

FEDERAL CIRCUIT SUMMARY FOR WEEK ENDING IN APRIL 21, 2023**DivX, LLC v. Netflix, Inc., No 2022-1481 (April 18, 2023) (nonprecedential); Patent No. 7,295,673****Key point(s):**

- The PTAB must have substantial evidence to support a finding that an issued patent is unpatentable.

Facts/Background: Netflix filed an IPR petition against DivX, asserting that claims of U.S. Patent No. 7,295,673 were unpatentable under 35 U.S.C. § 103 over a combination of U.S. Patent Nos. 5,574,785 (Ueno); 7,151,832 (Fetkovich); and 6,957,350 (Demos). The Board construed the term “frame decryption stream” to include periodic transmissions of frame decryption information. The Board noted that nothing in the claims, specification, or prosecution history required the frame decryption information to be sent with each corresponding encrypted frame in a 1:1 correspondence, and nothing precluded the frame decryption information from being interleaved periodically with the encrypted frames. The parties agreed that “frame [encryption/decryption] function” means “specifying the location, by layout or offset, of a portion in a frame to which encryption is applied,” but disagreed as to whether “specifying the location, by layout or offset” includes specifying the location with frame substructures such as slices and macroblocks. DivX argued that that slices and macroblocks do not have fixed locations within a compressed frame, and thus cannot specify a location. Based on its claim construction, the Board held all claims 1–6, 9, 10, and 13–19 invalid. This appeal followed.

Holding: Affirmed. The Federal Circuit agreed with the Board that the scope of the claims includes specifying locations, by layout or offset, using slices or macroblock. The Federal Circuit held that nothing in the claims, specification, or prosecution history required the specified “location” to be a fixed location within a frame. The Federal Circuit adopted the Board’s constructions of “frame decryption stream” and “frame [encryption/decryption] function” and affirmed the Board’s decision based on the substantial evidence that supported the Board’s determination.

CIOFFI v. Google LLC, No. 2018-1049 (April 18, 2023) (nonprecedential); Patent Nos. RE43,500; RE43,528; RE43,529; and 7,484,247**Key point(s):**

- Reissue claims need to have an express disclosure of the embodiment sought in the original application to claim that embodiment during a Reissue.
- Merely being able to infer an embodiment of the invention from the original application is not a sufficient level of disclosure to be able to claim that embodiment in a Reissue.

Facts/Background: Cioffi brought an infringement suit against Google based on four claims across three patents. This case had previously been appealed, during which the Federal Circuit reversed the district court's claim construction. The Federal Circuit construed the term "web browser process" to mean a "process that can access data on websites" either directly or indirectly during the first appeal. On remand, Google argued the claims were invalid because the subject matter of the reissue claims was not disclosed in the original patent and reclaimed subject matter surrendered during prosecution of the original patent. The jury found the asserted claims were infringed and not invalid, and Google moved for judgment as a matter of law. The district court then entered an order rejecting Google's arguments, relying on Cioffi's expert. Google argued the specification of the '247 patent did not clearly disclose an embodiment containing two "web browser processes." Specifically, Google argued that the claimed invention in the Reissue was merely inferred, but not expressly disclosed. Cioffi acknowledged, the specification of the '247 patent does not use the claim term "web browser process," but the district court relied on Cioffi's expert's testimony to assert what a person of ordinary skill in the art would understand from the specification rather than what is apparent on the face of the instrument in regards to a web browser process. Google argued that there was not sufficient support in the specification for the reissue claims but the district court ruled that level of detail was not required. Specifically, Google argued that a skilled artisan would need to infer that the interactive network process status data described in the '247 patent specification included a website. All that was needed was that one skilled in the art would understand that an embodiment was inferred. Based on this, the district court denied Google's JMOL motion. This appeal followed.

Holding: Reversed. The Federal Circuit explained that a skilled artisan would only be able to infer that the '247 patent specification discloses an embodiment that encompasses the use of two web browser processes. The Federal Circuit had interpreted the original patent requirement to require that the exact embodiment claimed on reissue be expressly disclosed in the specification. The District Court disagreed and maintained that it sufficed that one skilled in the art would understand that an embodiment was being inferred. Consequently, the District Court denied Google's JMOL motion.

Amgen Inc. v. Sandoz Inc., No. 2022-1147 (April 19, 2023) (precedential) (3-0); Patent Nos. 7,427,638; 7,893,101; and 10,092,541

Key point(s):

- A statement in a specification can be ignored if expert testimony from both parties supports a contrary meaning.

Facts/Background: Sandoz submitted an Abbreviated New Drug Application seeking approval from the FDA to market a generic version of apremilast. The patentee filed suit, asserting that Sandoz's generic product infringed claims 2, 21 and 29 of the '541 patent; claims 3 and 6 of the '638 patent; and claims 1 and 15 of the '101 patent.

Sandoz asserted claims 3 and 6 of the '638 patent were invalid as obvious over U.S. Patent 6,020,358 and PCT application WO 01/034606. The district court held that Sandoz did not show by clear and convincing evidence that the claims of the '638 patent would have been obvious. At trial, Amgen's expert testified about difficulties isolating enantiomers, although the '638 patent's specification disclosed that enantiomer isolation methods were in the prior art. The district court credited concurring testimony from both parties' experts in declining to bind Amgen to the inconsistent statements in the specification. Sandoz asserted the claims of the '101 patent were invalid because they were not entitled to the priority date of the provisional application. However, the district court concluded that Amgen had met its burden of showing that the '101 patent is entitled to the '515 provisional application's March 20, 2002 filing date as the priority date for the asserted claims and that Sandoz failed to argue that art prior to the March 2002 priority date rendered the claims of the '101 patent invalid for obviousness. The district court agreed with Sandoz that the claims of the '541 patent were invalid as obvious over prior art. The district court found that it would have been within the ability of a skilled artisan to titrate apremilast for a patient presenting with psoriasis and that the required dose titration was routine to ameliorate side effects when treating psoriasis with a drug like apremilast. This appeal followed.

Holding: Affirmed. With respect to the '638 patent, Sandoz argued *inter alia* that Amgen should be held to statements in the specification, citing prior Federal Circuit decisions that it was fair to hold an inventor to the consequences of their admissions because their characterization of the prior art was reasonable, and the references supported the interpretation. The Federal Circuit rejected this argument, ruling that Amgen was not held to the statements in the specification because both parties' experts agreed to a contrary understanding.

With respect to the '101 patent, the Federal Circuit affirmed the priority date finding from the district court based on Amgen's experiment-related evidence and expert testimony and the lack of contrary evidence from Sandoz that established the claimed crystalline Form B of apremilast actually was disclosed in the provisional application. With respect to the '541 patent, the Federal Circuit affirmed the finding of obviousness, holding that varying a dose in response to the occurrence of side effects is a well-known, standard medical practice that may well lead to a finding of obviousness.

FS.Com Inc. v. ITC, No. 2022-1228 (April 20, 2023) (precedential) (3-0); Patent Nos. 9,020,320; 10,444,456; 10,120,153; and 8,712,206.**Key point(s):**

- Open-ended claims are not per se improper; as for all claims their appropriateness depends on the particular facts of the invention, the disclosure, and the prior art. They may be supported if there is an inherent, albeit not precisely known, upper limit and the specification enables one of skill in the art to approach that limit.

Facts/Background: Corning filed an ITC action alleging FS.com Inc. (FS) was violating § 337 by importing high-density fiber optic equipment that infringed the '320 patent, the '456 patent, the '153 patent, and the '206 patent. The patents generally relate to fiber optic technology commonly used in data centers. The ALJ determined that FS' importation of high-density fiber optic equipment violated § 337. FS asserted the claims were invalid and also argued that the claims were not infringed because the construction should limit "an opening" to a single opening. The ALJ adopted the Office of Unfair Import Investigations' construction of "a front opening" and rejected FS' various invalidity challenges, including its argument that certain claims of the '320 and '456 patents were not enabled.

FS petitioned review by the Commission. The Commission relied on the claim construction adopted by the ALJ. The Commission applied the two-part standard set forth in *Andersen Corp. v. Fiber Composites, LLC* to determine enablement. Open-ended claims are not inherently improper; as for all claims their appropriateness depends on the particular facts of the invention, the disclosure, and the prior art. The claims may be supported if there is an inherent, albeit not precisely known, upper limit and the specification enables one of skill in the art to approach that limit. The Commission applied the *Andersen* standard, an uncommon standard, to determine if the challenged claims were enabled. The *Andersen* standard asks whether a skilled artisan would understand that the claims have an inherent upper limit and that the specification enables skilled artisans to approach that limit. Corning's expert testified that, despite market pressure, there was an upper limit because in 2008, at the time of filing, no commercial product had achieved a greater density than 144 connections. FS did not dispute that the claims are enabled if they do not encompass densities above about 144 connections per U space. This appeal followed.

Holding: The Federal Circuit affirmed the holding of the Commission that (i) applied the two-part enablement test set forth in *Andersen*, and (ii) held that "a" or "an" in a patent claim mean "one or more," unless the patentee evinces a clear intent to limit "a" or "an" to a singular element. In this appeal, the Federal Circuit affirmed the claim construction with respect to "a" and "an" meaning "one or more" and affirmed that the claims were enabled.