Novelty and Statutory Bars

§ 2:1 Allergan, Inc. v. Apotex, Inc.

That administration of an ophthalmic solution for treatment of glaucoma “could” result in eyelash growth was insufficient to support anticipation through inherency.

In *Allergan, Inc. v. Apotex Inc.*, Allergan had FDA approval to sell Latisse®, a 0.03% bimatoprost ophthalmic solution, as a topical solution to treat hypotrichosis (that is, hair loss or reduction) of the eyelashes by stimulating hair growth.

Bimatoprost is a synthetic prostaglandin F-2-alpha (“PGF”) analog. It was known that naturally occurring PGF could alleviate intraocular pressure, which was associated with glaucoma. Bimatoprost was a synthetic 17-phenyl PGF analog developed by Allergan. In 2001, Allergan received FDA approval to sell Lumigan®, a 0.03% bimatoprost ophthalmic solution—identical to Latisse®—as an eye drop to treat glaucoma.

A Dr. Johnstone, in the 1990s, performed studies on latanoprost, another kind of 17-phenyl analog. Latanoprost optical solution also received FDA approval for use in glaucoma treatment, marketed as Xalatan®. Dr. Johnstone observed that when treating patients with latanoprost eye drops, a “substantial fraction” of the patients grew longer and denser eyelash hair. Dr. Johnstone filed a patent application on the use of latanoprost and other 17-phenyl PGF analogs to promote hair growth in February 1997.

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That work led to one of the patents-in-suit. Researchers at Procter & Gamble observed that administration of PGF compounds that were selective for a particular cell receptor resulted in growth of longer and thicker hair.

The second patent-in-suit resulted from observations during clinical trials for Lumigan®. As had been observed for latanoprost, glaucoma patients treated with bimatoprost eye drops spontaneously grew longer and thicker eyelash hair. The second patent was drawn to treatment of eyelash hair loss through topical application of bimatoprost.

The defendants, Apotex and others, filed ANDAs seeking approval to market a generic version of Latisse®. Allergan et al. responded asserting infringement of the two patents. The district court, after a bench trial, concluded that the patents-in-suit were not invalid, and had been infringed.

The defendants asserted, inter alia, that the claims of the first patent were anticipated through inherency by an Allergan patent that disclosed the use of certain PGF analogs, including bimatoprost, to treat glaucoma. The defendants urged that because (1) the Allergan patent disclosed the application of eye drops containing compounds within the scope of the claims, including bimatoprost, and (2) the application of eye drops containing bimatoprost resulted in the growth of eyelashes, the claims were inherently anticipated. The Federal Circuit disagreed.

It was undisputed that application of eye drops containing bimatoprost could result in the promotion of eyelash hair. The district court, however, had credited Allergan’s expert witness’s testimony that a “properly applied” eye drop would not transfer to the skin. The district court also noted that the Lumigan® clinical trials showed that only a fraction of patients experience eyelash growth.

In SmithKline Beecham Corp. v. Apotex Corp., 2 the court held that anticipation through inherency may be shown as a “natural result flowing from the operation as taught in the prior art.” However, because application of eye drops containing bimatoprost could result in the promotion of eyelash hair, but not necessarily, the Federal Circuit concluded that there was no clear error in the district court’s conclusion.

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However, the Federal Circuit concluded that both the patents were invalid for obviousness. Circuit Judge Chen dissented from the panel majority’s conclusion that the first patent claims would have been obvious in view of the prior art. In Judge Chen’s view, the prior art was “simply too vague and equivocal to justify invalidating the patent.”

§ 2:2  
In re Enhanced Security Research, LLC

Federal Circuit splits on whether manual that was missing even-number pages in one of two sections that the PTO relied on, and bore indicia indicating it was a draft, and where only evidence that it had been available to the public was from an interested witness, should have been relied on as prior art.

In In re Enhanced Security Research, LLC, the Federal Circuit panel majority, over a lengthy and strenuous dissent by Circuit Judge O’Malley, affirmed the board’s conclusion, in an ex parte reexamination, that the claims-on-appeal would have been obvious under section 103.

The patent-on-appeal was drawn to a computer security device and method for preventing unauthorized individuals from gaining access to a local computer network. In general, the invention monitored communications, analyzed whether there were attempted security breaches, assigned weights to detected security breaches, and commanded a firewall to block attempted breaches based on assigned weight.

A third party requested ex parte reexamination based on the manual for a software product known as NetStalker (“Manual”), and an article

3.  Allegan, 754 F.3d at 971 (Chen, J., dissenting-in-part).
5.  Although the statutory basis for rejection was section 103, rather than section 102, the case is reviewed here because the principal issue was whether a manual should have been relied upon as prior art.
by G.E. Liepins et al. ESR urged, inter alia, that the PTO should not have relied on the Manual for several reasons.

The title page of the Manual contained the date May 1996. The effective filing date of the patent-on-appeal was October 7, 1996. ESR argued that the version of the Manual that the examiner had relied on may not have been available in May 1996, and there were indicia that the version before the examiner was a draft rather than a document available to the public.

Smaha, the CEO of the company that produced the NetStalker software, filed a declaration averring that the version before the examiner was available to the public in May 1996. Smaha averred that “members of the public showing an interest in buying or licensing the NetStalker product could have obtained a copy of the manual by contacting Haystack or Network Systems Corporation and requesting one; and, indeed, ‘the NetStalker product was sold to or installed for approximately a dozen customers.’” Smaha also averred that NetStalker was advertised no later than 1995.

The Federal Circuit panel majority gave the issue short consideration. The panel majority concluded that “[i]n view of the Manual’s inscription date, the Smaha Declaration, and evidence of NetStalker advertisements published in 1995, we conclude that substantial evidence supports the Board’s finding that the Manual constituted publicly-available prior art under § 102(a)(1).”

Circuit Judge O’Malley strenuously dissented, urging that the PTO should have refused to rely on the Manual as a reference.

Judge O’Malley urged that the reference had been obtained from an interested party—a paid expert, Smaha, for a party opposing ESR in litigation, the same party who initiated the re-exam. That paid expert was the only person who apparently had access to the reference, could explain whether a complete reference existed, could explain why, if so, the reference was submitted in incomplete form, and could explain what was in the missing portions of the reference. While Smaha submitted a declaration in support of the reference, Judge O’Malley observed, he neither claimed that a more complete reference existed at any time, explained why the reference was submitted in its incomplete state, nor explained what the missing portions discussed.

6. ESR, 739 F.3d at 1354–55.
Judge O’Malley wrote that “[t]he Smaha declaration was telling more for what it failed to state than for what little it actually did say with regard to accessibility. Given his undisputed bias, the Board and majority should demand precision with respect to such important facts, and not rely on what appeared to be half-truths.” If the Manual really was publicly accessible as of the critical date, Judge O’Malley urged, it would not have been difficult for Smaha to actually say so, and to support his statements with verifiable facts.

Judge O’Malley specifically disputed that the evidence showed that the Manual was “available” in May 1996. Judge O’Malley noted that the Manual indicated it was “version 1.0.2,” but Smaha did not say that version was the one advertised in 1995. Nor did Smaha say that version was ever advertised to the public.

Also, Judge O’Malley urged that while Smaha said that members of the public interested in the NetStalker product could have gotten the relevant Manual upon request, there was no indication that the public had any information available to it which would have prompted anyone to make such a request for that particular Manual. And, according to Judge O’Malley, there was no evidence that version 1.0.2 of NetStalker was ever manufactured or offered for sale.

Judge O’Malley found “most troubling” that Smaha had said the reference before the PTO was a “true and correct copy” of the Manual that he said was available to the public in May 1996. Judge O’Malley noted, however, that the Manual before the PTO was incomplete, and missing pages and whole sections. Also, Judge O’Malley noted that the Manual had indicia that it was a draft document—namely “a cryptic date legend on the cover, question marks in the index, and [lack of] the last ten pages of the final chapter.”

Judge O’Malley also noted that Smaha had filed his own application—after the critical date—to similar technology but did not list the Manual as prior art. Judge O’Malley reasoned that “[i]f we assume Smaha was not purposely misleading the PTO with that filing, the failure to cite the manual indicates that it was either an unfinished draft document or never available to the public.”

7. Id. at 1365 (O’Malley, J., dissenting).
Judge O’Malley urged that the board’s finding was not supported by substantial evidence. According to Judge O’Malley, Smaha’s statements were sufficiently ambiguous to encompass both scenarios in which the NetStalker Manual would have been publicly accessible and those in which it would not have been so.

ESR also asserted that the PTO should not have relied on the Manual because it was missing pages, and therefore could not be considered “as a whole.”

The Federal Circuit panel majority reasoned that the MPEP contemplates submission of only portions of prior art documents, for example “pertinent parts” of non-English documents, partial translations, and only portions of bound texts and articles over sixty pages. The Federal Circuit panel majority concluded that the PTO rules permitted “consideration of selected portions of prior art references so long as the missing portions are not necessary to fully understand the submitted portions.”

The panel majority agreed that “missing pages may sometimes be necessary for understanding a prior art reference,” but concluded that nothing in the Manual suggested that the missing pages were necessary to an understanding of the pertinent parts of the reference.

Interestingly, the panel majority noted in a footnote that had the missing pages been necessary to a full understanding of the software, the examiner, of course, could not have relied on the Manual without securing the missing pages. The panel majority also noted that the PTO rules allowed an examiner to request further information from an application. The panel majority, though, further noted that under the America Invents Act’s new procedure for preissuance submissions by third parties, 35 U.S.C. § 122(e), the PTO had taken the position that examiners could not request additional information from third parties. The panel majority remarked that “[t]his result seems incongruous. While this case does not present an instance in which the missing pages were necessary for examination, in the event that such an instance arises, it would be useful for the PTO to provide a procedure through which an examiner could request further information from the third party requester.”

8. Id. at 1356.
9. Id. at 1357 n.14.
Again, Judge O’Malley dissented. Judge O’Malley noted that the PTO had relied on chapters 5 and 6 of the Manual. But the Manual the PTO relied on only had pages 5-1, 5-3, 5-5, and 5-7. The PTO had relied on page 5-5 even though pages 5-4 and 5-6 were missing. Also, although noted as relied on, chapter 7 had only the first three pages of the chapter, and the examiner had apparently referred to those pages.

Judge O’Malley criticized the panel majority for “speculating” that the missing pages would not have been meaningful to the PTO analysis, but noted that “[s]peculation cannot substitute for actual evidence that the missing pages are meaningless. Without those pages, neither this court nor the Board can determine whether the missing pages of NetStalker teach away from the claimed invention. Nor can we clarify whether the missing pages would reveal that NetStalker is actually less similar to the claimed invention than it might appear. And, we are unable to determine whether the NetStalker Manual was only an incomplete draft and, thus, not likely to be publicly accessible.”

Judge O’Malley reasoned that “[w]here a reference is proffered by an interested party with control over all information relating to that reference, it is not too much to ask that the proffer be complete in all material respects.”

Judge O’Malley agreed that the PTO could, in some cases, rely on incomplete references, but noted that the Smaha declaration “provide[d] no explanation for NetStalker’s incompleteness, and never even addresses that incompleteness.”

Judge O’Malley additionally urged that due process concerns were at issue: “[T]here is risk of an erroneous deprivation of those rights when the provider of an incomplete document is the one asking that a reexamination be instituted and is involved in active litigation with the patent holder.”

Judge O’Malley further noted that Smaha stated in his declaration that he was “engaged as an expert by Juniper Networks, Inc. in connection with the litigation against ESR,” and further stated that he had “no interest, personal or otherwise, in the outcome of Juniper’s

10. Id. at 1360 (O’Malley, J., dissenting).
11. Id. at 1361 (O’Malley, J., dissenting) (emphasis in original).
disputes with ESR.” Judge O’Malley noted that “[a] paid expert for a party adverse to the patentee is not unqualifiedly disinterested; saying he lacks an interest does not change that fact.”

On the merits, the panel majority agreed with the board that the Manual, in conjunction with the other prior art, rendered the claims to have been obvious.

§ 2:3  **In re Enhanced Security Research, LLC**

When relying on attorney diligence to antedate a reference, the attorney’s records should “show the exact days when activity specific to [the patentee’s] application occurred.”

Pertinent facts in *In re Enhanced Security Research, LLC*\(^\text{12}\) are discussed in section 2:2. ESR additionally argued that it had conceived the invention prior to publication of the Manual, and had been diligent in reducing the invention to practice. The Federal Circuit panel majority concluded that even if ESR had shown prior conception, ESR had not shown the requisite diligence.

ESR had relied on “attorney diligence” and had submitted declarations from Shipley, the inventor of the patent-on-appeal, and Saunders, the attorney who filed the application. Shipley and Saunders, in their declarations, described meetings and telephone calls between February 28, 1996, when Shipley and Saunders first met in person, and October 7, 1996, when the application was filed.

In *Bey v. Kollonitsch*,\(^\text{13}\) the Federal Circuit held that “reasonable diligence can be shown if it is established that the attorney worked reasonably hard on the particular application in question during the continuous critical period.” The Federal Circuit also emphasized that the attorney’s records should “show the exact days when activity specific to [the patentee’s] application occurred.”

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According to the Federal Circuit, the record revealed that over the course of five months from before May 1996 to October 7, 1996, Saunders had a few conversations with Shipley, conducted a prior art search, billed for under thirty hours of work, and drafted the patent application. The board found that, apart from records showing work on May 4, 6, and 20, and activity in July, ESR failed to provide “records or other evidence showing the exact days when activity specific to this application occurred.”

The Federal Circuit noted that although Section 1.131, Rule 131 did not require Saunders to work on Shipley’s patent application without pause, substantial evidence supported the board’s finding that ESR failed to demonstrate the requisite attorney diligence.

§ 2:4 Fleming v. Escort Inc.

Evidence of corroboration is evaluated under “the rule of reason,” whereby “all pertinent evidence is examined in order to determine whether the inventor’s story is credible.” The evidence of corroboration does not require corroboration of prior invention regarding each claim limitation.

In Fleming v. Escort Inc., Fleming owned two reissue patents drawn to radar detectors that incorporated a Global Positioning System (GPS) unit into a radar detector. The incorporated GPS, according to the patents-in-suit, reduced false alarms.

Fleming sued Escort for infringement. Escort defended, inter alia, on the basis of prior invention, namely the contention that Steven Orr, who worked for Escort as a consultant, had invented a radar detector incorporating GPS before Fleming.

Fleming claimed priority to April 14, 1999—the filing date of his original patent application. Orr alleged that he had conceived his invention in 1988 and had made an actual reduction to practice.

14. ESR, 739 F.3d at 1359.
through a working prototype in April 1996. Between 1988 and 1996, Orr had been working at Cincinnati Microwave, which owned the potential patent rights to his invention. Cincinnati Microwave entered bankruptcy on February 14, 1997, after which Escort acquired its assets, during the summer of 1997, including the potential rights to Orr’s invention. Orr began working for Escort in July 1998. Orr filed a patent application on his invention, with Escort as the assignee, on June 14, 1999, two weeks after Fleming had filed his application.

The jury found that most of Fleming’s asserted claims were not invalid and infringed by Escort. However, the jury found that some of the asserted claims were invalid as anticipated or obvious in view of Orr’s invention and other prior art.

Fleming filed motions for JMOL to reverse the jury’s invalidity findings, asserting that (1) Orr’s testimony regarding prior invention lacked sufficient corroboration, and (2) Orr’s invention, if it existed, had been abandoned, suppressed, or concealed. Escort, in response, sought JMOL that Fleming’s patents were invalid because there was no “error” correctable by reissue.

On the issue of corroboration, the Federal Circuit reiterated that evidence of corroboration is “evaluated under ‘the rule of reason,’ whereby ‘all pertinent evidence is examined in order to determine whether the inventor’s story is credible.’ . . . Importantly, ‘[t]he law does not impose an impossible standard of independence on corroborative evidence by requiring that every point of a reduction to practice be corroborated by evidence having a source totally independent of the inventor; indeed, such a standard is the antithesis of the rule of reason.’ . . . We have treated the sufficiency of corroboration as a question of fact, with the district court’s determination subject to review for clear error.”

The Federal Circuit found that Orr’s testimony of prior invention was sufficiently corroborated by 1992 data from GPS experiments that Orr had run and 1996 notes and correspondence from Orr relating to GPS and noting “realizing product features identified in . . . [a] brainstorming meeting . . . [by] integrat[ing] a radar detector into . . . automobile navigation systems.” The evidence also included a 1996 letter

16. Id. at 1377.
from the vice president of Cincinnati Microwave to Orr and other employees that referred to “entering the ETAK [a type of automotive navigation system] business . . . to get speed and position to silence a detector” and to “patent[ing] the concept of . . . vehicle position muting and then working with the ETAK folks for a data link to our detectors.”

The Federal Circuit concluded that this evidence made credible Orr’s general account that in 1988, when he had his specific conception, various industry participants were thinking generally about equipping radar detectors with GPS to reduce false alarms; Cincinnati Microwave, in particular, was interested in the idea; by 1992, Orr was collecting data and working toward reducing the conception to practice; and in 1996, spurred by great interest in his project, Orr reduced his invention to practice. The evidence, the Federal Circuit wrote, in referring to frequencies and to using a GPS-given location to mute a detector alarm, also provided substantial corroboration of the more specific claim limitations concerning lockout frequencies and distances that Fleming highlighted in his argument.

The Federal Circuit acknowledged that Orr’s proof did not provide definitive proof of Orr’s testimony, or disclose each claim limitation. The Federal Circuit, however, remarked that “[b]ut the corroboration requirement has never been so demanding. . . . It is a flexible, rule-of-reason demand for independent evidence that, as a whole, makes credible the testimony of the purported prior inventor with regard to conception and reduction to practice of the invention as claimed. . . . The evidence presented here sufficiently does that.”

§ 2:5 Fleming v. Escort Inc.

Abandonment, suppression or concealment not inferred during time former employer is in bankruptcy, and acquiring company is actively seeking information from inventor, and subsequently hired inventor.

17. Id. at 1377.
In *Fleming v. Escort Inc.*, the Federal Circuit rejected Fleming’s (the patentee’s) contentions that invalidating evidence of prior invention lacked sufficient corroboration, and that such prior invention had been abandoned, suppressed or concealed. The underlying facts of the case are discussed in section 2:4.

As to Fleming’s second ground of attack, the Federal Circuit reiterated that “[a]bandonment, suppression, or concealment may be shown by proof of the prior inventor’s active efforts to do so or ‘may be inferred based upon the prior inventor’s unreasonable delay in making the invention publicly known.’ . . . Whether a delay is sufficiently reasonable to avoid the inference ‘has consistently been based on equitable principles and public policy as applied to the facts of each case.’ . . . For example, ‘delay between the first reduction to practice and public disclosure’ is excused ‘if the inventor continued to refine, perfect, or improve the invention.’ . . . Moreover, even ‘a long period of inactivity need not be a fatal forfeiture, if the first inventor resumes work on the invention before the second inventor enters the field.’”

Here, the Federal Circuit found no efforts to actively suppress or conceal. The Federal Circuit further found that the timing of Orr’s activities leading to the June 1999 patent application did not warrant an inference of abandonment, suppression, or concealment during the three relevant time periods.

In the first time period, from the actual reduction to practice in April 1996, to before February 1997, the date of Cincinnati Microwave’s bankruptcy, the Federal Circuit construed the evidence as showing that Orr had studied, refined and improved his invention. During the third time period, after Orr had begun working for Escort during the summer of 1998, the Federal Circuit construed the evidence as showing that he had worked on his invention until the filing date of the patent in June 1999.

In the middle period, between February 1997 and the summer of 1998—a period of thirteen months—the Federal Circuit noted that Orr had joined another firm to work on designing a cordless telephone. Escort acquired the rights to Orr’s radar/GPS invention, and

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19. *Id.* at 1378.
Orr testified that, although working elsewhere, he was giving Escort information about his invention, and that Escort was pursuing his invention. Escort was motivated to hire Orr because of his expertise in radar/GPS and did hire him in July 1998.

From those circumstances, the Federal Circuit did not infer suppression, concealment, or abandonment for two reasons. First, Fleming’s position had been that his priority date was April 14, 1999, when he filed his patent application—a date later than the dates of Orr’s conception (1988) and reduction to practice (1996)—not in dispute for purposes of the present issue. It also was later than the latest possible date—summer 1998—that the evidence established Orr resumed work on his prior invention when joining Escort. Even if the focus were solely on Orr (thus disregarding Escort, the patent-rights owner), the Federal Circuit reasoned, and even if Orr had abandoned his invention before summer 1998, the defense of abandonment was properly rejected on the ground that Orr resumed his active work before Fleming’s April 1999 priority date.

Second, the Federal Circuit held, even though Fleming had not made an argument based on a pre-1999 priority date, that conclusion would not change even assuming a May 1998 conception date for Fleming (for which there was evidence). On that assumption, the Federal Circuit wrote, the crucial period for the abandonment analysis would be the time between Cincinnati Microwave’s February 1997 bankruptcy and Orr’s July 1998 employment at Escort. At most, the Federal Circuit concluded, there was a reasonable pause in active work: the rights to the invention were transferred from one owner to a new owner during a period of bankruptcy; the new owner concentrated its initial efforts on products ready for immediate sale; and even during that period, the new owner maintained communication with Orr and made efforts to bring him to the firm precisely to resume the work needed to perfect the prior invention. The Federal Circuit concluded that delay of active work in these circumstances was not unreasonable and was consistent with a continuing commitment to pursuing the project to the full extent conditions allowed. In brief, the Federal Circuit concluded, the concepts of abandonment, suppression, and concealment did not fit the facts as reasonably found by the jury.
§ 2:6 Medtronic CoreValve, LLC v. Edwards Lifesciences Corp.

Priority claim under section 120 requires a reference to all intermediate applications. A “recycled” priority claim in intermediate applications that omits prior intermediate applications is defective and breaks the chain of priority. “This application” in priority claim refers to present application. Federal Circuit rejects proposed “reasonable person” test for sufficiency of priority claim.

In Medtronic CoreValve, LLC v. Edwards Lifesciences Corp., Medtronic’s ‘281 patent-in-suit was drawn to a prosthetic vascular valve. The ‘281 patent was filed on January 5, 2009, and issued on February 22, 2011. The patent, on its face, claimed priority to a French Application (“French Application 1a”), filed on November 17, 1999. However, French Application 1a was not relevant to the claims being asserted against Edwards. The pertinent priority chain was to French Application 1b, filed on October 31, 2000. The pertinent chain of priority was, according to the opinion:

<table>
<thead>
<tr>
<th>Application</th>
<th>Serial Number</th>
<th>Filing date</th>
</tr>
</thead>
<tbody>
<tr>
<td>French Application 1b</td>
<td>French Application No. FR 00/14028</td>
<td>Oct. 31, 2000</td>
</tr>
<tr>
<td>International Application 2b</td>
<td>International Application No. PCT/FR 01/03258</td>
<td>Oct. 19, 2001</td>
</tr>
</tbody>
</table>

21. Id. at 1361.
The patent-in-suit issued from U.S. Application 10.

Edwards moved for partial summary judgment that defects in the claim of priority limited the priority of the claims being asserted to no earlier than April 10, 2003, the date on which U.S. Application No. 4 was filed. Edwards also moved for summary judgment, contending that the asserted claims were anticipated by French Application 1b and International Application 2b. The district court granted both motions. The district court concluded that the '281 patent was not entitled to the priority date of French Application 1b because of failure to comply with section 119, and was not entitled to the priority date of International Application 2b because of failure to comply with section 120.

The Federal Circuit chose to address only the question of priority under section 120.

The Federal Circuit noted that section 120 allowed an application to claim the benefit of an earlier domestic filing date if, inter alia, “it contains or is amended to contain a specific reference to the earlier filed application . . . submitted at such time during the pendency of the application as required by the Director.”

In Encyclopaedia Britannica, Inc. v. Alpine Electronics of America, Inc., the Federal Circuit held that “the ‘specific reference’ requirement mandates ‘each [intermediate] application in the chain of priority to refer to the prior applications.’” The Federal Circuit concluded that because U.S. Applications 6 and 8 failed to specifically reference the earlier filed applications in the priority chain, the '281 patent was not entitled to claim the priority date of International Application 2b under section 120.

The '281 patent properly claimed priority as follows:

The present application (U.S. Application 10) claims priority under 35 U.S.C. § 120 as a continuation of U.S. Application Serial No. 12/029,031 (U.S. Application 8), filed February 11, 2008, which is a continuation of U.S. Application Serial No. 11/352,614 (U.S. Application 6), filed February 13, 2006, which is a continuation of U.S. Application Serial No. 10/412,634 (U.S. Application 4), filed April 10, 2003, which is a continuation-in-part

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23. Medtronic, 741 F.3d at 1363.
of International Application No. PCT/FR 01/03258 (International Application 2b), filed October 19, 2001.

However, U.S. Applications 6 and 8 only recited:

[T]his application is also a continuation-in-part of International Application No. PCT/FR 01/03258 [International Application 2b], filed on Oct. 19, 2001, which was published in a language other than English.

Thus, U.S. Application 6 omitted reference to U.S. Application 4, and U.S. Application 8 omitted reference to both U.S. Applications 4 and 6. As a result, uses of the phrase “this application” in U.S. Applications 6 and 8 were defective. The Federal Circuit surmised that Medtronic had “recycled” the priority claim from U.S. Application 4 in U.S. Applications 6 and 8.

Medtronic argued that “this application” referred to U.S. Application 4 regardless of whether it was used in U.S. Applications 6 and 8. The Federal Circuit was not persuaded, noting that the plain language, as well as examples in the MPEP, always referred to the present application.

Medtronic also argued that “this application” should be based on what a reasonable person would understand within the context of the patent. Again, the Federal Circuit was not persuaded, concluding: “We decline to adopt the ‘reasonable person’ test proposed by Medtronic to interpret the sufficiency of a priority claim under 35 U.S.C. § 120. Medtronic’s proposal runs afield of the language of the statutory provision, which requires ‘a specific reference’ to each earlier filed application, as well as the implementing regulation for § 120, which requires precise details in priority claims down to the ‘application number (consisting of the series code and serial number).’ . . . ”

The Federal Circuit also noted that a “reasonable person” would not necessarily interpret “this application” to refer to U.S. Application 4, because U.S. Application 3, U.S. Application 4’s predecessor, was also a possible candidate. The Federal Circuit further noted, however, that “a closer look at the ’281 patent’s complicated priority recitations, as well as an understanding of § 120’s disclosure requirements, would

24. Id. at 1366.
have eliminated U.S. Application 3 as a candidate because it neither claims priority to International Application 2b nor does it belong to the same priority chain as the Asserted Claims."

However, the Federal Circuit concluded that such a conclusion would come to light only if the reasonable person had a sufficient understanding of prosecution procedure and litigation subject matter. Those nuances, according to the Federal Circuit, demonstrated the difficulty in ascertaining the correct priority chain of a patent application that did not contain “specific references.”

The Federal Circuit reasoned that “[t]he patentee is the person best suited to understand the genealogy and relationship of her applications; a requirement for her to clearly disclose this information should present no hardship. . . . On the contrary, Medtronic’s ‘reasonable person’ test improperly places the burden of deciphering a priority claim upon the reader or the public. . . . Allocating the responsibility of disclosure through specific references to the patentee eliminates the inefficiencies associated with having the public expend efforts to unearth information when such information is readily available to the patentee.”

§ 2:7 Par Pharmaceuticals, Inc. v. TWi Pharmaceuticals, Inc.

Defendant failed to prove that the limitation at issue was necessarily present, or the natural result of the combination of elements explicitly disclosed in the prior art.

In Par Pharmaceuticals, Inc. v. TWi Pharmaceuticals, Inc., the Federal Circuit vacated the district court’s judgment of obviousness because the district court had incorrectly applied the law on inherency.

Par’s patent-in-suit was drawn to using megestrol nanoparticles to “increas[e] the body mass in a human patient suffering from anorexia, cachexia, or loss of body mass.”

25. Id.
26. Id.
27. Par Pharm., Inc. v. TWi Pharm., Inc., 773 F.3d 1186 (Fed. Cir. 2014) (opinion by Circuit Judge O’Malley, joined by Circuit Judges Wallach and Hughes).
Megestrol had long been known to treat wasting, especially in cancer patients. Bristol-Myers Squibb, in 1993, began marketing an oral suspension of micronized megestrol, Megace OS, for treatment of anorexia and cachexia in AIDS patients.

Par applied for and received FDA approval to market a generic version of micronized megestrol, but continued to experiment by reducing particle size to the nanometer range. Par contracted with another company to use its “NanoCrystal” technology to formulate nanosized megestrol.

Par also discovered that Megace OS had a strong “food effect”—patients taking Megace OS with a meal showed significantly higher absorption than patients taking Megace OS in a fasting state. The nanosized megestrol, however, had a greatly reduced food effect.

The PTO initially rejected Par’s claims drawn to nanosized megestrol formulations as having been obvious in light of prior art that disclosed micronized megestrol formulations and the NanoCrystal technology. Par amended its claims to overcome those rejections by adding two “wherein” clauses that addressed the lack of a food effect in the nanosized megestrol formulation:

wherein after a single administration in a human subject of the formulation there is no substantial difference in the $C_{\text{max}}$ of megestrol when the formulation is administered to the subject in a fed versus a fasted state,

wherein fasted state is defined as the subject having no food within at least the previous 10 hours, and wherein fed state is defined as the subject having a high-calorie meal within approximately 30 minutes of dosing.

The PTO subsequently allowed the claims.

The FDA subsequently approved Par’s NDA for its nanoparticles megestrol formulation, Megace ES. TWi filed an ANDA seeking approval to market a generic form of nanosized megestrol, with a Paragraph IV certification asserting that Par’s patent was invalid or would not be infringed. In response, Par filed suit for infringement.

After a bench trial, the district court concluded that Par’s patent was invalid as having been obvious. The district court noted that although TWi had shown that megestrol acetate was part of a class of drugs having poor bioavailability, TWi had failed to prove that Megace OS
had a known bioavailability problem or a known food effect in the prior art. Nevertheless, the district court concluded that all of the elements of the claims were disclosed in the prior art. Specifically, although the prior art did not explicitly disclose the food effect differences as claimed, the district court concluded that the claimed food effect was “an inherent result” of nanosized megestrol even though it was not previously known that a food effect existed.

The Federal Circuit noted that the key issue was whether the claimed food effect limitations were disclosed in the prior art. TWi and the district court urged that those limitations were inherent. The Federal Circuit disagreed.

The Federal Circuit noted that:

We have recognized that inherency may supply a missing claim limitation in an obviousness analysis. . . . We have, however, also explained that the use of inherency, a doctrine originally rooted in anticipation, must be carefully circumscribed in the context of obviousness. . . .

Inherency, however, may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient. If, however, the disclosure is sufficient to show that the natural result flowing from the operation as taught would result in the performance of the questioned function, it seems to be well settled that the disclosure should be regarded as sufficient.

. . . Thus, our early precedent, and that of our predecessor court, established that the concept of inherency must be limited when applied to obviousness, and is present only when the limitation at issue is the “natural result” of the combination of prior art elements. 28

The Federal Circuit explained that “[a] party must, therefore, meet a high standard in order to rely on inherency to establish the existence of a claim limitation in the prior art in an obviousness analysis—the limitation at issue necessarily must be present, or the natural result of the combination of elements explicitly disclosed by the prior art.” 29

28. *Par Pharm.*, 773 F.3d at 1195 (citations omitted).
29. *Id.* at 1196.
Here, the Federal Circuit concluded that the district court had not required that TWi show inherency according to that standard. Testimony indicated that an increase in bioavailability necessarily resulted in a decrease in any food effect, and that a reduction in particle size improved bioavailability.

However, that testimony, according to the Federal Circuit, did not meet the actual claim limitations, for example the “no substantial difference in $C_{\text{max}}$” between the fed and fasted states. The Federal Circuit noted that while it may be true that a reduction in particle size naturally results in some improvement in the food effect, the district court had failed to conclude that the reduction in particle size naturally resulted in “no substantial difference” in the food effect.

The Federal Circuit vacated the district court’s inherency analysis, and remanded for the district court to determine whether TWi had presented clear and convincing evidence that the food effect “as claimed is necessarily present” in the prior art.

§ 2:8 Solvay S.A. v. Honeywell Int’l Inc. (Solvay II)

Invention previously conceived in Russia and then reduced to practice in the United States using instructions from the Russians constitutes prior art under section 102(g)(2).

In Solvay S.A. v. Honeywell Int’l Inc. (Solvay II), the Federal Circuit panel majority affirmed the district court’s conclusion that the asserted claim of Solvay’s patent-in-suit was invalid under section 102(g)(2) because the claimed invention had been previously conceived in Russia by engineers working at the Russian Scientific Center for Applied Chemistry (RSCAC), and then reduced to practice in the United States by Honeywell, and the invention had not been abandoned, suppressed, or concealed.

The events at issue occurred prior to enactment of the Leahy-Smith America Invents Act (“AIA”), and therefore references are to section 102 prior to amendment by the AIA.

Under section 102(g)(2), “[a] person shall be entitled to a patent unless . . . before such person’s invention thereof, the invention was made in this country by another inventor who had not abandoned, suppressed, or concealed it.”

The Federal Circuit reiterated that “[A]lthough section 102(g) initially was designed for determining priority of invention in interference proceedings, it is settled that the section has ‘independent significance as a basis for prior art outside of the interference context.”” 31

The Federal Circuit further explained that “[a]lthough the inventors may reside in a foreign country and conceive the invention abroad, a reduction to practice made outside the United States is beyond the scope of § 102(g)(2) prior art. In other words, § 102(g)(2) allows conception to occur in another country, but in such circumstances requires the work constituting the reduction to practice to be performed in the United States by or on behalf of the inventor. However, ‘there is no requirement that the inventor be the one to reduce the invention to practice so long as the reduction to practice was done on his behalf” in the United States. . . . Consistent with that principle, ‘[a]cts by others working explicitly or implicitly at the inventor’s request will inure to his benefit.” 32

Solvay’s patent-in-suit was drawn to an improved process for making a hydrofluorocarbon known as HFC-245fa, which was useful in preparing materials used for insulation in refrigeration and heat storage systems. Solvay’s patent had a priority date of October 23, 1995.

In 1994, Honeywell and RSCAC entered into a research contract under which RSCAC engineers in Russia conducted studies for commercial production of HFC-245fa. In July 1994, RSCAC sent Honeywell a report describing a process capable of producing high yields of HFC-245fa. Honeywell personnel in the United States used that report in performing the same process in 1995, before Solvay’s priority date.

Solvay sued Honeywell alleging that the process infringed certain claims of its patent. Honeywell defended, inter alia, on the ground that

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31. Id. at 1000.
32. Id.

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the asserted claims were invalid under section 102(g)(2). The district court granted summary judgment of invalidity.

On appeal, in Solvay v. Honeywell (“Solvay I”), the Federal Circuit reversed the finding of invalidity on the ground that Honeywell engineers could not constitute “another invention” because they had not conceived the invention, but rather had “derived” the invention from the Russian engineers.

On remand, Honeywell urged that the asserted claims were nevertheless invalid under section 102(g)(2) because Russian engineers had made the invention in the United States by sending instructions to Honeywell personnel who used those instructions to reduce the invention to practice. A jury determined that RSCAC had disclosed the invention in a 1994 Russian patent application, and thus had not abandoned, suppressed, or concealed the invention. The district court held that as a matter of law, the RSCAC engineers should be treated as inventors who made the invention in the United States under section 102(g)(2). On appeal, the Federal Circuit affirmed.

Solvay urged that Honeywell’s reduction to practice could not inure to the benefit of RSCAC because the RSCAC engineers did not expressly ask Honeywell researchers to perform the process. The Federal Circuit disagreed.

The Federal Circuit noted that “[a]ssuming that the inurement doctrine governs, inurement does not require that the inventor expressly request or direct the non-inventor to perform reductive work. To be sure, no inurement can arise from a third party’s ‘unwarranted and hostile use’ of another’s invention[,] . . . but an express request or direction is not required. The request may be ‘implicit[.]’” 34 “[I]nurement exists if the inventor authorizes another to reduce his invention to practice.” 35

The Federal Circuit reasoned that here, the research agreement between RSCAC and Honeywell confirmed that RSCAC authorized Honeywell to practice its invention in the United States and contemplated that Honeywell would do so.

33. Solvay v. Honeywell (“Solvay I”), 622 F.3d 1367 (Fed Cir. 2010).
34. Solvay II, 742 F.3d at 1006.
35. Id.
Circuit Judge Newman dissented, urging that the panel majority had created a "new class of secret prior art, holding that a privately performed experiment, without publication or public knowledge or use or sale or inclusion in a United States patent application, is invalidating 'prior art.'"

§ 2:9 Suffolk Technologies, LLC v. AOL Inc.

Usenet post held to constitute a printed publication.

In Suffolk Technologies, LLC v. AOL Inc., Suffolk’s patent-in-suit was drawn to methods and systems for controlling a server that supplied files to computers rendering web pages. In particular, the patent was drawn to using the address of the referring web page to determine whether to serve a file, and which file to serve. Suffolk sued AOL Inc. (which settled) and Google Inc. for infringement.

Google asserted that the claims of the patent-in-suit were anticipated by a newsgroup post occurring nine months before the priority date for the patent-in-suit. Specifically, an individual, Yount, had posted to the comp.infosystems.www.authoring.cgi newsgroup a message entitled “How to tell which page called the script?”

I am a newbie at this CGI [common gateway interface] stuff, so this question might seem ridiculous (I did look in the FAQ and on some web pages). I have this script that will be called from one of 18 pages. Depending on which page it was called from, the output will be different. Is there any environment variable that will tell me this, or do I have to externally pass information to the script.

A college student, Gundavaram, replied:

Look at the CGI environment variable HTTP_REFERER. In Perl, you can do something like this:

```bash
#!/usr/local/bin/perl
```

$referer = $ENV{'HTTP_REFERER'};
print "Content-type: text/plain", "\n\n";
if ($referer =~ /abc\.html/) {
  print "A link in abc.html called this document.", "\n";
} elsif ($referer =~ /efg\.html/) {
  print "A link in efg.html called this document.", "\n"; }
else {
  print "A link in ", $referer, " called this document.", "\n";
}
exit(0);

Suffolk argued that Gundavaram’s post should not be deemed a printed publication because (1) the post’s audience was not those of ordinary skill in the art, and (2) locating the post would be too difficult. The Federal Circuit rejected both arguments.

The Federal Circuit rejected Suffolk’s argument that the Usenet newsgroup was only accessed by “beginners” rather than those of ordinary skill in the art. Suffolk pointed to Yount’s comment that he was a “newbie” and, apparently, Gundavaram stated in a declaration that, at the time of the post, “Most of these people who are using these newsgroups were beginners.”

Nevertheless, the Federal Circuit found the argument unpersuasive for two reasons: First, the Federal Circuit reasoned, Suffolk seemed to misunderstand the level of ordinary skill in the art at that time. According to Gundavaram, there were no courses or books concerning CGI at the time of the post in 1995, and he learned about CGI through self-study. Second, the Federal Circuit wrote, the record indicated that those of ordinary skill in the art actually were using such newsgroups. At the time, only people with access to a university or corporate computer could use newsgroups, a subset of people more likely to be skilled in the art. According to the Federal Circuit, Suffolk’s own validity expert, Dr. Rhyne, used newsgroups. Further, the Federal Circuit reasoned, Yount’s question would only seem “ridiculous” if the other subscribers had more skill in the art than he.
The Federal Circuit also rejected Suffolk’s argument that the post was not sufficiently accessible to be considered a printed publication. Suffolk noted that although newsgroup posts had titles, they could only be sorted by dates.

In the Federal Circuit’s view, Suffolk overstated the difficulty in locating the post after publication. Usenet newsgroups were organized in a hierarchical manner, as evidenced by the name of the newsgroup at issue—comp.infosystems.www.authoring.cgi. Thus, the Federal Circuit reasoned, someone interested in CGI could easily locate a list of posts in this newsgroup.

The Federal Circuit rejected Suffolk’s argument on a second ground as well. Namely, the Federal Circuit concluded that the post was “sufficiently disseminated” to constitute a “printed publication”:

Second, and the ultimate reason Suffolk’s argument fails, a printed publication need not be easily searchable after publication if it was sufficiently disseminated at the time of its publication. See, e.g., In re Klopfenstein, 380 F.3d at 1350–51. Thus, the question becomes whether the Post was sufficiently disseminated. We hold it was, the facts here being similar to cases holding sufficient dissemination occurred. For example, in Klopfenstein we held a poster board presentation displayed for several days at an industry association meeting to be sufficiently disseminated to be “publically accessible,” and thus a printed publication. Id. Similarly, in Massachusetts Institutes of Technology v. AB Fortia, 774 F.2d 1104, 1109 (Fed. Cir. 1985), we held a paper delivered orally at a conference, where at least six copies of the paper were distributed, to be a printed publication. The present case is not, as Suffolk contends, more similar to SRI International where we held factual issues precluded summary judgment of invalidity. 511 F.3d at 1194. There, we did “not find enough evidence in the record to show that [a file posted on an FTP server] was publicly accessible and thus a printed publication under 35 U.S.C § 102(b).” Id. at 1195. The FTP server was technically open to the public but the file “was not publicized or placed in front of the interested public.” Id. at 1197. We analogized those facts to “placing posters at an unpublicized conference with no attendees.” Id. Such analogy is inapplicable here, where dialogue with the intended audience was the entire purpose of the newsgroup postings. And, indeed, the Post elicited at least six responses over the week following its publication discussing the effi-
cacy of Gundavaram’s proposal. Many more people may have viewed the posts without posting anything themselves. 37

The Federal Circuit thus concluded that the post was “sufficiently disseminated to those of ordinary skill in the art to be considered publically accessible, and Suffolk’s second ground for attacking the printed publication fails.”

§ 2:10 Tyco Healthcare Group LP v. Ethicon Endo-Surgery, Inc.

“[N]either § 102(g) nor § 103 make prior reduction to practice the only avenue through which § 102(g) prior art can constitute prior art under § 103.” The holding in Kimberly-Clark that section 102(g) prior art established by prior reduction to practice could constitute prior art under section 103, does not preclude an invention from satisfying section 102(g) through prior conception and later diligent reduction to practice. “The clear language of § 102(g) and § 103 contains no requirement that a prior invention under § 102(g) be ‘known to the art’ or the patentee at the time of invention to constitute prior art under § 103”—to the extent that was required by In re Clemens, that was dismissed as dicta in DuPont.

Under section 102(g)(2):

A person shall be entitled to a patent unless—. . . before such person’s invention thereof, the invention was made in this country by another inventor who had not abandoned, suppressed, or concealed it. In determining priority of invention under this subsection, there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other.

37. Suffolk Techs., 752 F.3d at 1365.
In *Tyco Healthcare Group LP v. Ethicon Endo-Surgery, Inc.*, the Federal Circuit affirmed the district court’s conclusion that a certain prototype constituted prior art under section 102(g), but reversed the district court’s decision that the claimed invention would not have been obvious under section 103 when the district court failed to consider the prototype as prior art for purposes of section 103. The net result is that “made in this country” in section 102(g) includes not only actual reductions to practice, but inventions that were earlier conceived and later actually or constructively reduced to practice, provided appropriate diligence is shown from conception to reduction to practice—either actually or constructively. Moreover, the holding expands the body of “secret prior art” from not only prior actually reduced to practice inventions, but to inventions conceived, and later, provided diligence is shown, reduced to practice.

Tyco’s three patents-in-suit were drawn to a surgical device that used ultrasonic energy to cut and coagulate tissue. As illustrated in Fig. 12 below from one of the patents-in-suit:

The device included a stationary and movable handle at one end and a shaft with a tube within a tube at the other end. A clamp and curved blade were positioned at the distal end of the shaft. The clamp could

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open and close like a jaw against the blade using a dual cam mechanism. Surgeons would fit the shaft through a trocar, and use ultrasonic energy to cut and coagulate tissue.

Ethicon urged that the asserted claims were invalid as anticipated or obvious over (1) a prior Ethicon prototype, (2) a patent to Davison, and/or (3) a European patent. Tyco asserted that its earliest date of conception was January 1997, and that the invention was reduced to practice in March 1997.

With regard to the Davison patent, Ultracision, Inc. commercialized a similar ultrasonic surgical device in 1993. Ultracision obtained the Davison patent on that device in 1994. As shown in the figures below:

Both straight and curved blade configurations are illustrated, and described a benefit of the curved blade as “facilitat[ing] treatment of tissue at awkward angles of approach.”

Ultracision worked on modifying the design such that the blade could fit through a narrower trocar, and had built and tested a prototype with that modified design by November 1995. Ethicon acquired Ultracision in 1995, and worked to perfect the modified design.

As illustrated below, Ethicon’s modified design (“Ethicon Prototype”), completed by November 1996, used a single pin and slot design that could cut and coagulate tissue. Apparently, that prototype was successfully tested by December 1996:
Ethicon continued to work on the design such that the device could cut and seal larger blood vessels, and modified the clamp to use two pins and two slots to accommodate a larger blade. After further testing, the FDA approved the device for commercialization in April 1998, and Ethicon launched products based on that prototype in August 1998. Ethicon also filed patent applications on the design, which issued in 1999.

The European patent, filed in 1992, disclosed an invention for an “approximating apparatus for jaw structure in surgical instrumentation.” In an embodiment, illustrated below:

the device used a pair of camming members and slots to open and close the jaw.
The district court held, after a bench trial, that Ethicon infringed the asserted claims, but held that the Ethicon Prototype anticipated twenty-six of the asserted claims under section 102(g). The district court found that Ethicon had conceived of the prototype before Tyco’s January 1997 conception date, had worked diligently to constructively reduce the invention to practice when it filed the patent applications covering the invention in October 1997, and did not abandon, suppress, or conceal the invention thereafter.

Nevertheless, the district court held that the prototype could not serve as prior art under section 103 because Ethicon had not established reduction to practice before Tyco reduced its invention to practice, and because the prototype was not known in the art at the time of Tyco’s invention. The district court concluded that the remaining claims would not have been obvious, but did not consider the Ethicon Prototype. The district court awarded damages in the amount of $176 million.

With respect to the Ethicon Prototype, the Federal Circuit held that the district court had properly held that the Ethicon Prototype anticipated twenty-six of the asserted claims because Ethicon conceived of the prototype before Tyco’s January 1997 conception date and diligently reduced it to practice without abandoning, suppressing, or concealing it thereafter.

The Federal Circuit noted that under section 102(g), Ethicon could establish that its Prototype was prior art by proving “either that it reduced its invention to practice first or that it conceived of the invention first and was diligent in reducing it to practice,” quoting Fox Group., Inc. v. Cree, Inc.\(^\text{39}\) The Federal Circuit rejected Tyco’s argument that Ethicon’s subsequent changes meant that Ethicon had not shown prior conception, and because of a gap of weekly records from September 1996 to February 1997, Ethicon had not shown diligence. The Federal Circuit found that drawings and physical embodiment established conception, and the record did not truly reflect any “gap” in reasonable diligence.

On the question of whether the Ethicon Prototype qualified as prior art under section 102(g), and consequently section 103, the

\(^{39}\) Fox Grp., Inc. v. Cree, Inc., 700 F.3d 1300, 1304 (Fed. Cir. 2012).
Federal Circuit noted that Tyco had asserted that under *Kimberly-Clark Corp. v. Johnson & Johnson*, the Ethicon Prototype could not constitute prior art under section 102(g) because there was no actual reduction to practice prior to Tyco’s priority date. The Federal Circuit rejected that argument:

> The district court erred when it inconsistently applied § 102(g) to the Ethicon Prototype by not requiring prior reduction to practice for anticipation purposes but requiring it for the obviousness analysis. The clear language of § 102(g) does not require prior reduction to practice so long as the inventor can prove that he or she conceived of the invention first and was diligent in later reducing it to practice. . . . Here, the district court already determined that the Ethicon Prototype satisfied this statutory provision when it held that the prototype anticipates the other twenty-six asserted claims. In *Kimberly-Clark*, we held that § 102(g) prior art established by prior reduction to practice could constitute prior art under § 103. . . . That holding, however, does not preclude an invention from satisfying § 102(g) through prior conception and later diligent reduction to practice. That was simply not at issue in *Kimberly-Clark*. We therefore hold that neither § 102(g) nor § 103 make prior reduction to practice the only avenue through which § 102(g) prior art can constitute prior art under § 103. And Tyco’s reliance on *Kimberly-Clark* as requiring otherwise is misplaced.

Tyco also argued that based on *In re Clemens*, section 102(g) prior art cannot be prior art under section 103 if it was “unknown to both the applicant and the art at the time the applicant makes his invention,” because doing so would “establish a standard for patentability in which an applicant’s contribution would be measured against secret prior art.” The Federal Circuit rejected that argument as well:

> Furthermore, the clear language of § 102(g) and § 103 contains no requirement that a prior invention under § 102(g) be “known to the art” or the patentee at the time of invention to constitute prior art under § 103. To the extent that our predecessor court inserted such a requirement into § 102(g) in *In re Clemens*, we dis-

42. *In re Clemens*, 622 F.2d 1029, 1039–40 (CCPA 1980).
continued that requirement as dictum in *E.I. du Pont de Nemours & Co. v. Phillips Petroleum Co.*, 849 F.2d 1430, 1437 (Fed. Cir. 1988) (“the alternative Clemens requirement that the prior work be ‘known to the art’ is . . . implicitly dismissed as dictum”). We are cognizant of the concern in *In re Clemens* that an applicant’s contribution should not be measured against “secret” prior art, as this could be detrimental to the “innovative spirit the patent laws are intended to kindle.” . . . As we recognized in *du Pont*, however, the requirement in § 102(g) that the prior invention not be abandoned, suppressed, or concealed after reduction to practice “does mollify somewhat the ‘secret’ nature of § 102(g) prior art.”

This specific requirement in § 102(g) sufficiently encourages public disclosure and aligns with the intent of our patent laws. In addition, the provisions of § 103 themselves provide further support for this conclusion. For instance, § 103(c) creates an exception (though inapplicable here) for when § 102(g) prior art may not qualify as prior art for obviousness purposes. The presence of this exception strongly indicates that the statute itself contemplates that § 102(g) prior art may constitute prior art under § 103. Thus, absent the application of a statutory exception, § 102(g) prior art may serve as prior art under § 103.43

The Federal Circuit concluded that the district court should have considered the Ethicon Prototype as prior art for obviousness purposes, having already determined that the prototype was prior art under section 102(g).

The Federal Circuit concluded that what it characterized as the “Curved Blade Claims” should have been deemed obvious in view of the Ethicon Prototype and the Davison patent. The Federal Circuit further concluded that what it characterized as the “Dual Cam Claims” would have been obvious in view of the Ethicon Prototype and the European patent.