



# YOU'VE GOTTA KEEP UP: THE U.S. S. CT. HAS CHANGED IP LAW

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**April 24, 2019 In-House Counsel Conference**

# Presenters:

## Panelists:

- Mary Vanatten, Senior Corporate Counsel at Bristol-Myers Squibb Company
- Rose Oskanian, Head of North America Intellectual Property, Principal Attorney at Draeger Medical Systems Inc.
- Chris Lewis, Assistant General Counsel for Intellectual Property at Arkema Inc.
- Moderator Kevin Casey, Chair, Intellectual Property Group and Co-Chair, IP Litigation Group with Stradley Ronon Stevens & Young, LLP.

# 1. Rimini Street, Inc. v. Oracle USA, Inc.

- Holding (3/4/19): The term “full costs” in Section 505 of the Copyright Act means only the costs specified in the general cost statutes codified at 28 U.S.C. §§ 1821 and 1920 and not any expenses.
- Kevin: Summary of the facts and decision.
- Practical Ramifications:
  - 1. Limited, but predictability and clarity
  - 2, Constrains cost awards, so reconsider suit?
  - 3. Affects strategic decisions (e.g., retention of experts)
  - 4. Litigation funding firms?

## 2. Fourth Estate Public Benefit Corp. v. Wall-Street.com

- Holding (3/4/19): A copyright holder must register a work with the U.S. Copyright Office before the holder can sue for infringement, and “registration” within the meaning of 17 U.S.C. § 411(a) occurs not when an application for registration is filed, but when the Copyright Office registers the copyright.
- Rose: Summary of facts and decision.
- Practical Ramifications:
  - Authors should file for expedited registration (e.g., \$800 vs. \$35 per work) as soon as infringement suspected
  - Contract provisions to address display after termination or expiration of license agreement

### 3. Iancu v. NantKwest, Inc.

- Pending (certiorari granted 3/4/19).
- Question Presented: Whether the phrase “[a]ll the expenses of the proceedings” in 35 U.S.C. § 145 encompasses the personnel expenses the United States Patent and Trademark Office incurs when its employees, including attorneys, defend the agency in Section 145 litigation?
- Rose: Summary of facts.
- Practical Ramifications:
  - If the S. Ct. sides with Fourth Circuit, it would lead to over 170 year break in precedent on patent and 70 year break in precedent on trademark law regarding award of attorneys’ fees
  - Depending upon outcome of case, may limit trademark or patent applicants’ options in challenging USPTO decisions because attorneys’ fees are the most significant costs of proceedings

## 4. Mission Product Holdings, Inc. v. Tempnology, LLC

- Pending (argued 2/20/19).
- Question Presented: Under Section 365 of the Bankruptcy Code, does a debtor-licensor's rejection of a trademark license agreement -- which "constitutes a breach of such contract" under 11 U.S.C. § 365(g) -- terminate rights of the licensee that would survive the licensor's breach under non-bankruptcy law?
- Kevin: Summary of facts.
- Practical Ramifications:
  - 1. Significant
  - 2. "Naked" trademark licenses
  - 3. Hobson's choice for debtor-licensor?

## 5. Helsinn Healthcare S.A. v. Teva Pharma. USA, Inc.

- Holding (1/22/19): Even secret sales preclude patents under the “on-sale” bar.
- Mary: Summary of facts and decision.
- Practical Ramifications:
  - File patent applications early
  - Evaluate each third party transaction carefully to consider the effect on a potentially patentable invention
  - If transactions are for “experimental use,” make sure that the agreement is worded such to avoid a sale of the product

## 6. SAS Institute Inc. v. Iancu

- Holding (4/24/18): When the PTO institutes an inter partes review to reconsider an already-issued patent claim, under 35 U.S.C. §§ 311–319, it must decide the patentability of all of the claims the petitioner has challenged.
- Mary: Summary of facts and decision.
- Practical Ramifications:
  - PTO will issue a decision on all claims, but – will it mean more denials, or summary conclusions on certain claims
  - If instituted, decision on all claims are appealable
  - Could lead to multiple petitions, reserving weaker claims for separate petitions
  - Greater risk of estoppel since all challenged claims will be included in the written decision
  - Patent Owner reply should present a strong attack on the weakest grounds
  - If many of the grounds are shown to be frivolous, there may be a lower likelihood of institution



## 7. WesternGeco LLC v. Ion Geophysical Corp.

- Holding (6/22/18): Patent owners can recover foreign lost profits under certain circumstances.
- Chris: Summary of facts and decision.
- Practical Ramifications:
  - No blanket prohibition on foreign damages = win for U.S. patent owners
  - Off-shore infringers beware ... even more so than before
  - Potential to focus patenting efforts more in the U.S.

## 8. Return Mail, Inc. v. U.S. Postal Service

- Pending (argued 2/19/19).
- Question Presented: is the federal government a “person” such that it can seek to invalidate patents under the AIA?
- Chris: Summary of facts.
- Practical Ramifications:
  - Government agencies could have “two bites at the apple” on validity challenges
  - Standing still required; potential for greater impact on industries with government-based use
  - Facing two rounds of validity challenges likely to encourage settlement with the government

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