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The 10 Biggest Patent Rulings Of 2020

By **Dani Kass**

Law360 (December 17, 2020, 12:47 PM EST) -- Patent Trial and Appeal Board decisions on instituting patent reviews have been front and center in 2020, with the U.S. Supreme Court limiting when they can be appealed and the agency defining how discretion can influence those determinations. Here's a look back at the biggest patent cases of the year.

Thryv v. Click-to-Call

In 2020's only U.S. Supreme Court patent ruling, the justices held in April that PTAB decisions finding an inter partes review petition was filed in a timely manner cannot be appealed.

In a 7-2 decision penned by the late Justice Ruth Bader Ginsburg, the high court said appellate review is not available for matters that are "closely tied" to a decision to institute IPR, and a time-bar challenge "easily meets that measurement."

The Federal Circuit has since said that Thryv also means decisions over whether a patent qualifies for covered business method review cannot be appealed, along with decisions over whether all **interested parties** were named in a petition.

Apple v. Fintiv

The PTAB in May made precedential an order outlining six factors the board will consider when deciding whether to deny IPR petitions based on the advanced stage of parallel district court litigation.

For patent owners, "if you're in the right forum where you can get to an adjudication promptly, there's a chance the PTAB won't institute an IPR," said Nick Mathews of McKool Smith PC. "On the flip side, if you're on the defensive side of the 'v.,' it's a good lesson that if you are going to file a PTAB petition, you should do it as quick as you can."

The increased use of denials based on Fintiv and an earlier case called NHK Spring has led to a campaign by big tech companies to get the precedent overturned, including a suit in California federal court and congressional lobbying. The U.S. Patent and Trademark Office has proposed rulemaking about the denial practice, which generated more than 800 comments.

Valeant v. Mylan

In November, the Federal Circuit said branded-drug makers can only file Hatch-Waxman Act suits in locations where a generics maker is incorporated or where it performed actions related to its application to market a generic drug.

The ruling means that multiple suits against different generics companies over the same drug may often have to be litigated in separate courts.

Kirkland & Ellis LLP's Jeanna Wacker said there are still outstanding questions of which acts count as preparing and submitting an abbreviated new drug application. But overall, she said ithe decision provided clarity that only past actions can count as acts of infringement, as compared to future sales.

Valeant filed a rehearing petition in December, calling the decision a "detrimental and seismic shift" that "makes no sense."

In re: Google

The Federal Circuit **further clarified** venue in February when it held that the presence of Google servers in the Eastern District of Texas doesn't mean the tech giant can be sued there for patent infringement.

"That had been an issue that divided the district courts," said Mark Selwyn of WilmerHale. "[The Federal Circuit] provided clarity on what the test is and rejected the notion that the location of servers alone in the district could constitute a place of business for purposes of venue."

Sisvel v. Haier and Unwired Planet v. Huawei

Germany's top court ruled in Sisvel v. Haier that the entire burden of offering fair, reasonable and nondiscriminatory licenses on standard-essential patents falls on the patent owner. The court further ruled that patent owners can still meet FRAND requirements when requiring licenses to include large, multinational patent portfolios and while offering different rates to competing licensees. The decision was issued in May, but its reasoning wasn't explained until July.

Then in August, the U.K. Supreme Court said in Unwired Planet that English courts have the power to set global licensing rates for multinational patent portfolios.

Michael Renaud of Mintz Levin Cohn Ferris Glovsky and Popeo PC said the U.K. and Germany have stepped in as leaders in the SEP litigation space by establishing methodology for how FRAND rates are set.

"There has yet to be a U.S. appellate decision that [allows] setting a worldwide rate, and thereby getting a license result that doesn't require you to go to every country in the world," Renaud said.

GlaxoSmithKline v. Teva

In October, a divided Federal Circuit panel found that Teva Pharmaceuticals induced infringement of a patent covering GlaxoSmithKline LLC's heart disease drug Coreg and reinstated a $235 million verdict in favor of GSK.

The case centered on so-called skinny labels, which let generic-drug makers sell unpatented uses of a patent-protected drug. The ruling immediately raised alarms for generic-drug makers, which are concerned the decision has essentially barred them from what they said is a routine practice.

Teva has filed a petition for en banc review, echoing an impassioned dissent from the court's chief judge saying the majority essentially nullified the section of the Hatch-Waxman Act that allows for skinny labels.

Nike v. Adidas and Hunting Titan v. DynaEnergetics

The Federal Circuit said in April that the PTAB can devise its own reasons for rejecting proposed amended patent claims when it revived Nike's long-running bid to amend a shoe patent challenged by Adidas.

But then a few months later, the PTAB's Precedential Opinion Panel ruled in Hunting Titan that the board should only craft its own reasons to reject proposed amended claims in "rare circumstances."

While the POP acknowledged that the Federal Circuit gave the PTAB broad authority, it said widespread use "would significantly diminish the incentives" for petitioners to make strong invalidity arguments by putting the onus on the board to come up with them and "would also greatly undermine the efficiency" of the proceedings.

"Time will tell what sort of rare circumstances allow the PTAB to conduct the sua sponte review of substitute claims," said Venable LLP's Christopher Loh.

Illumina v. Ariosa

In March, the Federal Circuit revived claims of two Sequenom Inc. patents licensed by Illumina Inc., saying that unlike other fetal DNA testing patents previously challenged by Ariosa Diagnostics, they aren't directed to natural phenomena.

The 2-1 decision held that the claims are directed to a specific method of harnessing natural phenomena, not the phenomena itself, meaning they are patent eligible under Section 101 of the Patent Act.

"It offers some hope to those in the biotech industry as to the patentability of matters related to diagnostic methods," Loh said.

--Additional reporting by Ryan Davis and Bonnie Eslinger. Editing by Jill Coffey.