

INTELLECTUAL PROPERTY LITIGATION NEWSLETTER

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Case Highlights

Unilateral and Belated Statements Are Not Relevant to Prosecution Disclaimer

Azurity Pharmaceuticals Inc. v. Alkem Laboratories Ltd., No. 23-1977 (Fed. Cir. Apr. 8, 2025) (Judge Murphy (sitting by designation), joined by Judges Moore and Chen) (appeal from D. Del.).

The Federal Circuit affirmed the district court's finding of prosecution disclaimer. The patentee's argument—that its remarks made in a related patent application should be relevant to determine the scope of the claims—was rejected. Although statements in prosecution histories of patents descended from the common ancestor application may be relevant, prior Federal Circuit "decisions have focused on how such statements have been relevant to *later* issued patents." Here, the statements in question were made by the patentee "for the record," to which the examiner did not respond, and made only *after* the examiner had allowed the claims of the patent-in-suit. "Judging these circumstances through the lens of public notice, [the patentee's] unilateral and belated statement carries no weight."

Section 311(b) Does Not Allow Prior Art That Is Not a Patent or Printed Publication to Be Used as a Ground in an IPR, Even if It Is Used in Combination

Qualcomm Inc. v. Apple Inc., No. 23-1208 (Fed. Cir. Apr. 23, 2025) (Judge Reyna, joined by Judges Lourie and Prost) (appeal from PTAB).

The Federal Circuit held that the Patent Trial and Appeal Board (PTAB) erred in interpreting 35 U.S.C. § 311(b) as allowing admitted prior art that was not a patent or printed publication to be used in combination with one or more prior art patents or printed publications. The Federal Circuit first determined that the question at hand was reviewable on appeal because it was not a challenge to the "threshold" decision to institute the inter partes reviews (IPRs). Rather, the challenge pertained to the PTAB's "interpretation and application of a statutory provision, § 311(b), on what qualifies as a permissible basis for a ground in an IPR petition." Then the Federal Circuit found that the plain meaning of Section 311(b) does not permit the basis to include the applicant's admitted prior art, which was not a prior art patent or printed publication as required by the statute. The PTAB "exceeded this statutory limit by determining that the mere combination of [the admitted prior art] with prior art patents or printed publications automatically excludes [the admitted prior art] from the basis of a ground."

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Other Notable Cases

Litigation Funding Agreements Ordered to Be Produced After Determining That They Were Relevant to Witness Bias

Correct Transmission LLC v. Juniper Networks Inc., No. 3:21-cv-09284 (N.D. Cal. Apr. 29, 2025) (Magistrate Judge Kim).

The court ordered the plaintiff to produce litigation funding agreements that relate to the bias of two pertinent witnesses: the original owner of the patents-in-suit and the sole owner of the plaintiff. In prior testimony, the witnesses could not remember the details of the amount of money or percentage of recovery the witnesses would receive under the litigation funding agreements. Therefore, the defendant had "no other way to determine how much [the witnesses] can obtain if they prevail in litigation, and [the defendant] is entitled to question them about the full amount of funds that they can obtain and not simply rely on an estimate based on faulty memory." Under the court's review, the litigation funding agreements did not "contain any mental impressions or analyses of the lawyers" except for litigation fee budget and litigation cost budget, which were ordered to be redacted before production.

Reassignment of Defendants' Patent Applications Derived from Trade Secrets That the Jury Found to Have Been Misappropriated by the Defendants Is Equitable

Insulet Corp. v. EOfFlow Co., No. 1:23-cv-11780 (D. Mass. Apr. 24, 2025) (Judge Saylor).

After winning a jury verdict for trade secret misappropriation, the plaintiff sought a reassignment of certain patents belonging to the defendants that incorporate elements of the plaintiff's trade secrets. The court found that "[e]quitable reassignment of defendants' patent applications derived from the trade secrets is appropriate to prevent continued use of those trade secrets." Here, the plaintiff's expert testified that the patent applications at issue described aspects of the plaintiff's trade secret that the jury found to have been misappropriated by the defendants.

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Our IP Litigation team has delivered three complete defensive jury verdicts in three separate high-profile patent defense trials for our clients in the Eastern District of Texas in the last 12 months.