

Collateral Estoppel Bars Assertion of Patent Claims That Do Not “Materially Alter the Question of Invalidity” Relative to Claims Invalidated in IPR Proceedings



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On April 4, 2019, Chief Judge Patti Saris of the United States District Court for the District of Massachusetts held in [Intellectual Ventures I, LLC v. Lenovo Group Ltd.](#) that a final determination of invalidity in *inter partes* review proceedings (“IPR”) collaterally estops the patent owner from asserting in district court another claim of the same patent that does not “materially alter the question of invalidity.” The court granted the defendant’s motion for summary judgment of invalidity as to that claim.

Case Overview

Defendant EMC petitioned for IPR of various claims of U.S. Patent No. 6,516,442, including claims 1, 12, and 24.

In parallel district court litigation, the patent owner served infringement contentions asserting the same claims 1, 12, and 24, as well as claim 11 that was not the subject of the IPR.

After the Patent Trial and Appeal Board (“PTAB”) instituted the IPR, the PTAB found all of the instituted claims unpatentable as obvious and the patent owner did not appeal. Because claim 11 was not addressed or invalidated in the IPR, however, it remained asserted in the district court litigation.

In the district court, defendant EMC filed a motion for summary judgment of invalidity arguing that (i) the plaintiff was collaterally estopped from asserting claim 11 and (ii) claim 11 was obvious as a matter of law in light of the same prior art addressed in the IPR. The court granted defendant’s motion on ground (i) and did not reach ground (ii).

The Court’s Holding

Citing the precedents of *Soverain Software LLC v. Victoria's Secret Direct Brand Mgmt., LLC*, 778 F.3d 1311, 1319 (Fed. Cir. 2015) and *Ohio Willow Wood Co. v. Alps S., LLC*, 735 F.3d 1333, 1342 (Fed. Cir. 2013), Chief Judge Saris held that identity of claims was not required for a dependent claim to be subject to collateral estoppel (issue preclusion) on the question of invalidity. Rather, the appropriate inquiry was whether the further limitation(s) of the claim “materially alter[ed] the question of invalidity.”

In granting defendant’s motion for summary judgment, Judge Saris held that the recited limitations of claim 11—requiring microprocessors and a memory device in a system designed to work in conjunction with these devices—did not materially alter the question of invalidity relative to claims addressed and invalidated in the IPR. The Court held that the patent owner had a full and fair opportunity to litigate the invalidity issue in the IPR, as evidenced by the court’s conclusion that the disclosure of the prior art reference (Reschke) found to invalidate independent claim 1 for obviousness in the IPR appeared to apply with equal force to invalidate dependent claim 11. Accordingly, the court held that the patent owner was collaterally estopped from asserting claim 11 in district court.

To explain, claim 11 recited two claim elements in addition to those of claim 1:

11. The shared-memory multi-processor system of claim 1 further comprising the microprocessors and the memory device.

As reflected in the language of claim 11 (“further comprising the microprocessors and the memory device”), claim 1 itself recited but did not claim the processors and the memory device, which formed the antecedent basis for claim 11.

Chief Judge Saris analogized the facts to those in *Soverain v. Victoria’s Secret*, wherein:

“[t]he Federal Circuit ruled that the assertion of the dependent claim was barred by issue preclusion because the patentee did not invent the Internet, hypertext, or URL, and therefore the ‘routine incorporation of Internet technology into existing processes’ could not work to make claim 39 valid when claim 15 was invalid.”

Judge Saris held that “[s]imilarly, here [the patent owner] does not explain why the incorporation of microprocessors and a memory device to the shared-memory multiprocessor system in claim 1 works to make claim 11 nonobvious.” The court cited statements from the IPR suggesting, in the court’s view, that the added subject-matter of claim 11 was obvious and that the invalidity issue had been addressed in all material respects in the IPR.

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