 64** See 28 USC § 1338(a) (providing that federal district courts have exclusive original jurisdiction of ‘any civil action arising under any Act of Congress relating to patents’); United States Courts, Court Role and Structure (<https://www.uscourts.gov/about-federal-courts/court-role-and-structure> (last viewed 20 August 2024)). ^ [Back to section](#)
- 65** US Const., Article III, section 1. ^ [Back to section](#)
- 66** See generally 28 USC § 1391. ^ [Back to section](#)
- 67** *Bell Atlantic Corp. v. Twombly*, 550 US 544, 555 (2007) (internal citations omitted). ^ [Back to section](#)
- 68** US Judicial Panel on Multidistrict Litigation (<http://www.jpml.uscourts.gov> (last viewed on 20 August 2024)). ^ [Back to section](#)
- 69** See, e.g., Local and Patent Rules for the Northern District of California, the Northern District of Illinois and District of Delaware. ^ [Back to section](#)
- 70** See US Const., 7th Amdt.; Fed. Civ. P. 38. ^ [Back to section](#)
- 71** 21 USC § 355(j)(2)(B)(i). ^ [Back to section](#)
- 72** 35 USC §271(e)(2). ^ [Back to section](#)
- 73** 35 USC § 271(e)(4). ^ [Back to section](#)
- 74** 2024 LexMachina Patent Litigation Report. ^ [Back to section](#)
- 75** *Id.* at 18. ^ [Back to section](#)
- 76** 35 USC § 271. ^ [Back to section](#)
- 77** 35 USC § 271(a). ^ [Back to section](#)
- 78** 35 USC § 271(b) ([w]hoever actively induces infringement of a patent shall be liable as an infringer’) and (c). ^ [Back to section](#)
- 79** *Akamai Techs., Inc. v. Limelight Networks, Inc.*, 134 S. Ct. 2111 (2014) ^ [Back to section](#)
- 80** *Dynacore Holding Corp. v. US Philips Corp.*, 363 F.3d 1263, 1272 (Fed. Cir. 2004) (‘Indirect infringement . . . can only arise in the presence of direct infringement, though the direct infringer is typically someone other than the defendant accused of indirect infringement.’). ^ [Back to section](#)
- 81** *Global-Tech Appliances, Inc. v. SEB S.A.*, 563 US 754, 765-66 (2011). ^ [Back to section](#)

- 82** *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 377 US 476, 488 (1964). [^ Back to section](#)
- 83** 35 USC § 298. [^ Back to section](#)
- 84** See *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1454 (Fed. Cir. 1998) (en banc). [^ Back to section](#)
- 85** See *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 572 US 545, 557-58 (2014); *Bene v. Jeantet*, 129 US 683, 688 (1889). [^ Back to section](#)
- 86** *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312–13 (Fed. Cir. 2005). [^ Back to section](#)
- 87** *In re Swanson*, 540 F.3d 1368, 1377-78 (Fed. Cir. 2008) (the Patent Trial and Appeal Board (PTAB) give claim terms ‘their broadest reasonable interpretation, consistent with the specification’). [^ Back to section](#)
- 88** *Markman v. Westview Instrs.*, 517 US 370 (1996); see also *Phillips*, at 1310-12. [^ Back to section](#)
- 89** *Cole v. Kimberly-Clark Corp.*, 102 F.3d 524, 532 (Fed. Cir. 1996). [^ Back to section](#)
- 90** *Bristol-Myers Squibb Co. v. Ben Venue Labs., Inc.*, 246 F.3d 1368, 1378 (Fed. Cir. 2001). [^ Back to section](#)
- 91** *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 US 605, 607–08 (1950). [^ Back to section](#)
- 92** See *Festo Corp. v. Shoketsu Kinzoku Kabushiki Co.*, 535 US 722 (2002) (applying a rebuttable presumption that amendments made to narrow a claim limitation foreclose later broadening of a claim element to cover an accused product.) [^ Back to section](#)
- 93** *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 US 17, 39 n.8 (1997). [^ Back to section](#)
- 94** See *Johnson & Johnston Assocs. Inc. v. R.E. Serv. Co.*, 285 F.3d 1046, 1054 (Fed. Cir. 2002) (en banc) (per curiam). The public dedication rule (or disclosure-dedication rule) provides that a patent holder cannot invoke the doctrine of equivalents to recapture subject matter disclosed but not claimed in a patent. [^ Back to section](#)
- 95** See *Int’l Visual Corp. v. Crown Metal Mfg. Co.*, 991 F.2d 768, 772 (Fed. Cir. 1993) (citing *Wilson Sporting Goods Co. v. David Geoffrey & Assocs.*, 904 F.2d 677, 683–85 (Fed. Cir. 1990) (limiting doctrine of equivalents (DOE) when patentee seeks ‘coverage which he could not lawfully have obtained from the USPTO by literal claims’).) [^ Back to section](#)
- 96** 35 USC § 282. [^ Back to section](#)

- 97** 35 USC § 282; *Interconnect Planning Corp. v. Feil*, 774 F.2d 1132, 1139 (Fed. Cir. 1985) (explaining this 'statutory presumption derives in part from recognition of the technological expertise of the patent examiner'.) ^ [Back to section](#)
- 98** *Microsoft Corp. v. i4i Ltd. P'ship*, 131 S. Ct. 2238 (2011). ^ [Back to section](#)
- 99** *Kingsdown Med. Consultants, Ltd. v. Hollister, Inc.*, 863 F.2d 867, 877 (Fed. Cir. 1988) (en banc). ^ [Back to section](#)
- 100** *See Va. Panel Corp. v. MAC Panel Co.*, 133 F.3d 860 (Fed. Cir. 1997). Patent misuse is a defence where the defendant contends that the asserted patent has 'impermissibly broadened the physical or temporal scope of the patent grant,' which has had 'anticompetitive effect'. *Id.* ^ [Back to section](#)
- 101** See, e.g., *Quanta Computer, Inc. v. LG Elecs., Inc.*, 553 US 617 (2008) (exhaustion); *Wang Labs., Inc. v. Mitsubishi Elecs. Am., Inc.*, 103 F.3d 1571, 1580 (Fed. Cir. 1997) (implied license); *McElmurry v. Ark. Power & Light Co.*, 995 F.2d 1576, 1580 (Fed. Cir. 1993) (shop right). ^ [Back to section](#)
- 102** *Madey v. Duke Univ.*, 307 F.3d 1351, 1361–62 (Fed. Cir. 2002) (experimental use); *Pitcairn v. United States*, 547 F.2d 1106 (Ct. Cl. 1976). ^ [Back to section](#)
- 103** See *A.C. Aukerman Co. v. R.L. Chaides Constr. Co.*, 960 F.2d 1020, 1041 (Fed. Cir. 1992) (en banc). ^ [Back to section](#)
- 104** See *id.* at 1032 (holding that Congress codified a laches defence); see also *SCA Hygiene Products Aktiebolag v. First Quality Baby Products, LLC*, 807 F.3d 1311 (Fed. Cir. 2015) (en banc) (holding that *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 134 S. Ct. 1662 (2014) does not disturb the patent laches doctrine articulated in *A.C. Aukerman Co.*). ^ [Back to section](#)
- 105** 35 USC §§ 281-299. ^ [Back to section](#)
- 106** 2024 LexMachina Patent Litigation Report. ^ [Back to section](#)
- 107** *VLSI Tech. LLC v. Intel Corp.*, 87 F.4th 1332, 1347-1348 (Fed. Cir. 2023) (reversing in part). ^ [Back to section](#)
- 108** 2024 Marcum Patent Litigation Study. ^ [Back to section](#)
- 109** 35 USC § 283. ^ [Back to section](#)
- 110** *Smith Int'l v. Hughes Tool Co.*, 718 F.2d 1573, 1577–78 (Fed. Cir. 1983). ^ [Back to section](#)
- 111** Fed. R. Civ. P. 65. ^ [Back to section](#)

- 112** *Granny Goose Foods, Inc. v. Bhd. of Teamsters Local 70*, 415 US 423, 439 (1974) (citation omitted). [^ Back to section](#)
- 113** See *AstraZeneca LP v. Apotex, Inc.*, 633 F.3d 1042 (Fed. Cir. 2010). [^ Back to section](#)
- 114** See *Abbott Labs. v. Andrx Pharm., Inc.*, 452 F.3d 1331, 1334 (Fed. Cir. 2006). [^ Back to section](#)
- 115** See *Bay Inc. v. MercExchange, LLC.*, 547 US at 391–92. A recent preliminary injunction grant was affirmed in *Natera, Inc. v. NeoGenomics Labs., Inc.*, 2024-1324 (August 12, 2024) (affirming district court's order granting preliminary injunction directed to two patents involving 'methods for amplifying targeted genetic material, such as cfDNA, while reducing amplification of non-targeted genetic material' and 'methods for detecting variations in genetic material indicative of disease or disease recurrence, such as ctDNA'.) [^ Back to section](#)
- 116** See Fed. R. Civ. P. 52(a). [^ Back to section](#)
- 117** See *Apple Inc. v. Samsung Elecs. Co.*, 735 F.3d 1352, 1381 (Fed. Cir. 2013) (a permanent injunction case). [^ Back to section](#)
- 118** See *Bay Inc. v. MercExchange, LLC.*, 547 US 388, 393-94 (overruling that the Federal Circuit 'articulated a 'general rule,' unique to patent disputes,' that a permanent injunction will issue once infringement and validity have been adjudged). [^ Back to section](#)
- 119** Fed. R. Civ. P. 65(c). [^ Back to section](#)
- 120** See 35 USC § 284. [^ Back to section](#)
- 121** *Rite-Hite Corp. v. Kelley Co.*, 56 F.3d 1538, 1545 (Fed. Cir. 1995) (en banc) (citing *Panduit Corp. v. Stahl Bros. Fibre Works, Inc.*, 575 F.2d 1152, 1156 (6th Cir. 1978)). [^ Back to section](#)
- 122** See *Crystal Semiconductor Corp. v. TriTech Microelectronics Int'l, Inc.*, 246 F.3d 1336, 1357 (Fed. Cir. 2001) (explaining that, to recover for price-erosion damages, a patentees must prove that 'but for' the infringement, they would have sold their patented invention at a higher price). [^ Back to section](#)
- 123** See *Am. Seating Co. v. USSC Grp., Inc.*, 514 F.3d 1262, 1268 (Fed. Cir. 2008) (explaining that '[a] patentee may recover lost profits on unpatented components sold with a patented item, a convoked sale, if both the patented and unpatented products 'together were considered to be components of a single assembly or parts of a complete machine, or they together constituted a functional unit'.) [^ Back to section](#)

- 124** See *Unisplay S.A. v. American Electronic Sign Co.*, 69 F.3d 512, 517 n. 7 (Fed. Cir. 1995) (explaining '[a] comprehensive list of relevant factors in determining a reasonable royalty is set out in *Georgia-Pacific . . .*'); see also *Rite-Hite Corp. v. Kelley Co.*, 56 F.3d 1538, 1554 (Fed. Cir. 1995) (en banc) (explaining a reasonable royalty may be derived from an established royalty (if one exists) or, more commonly, from a hypothetical negotiation between the patentee and the infringer when the infringement began); see also *Georgia-Pacific Corp. v. US Plywood Corp.*, 318 F. Supp. 1116 (S.D.N.Y. 1970) (discussing the 15 hypothetical negotiation factors). [^ Back to section](#)
- 125** *Commonwealth Sci. and Indus. Research Org. (CSIRO) v. Cisco Sys., Inc.*, 809 F.3d 1295 (Fed. Cir. 2015). [^ Back to section](#)
- 126** See 35 USC § 287. [^ Back to section](#)
- 127** See *Crown Packaging Tech. v. Reexam Beverage Can, Co.*, 559 F.3d 1308 (Fed. Cir. 2009). [^ Back to section](#)
- 128** See 35 USC § 286. [^ Back to section](#)
- 129** *Halo Electronics, Inc. v. Pulse Electronics, Inc.*, 579 US 93 (2016). [^ Back to section](#)
- 130** See *Gen. Motors Corp. v. Devex Corp.*, 461 US 648, 657 (1983) (discussing prejudgment interest); Fed. R. Civ. P. 54(d)(1). [^ Back to section](#)
- 131** See 35 USC § 285; *Octane Fitness LLC v. Icon Health & Fitness Inc.*, 134 S. Ct. 1749, 1755–76 (2014). [^ Back to section](#)
- 132** See 19 C.F.R. § 201. [^ Back to section](#)
- 133** 28 USC § 1659(a); *In re Princo Corp.*, 478 F.3d 1345, 1355 (Fed. Cir. 2007). [^ Back to section](#)
- 134** 2024 LexMachina Patent Litigation Report. [^ Back to section](#)
- 135** Unified Patents Mid Year Report, 2024. [^ Back to section](#)
- 136** Unified Patents Mid Year Report, 2024. [^ Back to section](#)
- 137** *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 6 (P.T.A.B. 20 March 2020) (precedential); *CommScope Technologies LLC v. Dali Wireless, Inc.*, IPR2022-01242, Paper 23 at 4-5 (P.T.A.B. Feb. 27, 2023) (precedential); *OpenSky Industries, LLC v. VLSI Technology, LLC*, IPR2021-01064, Paper 102 at 49 (P.T.A.B. 4 October 2022) (precedential). [^ Back to section](#)

- 138** The PTAB, in 2023, denied trial institution in 33 per cent of the requests, which is down from 44 per cent petition denial in 2020. PTAB Trial Statistics FY 24 Q 1 Outcome Roundup IPR, PGR, at 6 (https://www.uspto.gov/sites/default/files/documents/ptab_aia_fy2024_q1_roundup_.pdf (last viewed 20 August 2024)). ^ [Back to section](#)
- 139** PTAB Trial Statistics FY 24 Q 1 Outcome Roundup IPR, PGR, at 9 (https://www.uspto.gov/sites/default/files/documents/ptab_aia_fy2024_q1_roundup_.pdf (last viewed 20 August 2024)). ^ [Back to section](#)
- 140** 2024LexMachinaPatent Litigation Report at 26. ^ [Back to section](#)
- 141** See 28 USC § 1295 (2000); 28 USC § 1338. 28 USC § 1295(a)(1). ^ [Back to section](#)
- 142** *Regents of the Univ. of Cal. v. Dako N. Am., Inc.*, 477 F.3d 1335 (Fed. Cir. 2007). ^ [Back to section](#)
- 143** US Courts resources website (last viewed 20 August 2024, <https://www.uscourts.gov/about-federal-courts/educational-resources/about-educational-outreach/activity-resources/supreme-1#:~:text=All%20opinions%20of%20the%20Court,when%20decisions%20must%20be%20released>). ^ [Back to section](#)



Wil Rao

wrao@mcandrews-ip.com

McAndrews, Held & Malloy Ltd

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