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INTELLECTUAL PROPERTY LITIGATION NEWSLETTER

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Case Highlights

Motivation to Combine Need Not Be the Same Motivation That the Patentee Had, and the Obviousness Combination Need Not Be Preferred or the Most Desirable

Honeywell International Inc. v. 3G Licensing S.A., No. 23-1354 (Fed. Cir. Jan. 2, 2025) (Judge Dyk, joined by Judge Chen) (Judge Stoll dissenting) (appeal from PTAB).

The Federal Circuit reversed the Patent Trial and Appeal Board's (PTAB) final written decision declining to hold claims at issue unpatentable as obvious. The PTAB made multiple legal errors, including ignoring precedent that "the motivation to modify a prior art reference to arrive at the claimed invention need not be the same motivation that the patentee had." The PTAB also failed to recognize that obviousness "does not require that a particular combination must be the preferred, or the most desirable, combination described in the prior art in order to provide motivation for the current invention." Dissenting, Judge Kara Farnandez Stoll indicated that the case should have been vacated, not reversed, and observed that "the majority takes the extraordinary step of fact finding, a role not appropriate at the appellate stage, making arguments for the parties that they did not make and then deciding those arguments."

The Federal Circuit Continued Its Course of Never Affirming a Decision Finding Noninfringement Based on the Reverse Doctrine of Equivalents

Steuban Foods Inc. v. Shibuya Hoppmann Corp., No. 23-1790 (Fed. Cir. Jan. 24, 2025) (Chief Judge Moore, joined by Judges Hughes and Cunningham) (appeal from D. Del.).

The Federal Circuit reversed the district court's judgment as a matter of law of noninfringement that was based on finding that the defendant satisfied its prima facie case of reverse doctrine of equivalents (RDOE). Under RDOE, an alleged infringer may avoid a judgment of infringement by showing the accused "product has been so far changed in principle [from the asserted claims] that it performs the same or similar function in a substantially different way." RDOE can be traced back to at least the 1800s, but it is rarely applied. Indeed, the Federal Circuit has "never affirmed a decision finding noninfringement based on the reverse doctrine of equivalents." And this case did not cause a change of course. The Federal Circuit found that "[b]ecause there was substantial evidence to rebut any prima facie case of RDOE, [it] need not address whether a prima facie case was met." Additionally, although the Federal Circuit found the patentee's argument—that RDOE did not survive the 1952 Patent Act—compelling, it deemed deciding this issue unnecessary for the case.

Other Notable Cases

Patent Application Published After the Claimed Invention May Serve as Prior Art if the Application Was Filed Before the Claimed Invention

Lynk Labs Inc. v. Samsung Electronics Co., No. 23-2346 (Fed. Cir. Jan. 14, 2025) (Judge Prost, joined by Judges Lourie and Stark) (appeal from PTAB).

The Federal Circuit rejected the patentee's argument that a patent application that published after the priority date cannot be a "prior art ... publication" in an inter partes review (IPR) under 35 U.S.C. § 311(b). "[U]nlike § 102(a) or (b), and unlike books, articles,

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or other types of printed publications, Congress created—in § 102(e)(1)—a special rule for *published patent applications*." Therefore, under Section 102(e)(1), "even if a patent application was *published* after a claimed invention, it may serve as prior art to the invention if the application was *filed* before the invention."

Informal Notice Does Not Satisfy the Safe Harbor Provision of Rule 11 When Moving for Sanctions

CTD Networks LLC v. Microsoft Corp., No. 6:22-cv-01049 (W.D. Tex. Jan. 13, 2025) (Judge Rodriguez).

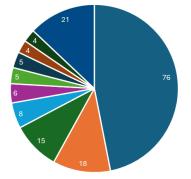
The court denied the defendant's Rule 11 motion for sanctions for failure to meet the safe harbor provision. The safe harbor provision under Rule 11(c)(2) of the Federal Rules of Civil Procedure "requires that a motion for sanctions 'must be served' on the opposing party and 'must not be filed or be presented to the court if the challenged paper, claim, defense, contention, or denial is withdrawn or appropriately corrected within 21 days after service or within another time the court sets." The defendant argued that the attorney at issue "received multiple warnings, and had multiple opportunities, over many months, to withdraw the offending pleading." However, the court found that such "warnings to correct do not equate to compliance with Rule 11's 'safe harbor' requirement."

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