

Finnegan's monthly update on developments affecting licensing and other IP transactions

## November 2016

## Patent Validity Challenge May Proceed Despite Covenant Not to Sue for Patent Infringement

*by John C. Paul, D. Brian Kacedon, and Sonja W. Sahlsten* A covenant not to sue for patent infringement did not eliminate the court's jurisdiction to hear a patent validity challenge as part of a license dispute between the parties.

## Assignor May Challenge Validity of a Patent It Assigned by Using Patent Office IPR Proceedings Despite Being Precluded from Challenging Validity in Court

by John C. Paul, D. Brian Kacedon, and Stephen E. Kabakoff The Federal Circuit held that it has no jurisdiction to review the U.S. Patent and Trademark Office's decision to institute an inter partes review (IPR) proceeding allowing an assignor to challenge the validity of a patent that it previously assigned. The assignee argued the IPR should not have been instituted based on the legal doctrine of "assignor estoppel" that prevents an assignor of a patent from attacking the validity of the patent it assigned. In concluding that it did not have jurisdiction to review the institution decision of the USPTO, the Federal Circuit permitted the assignor to avoid application of assignor estoppel.

### Prohibitions on Assigning a Patent License Agreement and Interests Under the Agreement Do Not Prohibit Assigning Patents Licensed Under the Agreement

by John C. Paul, D. Brian Kacedon, and Anita Bhushan A patent license agreement's anti-assignment clause did not restrict the assignment of the licensed patent because it did not mention the patent expressly and the patent was not an "interest" under the license agreement. As a result, the assignment was valid and the patent assignee had standing to sue for patent infringement.

# IPR Validity Challenge on Related Patent Prevents Preliminary Injunction

by John C. Paul, D. Brian Kacedon, and David C. Seastrunk

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Patent App[eals]® includes PDFs of all patent-related Federal Circuit decisions dating back to 2001. A user can search on keywords, judges, dates of decisions, lower court from which the case was appealed, case name, case number, and whether or not a case was heard en banc. In addition, if the decision was summarized for Federal Circuit IP blog, the Finnegan case summary is included. A California court denied a preliminary injunction for patent infringement based on an IPR validity challenge filed against the asserted patent and an IPR validity challenge against a related patent that raised serious questions about the validity of the asserted claims.

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