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The Federal Circuit

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VICTORY FOR AVENTIS PHARMA S.A.**

Neither Board nor Federal Circuit found any explicit or inherent disclosure of anticancer agents "cyclopropataxols" in priority applications. *Chen v. Bouchard*, No. 03-1037 (Fed. Cir. Oct. 22, 2003)1

**CLAIM TERM "SUBSTANTIALLY" USED
AS A TERM OF MAGNITUDE, NOT
APPROXIMATION**

Festo presumption applies to all claims containing amended limitation, regardless of whether claim was actually amended during prosecution. *Deering Precision Instruments, L.L.C. v. Vector Distribution Sys., Inc.*, No. 02-1013 (Fed. Cir. Oct. 17, 2003)2

**PATENTEE FAILED TO ASSERT COMPULSORY
COUNTERCLAIM OF INFRINGEMENT**

A claim for a declaration of noninfringement makes a counterclaim for patent infringement compulsory, and 28 U.S.C. § 2200 (Declaratory Judgment Act) does not provide an exception to this rule. *Polymer Indus. Prods. Co. v. Bridgestone/Firestone, Inc.*, No. 03-1176 (Fed. Cir. Oct. 20, 2003)3

**INFRINGEMENT DECISION ON FOSAMAX®
DRUG PATENT UPHeld**

Claims to acid composition cover salt composition specified in ANDA. *Merck & Co. v. Teva Pharms. U.S.A., Inc.*, No. 03-1168 (Fed. Cir. Oct. 30, 2003)4

**CONTRACTORS' INFRINGEMENT OF SOUND-
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Although contractors did not obtain a written opinion of counsel, it was not unreasonable for contractors to rely on representations that government had a license to practice the invention. *State Contracting & Eng'g Corp. v. Condotte Am., Inc.*, No. 02-1588 (Fed. Cir. Oct. 7, 2003)5

**CLAIM TERM "EXTENDING" IS AN
ACTIVE VERB**

Noninfringement affirmed where term "extending" in a claim to a lock mechanism is an "active verb," not just a "state of being." *ACCO Brands, Inc. v. Micro Sec. Devices, Inc.*, No. 02-1567 (Fed. Cir. Oct. 7, 2003)6

**AN ANTICIPATORY REFERENCE MUST
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The determination of what amount of experimentation is undue includes several factors, including the direction or guidance and any working examples in the reference. *Elan Pharms., Inc. v. Mayo Found. for Med. Educ. & Research*, No. 00-1467 (Fed. Cir. Oct. 2, 2003)7

**COURT FINDS MEANING TO CLAIM TERMS
IN SPECIFICATION AND PROSECUTION
HISTORY**

Description in patent "Abstract" and "Summary of the Invention" helps Federal Circuit to define full scope of claim terms. *Genzyme Corp. v. Transkaryotic Therapies, Inc.*, No. 02-1312 (Fed. Cir. Oct. 9, 2003)8

**"EACH FIELD" IS DIFFERENT FROM "EACH
OF A PLURALITY OF FIELDS"**

Court considers whether its claim construction would satisfy all problems in the prior art as identified in the specification, not just some of those problems. *ResQNet.com, Inc. v. Lansa, Inc.*, No. 03-1163 (Fed. Cir. Oct. 16, 2003)9

**SUMMARY JUDGMENT OF NONINFRINGEMENT
VACATED AFTER COURT CONSTRUES
INTERNET-BASED CLAIM TERM "URL"**

Broadened meaning of URL broadens scope of function for means-plus-function limitations. *ACTV, Inc. v. Walt Disney Co.*, No. 02-1491 (Fed. Cir. Oct. 8, 2003)10

EDITED BY | VINCE KOVALICK

Federal Circuit Affirms Priority Victory for Aventis Pharma S.A.

Thomas L. Irving

[Judges: Lourie (author), Schall, and Newman (dissenting-in-part)]

In *Chen v. Bouchard*, No. 03-1037 (Fed. Cir. Oct. 22, 2003), the Federal Circuit affirmed the Board's ruling that the party Bouchard (Aventis Pharma S.A.) prevailed on all counts of a patent interference against the party Chen (Bristol-Myers Squibb Company). The interference involved a class of taxanes, anticancer agents, characterized as "7,8-cyclopropataxols" or, more generally, "cyclopropataxols").

The Chen patent-in-interference and Bouchard application-in-interference claimed substantially the same patentable subject matter set forth in three separate counts: a count for generic 7,8-cyclopropataxols; a count for a 7,8-cyclopropataxol species; and a count for 7,8-cyclopropabaccatin intermediates for making 7,8-cyclopropataxols. For all three counts, the parties did not dispute Bouchard's entitlement to its French foreign priority date of invention ("Bouchard's priority date"). Chen asserted that the Chen inventors, Drs. Chen and Farina, made cyclopropataxols falling within two of the counts before Bouchard's priority date and that Chen is entitled to rely on the July 1, 1992, date of its first-filed application, U.S. Application Serial No. 07/907,261, for all counts, including the 7,8-cyclopropataxol species.

The nub of the Board's decision was that Chen failed to prove, prior to Bouchard's priority date, that they had (1) contemporaneously established the chemical identities of any cyclopropataxols, as needed for actual reduction to practice; and (2) filed any patent application disclosing that they discovered cyclopropataxols,

as needed for constructive reduction to practice, but instead disclosed and claimed only fluorotaxol compounds in the July 1, 1992, application. Finding the Board's decision to be supported by substantial evidence and not contrary to law, the Federal Circuit affirmed.

The Board and Court found no explicit or inherent disclosure of the cyclopropataxol compounds of the counts in Chen's priority applications. As for inherency, the Court rejected Chen's argument that it makes no difference that Chen specified only fluorotaxol compounds since the underlying work actually produced cyclopropataxol compounds. One skilled in the art would find no indication in the Chen priority specifications or otherwise appreciate that the reference to fluorotaxol was incorrect. In those circumstances, the Court was unwilling to accept Chen's inherency argument, discard the disclosure of fluorotaxol, and replace it by cyclopropataxol.

The Federal Circuit therefore concluded that the priority applications did not describe the cyclopropataxol compounds and could not be accorded priority benefit. Hence, Chen was not awarded a constructive reduction to practice for the compound of any count.

Regarding actual reduction to practice, the Federal Circuit rejected the Board's noncorroboration holding to the extent it suggested that an analytical chemist must be "kept in the dark" as to what the inventor believes about a compound's structure. However, the Court found any error harmless because Chen failed to prove its case.

Bouchard pointed out that to establish adequate identification for actual reduction to practice purposes, Chen relied on the same analytical techniques that led to a firm, but incorrect, conclusion that the priority applications formed mixtures of fluorotaxol compounds. The Board found that Chen produced no evidence establishing how Chen identified any compounds with-

in the counts or how the analytical data obtained by the analytical chemists to whom the inventor sent his compounds for analysis confirm the structures suggested by the inventor. Rather, Chen relied only on attorney arguments and conclusory proclamations that the data obtained were “consistent” with the inventor’s suggestions.

The Board found that these and numerous other findings of the Board provided substantial evidence to conclude that Chen failed to prove an actual reduction to practice before Bouchard’s priority date. Hence, Chen was not awarded an actual reduction to practice for any compound within any count.

Finally, the Federal Circuit found that the Board did not abuse its discretion by excluding hearsay and unauthenticated evidence and that substantial evidence demonstrated that there was no conception, prior to Bouchard’s priority date, coupled with diligence, leading to a reduction to practice.

Consequently, the Court affirmed the Board’s decision to award judgment to Bouchard with respect to all three counts.

Judge Newman, dissenting, took issue with the exclusion of evidence and also concluded that Chen had established prior actual reduction to practice.

[At the Federal Circuit, Tom Irving, a partner in our firm, argued for Bouchard. With him on the brief were Herb Mintz, Tim Donaldson, Sanya Sukduang, and Esther Lim.]

Claim Term “Substantially” Used as a Term of Magnitude, Not Approximation

Erika H. Arner

[Judges: Gajarsa (author), Bryson, and Prost]

In *Deering Precision Instruments, L.L.C. v. Vector Distribution Systems, Inc.*, No. 02-

1013 (Fed. Cir. Oct. 17, 2003), the Federal Circuit affirmed the district court’s finding of no literal infringement but vacated the lower court’s grant of SJ of no infringement under the DOE.

At issue was U.S. Patent No. 4,744,428 (“the ‘428 patent”), assigned to Deering Precision Instruments, L.L.C. (“Deering”), for a portable scale having sliding weights. All five claims of the ‘428 patent require a sliding weight “when in its zero position having a portion thereof disposed substantially in an imaginary plane containing the fulcrum,” referred to as the zero-position element. The accused device included a sliding weight that, at its zero position, was no closer than 0.10 inches from an imaginary plane containing the fulcrum.

Reviewing the district court’s claim construction, the Federal Circuit examined the meaning of the zero-position element, particularly the phrase “substantially in an imaginary plane,” noting that the term “substantially” has dual ordinary meanings. In a claim, “substantially” can be either a term of magnitude, meaning “significantly” or “considerably,” or a term of approximation, meaning “largely” or “essentially.” Looking to the written description, the Court determined that “substantially” in these claims was a term of magnitude requiring a not insubstantial portion of the sliding weight to intersect the imaginary plane. Because the sliding weight of the accused device did not penetrate the imaginary plane at any point, the Court affirmed the lower court’s finding of no literal infringement.

Turning to the DOE, the Court considered the prosecution history of the ‘428 patent. In particular, the Court noted that the original application included two independent claims, one broadly reciting “a sliding weight movably carried by the beam” and the other containing the zero-position limitation. In response to the first Office Action, the patentee cancelled the broader independent claim and added a new independent claim containing the zero-position limitation. The narrower orig-

inal independent claim issued unamended.

Citing the Supreme Court's opinion in *Festo*, the Federal Circuit held that the patentee's cancellation of the original independent claim and the addition of the narrower independent claim amounted to a clear surrender of the broader subject matter of a sliding weight without the zero-position limitation. The Court reasoned that because the patentee made the amendments in response to an examiner's rejection, they were made for reasons of patentability and, therefore, gave rise to a presumption of prosecution history estoppel barring the patentee from arguing infringement under the DOE. The Court further noted that the estoppel applied equally to all claims containing the zero-position limitation, even those that were not amended during prosecution. Finally, the Court remanded the case to the district court for further proceedings to determine whether the patentee could rebut the presumption of prosecution history estoppel.

Patentee Failed to Assert Compulsory Counterclaim of Infringement

Vince Kovalick

[Judges: Rader (author), Newman, and Michel]

In *Polymer Industrial Products Co. v. Bridgestone/Firestone, Inc.*, No. 03-1176 (Fed. Cir. Oct. 20, 2003), the Federal Circuit affirmed a decision by a district court ruling that the patentee waived a claim for infringement by not asserting it in a prior action as a compulsory counterclaim.

Polymer Industrial Products Company and Polymer Enterprises Corporation (col-

lectively "PIPCO") own U.S. Patent No. 4,381,331 ("the '331 patent"), which claims improvements in turn-over bladders used for manufacturing pneumatic vehicle tires. In 1995, PIPCO filed claims for infringement against Bridgestone/Firestone, Inc. ("Bridgestone") alleging that Bridgestone's Skim-1 turn-over bladder infringed the '331 patent. After Bridgestone began to make and use a new turn-over bladder (Skim-2), Bridgestone amended its answer to include a counterclaim for DJ that the Skim-2 turn-over bladders did not infringe the '331 patent. Although PIPCO denied the allegations of the counterclaim, it did not amend its complaint to assert an affirmative claim that the Skim-2 product infringed the '331 patent.

At the trial, the jury found that both the Skim-1 and Skim-2 products infringed the '331 patent and awarded damages. In a previous appeal, the Federal Circuit affirmed the judgment of the district court, but based its decision on an assumption that damages were not awarded for the Skim-2 product.

PIPCO then filed another action seeking damages for infringement of the '331 patent based on the Skim-2 product. Bridgestone filed a motion to dismiss, alleging that PIPCO waived its rights to damages with respect to the Skim-2 product in the prior litigation. The district court held that PIPCO's present infringement claim was a compulsory counterclaim to Bridgestone's DJ claim of noninfringement in the prior litigation, relying on Fed. R. Civ. P. 13(a) and Federal Circuit precedent holding that when the same patent is at issue in an action for declaration of noninfringement, a counterclaim for patent infringement is compulsory and, if not made, is deemed waived. *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795 (Fed. Cir. 1999).

The Federal Circuit confirmed on appeal that Rule 13(a) makes an infringement counterclaim into a DJ action for noninfringement compulsory. Therefore, a party that does not assert its compulsory counterclaim in the first proceeding has waived its right to bring the counterclaim and is forever barred from asserting that claim in future litigation. The Federal Circuit rejected PIPCO's argument that § 2202 of the Declaratory Judgment Act constitutes an exception to this rule. In particular, PIPCO had argued that the Declaratory Judgment Act's "further relief" section, which states that necessary or proper relief based on a DJ or decree may be granted, operates as an exception to Rule 13(a). But, the Court concluded that nothing in § 2202 authorizes a party to seek further relief based on a DJ without regard to other established rules of procedure.

Infringement Decision on Fosamax® Drug Patent Upheld

A. Neal Seth

[Judges: Newman (author), Prost, and Mayer (dissenting)]

In *Merck & Co. v. Teva Pharmaceuticals U.S.A., Inc.*, No. 03-1168 (Fed. Cir. Oct. 30, 2003), the Federal Circuit affirmed the district court's judgment that Teva Pharmaceuticals, U.S.A., Inc. et al. (collectively "Teva") infringe U.S. Patent No. 4,621,077 ("the '077 patent") and that the '077 patent was not invalid.

Merck & Company, Inc. ("Merck") owns the '077 patent, which claims a method of treatment consisting of administering to a patient an effective amount of a drug product marketed as Fosamax®. Teva filed an ANDA for a generic version of the

drug, stating that it did not literally infringe the '077 patent because the claim specifies an acid, while Teva's ANDA describes a salt that is actually used in practice.

Alternatively, Teva argued that Merck was not entitled to any patent-term extension because the FDA approved the salt but not the acid.

On appeal, the infringement issue turned on the proper construction of the claim, specifically, whether the claimed acid could include salts. The Federal Circuit found that throughout the specification of the '077 patent, the inventors had described the acid-active agent as encompassing the acid and its salt forms. The Court also noted evidence supporting Merck's position that those skilled in the art used the same lexicography as did the inventors when referring to the acid in the form of the salt. The Court concluded that persons in this field would understand that the acid is the active agent and that the acid is administered when it is in the form of the salt. The Federal Circuit rejected the contrary testimony by Teva's expert, who conceded that while he was an expert in chemistry, he was not an expert in pharmacology. The other pharmacology experts in the case agreed that the acid is customarily administered as the acid salt.

The Federal Circuit also rejected Teva's allegation that patent-term restoration, granted for an extended regulatory-review period of Fosamax®, was invalid because the FDA had only approved the salt for use. The Court found that the relevant statutory scheme defined "product" to include "any salt or ester of the active ingredient."

Teva also asserted an invalidity defense based on an allegation that the '077 patent was anticipated by a prior art patent ("the Blum patent"). Blum claimed the acid in question and stated that it could be used for water softening and as a sequestering agent, and was suitable for use in cosmetic

and pharmaceutical preparations. Teva contended that because Blum specifically mentioned pharmaceutical preparations, one of ordinary skill in the art would realize that the claimed compound would be useful for therapeutic purposes, as is claimed in the '077 patent. The Federal Circuit rejected Teva's argument, however, finding that Blum's disclosure was not sufficient to anticipate the '077 patent method claims because there was no suggestion of the claimed therapeutic use.

Judge Mayer dissented, and while he joined the Court in upholding the validity of the '077 patent, he found that a plain reading of the specification of the '077 patent sufficiently distinguished between acid and salt forms of the claimed drug. Therefore, he reasoned that the district court had erred in its claim construction by concluding that the term "acid" should be construed as encompassing both acids and salts. Also, because in Judge Mayer's view the '077 patent did not claim a product (the salt) that was subject to regulatory review, patent-term extension was likewise inappropriate.

Contractors' Infringement of Sound-Barrier Patents Was Not Willful

Vince Kovalick

[Judges: Bryson (author), Michel, and Dyk]

In *State Contracting & Engineering Corp. v. Condotte America, Inc.*, No. 02-1588 (Fed. Cir. Oct. 7, 2003), the Federal Circuit affirmed a judgment of infringement against several private contractors, but reversed and remanded for further proceedings on the issue of obviousness.

Under a contract with the Florida Department of Transportation ("FDOT"), State Paving Corporation ("State Paving") developed new methods for the formation of integrated column and piles for use in building structures in sandy soils and filed applications that later became U.S. Patent Nos. 5,234,288 ("the '288 patent") and 5,429,455 ("the '455 patent"). State Paving eventually transferred the inventions to State Contracting & Engineering Corporation ("State Contracting"), which then sued FDOT and several highway-construction contractors for infringement of the two patents.

A district court ruled that when it executed the previous contract, State Paving had granted FDOT a license that authorized FDOT and its contractors to practice the asserted patents. The Federal Circuit, in a previous appeal, affirmed that holding with respect to FDOT but reversed with respect to the private contractors, concluding that the previous contract did not grant FDOT a license to practice the patents in future sound-wall construction projects.

On remand, the district court ruled that the contractors' infringement was not willful, that the asserted patent claims were not invalid, and that the contractors did not have a valid defense of laches. A jury returned a verdict in favor of State Contracting and assessed damages in the form of a reasonable royalty.

On appeal, the contractors contended that State Contractor lacked standing because the contract between State Paving and State Contracting merely granted a license under the asserted patents and did not transfer ownership of the patent rights. The Federal Circuit examined the contract language transferring rights in the two patents and concluded that State Paving did not expressly retain any rights in the patents, not even the right to practice the patent itself. Therefore, the contract trans-

ferred the necessary rights to give State Contractor standing to sue.

The Federal Circuit also upheld the district court's ruling of no willful infringement. In particular, the Court concluded that it was not unreasonable for the contractors to rely on FDOT's representation that it had a license to practice the invention without seeking the advice of counsel to confirm the accuracy of that representation.

The contractors also contended that laches applied against State Contracting's allegations. In particular, the contractors contended that they were prejudiced because, as a result of the delay in filing suit, FDOT continued to incorporate the invention into the bids and contracts with them. If State Paving had promptly notified FDOT of the patent, FDOT and the contractors could have avoided the controversy entirely by changing sound-wall specifications or returning to the original design. The contractors failed to show any nexus between the delay in filing suit and their asserted economic injury. They also failed to show that they would not have entered into contracts with FDOT if the suit had been brought earlier. To the contrary, the evidence indicated that it was unlikely that FDOT or the contractors would have ceased using the patented designs even if the lawsuit had been brought earlier, but instead would have followed the same course regardless of what the Plaintiff did or did not do. Accordingly, the Federal Circuit ruled that it was not error to reject the laches defense.

As to the validity of the patent, the contractors contended that the district court had erred in granting JMOL that the patents were not invalid. The Federal Circuit ruled that the district court failed to construe several claim limitations prior to making its ruling. This failure, however, was harmless to the district court's conclu-

sion of anticipation. The Federal Circuit ruled that certain anticipating prior art did not disclose every limitation of the claims and that numerous factual questions remained concerning obviousness, several of which depended on the proper construction of critical terms in the asserted claims. Accordingly, the Federal Circuit remanded the case to the district court for a proper claim construction and the requisite obviousness inquiries.

The contractors raised several objections to the damages award, which totaled more than \$5 million based on a reasonable royalty theory. The Federal Circuit rejected the contractors' attempts to limit the reasonable royalty to a reduced license offer made in licensing letters to various contractors. This offer presented very favorable terms, but did not necessarily reflect the terms of a reasonable royalty. Thus, the Court found no error with the damages assessment.

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Claim Term "Extending" Is an Active Verb

D. Brian Kacedon

[Judges: Newman (author), Rader, and Dyk]

In *ACCO Brands, Inc. v. Micro Security Devices, Inc.*, No. 02-1567 (Fed. Cir. Oct. 7, 2003), the Federal Circuit affirmed a district court's grant of SJ of noninfringement of U.S. Patent No. 5,502,989 ("the '989 patent").

The '989 patent, owned by ACCO Brands, Inc. ("ACCO"), relates to a locking mechanism for portable electronic devices, such as computers. ACCO sued Micro Security Devices, Inc. ("Micro Security") for infringement of the '989 patent. Claim 10, the only claim at issue, recites "a pin . . .

for extending into said security slot . . . when said slot engagement member is in said locked position to thereby inhibit rotation of said slot engagement member to said unlocked position.” The district court construed this limitation to require that the pin actively extends into the security slot at or during the time the slot engagement member is in the locked position, thereby inhibiting rotation to the unlocked position.

Both parties’ technical witnesses agreed that in Micro Security’s accused products, the pin extends into the slot before the slot engagement member is placed in the locked position. On this basis, the district court granted SJ of no literal infringement. In addition, based on arguments made during prosecution, the district court also found that claim 10 could not cover the accused products under the DOE.

On appeal, the parties framed the issue as whether the term “extending” was an “active verb,” requiring that the pin extends into the slot at or during the time that the slot engagement member is in the locked position, or a “state of being” that includes a pin that extends into the slot either before or after locking. The Federal Circuit held that “extending” refers to an action occurring when the slot engagement member is rotated to and in the locked position. In so holding, the Court noted that during prosecution, the patentee specifically distinguished the claims of the ‘989 patent over the prior art based on the fact that the claimed invention required that the pin extend into the slot at or during the time of locking.

ACCO argued that this interpretation was incorrect because it excluded several embodiments disclosed in the specification. The Federal Circuit noted, however, that the ‘989 patent was a divisional application and its parent application included claims that encompassed the excluded embodi-

ments. The Court held that the presence of embodiments in the ‘989 patent carried over from its parent application and claimed in other patents did not broaden the scope of the claims of the patent.

Based on this construction, and the fact that the structure of the accused products at issue was not in dispute, the Federal Circuit agreed with the district court that the accused products did not literally infringe claim 10 of the ‘989 patent. The Federal Circuit also held that due to the statements made during the prosecution of the ‘989 patent, the patentee could not claim that a device that did not meet the “extending” limitation was equivalent. Therefore, the Court affirmed the district court’s finding that there could be no infringement under the DOE.

An Anticipatory Reference Must Adequately Enable Possession of the Desired Invention

Courtney B. Meeker

[Judges: Newman (author), Gajarsa, and Dyk]

In *Elan Pharmaceuticals, Inc. v. Mayo Foundation for Medical Education and Research*, No. 00-1467 (Fed. Cir. Oct. 2, 2003), the Federal Circuit reversed a SJ of patent invalidity and the case for a determination of whether the allegedly anticipating prior art properly enabled the claimed invention. Elan Pharmaceuticals, Inc. (“Elan”) owns the two patents-in-suit, U.S. Patent Nos. 5,612,486 and 5,850,003 (collectively “Elan’s patents”), and sued Mayo Foundation for Medical Education and Research (“Mayo”) for infringement. Mayo moved for SJ of invalidity based on U.S. Patent No. 5,455,169 (“the Mullan

reference”), which the district granted.

Elan’s patents are directed to transgenic rodents (“the Elan mouse”) whose genetic makeup has been modified to include the Swedish mutation, which is an abnormal gene thought to be linked to Alzheimer’s disease. The Mullan reference describes the Swedish mutation.

On appeal, the Federal Circuit explained that the disclosure of an allegedly anticipating reference must be adequate to enable possession of the desired invention, and concluded that Elan’s arguments were more properly characterized as enablement arguments than inherency arguments, because Elan’s arguments were more factually based on the Mullan reference not enabling the Elan mouse. Thus, the basic question at issue was whether the Mullan reference adequately enabled possession of the Elan mouse.

The Federal Circuit explained that enablement requires that the reference teach one of ordinary skill in the art to make or carry out the claimed invention without undue experimentation, and further explained that a determination of whether the amount of requisite experimentation is undue may include consideration of “the *Wands* factors,” which include: “(1) the quantity of experimentation necessary, (2) the amount of direction or guidance presented, (3) the presence or absence of working examples, (4) the nature of the invention, (5) the state of the prior art, (6) the relative skill of those in the art, (7) the predictability or unpredictability of the art, and (8) the breadth of the claims.” *In re Wands*, 858 F.2d 731 (Fed. Cir. 1988).

Elan argued that, while the Mullan reference foresaw a transgenic mouse and compiled known methods of gene transfer, including expression of the Swedish mutated protein, it did not teach or suggest which method might create the Elan mouse. Conversely, Mayo argued that the disclosure of the Mullan reference was

comprehensive and that Elan did eventually succeed with one of Mullan’s disclosed inventions.

The Federal Circuit determined that the Mullan reference does contain an extensive description of the Swedish mutation and states that it provides a transgenic animal whose cells contain the mutated gene. However, the Court remanded the case for examination of whether the Mullan reference required a person of ordinary skill to perform undue experimentation, in view of the *Wands* factors, to produce the Elan mouse.

Court Finds Meaning to Claim Terms in Specification and Prosecution History

Laura D. Fahey

[Judges: Rader (author), Schall, and Linn (dissenting-in-part)]

In *Genzyme Corp. v. Transkaryotic Therapies, Inc.*, No. 02-1312 (Fed. Cir. Oct. 9, 2003), the Federal Circuit affirmed a district court’s grant of SJ of noninfringement of U.S. Patent No. 5,356,804 (“the ‘804 patent”).

Genzyme Corporation (“Genzyme”) holds an exclusive license to the ‘804 patent, which is assigned on its face to Mount Sinai School of Medicine of New York University. The ‘804 patent claims a method of treating patients suffering from Fabry disease by producing human alpha-galactosidase A (α-Gal A) and cells engineered to express and secrete active human α-Gal A. Genzyme filed suit against Transkaryotic Therapies, Inc. (“TKT”) based on a product involving a technique known as gene activation that activates an endogenous gene to express the endogenous human α-Gal A protein. It was undisputed that TKT’s technique does not inte-

grate exogenous genes into the human host cells.

On appeal, Genzyme argued that the district court based its SJ decision on improperly construed claim terms “chromosomally integrated,” “regulatory sequence,” “stably,” and “compromising.” The Court interpreted the phrase “chromosomally integrated” standing alone to suggest “the incorporation of exogenous genetic code into the chromosomal material of the host cell.” The Court then interpreted the phrase in the context of the claims to explain that the exogenous sequence has a regulatory sequence that causes the host cell to stably overexpress β -Gal A. The cell then secretes the excess β -Gal A.

The majority found that ambiguity existed as to whether the exogenous sequence came from outside or within the host cell, and investigated the patent specification and the prosecution history to clarify the Applicant’s use of the term. The Court found that throughout the prosecution history, the Applicant had clearly envisioned the integration of an exogenous gene sequence into the host cell. In the specification, the Applicant consistently used the term “exogenous” to refer to the introduction of foreign genes into the host cell chromosome. Similarly, the Applicant distinguished his invention from the prior art through the insertion of an exogenous gene into a host cell. Accordingly, the Federal Circuit found that the district court did not err in its construing “chromosomally integrated” to require the introduction into a host cell of exogenous sequences encoding β -Gal A.

Because Genzyme had conceded non-infringement based on the district court’s construction of the term “chromosomally integrated,” the Federal Circuit affirmed the judgment of noninfringement.

Judge Linn dissented, concluding that the majority improperly construed “chro-

mosomally integrated” by reading a limitation from the specification into the claim and improperly interpreting the prosecution history’s use of the term “integrated.”

“Each Field” Is Different from “Each of a Plurality of Fields”

Mark E. Dailey

[Judges: Rader (author), Newman, and Michel]

In *ResQNet.com, Inc. v. Lansa, Inc.*, No. 03-1163 (Fed. Cir. Oct. 16, 2003), the Federal Circuit affirmed-in-part and reversed-in-part the claim constructions of the asserted claims of U.S. Patent Nos. 5,530,961 (“the ‘961 patent”); 5,831,608 (“the ‘608 patent”); and 6,295,075 (“the ‘075 patent”) (collectively “the patents-in-suit”), and remanded the case to the U.S. District Court for the Southern District of New York for further proceedings.

At issue in this case was computer-screen display-recognition technology. The ‘961 patent attempted to avoid problems with prior art designs by utilizing a display routine based upon an algorithm that recognized the screen by a layout and fields therein, not based solely upon a particular screen ID number. The ‘608 patent is a continuation-in-part of the ‘961 patent, and the ‘075 patent is independent of the ‘961 family of patents.

ResQNet.com, Inc. (“ResQNet”) sued Lansa, Inc. (“Lansa”) for infringement of claim 1 of the ‘961 patent, claim 1 of the ‘608 patent, and claim 1 of the ‘075 patent. After the district court issued its claim-construction order, the parties stipulated to noninfringement by Lansa to obtain review of the claim-construction rulings of a single phrase from each of the patents-in-suit by the Federal Circuit.

The Federal Circuit upheld the claim construction of the limitation “means for processing said information to generate a screen identification (“ID”) from said first image, said ID being generated as a function of the number, location and length of each field in said first image,” as recited in claim 1 of the ‘961 patent. The Federal Circuit noted that the district court had correctly identified the function and corresponding structure of this means-plus-function limitation, and that the sole issue to be determined was whether the phrase “each field” meant that the algorithm must evaluate attributes of all fields or only some fields. The district court had found, and the Federal Circuit agreed, that “each field” meant that all fields must be evaluated. In finding that this construction was consistent with the specification, the Federal Circuit especially noted that, under this construction, the invention accomplished each listed advantage over the prior art, as described in the ‘961 patent specification. The Federal Circuit felt that this did not “run afoul of the general rule that limitations should not be imported from the specification based solely on overcoming problems with the prior art,” because the Applicant, during prosecution, distinguished certain prior art by arguing that the prior art did not resolve the problems identified in the specification.

Despite upholding the construction of claim 1 of the ‘961 patent, the Federal Circuit reversed the district court’s decision that the phrase “each of a plurality of fields” (claim 1 of the ‘608 patent) was synonymous with the phrase “each field” (claim 1 of the ‘961 patent). In particular, the Federal Circuit found that the recitation of “a plurality” was significantly different, requiring interpretation of claim 1 of the ‘608 patent without regard to the construction of claim 1 of the ‘961 patent. The Federal Circuit concluded that, consistent with the specification, the phrase “each of a plurality of fields” meant “each of at least two fields,” and settled on this

construction because there was no clear and unmistakable disavowal of claim scope that would compel a different result.

Finally, the Federal Circuit also reversed the district court’s determination that the limitation “a plurality of specific screen identifying information,” as recited in claim 1 of the ‘075 patent, was synonymous with the “each field” and “each of a plurality of fields” limitations previously discussed. In particular, because the ‘075 patent does not share a genealogy with the other patents-in-suit, and because the limitations at issue were not identical in language, the Court construed “a plurality of specific screen identifying information” of claim 1 of the ‘075 patent anew. While it found that “plurality” meant “at least two,” consistent with its construction of claim 1 of the ‘608 patent, the Court declined to find that this claim required each or all of the plurality of information as it did with the previously discussed claim limitations. Specifically, because the specification of the ‘075 patent described “specific information,” which connoted “selected or particular information,” and emphasized that the specific algorithm used was “not critical” and “may” be of the type described in the ‘961 patent, the Federal Circuit found that “a plurality of specific information” did not mean “each” or “every” field as required by the ‘961 and ‘608 patents.

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Summary Judgment of Noninfringement Vacated After Court Construes Internet-Based Claim Term “URL”

Vince Kovalick

[Judges: Linn (author), Friedman, and Plager]

In *ACTV, Inc. v. Walt Disney Company*, No. 02-1491 (Fed. Cir. Oct. 8, 2003), the Federal Circuit vacated a grant of SJ of no

infringement because of an erroneous claim construction and failure to properly consider the DOE.

ACTV, Inc., owner of U.S. Patent Nos. 5,774,664; 5,778,181; and 6,018,768, sued the Walt Disney Company and others (collectively “Walt Disney”) for infringement. The patents concern technology for the synchronization of television information with information from the Internet. The infringement issues turned on the construction of several means-plus-function claim limitations.

The Federal Circuit construed the claim term Uniform Resource Locator (“URL”) as something that identifies the location of relevant information segments, including web pages, audio clips, images, and the like. It can be an absolute URL or a relative URL, as long as it specifies one or more Internet addresses of information segments relating to Internet content. The Court then ruled that the district court had

improperly adopted functions for each means-plus-function limitation that were different from what was explicitly recited in the claim. Accordingly, the Federal Circuit remanded to the district court for the district court to identify the corresponding structures associated with the claimed functions and the new definition of URL.

Finally, the Federal Circuit found that the district court had erroneously foreclosed the patentee from arguing infringement under the DOE, and remanded on this issue as well.

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In **Last month at The Federal Circuit**, certain terms, titles, and names of federal agencies that are frequently referred to in text, appear in abbreviated forms or as acronyms. These abbreviated forms and acronyms are listed below.

ALJ	Administrative Law Judge
ANDA	Abbreviated New Drug Application
APA	Administrative Procedures Act
APJ	Administrative Patent Judge
Board	Board of Patent Appeals and Interferences
Commissioner	Commissioner of Patents and Trademarks
CIP	Continuation-in-Part
DJ	Declaratory Judgment
DOE	Doctrine of Equivalents
FDA	Food & Drug Administration
IDS	Information Disclosure Statement
IP	Intellectual Property
ITC	International Trade Commission
JMOL	Judgment as a Matter of Law
MPEP	Manual of Patent Examining Procedure
PCT	Patent Cooperation Treaty
PTO	United States Patent and Trademark Office
SEC	Securities and Exchange Commission
SJ	Summary Judgment
SM	Special Master