

Federal Circuit Patent Bulletin: *Bard Peripheral Vascular, Inc. v. W.L. Gore & Assocs., Inc.*

January 13, 2015

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On January 13, 2015, in *Bard Peripheral Vascular, Inc. v. W.L. Gore & Assocs., Inc.*, the U.S. Court of Appeals for the Federal Circuit (Prost,* Newman, Hughes) affirmed the district court's judgment that Gore willfully infringed U.S. Patent No. 6,436,135, which related to prosthetic vascular grafts made of highly-expanded polytetrafluoroethylene (ePTFE). The Federal Circuit stated:

To establish willful infringement, the patentee has the burden of showing "by clear and convincing evidence that the infringer acted despite an objectively high likelihood that its actions constituted infringement of a valid patent." "The state of mind of the accused infringer is not relevant to this objective inquiry." Only if the patentee establishes this "threshold objective standard" does the inquiry then move on to whether "this objectively-defined risk (determined by the record developed in the infringement proceeding) was either known or so obvious that it should have been known to the accused infringer." [T]he threshold determination of objective recklessness requires "objective assessment" of the accused infringer's defenses. [O]bjective recklessness, even though "predicated on underlying mixed questions of law and fact, is best decided by the judge as a question of law subject to de novo review." Even when underlying factual issues were sent to the jury in the first instance—such as in this case—"the judge remains the final arbiter of whether the defense was reasonable." . . . Objective recklessness will not be found where the accused infringer has raised a "substantial question" as to the validity or noninfringement of the patent.

On remand, the district court evaluated several defenses raised by Gore and determined that none of them were objectively reasonable. On appeal, Gore appeals only its determination with respect to Gore's inventorship defense. This defense arises from the decades-long record, which includes parallel examination

of Gore's and Goldfarb's patent applications on vascular grafts made of ePTFE, an interference declared in 1983 between the applications, which we reviewed in Cooper I and Cooper II, as well as the infringement proceedings in this case that were finally resolved—except as to the issue of willfulness—in Bard I. Gore's argument is based on the fact that its employee, Peter Cooper, supplied the particular ePTFE tubing that Goldfarb used in making his successful vascular graft (the "2-73 RF" graft). In Gore's view, Cooper furnished to Goldfarb "the embodiment of the invention before Goldfarb conceived the invention using that embodiment."

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Issued patents are presumed to correctly name the inventors; therefore, "[t]he burden of showing misjoinder or nonjoinder of inventors is a heavy one and must be proved by clear and convincing evidence." By statute, [i]nventors may apply for a patent jointly even though (1) they did not physically work together or at the same time, (2) each did not make the same type or amount of contribution, or (3) each did not make a contribution to the subject matter of every claim of the patent. "Because conception is the touchstone of inventorship, each joint inventor must generally contribute to the conception of the invention." Conception is precisely defined as existing "when a definite and permanent idea of an operative invention, including every feature of the subject matter sought to be patented, is known." In other words, conception is only complete when the "idea is so clearly defined in the inventor's mind that only ordinary skill would be necessary to reduce the invention to practice, without extensive research or experimentation." As to the required degree of contribution to conception, we have recognized that "[t]he determination of whether a person is a joint inventor is fact specific, and no bright-line standard will suffice in every case." The underlying principle from our case law is that a joint inventor's contribution must be "not insignificant in quality, when that contribution is measured against the dimension of the full invention." Of particular relevance to this case, we have held that if an individual supplies a component essential to an invention, that is an insufficiently significant contribution if the component and the principles of its use were known in the prior art. Moreover, while joint inventors need not "physically" work together under § 116, "the statutory word 'jointly' is not mere surplusage." We require that "inventors have some open line of communication during or in temporal proximity to their inventive efforts." Critically, "each inventor must contribute to the joint arrival at a definite and permanent idea of the invention as it will be used in practice."

In sum, the two questions for objectively assessing Gore's defense are (1) what constitutes the "definite and permanent idea" of the invention at issue and (2) whether Cooper and Goldfarb acted in concert to jointly arrive at that idea. With respect to these questions, the factual record and inferences from the record were raised in the interference proceeding that preceded the issuance of the '135 patent and this litigation—and were reviewed by this court in Cooper I and Cooper II. [Based on that record,] Cooper and Goldfarb did not collaborate, communicate, nor in any way jointly arrive at the recognition that fibril length was significant for graft success. Even if Cooper had achieved conception prior to Goldfarb, Cooper II definitively held that Goldfarb arrived at conception on his own, and, thus, his reduction to practice did not inure to Cooper.

This is an unusual case. Forty years have passed since Goldfarb filed for the patent at issue in this case. Gore tried to get a patent on the subject matter of the patent on which it was sued. The subsequent decades of prior proceedings shaped what defenses Gore could raise once it was sued for infringement. Once it failed and the '135 patent issued, Gore was left with an exceptionally circumscribed scope of reasonable defense. In the current proceedings, Gore relied on those facts which showed that the invention was based on a material that Gore invented and that Cooper may have conceived of the invention prior to Goldfarb (though Goldfarb won the patent because he was the first to reduce it to practice). But even if it could have persuaded a jury—which it did not—Gore could not have evaded the legal requirements of joint inventorship. Ultimately, to have stood a reasonable chance of prevailing on this issue, Gore needed to raise new evidence or theories that were not considered in Cooper I and II. However, as the prior panel noted, “Gore’s argument remains unchanged and there is still no evidence that Cooper either recognized or appreciated the critical nature of the internodal distance and communicated that key requirement to Goldfarb before Goldfarb reduced the invention to practice.” Within the backdrop of the extensive proceedings prior to this litigation, therefore, we agree with the district court that Gore’s position was not susceptible to a reasonable conclusion that the patent was invalid on inventorship grounds.