

ALERT

Federal Circuit Patent Bulletin: *Tyco Healthcare Grp. LP v. Ethicon Endo-Surgery, Inc.*

December 4, 2014

"[N]either § 102(g) nor § 103 make prior reduction to practice the only avenue through which § 102(g) prior art can constitute prior art under § 103."

On December 4, 2014, in *Tyco Healthcare Grp. LP v. Ethicon Endo-Surgery, Inc.*, the U.S. Court of Appeals for the Federal Circuit (Prost,* Reyna, Hughes) affirmed-in-part, reversed-in-part, and vacated-in-part the district court's judgment that certain claims of U.S. Patents No. 6,682,544, No. 6,063,050, and No. 6,468,286, which related to a surgical device that employs ultrasonic energy to cut and coagulate tissue in surgery, were not invalid due to obviousness under 35 U.S.C. § 103, and that other claims of these patents were invalid as anticipated under 35 U.S.C. § 102(g). The Federal Circuit stated:

Under § 102(g), Ethicon can establish that its Prototype was prior art by proving "either that it reduced its invention to practice first or that it conceived of the invention first and was diligent in reducing it to practice." "[T]he test for conception is whether the inventor had an idea that was definite and permanent enough that one skilled in the art could understand the invention." Though the inventor should have "a specific, settled idea," the inventor "need not know that his invention will work for conception to be complete. He need only show that he had the idea" To establish diligence in reduction to practice, the "basic inquiry is whether . . . there was reasonably continuing activity to reduce the invention to practice." And, the inventor must not abandon, suppress, or conceal the invention after he or she reduces it to practice. The filing of a patent application is constructive reduction to practice of the invention disclosed therein, and failing to file such an application within a reasonable time after first making the invention may constitute such abandonment, suppression, or concealment. . . .

[T]he Ethicon Prototype, originated by Ultracision and perfected by Ethicon, existed in the form of detailed drawings and physical embodiments in 1996, before Tyco's conception date of January 1997. Based on this evidence and corroborating testimony, there was a "definite and permanent idea" of an ultrasonic surgical device that could cut and coagulate and fit down a five millimeter trocar. This idea persisted despite Ethicon's limited design changes to only the cam mechanism and blade size, which is not a feature that the twenty-six anticipated claims recite. Ethicon's design changes therefore do not preclude the district court's finding of prior conception.

The district court also correctly determined that the record established Ethicon's "reasonable continuing activity" to reduce the invention to practice from April 1996 to the filing of the application in October 1997. Contrary to Tyco's assertion, there was no gap in this activity between September 1996 and February 1997, as the record contains lab results, reports showing due dates and milestones, and similar types of evidence demonstrating diligent reduction to practice within the relevant time period. Tyco does not dispute the district court's correct determination that the record is "devoid of any evidence that Ethicon 'unreasonably delayed' the public disclosure of its invention," and that Ethicon therefore did not abandon, suppress, or conceal it "once it had reduced it to practice." . . .

The obviousness determination requires an objective analysis, which focuses on what a person of ordinary skill would have known at the time of invention. . . . The district court erred when it inconsistently applied § 102(g) to the Ethicon Prototype by not requiring prior reduction to practice for anticipation purposes but requiring it for the obviousness analysis. The clear language of § 102(g) does not require prior reduction to practice so long as the inventor can prove that he or she conceived of the invention first and was diligent in later reducing it to practice. Here, the district court already determined that the Ethicon Prototype satisfied this statutory provision when it held that the prototype anticipates the other twenty-six asserted claims. . . . We therefore hold that neither § 102(g) nor § 103 make prior reduction to practice the only avenue through which § 102(g) prior art can constitute prior art under § 103. . . .

Furthermore, the clear language of § 102(g) and § 103 contains no requirement that a prior invention under § 102(g) be "known to the art" or the patentee at the time of invention to constitute prior art under § 103. . . . This specific requirement in § 102(g) sufficiently encourages public disclosure and aligns with the intent of our patent laws. In addition, the provisions of § 103 themselves provide further support for this conclusion. For instance, § 103(c) creates an exception (though inapplicable here) for when § 102(g) prior art may not qualify as prior art for obviousness purposes. The presence of this exception strongly indicates that the statute itself contemplates that § 102(g) prior art may constitute prior art under § 103. Thus, absent the application of a statutory exception, § 102(g) prior art may serve as prior art under § 103. The district court should have

therefore considered the Ethicon Prototype as prior art for obviousness purposes, having already determined that the prototype is prior art under § 102(g).

Claims would have been obvious if they are nothing more than a combination of familiar elements that yield predictable results. . . . When a claimed invention involves a combination of elements, however, any need or problem known in the relevant field of endeavor at the time of invention can provide a reason to combine. Moreover, the prior art need not address the exact problem that the patentee sought to resolve. . . .

The parties do not dispute that both the Davison patent and the Ethicon Prototype disclose ultrasonic surgical devices, a fact which situates them clearly within a common field of endeavor. While the Ethicon Prototype employs a straight blade instead of the claimed curved blade, the Davison patent discloses a “curved” blade-clamp configuration. A person of ordinary skill would have been readily motivated to employ the disclosed benefits of Davison’s curved blade in the Ethicon Prototype, which includes treating tissue at “awkward angles of approach.” Thus, the Curved Claims are invalid under § 103 because, in view of the Davison patent, it would have been obvious to one of ordinary skill to replace the straight blade of the Ethicon Prototype with a curved blade.