

Annual Update

Significant Developments in U.S. Patent Law: 2015

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Below are the selections of Covington's Patent and ITC Litigation Group for the "Top Ten" most significant and interesting developments in U.S. patent law during 2015.

Federal Circuit must give deference to claim-construction rulings based on extrinsic evidence, Supreme Court holds.

In January 2015, the Supreme Court changed the way that the Federal Circuit reviews district courts' claim-construction rulings, bringing to an end the Federal Circuit's nearly two-decades-old practice of paying no deference to such rulings.

In *Teva Pharmaceuticals USA, Inc. v. Sandoz, Inc.*, the Supreme Court prescribed a two-part standard of review, holding that patent cases are no exception to the requirement set out in [Rule 52\(a\)\(6\)](#) of the Federal Rules of Civil Procedure that findings of fact are reviewed for clear error.

Under *Teva*, the Federal Circuit still reviews *de novo* a district court's determinations of law, such as those made with respect to "evidence intrinsic to the patent (the patent claims and specifications, along with the patent's prosecution history)." Factual determinations, however, such as extrinsic evidence used "to understand, for example, the background science or the meaning of a term in the relevant art during the relevant time period," are subject to a clear-error standard of review.

The Supreme Court's decision brings the Federal Circuit's claim-construction review into compliance with [Rule 52\(a\)\(6\)](#), which requires that "[f]indings of fact . . . must not be set aside unless clearly erroneous." The Federal Circuit departed from that rule in *Cybor Corp. v. FAS Technologies, Inc.*, in which it interpreted the Supreme Court's decision in *Markman v. Westview Instruments, Inc.* to mean that "claim construction, as a purely legal issue,

is subject to *de novo* review on appeal." In *Teva*, the Supreme Court clarified that *Markman* "did not create an exception from the ordinary rule governing appellate review of factual matters."

In practice, the new standard of review, while important, may not have a significant impact, as most claim-construction rulings rely solely on intrinsic evidence. Prior to *Teva*, the kinds of factual findings that are to be set aside only for clear error—those based on extrinsic evidence—have not been very common.

Yet *Teva* may affect how both judges and litigants approach claim construction, potentially increasing the reach of the Supreme Court's decision. For example, judges frustrated with the rate at which the Federal Circuit overturns district courts' decisions may be more likely to allow the submission of extrinsic evidence such as expert testimony in order to ensure that their decisions are given deference on appeal. Similarly, litigants who believe their claim-construction positions will prevail before a district court may push that court to consider expert testimony or other factual evidence so as to help insulate a win from *de novo* review.

Teva may also affect the cost of litigating patent cases, although the magnitude and even the direction of that impact are difficult to predict. On the one hand, increased use of expert testimony—intended to shield decisions from *de novo* review—may lead to more "battles of the experts" regarding claim-term meanings, which can be costly. On the other hand, litigants in cases involving extrinsic evidence should have a better sense following claim construction as to their likelihood of prevailing, given that the district court's determinations will be less likely to be overturned on appeal.

This increased certainty could push more cases to early settlement and save litigants the expense of a potentially protracted appeal.

Justices reject good-faith defense to induced infringement.

In May 2015, the Supreme Court eliminated one defense accused infringers had to a claim of induced infringement. *Commil USA, LLC v. Cisco Systems, Inc.* held that a good-faith belief that a patent is invalid will not save an accused inducer from liability. Under Section 271(b) of the Patent Act, "[w]hoever actively induces infringement of a patent shall be liable as an infringer." Recent Supreme Court precedent (*Global-Tech Applicances, Inc. v. SEB S.A.*) held that induced infringement "requires knowledge that the induced acts constitute patent infringement." Because one cannot infringe an invalid patent, should not a belief that a patent is invalid absolve an accused infringer of the requisite knowledge?

The Federal Circuit thought so when it [vacated](#) the \$74 million verdict against Cisco for induced infringement and created the "good-faith belief" defense. The Federal Circuit held that if an accused infringer believes a patent to be invalid, "it can hardly be said that the alleged inducer intended to induce infringement." The Supreme Court disagreed, however, noting that infringement is distinct from validity: "When infringement is the issue, the validity of the patent is not the question to be confronted." "[P]ermitt[ing] a defense of belief in invalidity . . . would conflate the issues of infringement and validity." The Court further reasoned that patents are presumed to be valid and "[i]f belief in invalidity were a defense

to induced infringement, the force of that presumption would be lessened to a drastic degree.”

While elimination of the defense is a win for patent holders, the Court gave some comfort to accused infringers as well by acknowledging that a good-faith belief that the accused acts do not infringe the patent absolves the company of the intent necessary for induced infringement.

Induced infringement remains a difficult claim to win for patent holders because “[i]t requires proof the defendant knew the acts were infringing.” Still, risk-averse companies would be wise to reduce the likelihood of being deemed an induced infringer significantly by obtaining an opinion of noninfringement.

Federal Circuit re-structures analysis of means-plus-function limitations.

On June 16, 2015, the Federal Circuit in [Williamson v. Citrix](#) overruled prior cases that established a “strong” presumption that only claim limitations using the term “means” are means-plus-function limitations, under 35 U.S.C. § 112(6).

Previously, establishing that a claim limitation using other language should be treated as means-plus-function required “a showing that the limitation essentially is devoid of anything that can be construed of as structure.” In response to what the Court saw as “a proliferation of functional claiming untethered” to the statutory requirements of Section 112, the Federal Circuit ruled *en banc* that the correct standard for determining when a claim limitation is a means-plus-function limitation is “whether the words of the claim are understood by persons of ordinary skill in the art to have a sufficiently

definite meaning as the name for the structure.”

In *Williamson*, the limitation at issue, “distributed learning control module,” used the term “module” instead of “means.” Nonetheless, the Court deemed the phrase to be a means-plus-function limitation because the term “module” does not provide any indication as to a particular structure, nor does the prefix “distributed learning control,” in light of the specification, impart structure to the “module.” The term “module,” the Court stated, is “a well-known nonce word that can operate as a substitute for ‘means’ in the context of § 112, para. 6.” Such nonce words “reflect nothing more than verbal constructs [that] may be used in a claim in a manner that is tantamount to using the word ‘means’ because they ‘typically do not connote sufficiently definite structure[.]’”

The Court then proceeded to the second step of the traditional means-plus-function analysis, turning to the patent’s specification for any structure corresponding to the claimed functions. Because the specification lacked any such sufficient structure, the Court held the patent claims invalid for indefiniteness.

This decision may limit the scope of claims with functional limitations or expose them to indefiniteness challenges, by making it easier to argue that nonce words—such as “module,” “device,” “mechanism,” and “element”—invoke means-plus-function scrutiny. For patent owners, *Williamson* is a warning that patents with functional claim language, especially computer-implemented or software patent claims that are prone to such functional language, must be accompanied by flowcharts, flow diagrams, or the like, that detail the claimed functions. The decision may also have a significant impact on, and lead to the invalidation of, patents prosecuted with the pre-*Williamson* legal standard in mind, where applicants conscientiously avoided the “means” term, but used

another nonce term that now subjects the patent to scrutiny.

Supreme Court upholds longstanding bar to expired-patent royalties.

On June 22, 2015, the Supreme Court, in [Kimble v. Marvel Entertainment, LLC](#), upheld a 50-year-old rule prohibiting the enforcement of a licensing agreement when it provides for royalties to continue after the expiration of underlying patents. Given that the decision simply upholds its own precedent, [Brulotte v. Thys Co.](#), to confirm the validity of a rule that sophisticated (but not all) parties have heeded for decades, the importance of the Court’s decision may be somewhat limited. But the decision does at least clarify that parties to a licensing agreement are free to creatively contract around the *Brulotte* rule.

The *Brulotte* rule was created by the Court in 1964 in a case regarding a patent licensing agreement that required royalties to be paid in perpetuity. Focusing on the limited time period of the exclusionary rights granted to a patent owner, the Court held that “a patentee’s use of a royalty agreement that projects beyond the expiration date of the patent is unlawful *per se*.”

In June, the Court confirmed the *Brulotte* rule with respect to Marvel’s licensing of a patent from Kimble for use in a Spider-Man toy. The agreement provided that the patent would be licensed in perpetuity and was agreed to before either party learned of the long-standing *Brulotte* rule. Once Marvel learned of the rule, it ceased royalty payments and was sued by Kimble for breach of the agreement. Despite Kimble’s argument that the *Brulotte* rule is outdated and economically questionable, the district court followed *Brulotte* and entered judgment in favor of Marvel, finding that Kimble could not recover post-expiration royalties. The Ninth

Circuit [affirmed](#), but criticized, the *Brulotte* rule as “depriv[ing] Kimble of part of the benefit of his bargain based upon a technical detail that both parties regarded as insignificant at the time of the agreement.”

The Supreme Court, also adhering to *Brulotte*, agreed that post-expiration royalties remain barred. But the Court did acknowledge that “a broad scholarly consensus supports Kimble’s view” that the *Brulotte* rule is not economically sound. Critics of the rule have argued, for example, that post-expiration royalties do not prolong a patent holder’s monopoly because new competitors are free to enter the market, and post-expiration royalties may in fact foster competition. Nonetheless, the Court stated that it was bound by precedent because Kimble had not shown a compelling reason to overrule *Brulotte*.

The Court’s ruling, however, does not preclude parties from crafting licensing agreements that provide for payments past the expiration of any underlying patent. The Court noted that “parties can often find ways around *Brulotte*” and even provided blueprints for doing so, such as deferring pre-expiration royalties into the post-expiration period or tying nonpatent rights to post-expiration royalties.

The most important impact of the *Marvel* decision may be the publicity it provides for the *Brulotte* rule, which even Marvel was unfamiliar with when it contracted with Kimble. Parties to licensing agreements need to be aware that post-expiration royalties are not enforceable. If such royalties are agreeable to the parties, they should structure the agreement to ensure it does not violate *Brulotte* and *Marvel*.

Federal Circuit expands direct infringement scope.

Another chapter in the long-running saga of the Akamai-Limelight patent dispute, which began in 2006, played out in 2015. In August, the Federal Circuit ruled *en banc* in [Akamai Technologies, Inc. v. Limelight Networks, Inc.](#) that Limelight infringed Akamai’s Web content delivery patent, reinstating a \$45.5 million verdict against Limelight, in a holding that expands the scope of direct infringement.

Central to the case is the issue of divided infringement, where a defendant (here, Limelight) performs some of the steps of a method claim and one or more other parties (here, its customers) perform the other steps. Under prior Federal Circuit case law (see, e.g., [Muniauction](#)), a defendant is liable for direct infringement only “when there is an agency relationship between the parties who perform the method steps or when one party is contractually obligated to the other to perform the steps.” Under that standard, a Federal Circuit panel in May cleared Limelight of infringement because there was no such agency or contractual relationship between Limelight and its customers.

Sitting *en banc* in August, the Federal Circuit expanded that standard, concluding that direct infringement “can also be found when an alleged infringer [1] conditions participation in an activity or receipt of a benefit upon performance of a step or steps of a patented method and [2] establishes the manner or timing of the performance.” In such situations, performance of each step can be “attributed” to a single entity. Under this new standard, the Court overturned the May panel, concluding that the infringement verdict was supported by substantial evidence showing that Limelight conditions its customers’ use of its

content delivery network upon customers’ performance of certain claimed steps and that Limelight establishes the manner or timing of that performance.

The now-broadened scope of the direct infringement of method claims may be a boon for patent plaintiffs, potentially reviving pre-*Muniauction* patents that were thought to face divided infringement issues. This may be particularly true for patent claims directed to software and networks, which often require the performance of steps both server-side and client-side. The impact, and whether this story continues, may ultimately depend on whether the Supreme Court agrees to review the Federal Circuit’s decision, as Limelight requested in January 2016.

Supreme Court vetoed laches for copyright, but Federal Circuit backs it for patents.

In September 2015, the Federal Circuit held *en banc*, in [SCA Hygiene Products v. First Quality Baby Products](#), that the equitable defense of laches is still available in patent infringement cases, despite a recent Supreme Court ruling that put the common-law doctrine into question. In its May 2014 decision in [Petrella v. Metro-Goldwyn-Mayer Inc.](#), the Supreme Court ruled that the laches defense, which bars legal remedies when a plaintiff unreasonably delays bringing suit, is not available in copyright cases because Congress expressly created a statute of limitations that cannot be trumped by judge-made doctrine.

Because Congress also has already codified a limit on the timeliness of patent damages in the Patent Act (35 U.S.C. § 286 precludes recovery for infringement committed more than six years prior to the suit), patent practitioners questioned whether laches might also be crowded out from patent law. The Federal Circuit found, however, that the statutory

scheme in patent law is different. Relying on legislative history to interpret Section 282 of the Patent Act, the Federal Circuit determined that Congress codified the laches defense there and that Congress drafted the Patent Act to allow laches and the six-year damages limitation to coexist. “Accordingly, we have no judicial authority to question the law’s propriety.”

But the question was close enough that five judges dissented from the six-member majority. The dissent criticized the majority for relying on “vague legislative history and muddled case law” to prop up the laches defense and noted that “the Supreme Court has repeatedly cautioned this court not to create special rules for patent cases.” Both the close split and the dissent’s view that the decision creates another special rule for patent law may give the Supreme Court reason to take on this issue, as SCA Hygiene requested in January 2016.

The impact of the ruling, however, is likely to be muted because laches is not a commonly invoked defense. Further, laches is a very fact-specific defense that can be difficult to prove, and in patent suits it bars only pre-suit damages. Still, the defense can have a significant effect in the right situation, for example, when a company acquires and asserts against a successful product an old patent that has expired or soon will—a tactic sometimes employed by non-practicing entities.

Federal Circuit expands ITC authority over induced infringement.

In August 2015, the Federal Circuit held *en banc* in [Suprema Inc. v. ITC](#) that the ITC has authority to exclude products that only infringe *after importation*, as a result of inducement by a foreign seller.

Under 19 U.S.C. § 1337 (“Section 337”), the ITC has the authority to

block the importation of articles that infringe intellectual property rights, such as patents. In May 2010, Cross Match Technologies, Inc. initiated an ITC investigation under Section 337, alleging that Suprema’s Korean-manufactured fingerprint scanners, combined with Mentalix, Inc.’s software, infringed method claims directed to the capture and processing of fingerprint images. Mentalix, Inc. is a Texas-based supplier of fingerprint scanning systems that, after importation of Suprema’s scanners, integrates its own software into the scanners in the United States and sells the combined scanner/software product to end users. The ITC found that Suprema induced infringement of the method claim by encouraging the pairing of the scanners with Mentalix’s software and issued an exclusion order as to Suprema’s scanners.

On appeal in December 2013, a Federal Circuit panel vacated the exclusion order, concluding that the ITC’s authority is limited to goods that directly infringe *at the time of importation*. The panel opined that Section 337’s language, “articles that infringe,” has a temporal requirement and that infringement must be measured at the time of importation.

On rehearing *en banc*, the full Court disagreed with the panel’s decision and upheld the ITC’s position that “articles that infringe” under Section 337 include articles that are used to infringe method claims after importation, so long as the party supplying those articles induces infringement. Section 337 itself, the Court stated, does not answer the question, and the ITC’s position was entitled to *Chevron* deference. The Court further found the ITC’s position reasonable because it was consistent with Section 337 and the ITC’s mandate to safeguard U.S. commercial interests at the border.

The ruling thus foreclosed potential infringers from dodging the ITC by importing non-infringing products with the intention of inducing post-importation infringement. This is

welcome news for patent owners that prefer the ITC as a forum, relative to district court, for its relatively quick rulings and its unique remedy of excluding goods from entering the U.S. The slowdown in ITC litigation over the past year is thought to have been caused, in part, by companies hesitating to initiate action in the ITC before the scope of its authority was clarified.

Federal Circuit reins in ITC’s jurisdiction.

In November 2015, the Federal Circuit in [ClearCorrect Operating, LLC v. ITC](#) struck down a determination by the International Trade Commission (“ITC”) that it had the power to block the importation of digital files that infringed patents. Infringing or not, digital files are beyond the ITC’s jurisdiction, the Federal Circuit held.

In 2012, Align Technology, Inc., maker of Invisalign braces, initiated an ITC investigation under Section 337, alleging that ClearCorrect infringed its patents by using digital data imported from Pakistan. In April 2014, The ITC determined that ClearCorrect’s importation of digital files infringed Align’s patents, determined that the ITC had the authority to block the electronic importation of the files, and issued a cease and desist order. ClearCorrect appealed.

By a 2 to 1 vote, the Federal Circuit sided with ClearCorrect and issued a strongly-worded decision indicating what the Circuit views as the bounds on the ITC’s power. Noting that the ITC’s jurisdiction under Section 337 is limited to unfair actions involving the importation of “articles,” the Court’s charge was to determine whether digital files are “articles” under the controlling statute. Based on the literal text of the statute, the statutory scheme, and the legislative history, the Federal Circuit deemed “articles” to mean “material things.” Although “electronic transmissions have some physical properties,” the

Court stated that “commonsense dictates that there is a fundamental difference between electronic transmissions and ‘material things.’” The ITC’s “decision to expand the scope of its jurisdiction to include electronic transmissions of digital data,” the Court concluded, “runs counter to the ‘unambiguously expressed intent of Congress.’”

The *ClearCorrect* decision may impact the cause of groups looking to employ the ITC in fighting digital piracy. For example, the Motion Picture Association of America (which filed an amicus brief) [warned that](#) “[l]imiting the ITC’s jurisdiction to physical goods would severely undermine the agency’s future efficacy, as commerce increasingly occurs over the Internet.” That said, the Federal Circuit’s reining in of the ITC’s authority may not have a significant impact. The Commission, given its position in *ClearCorrect*, is not likely to take a broad reading of the decision and refuse cases involving any transmission of digital data. Rather, the ITC will likely interpret the decision narrowly and turn away only cases that involve exclusively digital transmissions.

While that may not give anti-piracy groups much comfort, all hope is not yet lost. The panel’s 2-1 decision may be headed for a rehearing before the entire Federal Circuit, as requested by the ITC and Align in January 2016. Notably, the two judges in the majority in *ClearCorrect* were the same two judges that narrowed the ITC’s patent authority in *Suprema, Inc. v. ITC*. That panel decision was overturned by six of the ten Federal Circuit judges after rehearing.

Federal Circuit begins considering reviewability of IPR and CBMR proceedings.

The last year saw continued growth in the number of challenges to patents in the Patent Office, both in

inter partes review (“IPR”) and covered business method patent review (“CBMR”) proceedings. Both patent owners and petitioners have begun appealing those patent office decisions, and the Federal Circuit issued a series of decisions this year clarifying the extent to which it may review IPR and CBMR decisions.

As background, IPRs and CBMRs proceed in two stages. First, the Patent Trial and Appeal Board (“PTAB”) determines whether to institute a review of a patent challenged by a petitioner. That institution decision, under 35 U.S.C. §§ 314(d) and 324(e), is “final and nonappealable.” The PTAB then conducts the merits review and issues a “final written decision” regarding the validity of the patent. A party dissatisfied with the final written decision may, under Sections 319 and 329, appeal to the Federal Circuit. Simply put, the PTAB’s institution decision is not reviewable, but the final written decision is. But which issues are reviewable on appeal of the final written decision?

In [Versata Development Group, Inc. v. SAP America, Inc.](#), the Federal Circuit set forth the basic rule that, aside from those made at the final written decision stage, the only determinations reviewable on appeal are ones that go to the Board’s “ultimate authority to invalidate” a patent. At issue in *Versata* was the reviewability of the PTAB’s determination—made at the institution stage—that the patent at issue was a covered business method (“CBM”) patent. Because the CBM determination fundamentally related to the Board’s “ultimate authority to invalidate” only CBM patents in a CBMR proceeding, the Court held that it was reviewable.

The Court’s decision in [In re Cuozzo Speed Technologies, LLC](#), prior to the *Versata* decision, is consistent. There, the patent owner asserted that the PTAB erred at the institution stage, and subsequently in the final written decision, by considering prior art that was not cited in the

challenger’s petition. That conduct, however, was deemed not reviewable because there was no indication that the issue was a limitation on the PTAB’s authority.

Similarly, in [SightSound Technologies, LLC v. Apple Inc.](#), the PTAB’s consideration at the institution stage of obviousness grounds not asserted in the petition was also deemed unreviewable on appeal. The PTAB’s authority is not limited by the governing statute to grounds alleged in a petition.

Also unreviewable was the PTAB’s determination appealed in [Achates Reference Publishing, Inc. v. Apple Inc.](#) that the challenger had filed the petition within the statutory one year deadline. The time bar, the Federal Circuit opined, does not limit the PTAB’s authority to invalidate a patent; rather, it bars particular parties from challenging through IPR.

The Federal Circuit also provided a helpful way to analyze whether an issue is related to the PTAB’s ultimate authority to invalidate: consider whether a proper petition would have mooted the issue. There would have been no cause to raise the issues in each of *Cuozzo*, *SightSound*, and *Achates* had the petition included the non-cited prior art, included the obviousness grounds, or been timely made, respectively. Those issues do not go to the PTAB’s authority and are not reviewable on appeal.

The groundwork laid in 2015 on reviewability provides some guidance that should be heeded in both the PTAB and the Federal Circuit. At the PTAB, parties should ensure that a strong record is developed at least for any issues that are subject to appeal following a final written decision. And on appeal, practitioners should be careful not to waste resources on issues over which the Federal Circuit has no control.

No end yet in sight for effectiveness of Section 101 challenges.

Over the course of 2015, challenges to the subject matter eligibility of patents under 35 U.S.C. § 101 continued to be a popular and effective tool for invalidating software patents. The Federal Circuit, for its part, upheld all six of the appeals from district court decisions striking down patents under Section 101 for lacking eligible subject matter. And according to the opinions of at least four Federal Circuit judges in 2015, the effectiveness of Section 101 challenges is unlikely to change absent intervention by either the Supreme Court or Congress.

The relatively recent increase to the effectiveness of Section 101 challenges springs from the Supreme Court's 2012 decision in [Mayo Collaborative Services, v. Prometheus Laboratories, Inc.](#), where the Court found that claims directed to determining drug dosage based on a patient's metabolite levels were drawn to a law of nature and therefore invalid under Section 101. The Mayo Court also set forth a framework for analyzing Section 101 challenges. That framework was refined into a two-part test in the Supreme Court's 2014 decision in [Alice Corporation Pty. Ltd. v. CLS Bank International](#). There, the Court confirmed that an analysis of patent claims under Section 101 requires (1) determining whether the claims at issue are directed to a patent-ineligible concept (*i.e.*, laws of nature, natural phenomena, and abstract ideas), and if so, (2) whether the remaining elements, either in isolation or combination with the other non-patent-ineligible elements, are sufficient to transform the claims into a patent-eligible application.

It is under that two-part Mayo/Alice test that the Federal Circuit in 2015 affirmed each of the decisions it reviewed on this issue. In each case, the Federal Circuit identified

the abstract idea (or law of nature) to which the claims were drawn and confirmed that no remaining elements rendered the claimed subject matter patent eligible.

In [OIP Technologies, Inc. v. Amazon.com, Inc.](#), the patent at issue claimed methods of pricing a product in an e-commerce environment. Because the claims were directed to the economic concept of offer-based price optimization and failed to include limitations that would render the subject matter patent eligible, the Court affirmed the claims were invalid.

The claims at issue in [Versata Development Group, Inc. v. SAP America, Inc.](#) were similarly directed to determining the price of a product, here using organizational and product group hierarchies. The Court affirmed the PTAB's invalidity finding because the claims, at base, related to a conceptual framework for organizing information.

The claims of two patents invalidated by the PTAB were at issue in [Intellectual Ventures I LLC v. Capital One Bank \(USA\), N.A.](#) One patent was directed to tracking financial transactions to determine whether they exceed a spending limit. Those claims, the Court agreed, simply covered the abstract idea of budgeting. The second patent was directed to customizing web page content based on a user's information and navigation history. The abstract idea of tailoring content to a specific person, akin to tailoring newspaper inserts or TV commercials based on time of day, was not rendered patent eligible by any inventive concept.

The patent at issue in [Internet Patents Corp. v. Active Network, Inc.](#) claimed the use of a web browser's back and forward navigational functionalities without data loss in an online form. There, the Federal Circuit agreed with the district court that the claims were directed to the

abstract idea of retaining information in the navigation of online forms.

In [Vehicle Intelligence v. Mercedes-Benz USA, LLC](#), the patent at issue claimed screening and testing equipment operators (e.g., car drivers) for impairments and controlling the equipment if an impairment is detected. The claims failed to include, however, any limitations on how to achieve the claimed screening, testing, and controlling so as to render patent eligible the abstract idea of testing equipment operators for impairments.

Finally, in [Ariosa Diagnostics, Inc. v. Sequenom, Inc.](#), a Federal Circuit panel affirmed as invalid Sequenom's claims on a newly-discovered method for detecting cell-free fetal DNA in maternal serum or plasma samples. Notably, one of the three panelists, Judge Linn, filed a concurring opinion criticizing the overly broad language of Mayo by which judges are bound: "But for the sweeping language in the Supreme Court's Mayo opinion, I see no reason, in policy or statute, why this breakthrough invention should be deemed patent ineligible."

When the Federal Circuit later [denied Sequenom's request for a rehearing](#) before the full Court, Judge Dyk and Judge Lourie, who was joined by Judge Moore, also filed concurring opinions casting Mayo as overbroad and criticizing the end result of rendering "breakthrough" inventions patent-ineligible.

Whether Mayo, Alice, and the two-part test are consistent with the Patent Act and policy considerations is important. But just as important for modern companies is the ability to rely on, and predict, consistent legal outcomes. Thus, it is helpful to know, for patent owners and challengers alike, that at least a few members of the Federal Circuit see no change on the horizon until the Supreme Court or Congress steps in.

Recent Publications by Covington's Patent and ITC Litigation Group

- ["SIPO Issues Detailed Draft Guidance for Patent Administrative Enforcement in China,"](#) *Covington Alert* (10/30/2015) - [Ruixue Ran](#), Co-Author; [Sheng Huang](#), Co-Author
- ["Takeaways From HTC's Fees Win, 'Pierce The Veil' Loss,"](#) *Law360* (8/19/2015) - [Robert T. Haslam](#), Co-Author; [Michelle L. Morin](#), Co-Author
- ["China Issues Final IP/Antitrust Rules,"](#) *LegalStudio* (6/3/2015) - [James J. O'Connell](#), Co-Author; [Weishi Li](#), Co-Author; [Timothy P. Stratford](#), Co-Author
- ["ITC Complainants Must Do The Math For Domestic Industry,"](#) *Law360* (5/18/2015) - [Alexander Chinoy](#), Co-Author
- ["Patent Exhaustion After *Helferich Patent Licensing v. The New York Times*,"](#) *Covington Advisory* (April 2015) - [Robert D. Fram](#), Author
- ["A Shortcut To Understanding Pending Patent Legislation,"](#) *Law360* (4/29/2015)
- ["Patent Legislation is Heating Up Again in Congress,"](#) *Inside Counsel* (4/6/2015) - [Marie A. Lavalleye](#), Co-Author; [Bingham B. Leverich](#), Co-Author; [Kathleen T. Gallagher-Duff](#), Co-Author; [Simon J. Frankel](#), Co-Author; [Ethan Forrest](#), Co-Author
- ["The New IEEE Standards Association Patent Policy: A Look Beyond the Blogs,"](#) *Covington Advisory* (February 2015) - [Robert D. Fram](#), Co-Author; [Robert J. Williams](#), Co-Author

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