## **ALSTON & BIRD**

# INTELLECTUAL PROPERTY LITIGATION NEWSLETTER

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### **Case Highlights**

## First to Invent No Longer the Focus of a Derivation Proceeding Under the AIA

*Global Health Solutions LLC v. Selner,* No. 23-2009 (Fed. Cir. Aug. 26, 2025) (Judge Stark, joined by Judges Stoll and Goldberg (sitting by designation)) (appeal from PTAB).

In its first review of an America Invents Act (AIA) derivation proceeding litigated in the Patent Trial and Appeal Board (PTAB), the Federal Circuit clarified certain important differences between derivation claims before and after the enactment of the AIA. Because the focus is no longer on who is the first to invent under the AIA, the Federal Circuit held that "to meet its prima facie burden in an AIA derivation proceeding, the petitioner must produce evidence sufficient to show (i) conception of the claimed invention, and (ii) communication of the conceived invention to the respondent prior to respondent's filing of that patent application." The respondent can overcome the petitioner's prima facie showing by "proving independent conception prior to having received the relevant communication from the petitioner." Here, the Federal Circuit ruled that though the PTAB erred in focusing on who was the first to invent, the error was harmless: by finding that the respondent was the first to invent, the PTAB indirectly determined that the respondent independently conceived and did not derive his invention from the petitioner.

## Provisional Application and Related Patent Cannot Be Relied on for Claim Construction When Material Alterations Were Made to the Patent in Suit

*FMC Corp. v. Sharda USA LLC*, No. 24-2335 (Fed. Cir. Aug. 1, 2025) (Judge Chen, joined by Judges Moore and Barnett (sitting by designation)) (appeal from E.D. Pa.).

The Federal Circuit vacated a preliminary injunction order due to an error in claim construction. The Federal Circuit found that the district court erred in narrowing the disputed term "composition" based on a provisional application and a related patent. The patentee made meaningful alterations between the content of the provisional application and the patent at issue by deleting all the references the district court used to limit the term "composition." The Federal Circuit clarified that it does not matter "whether the deletions ... would narrow or broaden the claim scope." Similarly, for the related patent that the district court relied on, though "[i]t is true we typically interpret a claim term consistently across a patent family when the patents 'derive from the same parent application," the Federal Circuit found that this principle does not hold true when the patent owner "materially alters the specification of some of the members of the patent family in a manner that directs a skilled artisan to interpret the claim term differently."

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#### **Other Notable Cases**

#### Not Including a Defendant in a Prior Action Involving the Same Transactional Facts Preclude a New Action Against the Defendant Under the Claim-Splitting Doctrine

National Products Inc. v. Dovey, No. 2:25-cv-00730 (W.D. Wash. Aug. 28, 2025) (Judge Estudillo).

The court dismissed the patent infringement case under the claim-splitting doctrine. "The claim-splitting doctrine is a form of claim preclusion that bars a subsequent patent infringement action when it 'arises from the same transactional facts as a prior action." Five years ago, the plaintiff brought a patent infringement action against a competitor. Shortly before trial, the competitor filed for bankruptcy and the court stayed the action. The plaintiff then filed the current patent infringement complaint against the defendant, who was the founder of the competitor. Although the plaintiff admitted that the prior action involved the same transactional acts as the current one, the plaintiff first argued that the doctrine of claim splitting does not apply because it requires a final judgment on the merits. The court rejected this argument. The court also rejected the plaintiff's second argument that only active proceedings are relevant to the claim-splitting analysis. The court determined that the bankruptcy stay in the prior action does not remedy the fact that the plaintiff strategically decided not to include the defendant in the prior action. The court found that the plaintiff"must now accept the consequences of its strategic decision."

## 510(k) Application Used as Evidence of Reduction to Practice for Pre-AIA Section 102(g)

C.R. Bard Inc. v. Medical Components Inc., No. 2:12-cv-00032 (D. Utah Aug. 26, 2025) (Judge Parrish).

Under the pre-AIA 35 U.S.C. § 102(g), a patent is invalid if "the [claimed] invention was made in this country by another inventor who had not abandoned, suppressed, or concealed it." The court found that the accused infringer can use its 510(k) application (that was filed with the Food and Drug Administration to market its product at issue) to evidence reduction to practice to establish that the product was prior art. The court rejected the patent owner's argument that "another inventor" under Section 102(g) must be an individual person, not a corporation. The court noted that the patent owner "provide[d] no legal authority for such a requirement, and certainly the plain language of the statute offers nothing to suggest as much." The court also found that the accused infringer does "not have to show conception if the product has been successfully reduced to practice."

#### **Alston & Bird by the Numbers**

Alston & Bird attorneys Jason Cooper, Chris Gegg, Chris Lightner, Dane Baltich, and Joe Liebeschuetz have been recognized among the world's top intellectual property strategists by Intellectual Asset Management in the 2025 edition of the "IAM Strategy 300: The World's Leading IP Strategists."