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PATENT ELIGIBILITY AT THE PLEADING STAGE

By [Jay Beale](#)

[AI Visualize, Inc. v. Nuance Commc'n, Inc.](#), Appeal No. 2022-2109
(Fed. Cir., April 4, 2024, Moore, Reyna, and Hughes, precedential)

- In computer-related technology, a patent claim may be non-abstract at *Alice* step one if the claimed advance over the prior art focuses on an improvement in computer technology that is recited in the claim.
- 在计算机相关技术中，如果权利要求中所要求的对现有技术的改进集中在权利要求中所描述的计算机技术的改进上，那么在 *Alice* 第一步中，专利权利要求可能是非抽象的。
- コンピュータ関連の技術において、先行技術を超えるクレームされた進歩がクレームに記載されているコンピュータ技術の改良点に焦点を当てている場合、特許のクレームは *Alice* 判決第 1 ステップで非抽象的概念となり得る。
- 컴퓨터 관련 기술에서, 선행기술을 넘어서 청구된 진보성이 청구항에 기재된 컴퓨터 기술의 개선점에 초점을 맞추고 있는 경우, 특히 청구항은 *Alice* 판결 1 단계에서 비추상적 개념이 될 수 있다.
- At *Alice* step two, to transform abstract subject matter into a patent-eligible claim, the claim must recite significantly more than the abstract idea.
- 在 *Alice* 的第二步，要将抽象的主题转化为符合专利条件的权利要求，权利要求必须描述比抽象概念更多的内容。

- *Alice* 判決第 2 ステップにおいて、抽象的な主題を特許適格性を有するクレームに変換するために、クレームは抽象的概念を超える重要な特徴を明記していなければならない。
- *Alice* 판결 2 단계에서, 추상적인 대상을 특허가능한 클레임으로 변환하려면, 클레임은 추상적인 아이디어보다 훨씬 더 많은 것을 명시해야 한다.

Background:

AI Visualize sued Nuance Communications and Mach7 Technologies for infringement of four patents relating to the visualization of medical scans (U.S. Patent Nos. 8,701,167, 9,106,609, 9,438,667 and 10,930,397). Each patent is titled "Method and system for fast access to advanced visualization of medical scans using a dedicated web portal." The district court granted the defendants' motion for dismissal under FRCP 12(b)(6) on the grounds that the asserted claims were patent-ineligible under 35 U.S.C. § 101. AI Visualize appealed.

Holding:

The district court did not err in finding the claims patent-ineligible because the claims were directed to an abstract idea, did not recite an improvement in computer technology, and were insufficient to transform the abstract idea into a patent-eligible claim.

Discussion:

Finding that the elements of the claims at issue are functionally-oriented, with steps of storing data, accepting requests to review that data, check for location of the data, and creating, transmitting, compiling, and displaying frame images to a user, with no recitation of *how* any of these actions are done that rises to a technical solution, the Federal Circuit determined that the claims are directed to obtaining, manipulating, and displaying data, which are abstract concepts that do not amount to an improvement in computer technology. The reviewing court further found that the plaintiff failed to allege, in their complaint, elements of the claims that transform the abstract idea into a patent-eligible claim. The reviewing court rejected AI's argument that creation of virtual views "on demand" or "in real-time" is transformative, finding this to be an abstract idea like a "customized user interface," previously held not inventive, and also finding the virtual views disclosed in prior art.

SERVICE FIRM LIABILITY FOR PATENT ERRORS

By [Adam Langley](#)

[CPA Global Support Services, LLC v. Robinson](#), Appeal No. A24A0405

(Court of Appeals of Georgia April 8, 2024, first division, Barnes, P.J., Gobeil and Pipkin, JJ)

- A patent firm cannot escape liability for docketing service vendors' mistakes, unless, perhaps, they insist that the vendor's contract acknowledges that the vendor's work is intended to be relied upon by the firm's clients and should not disclaim third-party liability. Even if the vendor is directly liable, the patent firm may still be liable also.

- ▶ 专利公司不能逃避对记录服务供应商错误的承担责任，除非他们坚持供应商的合同承认供应商的工作是为了被公司的客户所依赖，并且不应该免除第三方责任。即使供应商负有直接责任，专利公司也可能负有责任。
- ▶ 特許事務所は、多分に、出願管理サービス提供業者との契約書が、そのサービス提供業者の業務が当該法律事務所の顧客により信頼されていると主張されかつ第3者の法的責任を放棄しないことが意図されていない場合、出願管理サービス提供業者のミスに対する法的責任を逃れることができない。もしそのサービス提供業者が直接的に法的責任を負っているとしても、特許事務所も依然として法的責任を負う可能性がある。
- ▶ 특허사무소는 출원관리 서비스 제공자와의 계약서에서 출원관리 서비스 제공자의 업무가 해당 로펌의 고객에 의해 신뢰받고 있고 제3자의 법적 책임이 부인되지 않는 것이 아니라면, 출원관리 서비스 제공자의 실수에 대한 법적 책임을 면할 수 없을 것이다. 만약 그 서비스 제공자가 직접적으로 법적 책임을 지고 있다고 하더라도, 특허사무소도 여전히 법적 책임을 질 수도 있다.

Background:

Dr. Robinson invented a type of spinal implant. In 2009, Dr. Robinson hired law firm FisherBroyles to file patent applications for his inventions. FisherBroyles filed a provisional U.S. patent application for the spinal implant in March 2013, and then filed a PCT application in March 2014.

In February 2014, FisherBroyles contracted with CPA Global. CPA was given access to FisherBroyles' IP management software to enter data relating to patent application deadlines. FisherBroyles terminated CPA's services in May 2014 – just three months into the engagement.

In March 2014, a CPA employee incorrectly entered the priority date for Dr. Robinson's PCT application as March 15, 2014 instead of March 15, 2013. This caused the docketing software to miscalculate the national stage filing deadlines as September 2016 instead of September/October 2015. The error was discovered in September 2016 when FisherBroyles attempted to file the national stage applications, after the 2015 deadlines had passed. Because the deadlines had passed, Plaintiffs were unable to enter the national stage in certain countries to obtain patent protection.

In September 2020, Dr. Robinson sued FisherBroyles for malpractice and breach of contract, and also sued CPA for negligent misrepresentation, alleging CPA negligently supplied false information (the incorrect priority date) that CPA knew or should have known the Plaintiffs would rely on, resulting in economic losses of about \$90 million. The trial court granted summary judgment to CPA on the negligent misrepresentation claim. Robinson appealed.

Issue:

Whether the defendant (CPA) actually intended for the third party (Robinson) to rely on the false information.

Holding:

Unanimously affirmed. The appellate court held that there is nothing in the record to suggest that CPA entered the dates into the docketing system “for the purpose of inducing [the Plaintiffs] to justifiably rely and act upon” the data entry. The appellate court explained that Robinson failed to show CPA intended the dates it entered into FisherBroyles’s docketing software to be shared with and relied upon by the Plaintiffs. Indeed, the contract between FisherBroyles and CPA, on its face, shows that CPA had no intention for the Plaintiffs to rely upon their work.

Georgia Law:

“[O]ne who supplies information during the course of his business, profession, [or] employment . . . has a duty of reasonable care and competence to parties who rely upon the information in circumstances in which the maker was manifestly aware of the use to which the information was to be put and intended that it be so used. This liability is limited to a foreseeable person or limited class of persons for whom the information was intended, either directly or indirectly.” *Robert & Co. Assoc. v. Rhodes-Haverty Partnership*, 250 Ga. 680 (1983). “[L]iability to [a] third party can attach [only if] it can be shown that the representation was made for the purpose of inducing third parties to rely and act upon the reliance.” *Badische Corp. v. Caylor*, 257 Ga. 131 (1987).

Facts:

It was undisputed that CPA entered the incorrect priority date for the international patent applications into FisherBroyles’s IP management software. However, evidence at trial showed that CPA did not supply any filing dates to FisherBroyles, and never relayed any information to Robinson. The contract between CPA and FisherBroyles stated that the services “are supplied by CPA Global solely for use by [FisherBroyles] only” and “CPA Global expressly excludes any liability arising from the use of the Deliverables by any third party.” It also specified that CPA was acting as an independent contractor, not an agent or partner of FisherBroyles. As a result, the evidence uniformly showed no intent on the part of CPA to provide information to Robinson upon which he could reasonably rely.

LITIGATION ABUSE IN PATENT TRIALS

By [Greg Brummett](#)

[Luv N' Care, Ltd. v. Laurain](#), Appeal No. 2022-1905
(Fed. Cir., April 12, 2024, Reyna, Hughes, and [Stark](#), precedential)

- Proposed findings of fact and law can be helpful when submitted to a court in a bench trial.
- 在法庭审判中将拟议的事实和法律调查结果提交给法庭可能会有所帮助。
- 裁判官による公判において提出される事実および法的認定の提案は有益である。
- 판사에 의한 재판(bench trial)에서 법원에 제출된 사실 및 법률 제안서는 도움이 될 수 있다.
- If the district court’s order is, or may be, deficient in some aspect of fact or law, a motion for modified order can be filed to request findings of fact and/or law that have better jurisprudential support.

- ▶ 如果地方法院的命令在事实或法律的某些方面存在或可能存在缺陷，则可以提出修改命令的动议，以请求具有更好法理支持的事实和/或法律调查结果。
- ▶ 地裁命令が事実あるいは法的ないくつかの観点から欠陥があるまたはあり得る場合、より良い法的健全性を支持する事実及び／または法的認定を要請するために命令修正の動議が提出され得る。
- ▶ 지방 법원의 명령이 어떤 사실적 또는 법적 측면에서 부족하다면, 수정된 명령 신청 (motion for modified order)을 해서 더 나은 법적 건전성을 갖는 사실적 그리고/또는 법적 판단을 요청할 수 있다.

Background:

Luv n' Care, Ltd. and Nouri E. Hakim (collectively, "LNC") and Lindsey Laurain ("Laurain") and Eazy-PZ, LLC (collectively, "EZPZ") are manufacturers of dining mats for toddlers. EZPZ's U.S. Patent No. 9,462,903 ("the '903 patent") describes and claims a surface contact self-sealing dining mat integrated with tableware, which prevents separation of the tableware from the dining mat, while also preventing the lateral displacement and overturning of the dining mat.

After a bench trial the district court found that the '903 patent was not unenforceable due to inequitable conduct; that EZPZ was, however, barred from obtaining relief due to its "unclean hands;" that LNC was entitled to have its motion for partial summary judgment, that the asserted claims of the '903 patent are invalid as obvious, granted; and that LNC was not entitled to recover its attorney fees and costs. Both parties appealed.

Holding:

The Court of Appeals for the Federal Circuit found that the trial evidence supported the district court's finding that EZPZ "by deceit and reprehensible conduct attempted to gain an unfair advantage," and affirmed the district court's refusal to grant recovery to EZPZ under the doctrine of "unclean hands." The reviewing court remanded the question of inequitable conduct because the record did not show findings as to affirmative egregious misconduct and per se materiality in addition to the assessment of deceptive intent, intent and materiality being separate elements that must be proved to establish inequitable conduct. The reviewing court found summary judgment of invalidity inappropriate, and remanded the question, because the record contained sufficient evidence from which a reasonable factfinder could find that there was a genuine dispute of material fact regarding at least one claim element.

Discussion:

The Federal Circuit noted that "unclean hands" may be found when the misconduct of a party seeking relief "has immediate and necessary relation" to the relief being sought. On review, the appellate court rejected arguments from EZPZ that the record does not show EZPZ's conduct to be unconscionable or that the challenged conduct has the required nexus to the relief sought. The reviewing court found that EZPZ's concealment of evidence during claim construction deprived LNC and the district court of the opportunity to understand how the United States Patent and Trademark Office ("PTO") construed an

important claim term, and that this concealment was egregious conduct that was directly relevant to the case.

The Federal Circuit noted that, to prove inequitable conduct, a party must show that the patentee 1) withheld material information from the PTO and 2) did so with the specific intent to deceive the PTO by clear and convincing evidence from which deceptive intent is the single most reasonable inference. The reviewing court found no findings of the district court related to materiality, and directed the district court to determine, on remand, whether certain party misrepresentations to the PTO amounted to affirmative egregious conduct that would make the subject matter of the misrepresentation per se material, and whether the PTO might have arrived at a different result but for the misrepresentations.

The Federal Circuit reviews grants of summary judgment in accordance with the law of the regional circuit, here the Fifth Circuit, which reviews grants of summary judgment *de novo*. Summary judgment is only appropriate where there is no genuine dispute of material fact and the moving party is entitled to judgment as a matter of law. Noting that the district court impermissibly made findings of fact inconsistent with the summary judgment standard, the Federal Circuit rejected LNC's argument that the district court was permitted to make findings of fact from prior art references that are "readily understandable," holding that finding for LNC would require an inference against EZPZ, which is improper on summary judgment.

Pursuant to 35 U.S.C. § 285, a court "in exceptional cases may award reasonable attorney fees to the prevailing party." The Court noted that this inquiry utilizes a two-step analysis under which the district court must first determine whether the case is "exceptional." The Court also noted that a party is not required to prevail on all claims in order to qualify as a prevailing party and that nothing remaining in this case could alter the reality that LNC has already obtained a material alteration of its relationship with EZPZ in that EZPZ is now barred from ever enjoining LNC's activities or collecting any damages.

MOTIVATION IN OBVIOUSNESS ANALYSIS

By [Kien Le](#)

[Virtek Vision Int'l ULC v. Assembly Guidance Sys., Inc.](#), Appeals No. 2022-1998

(Fed. Cir., March 27, 2024, [Moore](#), Hughes, and Stark, precedential)

- Whether a skilled artisan would have been motivated to combine prior art references is a question of fact in a patent obviousness analysis.
- 技术人员是否有动机结合现有技术参考文献是专利显而易见性分析中的事实问题。
- 当業者が先行技術引例を併合することを動機付けされ得たかどうかは特許自明性の解析における事実観点からの論点である。
- 특허 비자명성 판단에서, 숙련된 기술자가 선행기술문헌을 결합할 동기가 있었는지 여부는 사실의 문제이다.
- *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398 (2007), did not remove the requirement, to find a patent claim obvious over combined teachings of multiple references, that there *must* exist some motivation to combine the teachings.

- *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398 (2007)中没有取消 “为发现专利权利要求在多个参考文献的组合教导中是显而易见的，必须存在一些组合教导的动机” 这样的要求。
- *KSR 对 Teleflex 事件* は、組み合わせられた複数引例の教示を超えて特許クレームが自明であったかを見出すために、それら教示を組み合わせる動機付けが存在していたに違いないという要求を排除してはいない。
- *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398 (2007)는 특허청구범위가 자명한지 여부를 판단하기 위해 결합된 여러 예시의 가르침을 넘어서서 그 가르침을 결합할 동기가 존재했어야 한다는 요구를 배제하지 않는다.

Virtek Vision International ULC (Virtek) owns U.S. Patent No. 10,052,734 ('734 patent) which is directed to a method of projecting a laser template on a workpiece. For calibration purposes, reflective targets are attached to the workpiece, and a secondary light source is used to scan and identify the targets in a three-dimensional (3D) coordinate system. Based on general locations of the targets in the 3D coordinate system, a laser is used next to identify exact locations of the targets, for use in a subsequent projection of a laser template on the workpiece. Assembly Guidance Systems, Inc. d/b/a Aligned Vision (Aligned Vision) petitioned for *inter partes* review (IPR) of all claims of the '734 patent, as being unpatentable over various combinations of four references D1-D4. In a Final Decision, the Patent Trial and Appeal Board (PTAB) held that claims 1, 2, 5, 7, and 10-13 (Group I) are unpatentable, whereas claims 3, 4, 6, 8, and 9 (Group II) were not shown to be unpatentable. Both parties appealed to the U.S. Court of Appeals for the Federal Circuit ("CAFC").

As to Group I, PTAB found that D1 and D3 fail to disclose a 3D coordinate system, that each reference instead discloses determining an angular direction of each target. PTAB further found that D2 discloses both options, i.e., determining 3D coordinates and an angular direction of each target. PTAB held that a combination of D1+D2 or D2+D3 would have been obvious to try because D2 discloses that the options are alternatives. CAFC reversed, finding PTAB's "obvious to try" rationale is not supported by substantial evidence, as there was no evidence that there are a finite number of identified, predictable solutions, and/or a design need or market pressure exists. CAFC further found substantial evidence does not support a motivation to combine. While D2 discloses both options, the reference does not provide any reason why a skilled artisan would use one option (3D coordinates) instead of the other option (angular directions). The IPR Petition and Aligned Vision's expert did not articulate any reason to substitute one option for the other, or any advantages that would flow from doing so. "The mere fact that these possible arrangements existed in the prior art does not provide a reason that a skilled artisan would have substituted [one arrangement] with the [other arrangement]... It does not suffice to simply be known. A reason for combining must exist" (emphasis added).

As to Group II, PTAB held that Aligned Vision failed to show a motivation to combine D4 with the other references, and CAFC affirmed. Aligned Vision argued that because the additional elements in the dependent claims are disclosed in D4 and are used for their intended purposes, a skilled artisan would have been motivated to combine the references as a matter of "common sense." However, Aligned Vision never argued before PTAB that it would have been common sense to combine the references, and failed to offer any evidence regarding common-sense. The only evidence presented by Aligned Vision in support of a motivation to combine was the expert's conclusory testimony that failed to address why or whether a skilled artisan would have been motivated to combine.

ADDITIONAL INFORMATION

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