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NEW EXPRESSION, ALONE, DOES NOT MAKE COMMERCIAL COPYING FAIR USE

By Nick Fan

[*Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith*](#), Appeal No. No. 21-869
(U.S. Supreme Court, May 18, 2023)

- The question of fair use depends in part on whether an allegedly infringing use has a purpose or character distinct from the original. The difference is a matter of degree, and must be evaluated against any commercial nature of the use. Although new expression, meaning, or message may be relevant to whether a copying use has a sufficiently distinct purpose or character, it is not, without more, sufficient to show fair use.
- 공정 사용의 문제는 저작권을 침해한 것으로 의심되는 사용의 목적이나 성격이 원본과 다른지 여부에 일정부분 관련이 있습니다. 그 차이는 정도의 문제이며, 사용의 상업적 성격과 비교하여 평가해야 합니다. 새로운 표현, 의미 또는 메시지는 모방 사용의 목적이나 성격이 충분히 뚜렷한지 여부와 관련이 있을 수 있지만, 그것만으로는 공정 사용을 입증하기에 충분하지 않습니다.
- 公正な仕様の疑義は、部分的には侵害被疑使用が原型となる使用とは区別される目的あるいは特性を有しているか次第である。その差異は程度の問題であり、その使用のいかなる商業的態様に対して評価されなければならない。新たな表現、意味あるいはメッセージというものが、コピー使用が十分に区別できる目的や特性があるかどうかと関連性があったとしても、それだけでは公正な仕様の証明として十分な程度ではない。
- 合理使用的问题部分取决于被指控的侵权使用是否具有与原始用途不同的目的或特征。该差异是程度的问题，且评估时必须针对任何有关商业性质的使用。虽然新的表达、意

义或信息可能与复制使用是否具有足够明显的目的或特征有关，但如果没有更多的证据，就不足以证明合理使用。

Pop artist Andy Warhol created 16 silkscreen portraits of the musician Prince based on a copyrighted photograph by Lynn Goldsmith. One of the 16 silkscreen portraits, created in the 1980's, is an image of "Orange Prince." Andy Warhol Foundation ("AWF") licensed "Orange Prince" to Condé Nast in 2016 to appear on the cover of a magazine commemorating Prince. Goldsmith notified AWF of her belief that it had infringed her copyright. AWF then sued Goldsmith for a declaratory judgment of noninfringement or, in the alternative, fair use. Goldsmith counterclaimed for infringement.

District Court's ruling for AWF's defense of fair use, based on the four fair use factors in 17 U. S. C. §107, was reversed by the Court of Appeals for the Second Circuit. The Supreme Court considered the question whether the first fair use factor, "the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes," §107(1), weighs in favor of AWF's recent commercial licensing to Condé Nast.

Affirming the Court of Appeals, the Supreme Court held that the "purpose and character" of AWF's use of Goldsmith's photograph in commercially licensing Orange Prince to Condé Nast does not favor AWF's fair use defense to copyright infringement. The Court explained that the fair use question posed must be addressed by focusing on whether an allegedly infringing use has a further purpose or different character, and the degree of difference must be weighed against other considerations, like commercialism. A showing of sufficiently distinct purpose or character, without more, is insufficient to establish fair use, especially where the challenged use is commercial in nature.

The Copyright Act provides safe harbor for fair use of a copyrighted work "for purposes such as criticism, comment, news reporting, teaching..., scholarship, or research..." 17 U.S.C. § 107. To determine whether a use is fair, judicial balancing of several factors is required. In this case, "the purpose and character of the use, including whether such use is of a commercial nature or is for non-profit educational purposes," must be considered. 17 U.S.C. § 107(1). The central question is whether the use "merely supersedes the objects of the original creation . . . (supplanting the original), or instead adds something new, with a further purpose or different character." *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994). While commercial use is not dispositive, it must be weighed against the degree to which the use has a further purpose or different character.

The SCOTUS ruled that the first fair use factor does not favor AWF, even though Orange Prince adds new expression to Goldsmith's photograph, because the original photograph and AWF's copying use of it share substantially the same purpose, namely publication in a magazine to illustrate stories about Prince. Additionally, AWF's use is of a commercial nature. The Court used the example of Warhol's Campbell's Soup Can Series to illustrate the point. In those works, which incorporate the advertising graphics of Campbell's soup cans, the purpose of Campbell's logo and graphics is to advertise soup, whereas the purpose of Warhol's use is for artistic commentary on consumerism, and specifically on the Campbell's logo itself, a different purpose from that of Campbell's.

The Supreme Court rejected AWF's argument that its use of Goldsmith's photograph is a fair use because Warhol's silk-screen image of the photograph has a different meaning or message and is transformative. Explaining that, were fair use denominated merely by transformation, such doctrine would swallow the copyright owner's exclusive right to prepare derivative works. In this case, whereas the Warhol version portrays Prince somewhat differently than the original photo, the degree of difference is not sufficient to authorize the commercial nature of the use, and as explained above the use is for the

same purpose as the original photograph. This use has no critical or commentary relationship to the original photograph, and authorizing such uses as fair uses would allow a range of commercial copying of photographs for purposes substantially the same as those of the originals.

OBVIOUSNESS IS IN THE EVIDENCE

By *Josh Hauptman*

BOT M8 LLC v. Sony Interactive Entertainment LLC, Appeal No. 2022-1291

(Fed. Cir. May 9, 2023, *Prost*, Reyna, and Cunningham, precedential)

- An argument that claim construction was erroneous must show the error of construction and must show how the erroneous construction resulted in an adverse result for the appellant.
- 클레임 해석이 잘못되었다는 주장은 해석의 오류를 보여 주어야 하며, 잘못된 해석이 어떻게 항소인에게 불리한 결과를 초래했는지를 보여 주어야 합니다.
- クレーム解釈に誤りがあるという反論をする際、解釈の誤り自体及びその解釈の誤りがどのように上訴人にとって逆効果の結果となるのか、を明らかにしなければならない。
- 主张权利要求解释错误的论点必须表明该解释错误，并且必须表明该解释错误如何导致对上诉人不利的结果。
- Where evidence of obviousness is examined at trial, arguments on appeal that a conclusion of obviousness is erroneous must show that a reasonable finder of fact would disregard the evidence.
- 재판에서 자명성의 증거가 밝혀진 경우, 항소심에서 자명성의 결론이 잘못되었다는 주장은 합리적인 사실 발견자가 그 증거를 무시할 것이라는 것을 보여 주어야 합니다.
- 本訴（トライアル）において自明性の証拠が明らかにされる際、控訴審による自明性決定に誤りがあるという反論をする際には、事実の合理的な認定者であればその証拠を無視するであろうとを示さなければならない。
- 如果在庭审中阐明了显而易见性的证据，则在上诉中关于显而易见性结论是错误的论点必须表明一个合理的事实认定者会无视该证据。

Bot M8 alleged that Sony's PlayStation 4 (PS4) console infringed its gaming machine patent, US Patent No. 8,078,540 (the '540 patent), which is directed to a gaming machine that authenticates certain data and includes both a motherboard and a separate board. Sony responded by petitioning for Inter Partes Review (IPR) of claims 1-6 of the '540 patent. The Board construed claim 1 as requiring writing a game program to the motherboard only after authenticating the game program. Based on that construction, the Board found all claims of the '540 patent obvious over two prior art references.

On appeal, the Court of Appeals for the Federal Circuit affirmed. The Federal Circuit rejected Bot M8's argument that the Board misconstrued claim 1 as covering writing a portion of a game program, or other data, to the motherboard prior to authentication. The reviewing court agreed with the Board that representative claim 1 recites writing the game program to the motherboard after authentication, which clearly precludes writing the *entire* game program to the motherboard prior to authentication, but does not preclude (and therefore covers) writing other data prior to authentication. The Board found, and the Federal Circuit agreed, that the prior art references disclose writing data that is not part of the game program to the motherboard prior to authentication, and writing the game program itself to the motherboard only after authentication, as recited in the claims of the '540 patent. The claims thus cover

embodiments disclosed in the prior art references, making the claims at least obvious. The Federal Circuit also rejected, as harmless error at best, Bot M8’s argument that the Board relied on an improper construction of the claims as covering embodiments wherein a portion of the game program is written to the motherboard prior to authentication.

The Federal Circuit also rejected Bot M8’s argument, regarding representative dependent claim 2, that the prior art references would not motivate a person of ordinary skill to use both a motherboard and another separate board for executing, respectively, an authentication program and a preliminary authentication program. The Board found, and the Federal Circuit agreed, that Martinek, the first-cited reference, discloses a board, different from the motherboard, that has a CPU and can execute an authentication program. The Board also found, and the Federal Circuit agreed, that Diamant, the secondary reference, discloses use of both an authentication program and a preliminary authentication program, although both are executed using the same CPU in Diamant. The Federal Circuit rejected Bot M8’s argument that no reference of record shows using two different CPU’s to run the two programs, finding that Bot M8 presented no reason why a reasonable finder of fact would discount testimony of Sony’s expert that running the two programs on two different CPU’s would be advantageous.

INVENTORSHIP REQUIRES SIGNIFICANT CONTRIBUTION

By [Kien Le](#)

[HIP, Inc. v. Hormel Foods Corp.](#), Appeal No. 2022-1696
(Fed. Cir., May 2, 2023, [Lourie](#), [Clevenger](#), and [Taranto](#), precedential)

- To qualify as a joint inventor, a person must make a significant contribution to the invention as claimed.
- 발명의 상세한 설명이 청구항의 부정적 한정요소를 뒷받침할 때는 그 부정적 한정요소에 대해 명시적 또는 내재적 공개를 하고 있어야 한다. 아무런 언급이 없다는 것만으로는 충분하지 않다.
- 专利权利要求中对于否定性权利要求的书面说明支持必须包括对该否定性权利要求的明示或固有披露。仅仅沉默是不够的。
- 特許クレームにおける否定的要件をサポートする記載には、その否定的要件の明示するまたは内在する記載が含まれていなければならない。単に何の記載もないということだけでは十分ではない。

The patent owner, Hormel, met with David Howard of Unitherm Food Systems (now “HIP”) to discuss the products/processes that Hormel was developing, and Unitherm’s cooking equipment. Howard later alleged that it was during these meetings and subsequent testing processes that he disclosed the infrared preheating concept at issue in this case. Hormel later leased Unitherm’s spiral test oven to conduct testing in Hormel’s R&D facility. The testing resulted in development of a two-step cooking process (preheating meat pieces and then cooking the preheated meat pieces) that was the basis for U.S. Patent 9,980,498 (the ‘498 patent). The patent names four inventors, but does not name Howard as an inventor. HIP sued, alleging that Howard was the sole inventor or a joint inventor of the ‘498 patent. The district court held that Howard was not the sole inventor, but he was a joint inventor having contributed the significant concept, recited in independent claim 5, of preheating using an infrared oven. The district court ordered the USPTO to issue a Certificate of Correction to the ‘498 patent adding Howard as an inventor.

On appeal, the Court of Appeals for the Federal Circuit applied the three-part test from *Pannu v. Iolab Corp.*, 155 F.3d 1344 (Fed. Cir. 1998), which requires an alleged joint inventor to show that they (1) contributed in some significant manner to the conception of the invention; (2) made a contribution to the claimed invention that is not insignificant in quality, when that contribution is measured against the dimension of the full invention; and (3) did more than merely explain to the real inventors well-known concepts and/or the current state of the art. Focusing on the second factor, the Federal Circuit noted that Howard’s alleged contribution, preheating with an infrared oven, is mentioned only once in the specification as an alternative heating method to using a microwave oven, and is recited only once in a single claim (claim 5) in a Markush group, i.e., “using a preheating method selected from the group consisting of a microwave oven, an infrared oven, and hot air.” The reviewing court further noted that the specification, claims, and figures prominently feature preheating with microwave ovens. The reviewing court accordingly concluded that Howard’s alleged contribution of preheating with an infrared oven is “insignificant in quality” when “measured against the dimension of the full invention,” which squarely focuses on a preheating step using a microwave oven. Thus, the Federal Circuit reversed the district court, concluding that Howard is not a joint inventor, according to the established principle that to qualify as a joint inventor, a person must make a significant contribution to the claimed invention.

NON-ANALOGOUS ART ARGUMENT REQUIRES COMPARISON TO THE PATENT

By [Michael McComas](#)

[Sanofi-Aventis Deutschland GmbH v. Mylan Pharms. Inc.](#), Appeal No. 2021-1981

(Fed. Cir., May 9, 2023, Reyna, Mayer, and [Cunningham](#), precedential)

- A patent challenger has the burden of demonstrating that a prior art reference is analogous to a challenged patent by showing the prior art reference is “reasonably pertinent” to the field of endeavor of the patent. Such showing requires comparison of the prior art reference to the patent, not to another prior art reference cited by the patent.
- 특허 무효 주장자는 선행 기술 문헌이 특허의 기술분야와 "합리적으로 관련성"이 있음을 보여줌으로써 선행 기술 문헌이 무효로 주장되는 특허와 유사하다는 것을 입증해야 할 책임이 있습니다. 이러한 입증은 그 특허가 인용한 다른 선행 기술 문헌이 아니라 그 특허와 선행 기술 문헌을 비교해야 합니다.
- 特許無効を主張するものは、ある先行技術引例が無効主張された特許と関連性があることを、その先行技術引例がその特許の努力傾注技術分野と“合理的な関連性がある”ことを示しながら立証する責を負う。
- 专利挑战者有责任通过证明现有技术参考文献与被质疑的专利所属领域“合理相关”来证明现有技术参考文献与该专利相似。这种证明需要比较该专利的现有技术参考文献，而不是与该专利引用的另一现有技术参考文献进行比较。

Background

Mylan Pharmaceuticals Inc. (“Mylan”) initiated inter partes review of a Sanofi-Aventis Deutschland GmbH (“Sanofi”) patent (RE47,614, “the ‘614 patent”) directed to a drug delivery device (and method of manufacturing). The Patent Trial and Appeal Board (“Board”) found all 18 claims to be obvious based on Mylan’s application of three references, two of which were from the field of endeavor exhibited by the ‘614 patent, with the third, de Gennes, being directed to an automotive clutch bearing. The Board credited Mylan’s argument that de Gennes was “reasonably pertinent” to a problem faced in

the ‘614 patent and constituted analogous art to the ‘614 patent, rejecting Sanofi’s definition of the “problem” as too narrow. The Board noted that Mylan referred to Burren, the primary reference, when defining the problem to be addressed, but also noted that the ‘614 patent acknowledges that relevant teachings in Burren perform the same function, concluding that Burren thus addresses a problem faced by the inventors of the ‘614 patent.

On appeal to the Court of Appeals for the Federal Circuit (“Federal Circuit”), Sanofi maintained that Mylan had failed to show that de Gennes was analogous art to the ‘614 patent.

Holding

The Federal Circuit agreed with Sanofi and reversed the Board’s decision, holding that Mylan did not meet its burden to establish obviousness.

Discussion

Because the Board had concluded that the first two references cited by Mylan were not sufficient to render the claims of the ‘614 patent obvious, whether to apply de Gennes was dispositive. On appellate review, the Federal Circuit found that “the Board’s factual finding that de Gennes is analogous to the ‘614 patent is unsupported by substantial evidence.” The Federal Circuit also found that Mylan failed to properly allege that de Gennes addresses a problem faced by the inventors of the ‘614 patent. Explaining that to allege non-analogous art, a petition must compare the art to the claims of the patent and show that the challenged reference is not pertinent to the field of endeavor of the patent, the Federal Circuit found Mylan’s comparison of de Gennes to another prior art reference insufficient to allege that de Gennes is not analogous to the ‘614 patent. Mylan simply did not argue that de Gennes is not pertinent to the ‘614 patent, and general statements in Mylan’s petition discussing the purported problem addressed by the ‘614 patent were insufficient to demonstrate that de Gennes was analogous art. The reviewing court noted that a petitioner is not required to anticipate and raise analogous art arguments in its initial petition. The petitioner can raise such arguments in a reply to a patent owner’s reply. In this case, the reviewing court noted that Mylan used its reply brief to dispute whether a demonstration that de Gennes is analogous art was even needed. Because the necessary argument that de Gennes is analogous art was not made by Mylan, and the Board agreed that such argument was not made, the Federal Circuit reversed the Board and found that Mylan had not carried the burden of showing the claims to have been obvious.

ADDITIONAL INFORMATION

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