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Patent Cases to Watch for in the Second Half of 2024

Authors: Edward D. Lanquist, Jr, Wesley M. Barbee

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As we move into the second half of the year, we are alerting you to 11 patent cases that you should look out for during the second half of 2024. This judicial mix touches on a range of industries and interests, such as biotech innovation, administrative rulemaking, and patent eligibility. Stay informed and prepare for their potential effects on your intellectual property strategy.

The following patent cases may face the Supreme Court soon.

- 1. Cellect, LLC v. Vidal (23-1231). When the United States Patent and Trademark Office (USPTO) delays issuing a patent, the Patent Act requires the USPTO to adjust the patent's term to make up for the delay. Therefore, patents belonging to the same family may obtain different filing dates. The Federal Circuit recently held that, when an inventor holds two patents claiming obvious variants of the same invention, the doctrine of obviousness-type double patenting (OTDP doctrine) can invalidate the later-expiring patent. Courts created the OTDP doctrine to ensure that patent owners do not unfairly extend their patent term. However, since patents within a patent family are inherently similar, readjusting the term for one patent within a family to cause it to expire later than other patents within the family can invalidate it under the OTDP doctrine. The petitioner in Cellect, LLC v. Vidal asks the Supreme Court whether the judicially created OTDP doctrine can invalidate a patent where the Patent Act explicitly requires adjustment of a patent's term for PTO delays.
- 2. Chestek PLLC v. Vidal (23-1217). Government agencies are required to give the public notice of, and an opportunity to comment on, the rules it orders. However, the Federal Circuit recently held that the USPTO could bypass these requirements. In re Chestek PLLC, a trademark applicant challenged a rule that requires applicants to share their personal addresses. To protect its privacy, the applicant instead listed the address of its law firm on the application. When the USPTO rejected the application for failing to include a personal address, the applicant filed suit. The applicant claimed the rule was invalid because the USPTO did not provide proper notice and the opportunity to comment. Nevertheless, the Federal Circuit upheld the rule, and now the applicant calls upon the Supreme Court to correct the matter. Notably, the outcome of this case could have broader implications on the USPTO's rulemaking power.
- 3. *Eolas Techs., Inc. v. Amazon.com, Inc.* (23-1184). Section 101 of the Patent Act defines the four categories of patent-eligible subject matter as "any new and useful process, machine, manufacture, or composition of matter." The *Mayo/Alice* framework is used to determine patent eligibility of claims directed to inventions outside of these four categories, namely laws of nature, natural phenomena, and abstract ideas. This two-step framework asks: (1) whether the patent application's claims are directed toward a patent-ineligible concept; and if so (2) whether the elements of the claims transform the nature of the claims into a patent-eligible application. This framework has been the subject of criticism since its inception over a decade ago, and now Eolas Technologies asks the Supreme Court to clarify it. The request came after the Federal Circuit invalidated Eolas' patent for being too abstract. Many patent professionals have urged for a change to, or clarification of, the two-step framework for

years – and now, the Supreme Court is invited to indulge these critics.

4. United Therapeutics Corp. v. Liquidia Techs., Inc. (23-1298). Inter partes review (IPR) is a proceeding conducted at the Patent Trial and Appeal Board (PTAB) wherein the patentability of one or more claims in an issued patent is reviewed. A third party may petition for IPR alleging the patent is anticipated or obvious based on prior art consisting of patents or printed publications. United Therapeutics has asked the Supreme Court to decide whether the Federal Circuit should defer to agency discretion, or instead review de novo whether the USPTO has adjudicated a patent claim unpatentable based on grounds or publications outside the scope of the IPR petition.

The cases below are currently being heard by the Federal Circuit or may be heard sometime soon.

- 5. **REGENXBIO Inc. v. Sarepta Therapeutics, Inc. (24-1408).** In Delaware, the district court recently ruled that a cultured host cell carrying a recombinant nucleic acid molecule is not patent-eligible because the recombinant molecule's nucleic acid sequences do not "alter" or "change" their natural form. Under current Supreme Court precedent, compositions of matter that combine natural components are patent-eligible if the composition offers "significant utility" and is "markedly different" from its natural sources. Here, the patent owner argues that the cell is markedly different because it combines DNA from two organisms to make an artificial nucleic acid molecule that is both structurally and functionally different than any naturally occurring cells. The outcome of this litigation could substantially impact the biotech industry's ability to patent its innovations.
- 6. Merck Sharp & Dohme B.V. v. Aurobindo Pharma USA (23-2254). The pending appeal for Merck Sharp & Dohme B.V. v. Aurobindo Pharma USA asks the Federal Circuit to clarify the "issue date" of reissued patents under the Patent Act. The district court held that reissued patents inherit the surrendered patent's "issue date." However, Merck argues that the issue date of a reissued patent is actually the date on which the reissued patent is issued. The issue date is important in the patent context as it affects thepatent term extension.
- 7. Alnylam Pharms., Inc. v. Moderna, Inc. (23-2357). In a patent infringement suit centered around COVID-19 vaccine technology, Alnylam Pharmaceutical appealed the district court's interpretation of the terms "branched alkyl" and "branched C10-C20 alkyl." The district court narrowly interpreted these terms to exclude structures with two-carbon groups, and the parties agreed to a judgment of noninfringement. Should the Federal Circuit remand the case, Alnylam may still have an infringement claim against Moderna given a new claim construction.
- 8. Regents of the Univ. of Ca. v. Broad Inst., Inc. (22-1594). The Federal Circuit is reviewing a dispute over who was first to invent a CRISPR-Cas9 gene-editing system. The PTAB instituted an interference proceeding, and the PTAB determined that the Broad Institute was the inventor. The University of California claims that the PTAB applied the wrong standard in determining when conception occurred and that it used the CRISPR-Cas9 system well before the crowned patent owner did. Due to the ubiquity of CRISPR-Cas9 technology, this case has high stakes and will have a broader impact on the industry.
- 9. Arlton v. AeroVironment, Inc. (21-2049). In Arlton v. AeroVironment, Inc., the plaintiffs sued a government contractor claiming the contractor's Mars Helicopter infringed the plaintiff's "Rotary Wing Vehicle" patent. The district court granted summary judgment for the defendants under 28 U.S.C. § 1498, which provides patent infringement immunity for government contractors. On appeal, the plaintiffs argue that the district court misinterpreted the statute and misapplied legal precedent.

10. Micron Tech. Inc. v. Longhorn IP LLC (23-2007). A district court in Idaho ruled a plaintiff must post an \$8 million bond in order to litigate patent infringement claims against Micron. The district court relied on title 48-1703 of the Idaho Code which seeks to prevent abusive patent assertion. The appellant argues the Idaho Act is unconstitutional and preempted by federal patent law. Idaho disagrees. The case has drawn attention from 28 states – all of which support the district court's decision.

The following case was decided by a panel of the Federal Circuit, but now the parties have requested a rehearing en banc.

11. Apple Inc. v. Omni Medsci Inc. (23-1034). In Apple Inc. v. Omni Medsci Inc., the Federal Circuit held that the PTAB erred in disregarding Apple's argument that the claim limitation "configured to identify," as found in the patent at issue, is present in the prior art. Omni raised, for the first time, the claim construction of "identify an object" in their patent owner response. Apple then made the argument regarding the prior art in response to Omni's patent-owner response. Omni has petitioned for rehearing en banc and asserts the panel's reading of Axonics v. Medtronic creates a conflict of precedent because it eliminates the PTAB's discretion to refuse to hear new reply arguments.

These cases could affect the requirements for obtaining and maintaining patent protection. To protect you or your business's intellectual property, consult legal counsel to plan and prepare for the different outcomes these cases could foist. If you have any questions about this topic, please contact Edward D. Languist or any member of Baker Donelson's Intellectual Property Group.

Miriam Draper, a summer associate at Baker Donelson, contributed to this article.