

**PATENTS AT THE SUPREME COURT: *KSR*, *MEDIMMUNE* AND
WHAT'S GOING TO HAPPEN NEXT***

Harold C. Wegner**

I. OVERVIEW

A “Top Ten” list of *pending* patent cases, with a focus upon issues that are at the Supreme Court or may well reach the Court in due course, includes a cross section of issues:

- 1 *KSR* – Obviousness Standard (p. 3)
- 2 *Microsoft* – § 271(f) Extraterritoriality; “Business Methods” (p. 9)
- 3 *Amgen – Cybor de novo* Claim Construction (p. 16)
- 4 *Leclerc-Wallace-Lacavera* – Anti-Foreigner Discrimination (p. 16)
- 5 *Joblove* Tamoxifen Patent Settlement – Antitrust (p. 19)
- 6 *Nuijten* – “Signal” Patent-Eligibility; *State Street Bank* (p. 20)
- 7 *Integra* – Post-*Merck* “Safe Harbor” (p. 23)
- 8 *Teva* – Justiciable controversy (p. 24)
- 9 *Quanta* – Patent “Exhaustion”/Implied License (p. 25)
- 10 *Paymentech* – “Joint Infringement” (p. 25)

This paper provides an analysis of the Top Ten cases, both from the perspective of the issues involved and the chances for grant of *certiorari*. The rankings list is a blend of the importance of the issue involved in the case balanced by the likelihood that the Court will, in fact, grant review of the case – or a subsequent case raising the same issue.

As measured by the high level of grants of *certiorari*, the Supreme Court has shown an interest in patents that is unprecedented in the more than

*Paper presented to the Connecticut Intellectual Property Law Association, New Haven, Connecticut, February 28, 2007. The views expressed herein are personal to the writer and do not necessarily reflect the views of any colleague, organization or client thereof. This paper was last revised on February 12, 2007.

**Former Director of the Intellectual Property Law Program and Professor of Law, George Washington University Law School. Partner, Foley & Lardner LLP. [hwegner@foley.com].

forty years since the October 1965 Term when it granted review in seven cases. Usually hearing zero or one case per term over the intervening years, the current Term running through this June will see merits decisions in three patent cases, *KSR*, *MedImmune* and *Microsoft*.¹

In considering individual cases and their chance of reaching positive *certiorari* review by the Court, it must be understood that only about 70 cases per year are taken for review by the Court – out of 7000, a rate of one (1) percent. The Court does not grant review of the decision below in the same manner as an intermediate Court of Appeal; rather, the Court votes to grant review to a specific “Question Presented”, which generally raises a conflict of case law amongst the Courts of Appeal or a conflict with Supreme Court law or, more rarely, simply a matter of very great importance. A combination of conflicts plus great importance greatly increases the chance of grant, while the pinpoint presentation of a specific “Question Presented” also enhances the chances of success.

No. 3 *Amgen* is the only case raising an issue with a *certain* grant of *certiorari* from among the eight cases in the Top Ten List that either are awaiting decisions on review by the Court or in the pipeline from the Federal Circuit. This case challenges the *Cybor* standard of *de novo* appellate review of claim construction. (While the prediction is made that *Amgen* raises an issue certain to be granted review by the Court, no prediction is made that *this case* will be granted review, particularly not until the Petition is considered both as to the precise “Question Presented” and the quality of the supporting argumentation. If *Amgen* turns out to be a less than perfect case for review, *certiorari* may well be denied; but, the *issue* will surely return to the Court in an appropriate case and *certiorari* will be granted, unless the Federal Circuit *sua sponte* reconsiders its position and overrules its notorious precedent.)

¹*MedImmune, Inc. v. Genentech, Inc.*, 127 S.Ct. 764 (2007), was decided January 9, 2007; *KSR International Co. v. Teleflex, Inc.*, No. 04-1350 (discussed at § II-A, *infra*), has not yet been decided (with a decision possible in the February 20, 2007 session running through February 28, 2007); *Microsoft Corp. v. AT & T Corp.*, No. 05-1056 is scheduled for argument February 21, 2007 (discussed at § II-B, *infra*), should be decided in the April-May 2007 time frame. This paper was last revised on February 12, 2007.

II. THE TOP TEN CASES

A. *KSR v. Teleflex*: Obviousness Standard

*KSR*² may very well have been decided by this conference, as early as the Session commencing February 20, 2007.

In general terms, the issue presented in *KSR* is whether the Court should interpret *Graham* as permitting a finding that an invention is “obvious” under its three part test or should the Court affirm the Federal Circuit’s expansion of *Graham* to *additionally* require that the patent challenger establish that there is a “‘teaching, suggestion, or motivation’ that would have led a person of ordinary skill in the art to combine the relevant prior art teachings in the manner claimed.”

The three part *Graham* test: “Under [35 USC] § 103[(a)], the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved.” *Dennison Mfg. Co. v. Panduit Corp.*, 475 U.S. 809, 810-11 (1986)(*per curiam*)(quoting *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966)).

As *formally* presented as the “Question Presented”, the Court has granted review of the following issue:

“Whether the Federal Circuit has erred in holding that a claimed invention cannot be held ‘obvious’, and thus unpatentable under 35 U.S.C. § 103(a), in the absence of some proven ‘teaching, suggestion, or motivation’ that would have led a person of ordinary skill in the art to combine the relevant prior art teachings in the manner claimed.”

When *certiorari* was granted earlier this year, there were many who saw this case as a slam dunk victory, an outright reversal of the Federal Circuit reversal of summary judgment. Just in the month before oral

²*KSR*, *supra* note 1, *opinion below*, *Teleflex Inc. v. KSR Intern. Co.*, 119 Fed.Appx. 282 (Fed. Cir. 2005)(Schall, J.)(non-precedential), *appeal from trial court opinion*, 298 F.Supp.2d 581 (E.D. Mich. 2003).

argument, Petitioner’s counsel was quoted in the *ABA Journal* that “I think [the court] will vote 9-0 to reinstate the district court judgment. That’s what the solicitor general has urged... as well as the patent office. So I don’t think I’m going too far out on a limb here.” Steve Seidenberg, *Stating the Obvious*, *ABA Journal*, pp. 14-15 at 15 (October 2006). Confidence on the part of both sides in advance of the argument was manifested perhaps best by the fact that instead of hunkering down in secret “moot court” sessions, public appearances were made including what appears to be unprecedented in the patent world – a web television broadcast advertised to the public comprising an appearance by lead counsel for both sides one week before the oral argument: It is hardly any wonder that Respondent’s counsel was fully prepared for Petitioner’s arguments, having heard them the previous week “live” from Petitioner’s counsel at a press conference-like venue.

While it remains widely expected that the Supreme Court will reverse and remand the *KSR* case, it is also possible that it will do so setting only a somewhat modified obviousness standard.

There are several scenarios for outcomes in this case:

“Teaching-Suggestion-Motivation” as a “Nonexclusive” Test: It seems clear that the Court may well maintain the Federal Circuit’s teaching-suggestion-motivation test, but as a “nonexclusive” factor for determining obviousness. Under this scenario, it would be relegated to one of the factors that a court may use in determining obviousness, much like the “secondary considerations” outlined in *Graham v. John Deere & Co.*, 383 U.S. 1, 17-18 (1966). Even though a “secondary consideration” strongly favoring the patentee may be present – as in *Graham* – this does not necessarily mean that the patentee will prevail: Indeed, in *Graham* the patentee lost.

“Codification” of the Kahn “Implicit Motivation” Standard: It is possible that in addition to making teaching-suggestion-motivation a *nonexclusive* test, the Court may also follow the Federal Circuit’s test that an *implicit* motivation must be established for a finding of obviousness. Depending upon how the test is formulated by the Supreme Court, this could very well completely water down the teaching-suggestion-motivation test to nothingness – or provide a meaningful basis to avoid hindsight reconstructions of inventions.

The *Kahn* case states that “[a] suggestion, teaching, or motivation to combine the relevant prior art teachings does not have to be found explicitly in the prior art, as ‘the teaching, motivation, or suggestion may be implicit from the prior art as a whole, rather than expressly stated in the references.... The test for an implicit showing is what the combined teachings, knowledge of one of ordinary skill in the art, and the nature of the problem to be solved as a whole would have suggested to those of ordinary skill in the art.’” *Kahn*, 441 F.3d at 988-89 (quoting *In re Kotzab*, 217 F.3d 1365, 1370 (Fed.Cir.2000) (emphasis added; internal citations omitted by the court).

The Federal Circuit has *not* backed away from a requirement for teaching-suggestion-motivation, as manifested in *Optivus Technology*, the final case to be handed down before the oral argument in *KSR*: “Whether an invention would have been obvious is a legal conclusion based on underlying factual findings such as the scope and content of the prior art, *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966), and the existence of a motivation to combine prior art references, *In re Kahn*, 441 F.3d 977, 985 (Fed.Cir.2006).” *Optivus Technology, Inc. v. Ion Beam Applications S.A.*, ___ F.3d ___, ___ (Fed. Cir. 2006)(Linn, J.).

The cited *Kahn* case may be emerging as a leading Federal Circuit case if the emerging trend from several other cases is followed. The author of the opinion below in *KSR* has also joined the *Kahn* group. See *DyStar Textilfarben GmbH & Co. Deutschland KG v. C.H. Patrick Co.*, 464 F.3d 1356, 1372-73 (Fed. Cir. 2006)(Schall, J., concurring)(“ I concur in the judgment of reversal. See *Alza Corp. v. Mylan Labs., Inc.*, [464 F.3d 1286 (Fed.Cir. [] 2006)[(Gajarsa, J.)]; *In re Kahn*, 441 F.3d 977, 987-88 (Fed.Cir.2006); *Cross Med. Prods., Inc. v. Medtronic Sofamor Danek, Inc.*, 424 F.3d 1293, 1322 (Fed.Cir.2005).” Two members of the court cite *Kahn* in a more sweeping opinion that is tantamount to their “amicus” brief to the Court in *KSR*. See *DyStar*, 464 F.3d at 1537 (Michel, C.J., joined by Rader, J.).

“Gobbledygook” – *Ridicule of the Kahn Test*: The thinking *against* the *Kahn* case being included as part of a revised standard is capsulized by comments from members of the Court who did not see a meaningful addition to *Graham* by incorporation of an “implicit motivation” standard.

When Respondent’s counsel said that the *Kahn* test “adds an analytical framework. It’s an elaboration”, the Chief Justice interrupted: “It adds a layer of Federal Circuit jargon that lawyers can then bandy back and forth, but ... particularly if it’s nonexclusive [as one possible factor in determining obviousness], you can say you can meet or teaching, suggestion, or motivation test or you can show that it’s nonobvious, it seems to me that [*the implicit motivation test*] is worse than meaningless because it complicates the inquiry rather than focusing on the statute.” Chiming in, Justice Scalia “agree[d] with the Chief Justice. It is misleading to say that the whole world is embraced within these three nouns, teaching, suggestion, or motivation, and then you define teaching, suggestion, or motivation to mean anything that renders [the invention] nonobvious. This is gobbledygook. It is... irrational.”

Tests Less Likely to be Adopted: Three further, different tests for obviousness were raised at the oral argument, the first by the United States, the second by Respondent and the third a musing of Justice Breyer. None of the three is expected to be at the center of any majority opinion, while an opinion by Justice Breyer may very utilize his theory:

(i) The United States’ “sufficiently innovative” Innovation Test: The United States in its *amicus* brief substitute for a teaching-motivation-test of an invention being “sufficiently innovative” was challenged by Justice Ginsburg: “I understand [the government’s *amicus*] brief to say that [the obviousness test] has to be supplemented by what you have... labeled ‘sufficiently innovative.’ And then I begin to think, well, what’s ‘sufficiently innovative?’ How is a trier of fact supposed to know if something [is ‘sufficiently innovative.’] In other words I think what you’re suggesting as a supplement is rather vague.”

(ii) Respondent’s “Apparent” Test: Respondent argued that the teaching-suggestion-motivation test was largely analytical, to avoid the hindsight establishment of obviousness. In hindsight, virtually any combination invention is *capable* of being made, yet the test proposed by Respondent is whether the combination would have been *apparent* to the worker in the art. This test, however, was posed more to explain what is meant by “obvious” in the statute, using a synonym to take prejudice out of the argument based upon prior conceptions of the meaning of the term.

(iii) Justice Breyer’s “Patents on a Wall” Test: Justice Breyer showed an interest in the test proposed by the late Judge Rich in *Winslow* and showed that he was implicitly toying with the idea of using that test as part of the obviousness inquiry. Under the *Winslow* test:

“[T]he proper way to apply the 103 obviousness test to a case like this is to first picture the inventor as working in his shop with the prior art references – which he is presumed to know – hanging on the walls around him. One then notes that what applicant *Winslow* built here he admits is basically a ... bag holder having air-blast bag opening to which he has added two bag retaining pins. If there were any bag holding problem in the [primary prior art reference] Gerbe machine when plastic bags were used, their flaps being gripped only by spring pressure between the top and bottom plates, *Winslow* would have said to himself, 'Now what can I do to hold them more securely?' Looking around the walls, he would see [the secondary prior art reference] Hellman's envelopes with holes in their flaps hung on a rod. He would then say to himself, 'Ha. I can punch holes in my bags and put a little rod [pin] through the holes. That will hold them. After filling the bags, I'll pull them off the pins as does Hellman. Scoring the flap should make tearing easier.'" *In re Winslow*, 365 F.2d 1017, 1021 (CCPA 1966)(Rich, J.).

The *Winslow* test is seemingly simple and easy to apply; yet, even the author of that test admits that it is flawed as a basis for general analysis of obviousness. See *In re Antle*, 444 F.2d 1168, 1171 (CCPA 1971)(Rich, J.).

Caution concerning an Upset of an Established Practice: In questioning the Deputy Solicitor General, Justice Souter expressed a concern, reprised by others, that caution should be exercised in making any major change in the standard of obviousness that has been the basis of practice for a generation. The Court is also aware that there is now a more than twenty year practice under the teaching-suggestion-motivation test that is applied both in the context of validity determinations as well as by the Patent and Trademark Office (PTO) in their grant of patents on a daily basis. Respondent’s counsel asked the rhetorical question whether there could be any presumption of patent validity for the some 160,000 patents that have annually been granted under the teaching-suggestion-motivation should it be

overruled. The Court, indeed, appeared to be impressed by this line of argumentation.

Justice Souter assumed for sake of argument that the teaching-suggestion-motivation test may be wrong, but with its longstanding acceptance in the patent community, perhaps this factor should dictate its maintenance: “I’m raising the question that comes up in the old motto....[I]f the error is common enough and long enough, the error becomes the law. And, in effect, is that what we are confronted with here?” The Deputy Attorney General said that nevertheless the Federal Circuit should be reversed because “it would be [a] dangerous proposition for this Court to endorse that line of argumentation....” Justice Souter persisted: “No. But if we see it your way, are there going to be 100,000 [patent litigation] cases filed tomorrow morning?”

Questioning the Deputy Solicitor General, Justice Scalia pointed out that beyond the application of the test of obviousness by the Federal Circuit, “[i]t isn’t just the Federal Circuit that has been applying this test. It’s also the Patent Office and it’s been following the Federal Circuit’s test for 20 years or so. ... Assuming that we sweep [the suggestion-teaching-motivation] test aside and say that it’s been incorrect, what happens to the presumption of validity of... patents which the courts have been traditionally applying? Does it make any sense to presume that patents are valid which have been issued under an erroneous test for the last twenty years?”

In an interesting response, the Deputy Solicitor General bluntly answered: “Your Honor, I think that it would make sense because the statute requires it, and as a practical matter it doesn’t make any difference, because the only category of cases in which the result would change under our test is the category in which as a matter of law, in light of the factual issues that are required under *Graham*, as a matter of law the Court concludes that the difference between the claimed invention and the prior art is so trivial that it cannot be given the protection of a patent.”

B. Microsoft: § 271(f) Extraterritoriality; “Business Methods”

*Microsoft*³ should be decided in the April-May 2007 time frame; it was set for argument February 21, 2007 (after preparation of this paper).

In general terms, the issue is whether the export of a single copy of unpatented software to be replicated offshore for offshore creation of a patented computer combination create liability under 35 USC § 271(f)?

As more formally phrased as “Questions Presented”, the petition states that:

“Title 35 U.S.C. § 271(f)(1) provides that it is an act of direct patent infringement to ‘suppl[y] ... from the United States ... components of a patented invention ... in such manner as to actively induce the combination of such components outside of the United States.’

“In this case, [the patentee] alleges that when Microsoft Corporation's Windows software is installed on a personal computer, the programmed computer infringes [the patentee]'s patent for a ‘Digital Speech Coder’ system. [Patentee] sought damages not only for each Windows-based computer made or sold in the United States, but also, under Section 271(f)(1), for each computer made and sold abroad. Extending Section 271(f) - and consequently, the extraterritorial application of U.S. patent law - the Federal Circuit held that Microsoft infringed under Section 271(f)(1) when it exported master versions of its Windows software code to foreign computer manufacturers, who then copied the software code and installed the duplicate versions on foreign-manufactured computers that were sold only to foreign consumers. The questions presented are:

“(1) Whether digital software code – an intangible sequence of ‘1's’ and ‘0's’ – may be considered a ‘component[] of a patented invention’ within the meaning of Section 271(f)(1); and, if so,

³*Microsoft, supra note 1, proceedings below, AT&T Corp. v. Microsoft Corp.*, 414 F.3d 1366 (Fed. Cir. 2005)(Lourie, J.)

“(2) Whether copies of such a ‘component[]’ made in a foreign country are ‘supplie[d] ... from the United States.’”

Petitioner Should Win on Question (2): It is expected that the Supreme Court will hold that supplying copies of a “component” – the software – that is made in a foreign country from a master produced in the United States is *not* a violation of 35 USC § 271(f). Microsoft is thus expected to win reversal of the Federal Circuit expansionist view: The Court is expected to hold that the offshore reproduction of software from a master came from the United States does not constitute supplying the thus-replicated software as an exported “component” under 35 USC § 271(f).

Question (2) thus deals with ongoing controversies over extraterritoriality as stubborn xenophobes fail to gain foreign patent protection yet seek to fit a square peg into a round hole: They try to force what should be a foreign patent infringement claim into a domestic patent framework contrary to *Deepsouth Packing Co. v. Laitram Corp.*, 406 U.S. 518 (1972).

Convincing Merits Briefing, with a Little Help from the United States: Consistent with the very high quality of its petition for *certiorari*, Petitioner’s merits brief forcefully argues that supplying software for foreign creation of a software component cannot be an act of infringement under 35 USC § 271(f). Complementing Petitioner’s brief, the United States government as *amicus curiae* has weighed in with a brief strongly supporting Petitioner’s argument that supplying software for foreign duplication is not an act of patent infringement. Stanford’s Mark Lemley and George Washington’s John Duffy coauthor an excellently crafted *amicus* brief on behalf of ten professors: They play the role of “English professors” to demonstrate that the clear meaning of the statutory wording “such components” compels a finding in favor of Petitioner.

Petitioner’s Merits Argument in a Nutshell: “‘Supply’ means to ‘furnish or provide.’ The only things [Petitioner] Microsoft furnishes from the United States are the golden master disks and encrypted transmissions containing master versions of the Windows object code. But those masters are never installed on a computer that is sold; rather, only the foreign-made copies of Windows are installed on foreign-built computers.”

But, “[t]he Federal Circuit held that Microsoft had ‘supplie[d]’ the ‘foreign-made copies’ from the United States, reasoning that ‘for software ‘components,’ the act of copying is subsumed in the act of ‘supplying.’ This is plainly wrong. ‘Supply’ of ‘components’ constitutes an act of infringement only when it induces the combination of ‘such components,’ i.e., the same components ‘supplied,’ to form a patented invention.... Section 271(f) does not prohibit inducing the combination of copies of the components supplied from the United States.”

Petitioner Agrees with Judge Rader’s Dissent Below: Microsoft quotes with approval from the dissent below of Judge Rader, who “recognized that ‘[t]he act of supplying is separate and distinct from copying, reproducing, or manufacturing.’ The majority, however, was of the view that copying is ‘part and parcel of software distribution.’ It is, but copying is also inherent in distributing any other product, including the shrimp deveining machines at issue in *Deepsouth*. If a manufacturer exported a prototype shrimp deveining machine from which copies of the parts were made and assembled overseas, there would be no infringement under Section 271(f). And AT&T has conceded that ‘there is no indication that Congress meant to treat software ... any differently from any other components of patented inventions’ for purposes of Section 271(f)”. Petitioner’s merits brief, pp. 8-9.

The “Absurd[]” View of the Federal Circuit Majority: Petitioner provides “[a] simple example [which] illustrates the absurdity of the Federal Circuit’s approach. Suppose that a domestic manufacturer sends a single shrimp deveining machine to [a manufacturer] in a foreign city. The foreign manufacturer then disassembles the machine, creates a series of dies or molds, and copies each of the components of the machine. The foreign manufacturer then assembles 100 machines entirely from the foreign-made copies, and sells them to foreign buyers. Would the domestic manufacturer have ‘supplie[d] ... from the United States’ the components of 100 shrimp deveining machines? Of course not. Similarly, suppose that the domestic manufacturer ships abroad the dies and molds, from which the foreign manufacturer makes copies of all the parts. The domestic manufacturer would not have ‘supplie[d] ... from the United States’ each machine assembled from those foreign-made parts. Finally, suppose that the domestic

manufacturer, rather than sending the actual machine, sends the blueprints or design specifications for each of the parts to his foreign counterpart. If the foreign manufacturer uses the plans to make copies of all the parts, then assembles and sells machines abroad, the domestic manufacturer certainly has not ‘supplie [d] ... from the United States’ those foreign assembled machines.” *Id.* at p. 19.

“English Professors” Give a Grammar Lesson: Professors Mark Lemley and John Duffy team up *pro bono* against the expansionist interpretation of patent infringement in *Microsoft*. As co-counsel for a group of ten intellectual property professors including John R. Allison, John Barton, Shubba Ghosh, Cynthia Ho, Chris Holman, Michael J. Meurer, Kristen Osenga and Toshiko Takenaka, they make a major contribution in support of Petitioner both by their careful analytical review of the statutory language as well as offering a valuable comparative law perspective.

Playing English professors, they dissect the meaning of the phrase “such components” in 35 USC § 271(f)(1) that imposes infringement liability against one who “*suppl[y]* ... from the United States ... components of a patented invention . . . to actively induce the combination of *such components* outside of the United States...”. They “believe it is clear as a matter of grammar that the phrase ‘such components’ refers back to the components that have been ‘supplied’ from United States. Thus, the plain language of the statute requires that inducing an extraterritorial combination constitutes an act of infringement if and only if the combined components are in fact the *same components* that were ‘supplied in or from’ the United States. Inducing the combination of *copies* of components supplied from the United States — even *exact copies* of components supplied from the United States — does not constitute an act of infringement.” (Lemley-Duffy brief, original emphasis)

The United States Supports Microsoft as Amicus Curiae: “Because computer software is a component in its *physical embodiment*, rather than in the abstract, it is clear that petitioner does not ‘suppl[y]’ the components at issue ‘from the United States’ within the meaning of Section 271(f). By its express terms, Section 271(f) is violated only when components are supplied from the United States and ‘such components’ - i.e., the very physical components actually supplied from the United States, not foreign-made

copies thereof - are to be combined abroad to form the patented invention. Section 271(f) thus strikes a careful policy balance. It generally prevents companies from manufacturing the components of a patented invention in the United States for assembly overseas - conduct that is similar to actually making the patented invention in the United States. But the statute permits the manufacture and assembly of identical components overseas - conduct that is properly the domain of other nations' patent laws." Microsoft United States merits brief, p. 8 (original emphasis)

Judge Lourie “Deem[s]” (vis a vis interprets the statute):

The United States jumps on the panel majority below that “deemed” infringement “because computer software can be easily copied overseas, an ‘advance[] in a field of technology *** that developed after the enactment of § 271(f).’ The court's need to ‘deem’ rather than find a key statutory element - supply from the United States - should have been a warning sign. The courts' task is to interpret the statute, not to update it.” *Id.* at p. 29

Presumption and Policy Against Extraterritoriality: “Respondent complains that some foreign jurisdictions are less protective of patent rights than is the United States. But, of course, whatever the margin of reduced protection abroad is equally the margin of competitive disadvantage for United States companies if they, unlike their foreign competitors, are subject to United States patent law for overseas manufacturing. Moreover, the presumption against extraterritoriality exists in large part to protect each jurisdiction's right to make its own policy decisions, and thereby " protect against unintended clashes between our laws and those of other nations which could result in international discord." [*EEOC v. Arabian Am. Oil Co.*, 499 U.S. 244, 248 (1991)]; see *F. Hoffmann-La Roche [Ltd. v. Empagran S.A.]*, 542 U.S. 155, 164 (2004)]. Comity is more, not less, important when foreign law differs from United States law.” Microsoft United States merits brief, p. 30.

Prof. Dennis Crouch Ridicules Amazon’s “Colorful” Brief: There are other *amici* filings which either have not yet been reviewed or which do not merit discussion as adding materially to the debate. Professor Dennis Crouch faintly praises an Amazon-led electronics coalition brief as “colorful”; but then more bluntly notes that the Amazon group “do[es] not

[even] cite ... the *Pellegrini* case [that] holds that plans or instructions for a patented item cannot serve as components under 271(f).” *Patently 0* Blog, emphasis added.

The Secondary Question (1) –Business Method and Software Patent-Eligibility under 35 USC § 101: It is obvious that Petitioner included that the patent-eligibility-related Question (1) as the first of two questions to generate interest and support for grant of *certiorari* on the *second* question (supplying software as an infringement). Thus, the purpose of Question (1) was to help garner the necessary four votes for *certiorari*, and not as a primary issue for merits briefing and argument.

The United States as *amicus curiae* expresses *disagreement* with Petitioner on the patent-eligibility issue. It is not expected that the Court will issue a ruling that would hold against patent-eligibility of software, *per se*. Yet, just as Justice Breyer issued a procedural dissent in *Metabolite* (joined by Stevens, Souter, JJ.), it is entirely possible that a concurring opinion could be issued that digs into this issue of patent-eligibility.

Professor Crouch notes that “[t]he anti-patent activist group SFLC led by Dan Ravicher and Eben Moglen also filed a brief that may be the dark-horse of this debate. Their brief asks the Court to take a fresh look at the patentability of software.”

Question (1) Dictum as a Prelude to No. 6 Nuijten: While the Court may not issue a holding dealing with the patent-eligibility of software under 35 USC § 101, the issue lurks in the background for No. 6 *Nuijten* and other test cases yet to come. It would not be surprising, for example, to see a concurring opinion by Justice Breyer that continues on a theme against patent-eligibility that was sounded earlier this year in his procedural dissent in *Metabolite*. No. 6 *Nuijten* is scheduled for argument at the Federal Circuit on the afternoon of Monday, February 5, 2007.

Eli Lilly Brief Against Patent-Eligibility: The *amicus curiae* brief of Lilly both squarely challenges patent-eligibility and lax standards by the Federal Circuit, and also takes its EE/software industry opponent head on, taking the legislative patent reform battle on a detour into the court system.

Union Carbide and Beyond: While the *Microsoft* case is important for the critical Question (2) presented, alone, it also opens a can of worms

insofar as it will suggest that the lower court should revisit its balkanized case law and the various inconsistencies shown by various panels.

Perhaps the most egregious judicial expansion involving this statute is the interpretation of “component” to include a material used in a patented process that is not a part of the final product under a *process* claim:

The *Union Carbide* case is immediately called into question: “The panel opinion held that ‘§ 271(f) governs method/process inventions.’ ... [But, t]he statute itself speaks of supplying ‘components of a patented invention, where such components are uncombined ... in such manner as to actively induce the combination of such components outside of the United States.’ 35 U.S.C. § 271(f). The whole tenor of that provision relates to physical inventions, *i.e.*, apparatus or compositions, not methods. We recently extended the meaning of ‘component’ to include what traditionally would be physical components, but which, in an electronic world, supplied electronically, are the equivalent of physical components. *See Eolas Techs. v. Microsoft.*, 399 F.3d 1325, 1338 (Fed.Cir.2005); *AT & T Corp. v. Microsoft Corp.*, 414 F.3d 1366, 1368 (Fed.Cir.2005). But the inventions in those cases were apparatus or systems, not methods or process. And in [the *BlackBerry* case], we distinguished method claims, holding that, while a system claim could be infringed even though one of its components was outside of the United States, that was not true for the method claim. *NTP, Inc. v. Research in Motion, Ltd.*, 418 F.3d 1282, 1322 (Fed.Cir.2005) (declining to find infringement under § 271(f) with regard to a method claim).” *Union Carbide Chemicals & Plastics Technology Corp. v. Shell Oil Co.*, 434 F.3d 1357, 1358 (Fed. Cir. 2006) (Lourie, J., joined by Michel, C.J., Linn, J., dissenting from denial of reh’g en banc), *panel opinion*, 425 F.3d 1366, 1380 [(Fed. Cir. 2005)(Rader, J.).

As egregiously, the *Union Carbide* panel opinion is in direct contravention of controlling Federal Circuit precedent: “The present holding is also contrary to our holding in *Standard Havens*, where we held that ‘we do not find the provisions of 35 U.S.C. § 271(f) (1988) to be implicated’ in a situation where an apparatus for use in a patented process was sent abroad. *Standard Havens Prods., Inc. v. Gencor Indus. Inc.*, 953 F.2d 1360, 1374 (Fed.Cir.1991)” *Id.* at 1359.

The issues beyond software are considered in more detail in Harold C. Wegner, *A Foreign Square Peg in a Domestic Round Hole: The Eolas-AT&T-Carbide Trilogy*, Hot Topics in Patent Law, George Mason University School of Law, July 18, 2006, Arlington, Virginia [available at www.foley.com], Publications – Articles (posted July 25, 2006)].

C. Amgen: Cybor de novo Claim Construction

*Amgen*⁴ is expected to file a petition by an extended deadline of March 22, 2007, challenging the Federal Circuit standard of *de novo* appellate claim construction under *Cybor Corp. v. FAS Tech., Inc.*, 138 F.3d 1448, 1456 (Fed. Cir. 1998) (*en banc*).

At some point in time, the Court *will* grant *certiorari* to review – and then overrule – the *Cybor* standard of review. Whether *Amgen* will be the vehicle will depend largely upon the phrasing of the Question Presented and the nature and quality of the arguments for review.

D. Leclerc-Wallace-Lacavera Anti-Foreigner “Louisiana Rule”

The *Leclerc*, *Wallace* and *Lacavera* trilogy⁵ raises discrimination challenges against both the Louisiana state government in *Leclerc* and *Wallace*, and the Federal Government PTO attorney registration in *Lacavera*. In all three cases, the sole basis to deny bar membership is the “crime” of being a foreigner (or not having an appropriate visa status).

In *Leclerc* and *Wallace* petitioners who are local law school graduates have been denied permission to take the Louisiana bar because they are neither American citizens nor green card holders. In *Lacavera*, a former full fledged member of the patent bar who is now a respected member of the Google, Inc., law department and continues to be fully qualified in terms of

⁴*Amgen Inc. v. Hoechst Marion Roussel, Inc.*, expected petition, *opinion below*, 457 F.3d 1293 (Fed. Cir. 2006), *reh’g en banc denied*, 469 F.3d 1039 (2006).

⁵*Leclerc v. Webb*, Sup. Ct. No. 06-11, *opinion below*, 419 F.3d 405 (5th Cir. 2005); *Wallace v. Calogero*, Sup. Ct. No. 05-1645, *opinion below*, 419 F.3d 405 (5th Cir. 2005); *Lacavera v. Dudas*, Sup. Ct. No. 06-338, *opinion below*, 441 F.3d 1380 (Fed. Cir. 2006)(Mayer, J.).

legal, technical and ethical standards was denied continued full registration status in the decision below because of her “crime” of being a Canadian citizen without a green card. Ironically, as a member of a state bar she is fully licensed to practice at *other* agencies of the Federal government but her lack of a green card is used as an excuse by the Federal Government to deny continued full registration to practice before the United States Patent and Trademark Office.

The first Question Presented in *Lacavera* is whether “the USPTO, in the exercise of its statutory authority to register patent practitioners who have the ‘necessary qualifications’ to practice before it, ha[s] the authority to refuse to register nonimmigrant aliens as patent practitioners solely on the basis of their immigration status, where the nonimmigrant aliens are otherwise qualified for registration and authorized by United States Citizenship and Immigration Services (‘USCIS’) to practice as patent practitioners in the United States?”

The *Lacavera* case has been set for a Conference on February 16, 2007. A decision on *certiorari* on February 20, 2007, would likely mean denial of *certiorari*; if no decision is announced on that date, it is then more likely that the case is being held for a decision on *certiorari* in the *Wallace* and *Leclerc* cases. (If there is no decision at this time, then the *Lacavera* case would most likely be held perhaps as long as a decision on the merits in *Wallace* or *Leclerc*; thereafter *certiorari* in *Lacavera* would be granted with the Federal Circuit decision below vacated with a remand for reconsideration in light of the merits decision in *Wallace* of *Lacavera*.)

The *Wallace* and *Leclerc* cases are more center stage and represent the lead cases of the trilogy. On October 2, 2006, the government was given an order styled as an invitation to the Solicitor General to provide views whether to grant *certiorari* – a CVSG order. There is no time limit running against the Solicitor General who will file his brief when the busy schedule of his Office permits.

Unlike the circumstances at the time of the Petition, Ms. Lacavera has now been given a limited admission to the patent bar based upon a green card status. But, even full patent attorney registration as a green card holder, she would still be subject to the discrimination that has

faced previous patent attorneys in a like situation: If the green card holder returns home, then she or he will be disbarred as once again not having the appropriate green card status which the PTO has arbitrarily imposed as a requirement for *continued* registration. Particularly now that a green card is *not* permanent but must be renewed, the visa sword over patent attorney registration is particularly serious.

Jacobus Rasser and Dr. Bernhard Geissler provide two of the more notorious denials of continued patent attorney registration based solely upon lack of citizenship or green card possession: Rasser had been a member of the Ohio bar and a registered patent attorney and later Vice-President and the top patent attorney for the worldwide Cincinnati-based Proctor & Gamble; yet, he was stripped of his patent attorney registration simply because he left the United States to return to Europe. *In re Rasser*, 1985 WL 71975 (PTO Com'r 1985). Dr. Geissler, a renowned patent scholar at the Max Planck Institute in Munich before coming to America and for many years a leading patent attorney for Phillips Petroleum was stripped of his patent attorney status he became a partner in a leading Munich patent attorney firm. *In re Geissler*, 1974 WL 19945 (PTO Com'r 1974).

There is nothing at all subtle about the PTO's discrimination against aliens to bar them from registration before the PTO. Indeed, ever since 1984, while other jurisdictions have *liberalized* the admittance of foreigners to bars, the PTO has sought to further *exclude* foreigners whenever possible. Thus, going back twenty years ago to the time the PTO started the trend of *restriction* of foreigners as patent attorneys or agents, it recognized that it *could* admit non-citizens; but, it stated in 1984 that "[t]here is no known legal requirement or other public policy which ... makes desirable the registration or continued registration of non-citizens residing in a foreign country". *Practice Before the Patent and Trademark Office* (notice of proposed rulemaking), 49 FR 33790, 33793 (1984).

E. *Joblove* (Tamoxifen) Patent Settlement – Antitrust

The *Joblove* case⁶ states as the Question Presented: "Under what circumstances is an agreement by a brand pharmaceutical manufacturer (and patent holder) to share a portion of its future profits with a generic market entrant (and alleged patent infringer), in exchange for the generic's agreement not to market its product, a violation of the antitrust laws?"

A decision whether to grant *certiorari* is likely in early Spring;⁷ argument, *if granted*, would take place at some time this Fall during the October 2007 Term of the Court.

This case has a much stronger factual underpinning for grant of *certiorari* than the *Schering-Plough* case from the previous term, but its diffuse "Question Presented" and unfocused argumentation make grant problematic. Instead of pinpointing a specific inter-circuit conflict or asking a *specific* question, Petitioner more generally asks for a treatise "[u]nder what circumstances..." an antitrust violation may exist.

Nevertheless, *if* the *Schering-Plough* case was only one vote or so shy of the necessary four for grant of *certiorari*, it remains conceivable that an additional vote might be picked up in which case that the Court *may* grant review.

⁶*Joblove v. Barr Labs.*, Supreme Court No. 06-830, *proceedings below*, *In re Tamoxifen Citrate Antitrust Litigation*, 466 F.3d 187 (2nd Cir. 2006).

⁷The Conference to vote on *certiorari* will be set after Respondent's opposition to the petition is filed. Once extended, the current deadline is February 15, 2007.

F. *Nuijten* “Signal” Patent-Eligibility; *State Street Bank*

*Nuijten*⁸ represents the latest test case on the scope of patent-eligibility under 35 USC § 101, here, to a claim to a “signal”, *per se*, having embedded information in the signal.

State Street Bank & Trust Co. v. Signature Financial Group, Inc., 149 F.3d 1368 (Fed. Cir. 1998), is partial basis for Appellant and supporting *amicus curiae* Intellectual Property Owners in their test case to have a claim to a signal, *per se*, considered to be directed to patent-eligible subject matter under 35 USC § 101.

To the extent that the Federal Circuit issues a clear pronouncement *either way*, this may represent a vehicle for a Supreme Court test as to the limits of § 101 patent-eligibility and also permit an opportunity for a merits decision that deals with the *Metabolite* case. See *Laboratory Corp. of America Holdings v. Metabolite Laboratories, Inc.*, 126 S.Ct. 2921, 2927-28 (2006)(Breyer, J., dissenting from dismissal, joined by Stevens, Souter, JJ.).

The Federal Circuit is asked to hold that the scope of patent-eligible subject matter under 35 USC § 101 includes a “signal”, suggesting an expansion of the scope of protection that is supported by the *State Street Bank* “business method” patent-eligibility case.

The “signal” claim in controversy reads as follows:

“14. A signal with embedded supplemental data, the signal being encoded in accordance with a given encoding process and selected samples of the signal representing the supplemental data, and at least one of the samples preceding the selected samples is different from the sample corresponding to the given encoding process.”

Looking only to cases decided on the merits, it is logical to find that the “signal” is patent-eligible under 35 USC § 101.

⁸ *In re Nuijten*, Fed. Cir. No. 06-1371 (Gajarsa, Linn, Moore, JJ.; argued February 5, 2007).

To the extent that the Federal Circuit *does* reverse the PTO and were the government to seek review at the Court by *certiorari*, the case would represent a vehicle to explore the *dictum* from Justice Breyer in the *Metabolite* that questions the validity of *State Street Bank*:

“[Patentees] point to this Court's statements that a ‘process is not unpatentable simply because it contains a law of nature,’ *Flook*, 437 U.S., at 590; see also *Gottschalk*, 409 U.S., at 67, and that ‘an *application* of a law of nature ... to a known ... process may well be deserving of patent protection.’ *Diehr*, 450 U.S., at 187. ...

“[Respondents argue that] claim 13 is a patentable ‘application of a law of nature’ because, considered as a whole, it (1) ‘entails a physical transformation of matter,’ namely, the alteration of a blood sample during whatever test is used, Brief for Respondents 33 (citing *Cochrane v. Deener*, 94 U.S. 780, 788 (1877); *Gottschalk, supra*, at 70, 93 S.Ct. 253), and because it (2) ‘produces a ‘useful, concrete, and ***tangible*** result,’ ‘ namely, detection of a vitamin deficiency, [Patentee’s brief,] 36 (citing *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d 1368, 1373 (C.A.Fed.1998)).

“... [T]o use virtually any natural phenomenon for virtually any useful purpose could well involve the use of empirical information obtained through an unpatented means that might have involved transforming matter. Neither *Cochrane* nor *Gottschalk* suggests that that fact renders the phenomenon patentable. See *Cochrane, supra*, at 785 (upholding process for improving quality of flour by removing impurities with blasts of air); *Gottschalk, supra*, at 71-73 (rejecting process for converting numerals to binary form through mathematical formula).

“Neither does the Federal Circuit's decision in *State Street Bank* help [patentees]. That case does say that a process is patentable if it produces a ‘useful, concrete, and ***tangible*** result.’ 149 F.3d, at 1373. But this Court has never made such a statement and, if taken literally, the statement would cover instances where this Court has held the contrary. The Court, for example, has invalidated a claim to the use of electromagnetic current for transmitting messages over long distances even though it produces a result

that seems ‘useful, concrete, and tangible.’ *Morse, supra*, at 116. Similarly the Court has invalidated a patent setting forth a system for triggering alarm limits in connection with catalytic conversion despite a similar utility, concreteness, and tangibility. *Flook, supra*. And the Court has invalidated a patent setting forth a process that transforms, for computer-programming purposes, decimal figures into binary figures – even though the result would seem useful, concrete, and at least arguably (within the computer's wiring system) tangible. *Gottschalk, supra*.

“Even were I to assume (purely for argument's sake) that claim 13 meets certain general definitions of process patentability, however, it still fails the one at issue here: the requirement that it not amount to a simple natural correlation, *i.e.*, a ‘natural phenomenon.’ See *Flook, supra*, at 588, n. 9 (even assuming patent for improved catalytic converter system meets broad statutory definition of patentable ‘process,’ it is invalid under natural phenomenon doctrine); *Diehr*, 450 U.S., at 184-185, 101 S.Ct. 1048 (explaining that, even if patent meets all other requirements, it must meet the natural phenomena requirement as well).

“At most, respondents have simply described the natural law at issue in the abstract patent language of a ‘process.’ But they cannot avoid the fact that the process is no more than an instruction to read some numbers in light of medical knowledge. Cf. *id.*, at 192, 101 S.Ct. 1048 (warning against ‘allow[ing] a competent draftsman to evade the recognized limitations on the type of subject matter eligible for patent protection’). One might, of course, reduce the ‘process’ to a series of steps, *e.g.*, Step 1: gather data; Step 2: read a number; Step 3: compare the number with the norm; Step 4: act accordingly. But one can reduce *any* process to a series of steps. The question is what those steps embody. And here, aside from the unpatented test, they embody only the correlation between homocysteine and vitamin deficiency that the researchers uncovered. In my view, that correlation is an unpatentable ‘natural phenomenon,’ and I can find nothing in claim 13 that adds anything more of significance.” (emphasis added)

The PTO focuses not on Section 101 patent-eligibility cases, but rather infers an absence of patent-eligibility by looking to *dictum* in cases involving infringement, including *Bayer AG v. Housey Pharmaceuticals, Inc.*, 340 F.3d 1367 (Fed. Cir. 2003). The PTO argues that “[s]ince [*Bayer*]

relied on section 101 case law for its conclusion that ‘manufacture’ refers to ‘physical goods’ or ‘material things,’ *Bayer’s* holding should apply in this section 101 case.”

The PTO meets the challenge of patent-eligibility head on, denying that a “signal” is within any of the four categories of patent-eligible subject matter, even a “manufacture” under 35 USC § 101. The PTO invokes the Supreme Court procedural dissent of Justice Breyer: “Congress is in the best position to perform the complex balances necessary to promote innovation without stifling it. *See Lab. Corp. of Am. Holdings v. Metabolite Labs., Inc.*, 126 S. Ct. 2921, 2922 (2006) (Breyer, J., dissent from dismissal as improvidently granted) ([T]he reason for the [abstract idea] exclusion is that sometimes too much patent protection can impede rather than “promote the Progress of Science and useful Arts.”); *id.* (“Patent law seeks to avoid the dangers of overprotection just as surely as it seeks to avoid the diminished incentive to invent that underprotection can threaten.”). ... [A]n electrical signal does not fall into any of the four statutory categories, essentially because it is neither ‘concrete’ nor ‘tangible’ enough to qualify as patentable subject matter. For similar reasons, the claimed electrical signals can be excluded from patentability as being too abstract. *Labcorp*, 126 S. Ct. at 2928 (Breyer, J) (dissent from dismissal as improvidently granted) (describing the result produced by the computer programming process in *Gottschalk v. Benson* - which rejected the claims as abstract - to be ‘arguably’ tangible when the software is executed ‘within the computer’s wiring system’).”

G. *Integra*: Post-*Merck* “Safe Harbor”; “Research Tools”

This June marks the second anniversary of the Supreme Court decision of June 13, 2005 in *Merck v. Integra*, which is now before the Federal Circuit as the *Integra* case.⁹ This is a true *Bleak House* litigation that dates back to an initial California lawsuit filed ten (10) years ago.

⁹*Integra Lifesciences I, Ltd. v. Merck KGaA v. Integra Lifesciences I, Ltd.*, Fed. Cir. 02-1052 (Newman, Rader, Prost, JJ., argued June 5, 2005), *on remand from Merck KGaA v. Integra Lifesciences I, Ltd.*, 545 U.S. 193 (2005).

There are numerous loose ends relating to “research tools” and “experimental use” and other issues, as discussed in Harold C. Wegner, *Post-Merck Experimental Use and the “Safe Harbor”*, 15 Fed. Cir. Bar. J. 1 (2005).

Whether the court will issue a further substantive clarification of the law or simply remand the case to the trial court is unclear.

H. *Teva v. Novartis* – Justiciable controversy

*Teva*¹⁰ represents a post-*MedImmune* challenge where a generic drug declaratory judgment plaintiff had been held to lack standing because the patentee pioneer drug manufacturer did not place plaintiff in fear of an *imminent* suit. Post-argument, *MedImmune* was decided; plaintiff has now asked that the Court consider its case in light of *MedImmune*.

As phrased in appellant’s brief, the issue is “[w]hether there is an ‘actual controversy’ sufficient to support subject matter jurisdiction over Teva's claim for a declaration that certain patents were invalid... where: (i) appellee listed the patents in the Orange Book with respect to its Famvir[®] product, thus representing that an infringement action under those patents ‘could reasonably be asserted’ against any generic formulation of that drug; (ii) Teva committed a statutory act of infringing ...by submitting an Abbreviated New Drug Application ... to market a generic formulation of Famvir[®] before the expiration of the patents; (iii) Novartis sued Teva to prevent Teva from launching its generic formulation of Famvir[®] alleging that Teva's ANDA infringed another patent listed in the Orange Book with respect to Famvir[®]; (iv) appellee has consistently and aggressively enforced its pharmaceutical patents against Teva and other generic drug companies; and (v) appellee has refused to give any assurance that it would not sue Teva for infringement of the patents.”

To the extent that the Federal Circuit would hold for the appellee, it would be a near certainty that *certiorari* would be sought, with a substantial likelihood that the Court would accept review of the case.

¹⁰*Teva Pharm. USA, Inc. v. Novartis Pharm. Corp.*, Fed. Cir. No. 2006-1181 (Mayer, Gajarsa, Friedman, JJ.).

I. *Quanta* – Patent “Exhaustion”/Implied License

*Quanta*¹¹ is assumed to deal with patent exhaustion and implied licenses and the right of a licensee’s customers to be free from patent infringement liability.

The pleadings have not been reviewed.¹²

A Spring vote on *certiorari* is expected; if granted, the case would be set for argument in the Fall during the October 2007 Term.¹³

J. *Paymentech* – “Joint Infringement”

The *Paymentech* case¹⁴ asks the question: Is there “joint infringement” liability where a claim covers a plurality of steps and no single party performs all of the steps of the invention where no single party controls or directs the actions of all who cumulative perform the invention?

Oral argument is expected at the Federal Circuit within the time frame April-July 2007.

Claim 6: “A method of paying bills using a telecommunications network line connectable to at least one remote payment card network via a payee's agent's system, wherein a caller begins session using a telecommunications network line to initiate a spontaneous payment transaction to a payee, the method comprising the steps of:

¹¹*Quanta Computer, Inc. v. LG Electronics, Inc.*, Supreme Court No. 06M54, *opinion below*, *LG Electronics, Inc. v. Bizcom Electronics, Inc.*, 453 F.3d 1364 (Fed. Cir. 2006)(Mayer, J.).

¹²The Petition as of the writing on this paper was not available on Westlaw.

¹³No Conference to vote on *certiorari* will be scheduled until after the response to the petition, currently due March 9, 2007.

¹⁴*BMC Resources, Inc. v. Paymentech, L.P.*, Fed. Cir. App. No. 2006-1503.

- [a] **prompting the caller** to enter a payment number selected from one or more choices of credit or debit forms of payment;
- [b] **prompting the caller** to enter a payment amount for the payment transaction;
- [c] **accessing a remote payment network** associated with the entered payment number, the accessed remote payment network determining, during the session, whether sufficient available credit or funds exist in an account associated with the payment number to complete the payment transaction, and upon a determination that sufficient available credit or funds exist in the associated account,
- [c] **charging the entered payment amount** against the account associated with the entered payment number,
- [e] **adding the entered payment amount** to an account associated with the entered account number, and
- [e] **storing the account number**, payment number and payment amount in a transaction file of the system.” [paragraph lettering and underlining added]

Some of the steps in the process are performed by a financial institution, so that no single party performs all steps of the patented invention.

Attempt to Extend the Scope of Patent Protection: While “joint infringement” is established where one party performs all but one step of a patented process and the other step is performed at his direction, the prevailing view is that a claim should be drafted in a manner that all steps can be performed by a single actor. Failure to draft such a claim leaves the patentee powerless.¹⁵

¹⁵For an extensive review of this subject, see Harold C. Wegner, *E-Business Patent Infringement: Quest for a Direct Infringement Claim Model*, presented to the SOFTIC 2001 Symposium, http://www.softic.or.jp/symposium/open_materials/10th/en/wegner-en.pdf. A more recent treatment is provided by Mark A. Lemley *et al.*, *Divided Infringement Claims*, 33 AIPLA Q. J. 189 (2005).

III. CONCLUSION

Supreme Court interest in patents should continue for several years to come. At some point, the Federal Circuit will take a more aggressive role in reaching a unified and more careful voice on patent matters, and at that time perhaps the four votes necessary for *certiorari* will no longer be present for all but the most exceptional cases.