FOLEY

FOLEY & LARDNER LLP

Patent Reform Through Judicial Action—What and How Much Can Be Accomplished?

George C. Best

The Push for Reform

- Result of high profile District Court litigation of allegedly "bad" patents
- Assertion that "patent trolls" are harming competition

Two Prong Response

- Changes to make it easier to challenge validity in PTO
- Changes to limit patentee's power in litigation

Some Aspects of Reform Already Effectively Accomplished by Courts

- *eBay Inc. v. MercExchange, LLC*, 126 S. Ct. 1837 (2006).
- *Microsoft Corp. v. AT&T Corp.*, No. 05-1056, 2007 WL 1237838 (U.S. April 30, 2007)
- *KSR Int'l Co. v. Teleflex Inc.*, No. 04-1350 (U.S. April 30, 2007)

Remaining Areas For CAFC Action

- Ramifications of *KSR*
  - Is the opinion limited to its facts, or does it announce a new, more flexible approach to obviousness?
  - When is the assertion that something would have been "obvious to try" sufficient evidence of obviousness?
  - In the absence of a rigid TSM requirement, how is the application of hindsight to be prevented?

Claim Construction

- Federal Circuit needs to end its internecine war regarding degree of deference given to District Court claim construction—rethinking *Cybor*
- Supreme Court may do it for them

Willfulness

- *In re Seagate*—pending en banc case with possibility of rethinking *Underwater Devices* framework for willfulness

Written Description

- Another area with intracircuit splits
- Can this be reconciled

Policing District Courts

- Renegade jurisdictions
  - Generally regarded as plaintiff friendly
  - Use procedures intended to force settlement
  - Because cases settle, Federal Circuit cannot review
  - Federal Circuit's expressed reluctance to supervise District Court procedure makes this worse

Policing the PTO

- Enforce the Supreme Court's requirement for reasoned analysis of obviousness

- PTO asked to be treated as an administrative agency, so rigorously enforce APA requirements