Latest Intellectual Property News

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Welcome to The Latest Intellectual Property News, a newsletter for updating you with recent information about Intellectual Property.

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By Michael P. McComas, Esq. (<u>mmccomas@ipfirm.com</u>)

In an appeal by BASCOM Global Internet Services, Inc. ("BASCOM"), a panel of the United States Court of Appeals for the Federal Circuit vacated a district court's dismissal of BASCOM's infringement complaint against AT&T Mobility LLC, AT&T Corp. (collectively "AT&T"). The panel held that the claims at issue are not invalid as a matter of law. BASCOM Global Internet Services, Inc. v. AT&T Mobility LLC, AT&T Corp., slip op. 2015-1763 (Fed. Cir. Jun. 27, 2016).

At the district court level, AT&T had moved for dismissal under Rule 12(b)(6) of the Federal Rules of Civil Procedure, asserting that BASCOM's U.S. Patent No. 5,987,606 ("the '606 patent") is invalid as a matter of law under 35 U.S.C. §101 for being directed to abstract ideas including "filtering internet content." The claims at issue are directed to a system or server in which filtering internet content is applied at an ISP server using individual userbased criteria, whereas previous approaches had either applied a single set of rules at an ISP server or applied user-based criteria at a computer local to the user.

Referring to the United States Supreme Court's decision in *Alice Corporation Pty. Ltd. v. CLS Bank International*, 134 S. Ct. 2347 (2014), the panel applied step one of the relevant two-part test by assessing the basic thrust of the '606 patent, concluding that "a close call" exists "about how to characterize what the claims are directed to." The panel then applied step two of the test by searching for an "inventive concept" in either the individual claim limitations or the ordered combination of the limitations.

Because the claims "recite generic computer, network, and Internet components," the panel agreed with the district court that the individual claim limitations are not inventive by themselves. However, the panel disagreed with the district court by concluding that the ordered combination of limitations "recite a specific, discrete implementation of the abstract



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idea of filtering content." The panel also found it noteworthy that the claims "do not preempt the use of the abstract idea... on the Internet or on generic computer components," but instead "carve out a specific location" and "require the filtering system" to perform specific functions.

PATENT DOCUMENTS—THE IMPORTANT REFERENCE FOR CLAIM CONSTRUCTION

By Grace Ning and April Liang, Interns (gning@ipfirm.com) (aliang@ipfirm.com)

Indacon, Inc. v. Facebook, Inc., slip op. 2015-1129 (Fed. Cir. Jun. 6, 2016).

Indacon sued Facebook for infringing U.S. Patent No. 6,834,276 (the '276 patent), which is directed to "searching, indexing, perusing, and manipulating files in a database particularly through the insertion of automatically generated hyperlinks." The district court entered judgment in favor of Facebook, and Indacon appealed.

The main dispute is claim construction of "alias," "custom link," "custom linking relationship," and "link term." The Federal Circuit found no error in the district court's constructions, and affirmed the judgment of noninfringement.

The Federal Circuit agreed that "alias" is a textual expression rather than a graphical expression, because the specification describes "alias" as a "term" which means "words, numbers, spaces, etc." The use of "etc." here does not reasonably encompass graphical expression. Moreover, the Court denied the argument that "alias" is not dependent on the meaning of "term" because claim 1 is also directed to "alias term." Moreover, the prosecution history and specification did not support a reading that "alias" encompassed graphical expression. Further, "alias" does not include a hyperlink, because the specification discloses that an "alias" is connected to the files by a link.

The Court adopted the district court's constructions of the link claim terms as being limited to allowing each instance of a link term to be identified and displayed as a link according to the specification and the prosecution history. These terms have no plain or established meaning to one of ordinary skill in the art and so they cannot be construed broader than the disclosure in the specification. Indacon further argued that claim differentiation precluded the district court's construction because some claims recite linking instances and others recite linking all instances. However, the Federal Circuit rejected this argument because claim differentiation "cannot enlarge the meaning of a claim beyond that which is supported in the patent documents."

A SINGLE DUPONT FACTOR MAY BE DISPOSITIVE IN A LIKELIHOOD OF CONFUSION ANALYSIS

By Kwang Y. Chae, Esq. (<u>kchae@ipfirm.com</u>)

Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC, slip op. 2016-1103 (Fed. Cir. Jun. 24, 2016).

Georgallis Holdings, LLC filed an application for the mark "MAYARI" (85/735,694) for wine in Class 003. Oakville Hills, Inc. opposed based on its registered mark alleging that Georgallis's mark would likely cause confusion with Oakville's registered mark. "MAYA" (2,508,401) for the same goods

The parties argued, and the Board evaluated, the following DuPont factors: (1) the similarity or dissimilarity of the marks in their entireties as to **appearance**, **sound**,

connotation, and **commercial impression**; (2) the similarity or dissimilarity of the goods; (3) the similarity or dissimilarity of trade channels; (4) the conditions under which and buyers to whom sales are made; (5) the fame of the prior mark; and (6) similar marks in use on similar goods. The following remaining factors are omitted because they were not issue at this case: (7) the absence of actual confusion; (8) the right to exclude others from use; (9) the extent of potential confusion; and (10) other probative facts.

The Trademark Trial and Appeal Board's (TTAB) decision found that the second, third, and fourth DuPont factors favored a finding of likelihood of confusion, but that the first DuPont factor favored a finding of no likelihood of confusion and the remaining DuPont factors were analyzed to be neutral.

The Board dismissed Oakville's opposition and Oakville appealed to CAFC.

On Appeal, the Federal Circuit concluded that substantial evidence supported the Board's finding that the marks at issue are sufficiently dissimilar as to appearance, sound, meaning, and commercial impression because they support the Board's finding that MAYA is a familiar word, whereas MAYARI has no recognized meaning to "U.S. consumers."

As to the first DuPont factor found to be in favor of Georgallis, which resolves the present appeal and as the Federal Circuit has held, "a single DuPont factor may be dispositive in a likelihood of confusion analysis, especially when that single factor is the dissimilarity of the marks." The Court affirmed the TTAB's decision dismissing the Oakville's opposition.

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