

January 28 | Jitsuro Morishita

- 1. SIMO v. H.K. uCloudlink Network
- 2. Infinity Comput. v. Oki Data Ams.
- 3. Rain Computing v. Samsung Elec.
- 4. Yu v. Apple
 - 5. Seabed Geosolutions v. Magseis

SIMO Holdings. Inc. v. Hong Kong uCloudlink Network Technology Ltd. (Fed. Cir. 2021)

US9736689B2

"System and method for mobile telephone roaming"

Summary: Apparatuses and methods that allow individuals to reduce roaming charges on cellular networks when traveling outside their home territory

Issue: Is the claim term "non-local calls database" in the preamble of claim 8 limiting?

Note: Final judgement of \$8,230,654 awarded to the patent owner by the District Court of SDNY

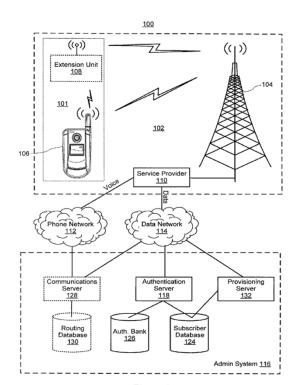


Figure 1

8. A wireless communication client or extension unit **comprising** a plurality of memory, processors, programs, communication circuitry, authentication data stored on a subscribed identify module (SIM) card and/or in memory and non-local calls database, at least one of the plurality of programs stored in the memory comprises instructions executable by at least one of the plurality of processors for:

enabling an initial setting of the wireless communication client or the extension unit and a remote administration system;

establishing a data communication link to transmit information among the wireless communication client or the extension unit, and the remote administration system;

establishing a local authentication information request in response to a local authentication request by a local cellular communication network, wherein the local authentication information request comprises information regarding the local authentication request for local authentication information received by the foreign wireless communication client or the extension unit from the local cellular communication network, and wherein the data communication link is distinct from the local cellular communication network:

relaying the local authentication information request to the remote administration system via the data communication link and obtaining suitable local authentication information from the remote administration system via the data communication link;

establishing local wireless services provided by the local cellular communication network to the wireless communication client or the extension unit by sending the local authentication information obtained from the remote administration system to the local cellular communication network over signal link; and

providing a communication service to the wireless communication client or the extension unit according to the established local wireless services.

8. A wireless communication client or extension unit **comprising** a plurality of memory, processors, programs, communication circuitry, authentication data stored on a subscribed identify module (SIM) card and/or in memory and non-local calls database, at least one of the plurality of programs stored in the memory comprises instructions executable by at least one of the plurality of processors for:

"The body of the claim provides no information whatsoever about the structure of the invention; the body simply describes the actions taken by the invention. It is the preamble that supplies the necessary structure." Summary Judgment Opinion, 376 F. Supp. 3d at 381

In supplying the only structure for the claimed apparatus, the preamble language supplies "<u>essential structure</u>," and the body does not define "<u>a structurally complete invention</u>"—which are two key reasons for preamble language to be deemed limiting. *Catalina Marketing Int'l, Inc. v. Coolsavings.com, Inc.*, 289 F.3d 801, 808, 809 (Fed. Cir. 2002)

8. A wireless communication client or extension unit **comprising** a plurality of memory, processors, programs, communication circuitry, authentication data stored on a subscribed identify module (SIM) card and/or in memory and non-local calls database, at least one of the plurality of programs stored in the memory comprises instructions executable by at least one of the plurality of processors for:

"We have repeatedly held a preamble limiting when it serves as <u>antecedent basis</u> for a term appearing in the body of a claim." *In re Fought*, 941 F.3d 1175, 1178 (Fed. Cir. 2019); see also, e.g., Bio-Rad Labs., Inc. v. 10X Genomics Inc., 967 F.3d 1353, 1371 (Fed. Cir. 2020) (body's reliance on preamble for antecedent basis "is a <u>strong indication that the preamble acts as a necessary component of the claimed <u>invention</u>"</u>

providing a communication service to **the wireless communication client** or **the extension unit** according to the established local wireless services.

8. A wireless communication client or extension unit **comprising** a plurality of memory, processors, programs, communication circuitry, authentication data stored on a subscribed identify module (SIM) card and/or in memory and non-local calls database, at least one of the plurality of programs stored in the memory comprises instructions executable by at least one of the plurality of processors for:

[S]ome components in the group of listed structures, including the **non-local calls database**, should not be deemed limiting, because they are "<u>unnecessary to</u> <u>perform the</u>" functions specified after the preamble. SIMO Response Br. at 24.

We decline to <u>parse the preamble</u> in that way where, as here, the preamble supplies the only structure of the claimed device and the disputed language does not merely identify an intended use or functional property but is "<u>intertwined with the rest of the preamble</u>," and supplies structure noted in the specification as among the inventive advances.

8. A wireless communication client or extension unit comprising a plurality of memory, processors, programs, communication circuitry, authentication data stored on a subscribed identify module (SIM) card and/or in memory and non-local calls database, at least one of the plurality of programs stored in the memory comprises instructions executable by at least one of the plurality of processors for:

Our holding in *SuperGuide* reflects a more general grammatical principle applicable to a modifier coming before a series. "When there is a straightforward, parallel construction that involves all nouns or verbs in a series, a prepositive or postpositive modifier normally applies to the entire series." Antonin Scalia & Bryan A. Garner, Reading Law: The Interpretation of Legal Texts § 19, 147 (2012). As SuperGuide makes clear, the principle has particular force when the term joining the items in a series is "and."

The court, after noting that "<u>at least one</u>" means "one or more," concluded that the use of "<u>and</u>" in the list meant that there had to be one or more of each item... The court explained that, because the list uses "and" rather than "or," the phrase is properly understood as if "of" or "at least one of" appears before each item...

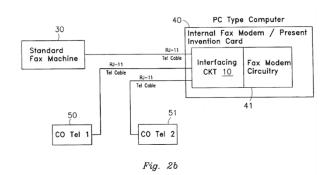
Infinity Computer Products v. Oki Data Americas, Inc. (Fed. Cir. 2021)

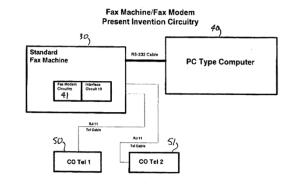
US6,894,811B2 [Representative]

"Interface circuit for utilizing a facsimile coupled to a PC as a scanner or printer"

Summary: Methods for using a fax machine as a printer or scanner for a personal computer

Issue: Does the conflicting prosecution statements made on the claim term "passive link" make the term indefinate?





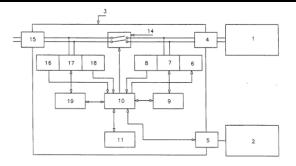
1. A method of creating a scanning capability from a facsimile machine to a computer, with scanned image digital data signals transmitted through a bi-directional connection via a passive link between the facsimile machine and the computer, comprising the steps of:

by-passing or isolating the facsimile machine and the computer from the public network telephone line;

coupling the facsimile machine to the computer;

conditioning the computer to receive digital facsimile signals representing data on a scanned document; and

conditioning the facsimile machine to transmit digital signals representing data on a scanned document to the computer, said computer being equipped with send/receive driver communications software enabling the reception of scanned image signals from the facsimile machine, said transmitted digital facsimile signals being received directly into the computer through the bi-directional direct connection via the passive link, thereafter, said computer processing the received digital facsimile signals of the scanned document as needed.



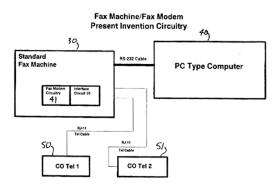


Fig. 2f

Morgan Lewis

"The Applicant creates a **passive link** between the facsimile machine and the computer in order to accommodate the signal transfer for printing or scanning. Therefore, the Applicant *does not require any intervening apparatus* as does Perkins. The applicant therefore believes Perkins did not anticipate the methods used by the Applicant."

"It is therefore evident that Perkins'[s] device 3 intercepts the flow of data before it is transmitted to the computer circuits, in order to convert the analog signal into a digital signal format acceptable to the computer. Hence, even though circuitry of device 3 is placed in a card within the box containing the computer it should be regarded as a peripheral device to the computer which processes data before it is transmitted to the I/O bus of the computer."

"Contrary to the above, when the Applicant transfers digital data from the facsimile transceiver through a passive link for scanning to the computer, the non-intercepted data enters through the RS 232 type connector port of the computer and passes directly to the I/O Bus and is processed by the receiving circuits (i.e., UART, CPU) of the computer, providing a true non intercepted digital signal between the facsimile transceiver and the computer."

Standard Fax Machine RJ-11 Tel Coble Fig. 2b

Statements made by the Applicant during Reexamination

"the RJ-11 telephone cable shown in Figs. 2b, 2c and 2d of the ['278 application] is the 'direct' and 'passive link."

"the RJ 11 telephone cable and use thereof in communicating data between the fax machine 30 and the PC computer 40 meets the . . . definition of 'passive link."

"the RJ 11 telephone cable connects the fax machine 30 to the PC computer 40 such that there is no intervening apparatus or signal interception by a processing element or any active component, along the path of an unbroken direct connection between the PC and the facsimile machine."

"Indefiniteness may result from inconsistent prosecution history statements where the claim language and specification on their own leave an uncertainty that, if unresolved, would produce indefiniteness."

"The public-notice function of a patent and its prosecution history requires that we hold patentees to what they declare during prosecution. *Teva*, 789 F.3d at 1344. But holding Infinity to both positions results in a flat contradiction, providing no notice to the public of "what is still open to them." *Nautilus*, 572 U.S. at 909. Here, one of ordinary skill cannot determine with any reasonable certainty, for instance, whether or not the claims cover arrangements like the internal-card embodiment of Perkins and the internal-modem embodiments of Figures 2b–d. On the record before us, therefore, we agree with the district court that the intrinsic evidence leaves an ordinarily skilled artisan without reasonable certainty as to where the passive link ends and where the computer begins."

Rain Computing, Inc. v. Samsung Electronics Co., Ltd. (Fed. Cir. 2021)

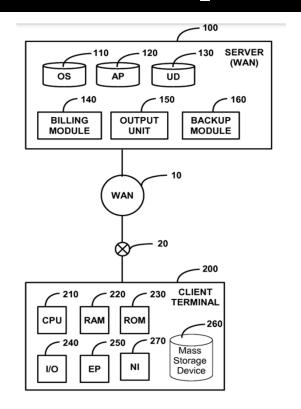
Rain Computing v. Samsung Elec. [MPF term lacking Algorithm found Indefinte]

US9,805,349B2

"Method and system for delivering application packages based on user demands"

Summary: Methods for delivering software application packages to a client terminal in a network based on user demands using the operating system in a client terminal rather than a web browser

Issue: Does the lack of algorithm supporting the MPF term "user identification module" make the term indefinate?



Morgan Lewis

FIG. 1

Rain Computing v. Samsung Elec. [MPF claim lacking Algotithm found Indefinte]

1. A method for providing software applications through a computer network based on user demands, the method comprising:

accepting, through a web store, a subscription of one or more software application packages from a user; sending, to the user, a **user identification module** configured to control access of said one or more software application packages, and coupling the **user identification module** to a client terminal device of the user; a server device authenticating the user by requesting subscription information of the user from the **user identification module** through the computer network;

upon authentication of the user, the server device providing, to the client terminal device of the user, a listing of one or more software application packages subscribed through the web store in accordance with the subscription information;

the server device receiving, from the client terminal device and through the computer network, a selection of a first software application package from said listing of one or more software application packages;

the server device transmitting the first software application package to the client terminal device through the computer network; and

executing the first software application package by a processor of the client terminal device using resources of an operating system resident in a memory of the client terminal device.

*"To the extent the examiners or the Patent and Trademark Office understood that a means-plus-function term cannot be nested in a method claim, they were incorrect."

Rain Computing v. Samsung Elec. [MPF claim lacking Algotithm found Indefinte]

"The first step in construing a means-plus function claim is to "identify the claimed function." *Williamson*, 792 F.3d at 1351. After identifying the function, we then "determine what structure, if any, disclosed in the specification corresponds to the claimed function." *Id.* "Under this second step, structure disclosed in the specification is corresponding structure only if the specification or prosecution history clearly links or associates that structure to the function recited in the claim." *Sony Corp. v. lancu*, 924 F.3d 1235, 1239 (Fed. Cir. 2019) (citation omitted)"

"If the function is performed by a general-purpose computer or microprocessor, then the second step generally further requires that the specification disclose the algorithm that the computer performs to accomplish that function."

"Nothing in the claim language or the written description provides an algorithm to achieve the "control access" function of the "user identification module." When asked at oral argument to identify an algorithm in the written description, Rain could not do so. Without an algorithm to achieve the "control access" function, we hold the term "user identification module" lacks sufficient structure and renders the claims indefinite."

Yanbin Yu v. Apple Inc. (Fed. Cir. 2021)

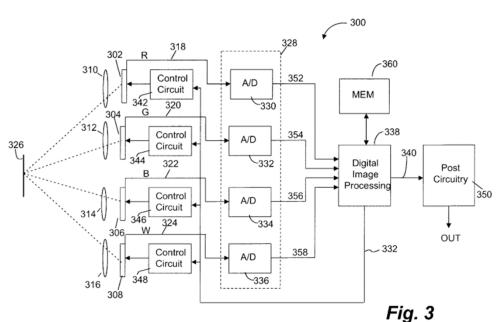
Yu v. Apple Inc. [Patent Eligibility]

<u>US6,611,289B2</u>

"Digital cameras using multiple sensors with multiple lenses"

Summary: Apparatus for taking two pictures and using the pictures to enhance each other

Issue: Is Claim 1 patent eligible?



Yu v. Apple Inc. [Patent Eligility]

1. An improved digital camera comprising:

a first and a second image sensor closely positioned with respect to a common plane, said second image sensor sensitive to a full region of visible color spectrum; two lenses, each being mounted in front of one of said two image sensors; said first image sensor producing a first image and said second image sensor producing a second image;

an analog-to-digital converting circuitry coupled to said first and said second image sensor and digitizing said first and said second intensity images to produce correspondingly a first digital image and a second digital image;

an image memory, coupled to said analog-to-digital converting circuitry, for storing said first digital image and said second digital image; and

a digital image processor, coupled to said image memory and receiving said first digital image and said second digital image, producing a resultant digital image from said first digital image enhanced with said second digital image.

Yu v. Apple Inc. [Patent Eligility]

Mayo Test Step 1

"We have approached the Step 1 directed to inquiry by asking what the patent asserts to be the focus of the claimed advance over the prior art. In conducting that inquiry, we must focus on the language of the [a]sserted [c]laims themselves, considered in light of the specification."

Given the claim language and the specification, we conclude that claim 1 is "directed to a result or effect that itself is the abstract idea and merely invoke[s] generic processes and machinery" rather than "a specific means or method that improves the relevant technology."

In these circumstances, the mismatch between the specification statements that Yu points to and the breadth of claim 1 underscores that the focus of the claimed advance is the abstract idea and not the particular configuration discussed in the specification that allegedly departs from the prior art.

Yu v. Apple Inc. [Patent Eligility]

Mayo Test Step 2

Turning to step two, we conclude that claim 1 does not include an inventive concept sufficient to transform the claimed abstract idea into a patent-eligible invention. Because claim 1 is recited at a high level of generality and merely invokes well-understood, routine, conventional components to apply the abstract idea identified above

The claimed configuration does not add sufficient substance to the underlying abstract idea of enhancement—the generic hardware limitations of claim 1 merely serve as "a conduit for the abstract idea." In other words, "[t]he main problem that [Yu] cannot overcome is that the claim—as opposed to something purportedly described in the specification—is missing an inventive concept."

Yu v. Apple Inc. [Patent Eligility]

Judge Newman Dessent

This camera is a mechanical and electronic device of defined structure and mechanism; it is not an "abstract idea."

The '289 patent specification states that the digital camera described therein achieves superior image definition. A statement of purpose or advantage does not convert a device into an abstract idea.

The camera of the '289 patent may or may not ultimately satisfy all the substantive requirements of patentability, for this is an active field of technology. However, that does not convert a mechanical/electronic device into an abstract idea.

Yu v. Apple Inc. [Patent Eligility]

Judge Newman Dessent

In the current state of Section 101 jurisprudence, inconsistency and unpredictability of adjudication have destabilized technologic development in important fields of commerce. Although today's Section 101 uncertainties have arisen primarily in the biological and computer-implemented technologies, all fields are affected. The case before us enlarges this instability in all fields, for the court holds that the question of whether the components of a new device are well-known and conventional affects Section 101 eligibility, without reaching the patentability criteria of novelty and nonobviousness.

Seabed Geosolutions v. Magseis FF LLC (Fed. Cir. 2021)

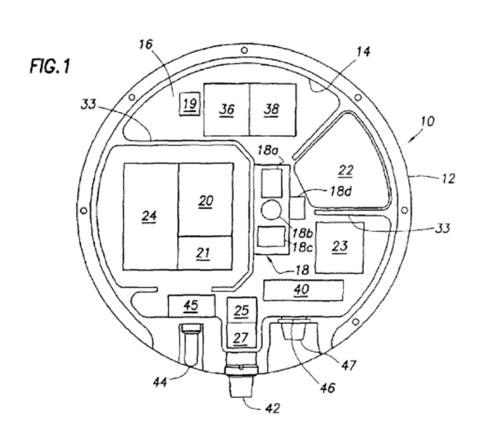
Seabed Geosolutions v. Magseis [Extrinsic v. Intrinsic Evidence]

US45,268E1

"Apparatus for seismic data acquisition"

Summary: Seismometers for use in seismic explorations

Issue: May the PTAB rely on extrinsic evidence when intrinsic evidence was otherwise clear?



Seabed Geosolutions v. Magseis [Extrinsic v. Intrinsic Evidence]

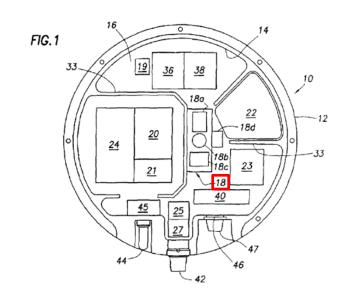
5. A seismic data collection unit comprising:

a. a fully enclosed, single case formed of a housing, said single case having a first plate having a first periphery and a second plate having a second periphery, wherein the plates are joined along their peripheries by a circular wall, said wall defining an internal compartment within said housing;

b. at least one **geophone internally <u>fixed</u>**

within said housing;

- c. a clock disposed within said housing;
- d. a power source; and
- e. a seismic data recorder disposed within said housing.



Yu v. Apple Inc. [Patent Eligility]

The Board construed "geophone internally fixed within [the] housing" to require a non-gimbaled geophone. It found, based entirely on extrinsic evidence, that "fixed" had a special meaning in the relevant art at the time of the invention: "not gimbaled."



Yu v. Apple Inc. [Patent Eligility]

For claim construction, however, we begin with the **intrinsic evidence**, which includes the claims, written description, and prosecution history. If the meaning of a claim term is clear from the intrinsic evidence, there is no reason to resort to extrinsic evidence.

The claims recite a "geophone internally fixed within [the] housing." We conclude, based upon the intrinsic evidence, that the word fixed here carries its ordinary meaning, i.e., attached or fastened.

The specification describes mounting the geophone inside the housing as a key feature of the invention. By contrast, it says nothing about the geophone being gimbaled or non-gimbaled.

Other 5 Important Decisions in 2021

- *U.S. v. Arthrex* (U.S. 2021): PTAB judges are unconstitutionally appointed, but that giving the director of the U.S. Patent and Trademark Office the power to review the board's decisions solves the problem
- *Minerva v. Hologic* (U.S. 2021): The doctrine of assignor estoppel (preventing assignor of patents from later asserting invalidity) has been applied too expansively, and imposed 3 new limits that gave assignors more latitude to challenge a patent
- **SRI v. Cisco** (Fed. Cir. 2021): Standard for securing enhanced damages in a patent case is higher than for a finding of willful infringement
- **Mylan v. Janssen** (Fed. Cir. 2021): Difficult to imagine a challenge for a denial of institution that identifies a clear and indisputable right to relief
- *In re: Samsung* (Fed. Cir. 2021): Venue manipulation not sufficient enough to control over transfer of venue

REACTION FROM CONGRESS AND THE JUDICIARY



Sens. Patrick Leahy, left, D-Vermont, and Thom Tillis, right, R-North Carolina.

NEWS

Sens. Leahy and Tillis Slam the Nation's Busiest Patent Judge, Calling for Study of 'Actual and Potential Abuses'

Letter to the Supreme Court by Sens. Leahy and Tillis

United States Senate

COMMITTEE ON THE JUDICIARY WASHINGTON, DC 20510-6275

VIA ELECTRONIC TRANSMISSION

November 2, 2021

The Honorable Chief Justice John Roberts Presiding Officer Judicial Conference of the United States One Columbus Circle, NE Washington, D.C. 20544

Dear Mr. Chief Justice:

We write you to express our concern about problems with forum shopping in patent litigation. Our understanding is that in some judicial districts, plaintiffs are allowed to request their case be heard within a particular division. When the requested division has only one judge, this allows plaintiffs to effectively select the judge who will hear their case. We believe this creates an appearance of impropriety which damages the federal judiciary's reputation for the fair and equal administration of the law. Worse still, such behavior by plaintiffs can lead individual judges to engage in inappropriate conduct intended to attract and retain certain types of cases and litigants.

We are particularly concerned with this problem in the context of patent litigation. In the last two years our nation has seen a consolidation of a large portion of patent litigation before a single district court judge in Texas. In 2016 and 2017, this single district court heard only, on average. one patent case per year. Last year, however, nearly 800 patent cases were assigned to one judge in this district.2 This year, this district appears to be on track to have more than 900 cases.3 This means that roughly 25% of all the patent litigation in the entire United States is pending before just one of the nation's more than 600 district court judges.4

The concentration of patent litigation is no accident. We understand that a single judge in this district has openly solicited cases at lawyers' meetings and other venues and urged patent plaintiffs to file their infringement actions in his court.5 Our understanding is that this single

judge has also repeatedly ignored binding case law and abused his discretion in denying transfer motions.6 This has resulted in a flood of mandamus petitions being filed at the Federal Circuit. The Federal Circuit has been compelled to correct his clear and egregious abuses of discretion by granting mandamus relief and ordering the transfer of cases no fewer than 15 times in just the past two years.7

The extreme concentration of patent litigation in one district and the unseemly and inappropriate conduct that has accompanied this phenomenon are, in our view, the result of an absence of adequate rules regulating judicial assignment and venue for patent cases within a district.8 While we do not know of similar problems occurring in other single-judge districts, it is not hard to imagine similar scenarios arising under a set of rules that allows a plaintiff to effectively choose a particular judge to hear their case. In order to correct these issues, we request that you direct the Judicial Conference to conduct a study of actual and potential abuses that the present situation has enabled. Additionally, we ask that such a study consider and implement appropriate reforms that you can take to address this issue. Finally, we ask that such a report provide legislative recommendations to ensure this problem does not arise in the future.

We ask that you complete this report by no later than May 1, 2022. Thank you for your prompt attention to this matter. If you have any questions, please do not hesitate to contact us.

Sincerely,

United States Senator

United States Senator

^{*} See, e.g., In re: SK Hynix, Inc., No. 2021-113 at 2 (Fed. Cir. Feb. 1, 2021) (characterizing Judge Albright's refusal to decide a transfer motion in a timely manner as "amount[ing] to egregious delay and blatant disregard for

See In re DISH Network, LLC, No. 2021-182 (Fed. Cir. Oct. 21, 2021); In re NetScout Syx., Inc., No. 2021-173, 2021 WL 4771756 (Fed. Cir. Oct. 13, 2021); In re Pandora Media, LLC, No. 2021-172, 2021 WL 4772805 (Fed. Cir. Oct. 13, 2021); In re Google LLC, No. 2021-171, 2021 WL 4592280 (Fed. Cir. Oct. 6, 2021); In re Juniper Networks, Inc., No. 2021-156, 2021 WL 4519889 (Fed. Cir. Oct. 4, 2021); In re Apple, No. 2021-187, 2021 WL 4485016 (Fed. Cir. Oct. 1, 2021); In re Google LLC, No. 2021-170, 2021 WL 4427899 (Fed. Cir. Sep. 27, 2021); In re Juniper Networks, No. 2021-160, 2021 WL 4343309 (Fed. Cir. Sep. 24, 2021); In re Hulu, LLC, No. 2021-142, 2021 WL 3278194 (Fed. Cir. Aug. 2, 2021); In re Uber Techs., Inc., 852 F.App'x 542 (Fed. Cir. 2021); In re Samsung Elecs. Co., Ltd., 2 F.4th 1371 (Fed. Cir. 2021); In re TracFone Wireless, Inc., 852 F.App'x 537 (Fed. Cir. 2021); In re Apple Inc., 979 F.3d 1332 (Fed. Cir. 2020); In re Nitro Fluids LLLC, 978 F.3d 1308 (Fed. Cir. 2020); In re Adobe Inc., 823 F.App'x 929 (Fed. Cir. 2020).

^{*} See Anderson & Gugliuzza, supra n. 1, at 57-61 (discussing potential reforms of randomizing case assignments and requiring divisional venue within a district).

See Anderson & Gugliuzza, "Federal Judge Seeks Patent Cases," 71 Duke Law Journal ___ (2021) (forthcoming). available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3668514, at 2.

² See Dani Kass, "Judge Albright Now Oversees 20% Of New US Patent Cases," Law360, March 10, 2021 (noting that 793 patent cases were assigned to Judge Albright in 2020).

Ryan Davis, "WDTX Now Has 25% Of All US Patent Cases," Law360, Jul. 2, 2021 (noting that "nearly all" of the 489 cases filed in W.D. Tex. have been assigned to Judge Albright).

⁴ Id. (noting that over the past six months roughly 25% of U.S. patent cases have filed in W.D. Tex, and that almost all of these have been assigned to Judge Albright).

⁵ See Anderson & Gugliuzza, supra n. 1, at 3, 29 (noting that since his appointment, Judge Albright "has spoken at patent law conferences, been the keynote speaker at dinners hosted by patent valuation companies, appeared on law firm webcasts about patent litigation, and presented at numerous patent bar events, all with the express purpose of encouraging patentees to file suit in his court.").

Judicial Conference Schedule



Judge Mauskopf

Judge Mauskopf, who is the Director of the Administrative Office and serves as Secretary of the Judicial Conferencey, announced in December 2021 that a review has been launched, and the results and recommendations will be provided by May 2022.

Full Conference of the Judicial Conference will be held on September 2022.



Jitsuro Morishita Partner

Tokyo: 03-4578-2530 Mobile: 070-1498-0066

jitsuro.morishita@morganlewis.com

Jitsuro Morishita devotes his practice to resolving complex global disputes in the areas of intellectual property, antitrust, governmental investigations, environmental issues, and labor.

Early in his career, he worked in-house for two global technology companies, Pioneer Corporation and Fujifilm Corporation, bringing unique expertise to advocate using profound understanding of Japanese company cultures.

Jitsuro is devoted to bringing his clients (i) easy communication using excellent communication skills, (ii) pleasant surprises from creative and out-of-the-box ways of thinking, and (iii) deep satisfaction through great results and client-friendly experiences.