



A European view on recent trends in US patent law



**U.S. Patent Trolls,
Chinese Cyber Thieves
August 20th, 2014**

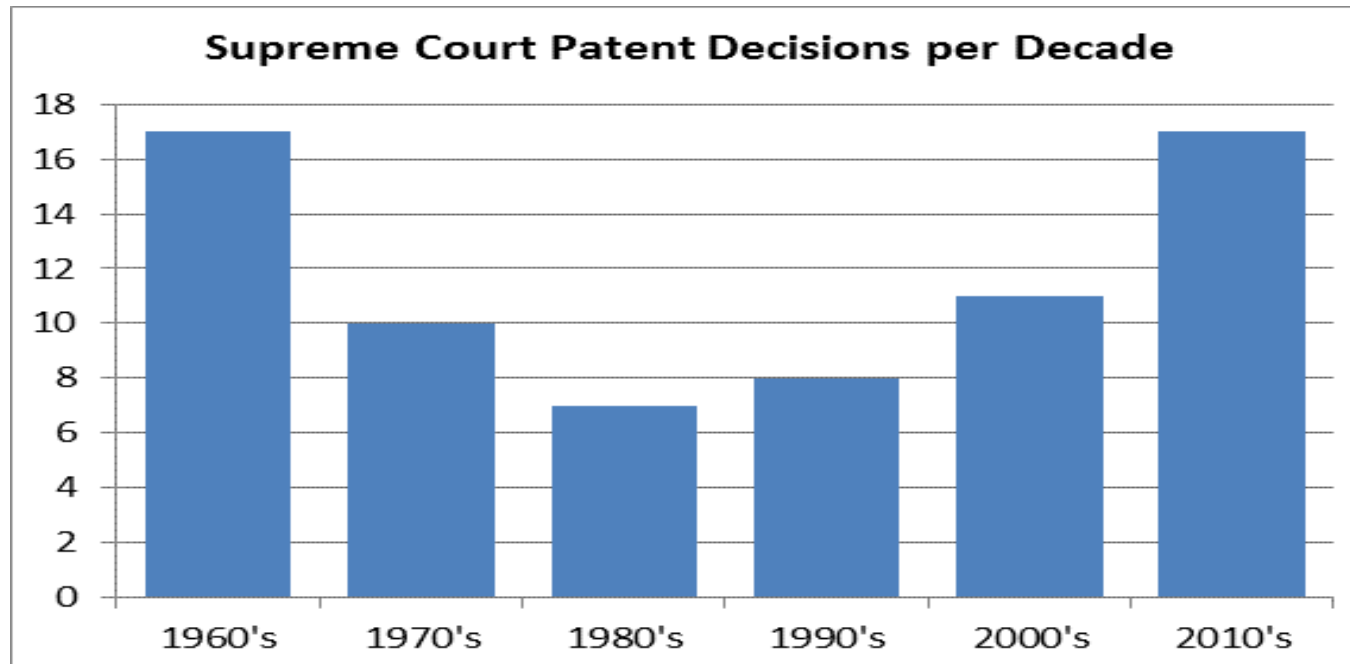


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University of Copenhagen**



The US Supreme Court's hyper-activity in patent law

- What are the reasons and why should we care?



Available at: <http://patentlyo.com/patent/2014/07/supreme-patent-decade.html>

**2014** (all 9-0):

- 1. *Teva v. Sandoz*** (*cert granted 3/31/14*) (Claim construction)
- 2. *Alice v. CLS Bank*** (patent eligibility computer implemented inventions)
- 3. *Nautilus v. Biosig*** (indefiniteness, scope of invention)
- 4. *Limelight v. Akamai*** (inducement liability without direct infringement)
- 5. *Highmark v. Allcare*** (fee-shifting and abuse of discretion)
- 6. *Octane Fit. v. Icon*** (“exceptional” case determination & fee-shifting)
- 7. *Medtronic v. Boston Scientific*** (declaratory actions & burden of proof)

2013 (all 9-0, except *Actavis*: 5-3):

- 8. *FTC v. Actavis*** (“Pay-for-delay” settlements and antitrust scrutiny)
- 9. *AMP v. Myriad*** (patent eligibility of isolated DNA)
- 10. *Bowman v. Monsanto*** (patent exhaustion & reproduced patented seeds)
- 11. *Gunn v. Minton*** (state legal malpractice claims in patent law)

**2012:**

12.Kappos v. Hyatt (no limits on new evidence in § 145 proceedings)

13.Caraco v. Novo (counterclaims by generics to correct use code)

14.Mayo v. Prometheus (diagnostic method patents/personalized medicine)

2010/11:

15.Microsoft v. i4i (2011) (clear/convincing evidence for invalidity)

16.Stanford v. Roche (2011) (Bay-Dole, patent ownership)

17.Global-Tech v. SEB (2011) (induced infringement -knowledge criterion)

18.Bilski v. Kappos (2010) (patent eligibility of abstract ideas & software)

2007/08

19.Quanta v. LG (2008) (patent exhaustion for embodied method patents)

20.Microsoft v. AT&T (2007) (Software copied abroad and § 271 (f))

21.KSR v. Teleflex (2007) (higher threshold for non-obviousness)

22.MedImmune v. Genentech (2007) (legal standing-declaratory actions)



1. What are the reasons for the Supreme Court's interventions in Patent Law?

2. Any lessons for the UPC?



I) General reasons for US Supreme Court-involvement (not patent specific)



1) Traditional Supreme Court Issues

2) Inter-Circuit splits & Intra Federal Circuit splits (*en banc*)

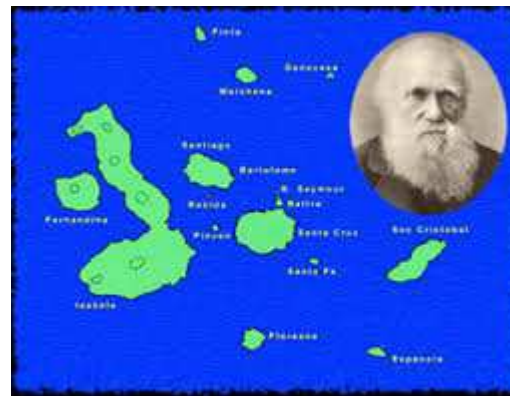
3) Overlapping and interaction of IP rights



II) Patent/CAFC -specific reasons for US Supreme Court involvement



- 1) Misinterpretations by the CAFC
- 2) Rejection of bright-line rules
- 3) Increased importance of IP & innovation
- 4) Bringing patent law back to the mainstream
- 5) Concerns with the CAFC's specialization





Concerns with institutional bias

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Justice Stevens in *Holmes Group* (2002):

Necessarily . . . other circuits will have some role to play in the development of this area of the law. An occasional conflict in decisions may be useful in identifying questions that merit this Court's attention. Moreover, occasional decisions by courts with broader jurisdiction will provide an antidote to the risk that the specialized court may develop an institutional bias.

Justice Breyer in *Metabolite* (2006) case:

"[A] decision from this generalist Court could contribute to the important ongoing debate, among both specialists and generalists, as to whether the patent system, as currently administered and enforced, adequately reflects the 'careful balance' that 'the federal patent laws . . . embod[y].'"



Any lessons for the UPC?- I



- **Very specialized UPC (even more than the semi-specialized CAFC)**
- **No doubt that specialization has benefits**
 - **Institutional efficiency**
 - **Doctrinal uniformity and predictability**
 - **Accuracy and quality of judgments**
- **Draw-backs:**
 - **Institutional bias and lack of competence in other areas EU law**
 - **Extra sensitive in the European area, with a complex mixture of EU law, national laws, the EPC, Unitary Patent Regulation (UPR) & Unified Patent Court Agreement (UPCA)**
- **What is the right balance?:** Benefits outweigh draw-backs, but:
- **Recommendations:**
 - Proper institutional framework (rules procedure?), resources & training



Another challenge:

- Competence of General Courts to decide in technically complex matters with an enormous impact on the innovation-system
- CJEU not the same as US Supreme Court. But may e.g. take patent- cases based on:
 - gen. EU law, competition law & clauses in UPR / UPCA
 - Art. 267 TFEU referrals (partially depending on positions taken by the UPC & national courts)
- **Warning signs (EX):**
 - CJEU: **Brüstle** & **Monsanto**
 - US Supreme Court: **Prometheus** & **Myriad**
- **Basic problems:**
 - Good intentions but bad wording conflating legal & scientific issues
 - Workload and influence of young clerks and referendaires
- **Recommendations:** Proper institutional framework, resources & training



Any questions or comments?



Thank you for your attention !

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KU course in EU Pharma Law, IPR & Life Science (for students):

<http://kurser.ku.dk/course/JJUB55065U>

CPH Summer school in Pharma Law & Policy (for professionals):

<http://copenhagensummeruniversity.ku.dk/en/courses/pharmalawpolicy/>



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Further reading

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- Eisenberg, Rebecca S., The Supreme Court and the Federal Circuit: Visitation and Custody of Patent Law, available at:
<http://www.michiganlawreview.org/assets/fi/106/patentall.pdf>
- Holbrook, Timothy R., Explaining the Supreme Court's Interest in Patent Law (January 17, 2013). 3 IP Theory 62 (2013).; Emory Legal Studies Research Paper No. 13-235, available at SSRN:
<http://ssrn.com/abstract=2202327>
- Petersen, Clement Salung and Riis, Thomas and Schovsbo, Jens, The Unified Patent Court (UPC) in Action - How Will the Design of the UPC Affect Patent Law? (June 16, 2014), available at SSRN:
<http://ssrn.com/abstract=2450945>



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