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Spotlight on Upcoming Oral Arguments – October 2021

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The following telephone arguments will be available to the public live. Access information will be available by 9 AM ET each day of argument here.

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***Qualcomm Incorporated v. Intel Corporation*, No. 20-1587**

After Qualcomm Incorporated asserted its U.S. Patent No. 8,698,558 ("the '558 patent") against Intel Corporation in the Southern District of California, Intel petitioned for *inter partes* review of several claims ("the challenged claims") of the '558 patent. The Patent Trial and Appeal Board issued a Final Written Decision finding the challenged claims invalid as obvious over the Choi 2010 reference and two other references. The Board rejected Qualcomm's argument that Choi 2010 teaches away from the claimed invention and the combination of Choi 2010 with the other references rested on impermissible hindsight. Qualcomm appeals.

Qualcomm argues the Board's discussions of its teaching away and hindsight arguments in the FWD did not satisfy the Administrative Procedures Act ("APA"). According to Qualcomm, the Board discussed its teaching away argument in a single paragraph consisting of four conclusory sentences and a fifth sentence misstating the law. The conclusory sentences, Qualcomm argues, merely stated the Board did not find teaching away, but failed to "articulate a satisfactory explanation for its action including a rational connection between the facts found and the choice made," as the APA requires, citing *In re NuVasive, Inc.* And the Board erred by requiring, for teaching away, that Choi 2010 foresee the invention that was later made and warn against it; teaching away, Qualcomm argues, exists under *TecAir, Inc. v. Denso Mfg. Mich. Inc.* because a skilled artisan reading Choi 2010 "would be led in a direction divergent from the path that was taken" to reach the invention. Regarding hindsight, Qualcomm argues, the Board merely repeated Intel's position and adopted it as its own, which the Federal Circuit held in *Cutsforth, Inc. v. MotivePower, Inc.* is insufficient to satisfy the APA.

Intel responds that the Board's discussions of teaching away and hindsight in the FWD satisfy the APA. Regarding teaching away, Intel argues the Board's reasoning was clear: the Board rejected

Qualcomm's characterization of what Choi 2010 teaches and found that what Choi 2010 does teach would not have discouraged a skilled artisan from reaching the invention. Intel argues the Board's hindsight analysis identified reasons why a skilled artisan would have been motivated to combine Choi 2010 with the other references and cited evidence to support these reasons.

***Qualcomm Incorporated v. Intel Corporation*, No. 20-1828**

Qualcomm asserted its U.S. Patent No. 8,838,949 ("the '949 patent") against Apple Inc. in the Southern District of California and at the International Trade Commission, alleging infringement by Apple products that contain baseband processors manufactured by Intel. While these suits were ongoing, Intel petitioned for IPR of the '949 patent, naming Apple as a real-party-in interest. Apple and Qualcomm subsequently settled both suits. The Board's Final Written Decision found some claims were unpatentable but others were not.

Intel appealed the Board's decision as to the surviving claims, and Qualcomm moved to dismiss the appeal for lack of standing. The Federal Circuit denied Qualcomm's motion without prejudice and directed the parties to address standing in the merits briefing.

Intel argues it has standing to appeal. According to Intel, it suffers injury in fact because it faces a concrete, particularized, and sufficiently imminent risk that Qualcomm will allege infringement of or otherwise use the '949 patent to constrain Intel's and its customers actions. Intel points to Qualcomm's infringement theories in the suits against Apple, arguing Qualcomm there mapped the '949 patent to Intel's baseband processors, which creates a sufficient threat that Qualcomm will accuse Intel of infringement in the future. Intel argues Qualcomm has refused to provide a covenant not to sue Intel, despite its settlement with Apple. It argues, should Qualcomm sue Intel, Qualcomm will likely argue Intel is estopped by this IPR from challenging the '949 patent. Finally, Qualcomm urges the Federal Circuit to recognize competitive standing, arguing the Board's FWD has tilted competition for baseband processors in Qualcomm's favor.

Qualcomm responds that Intel lacks standing to appeal. It argues Intel fails to show any risk that its products infringe the '949 patent. According to Qualcomm, the accused products in the suits against Apple were Apple's phones, not Intel's baseband processors. Qualcomm's infringement theories, it argues, mapped the claims to Apple components and Intel baseband processors together. Further, Qualcomm agues, Intel does not point to any affirmative acts taken by Qualcomm to suggest a risk of imminent harm, and a refusal to provide a covenant not to sue is not sufficient to create an actual controversy. The risk Intel suggests, Qualcomm argues, is purely speculative. It argues the Federal Circuit held in *AVX Corp. v. Presidio Components, Inc.* that IPR estoppel is not a sufficient basis for standing. Finally, Qualcomm argues the Federal Circuit has already rejected competitive standing as an independent basis for an IPR Petitioner's Article III standing.

***Interactive Wearables, LLC v. Polar Electro Oy*, No. 21-1491**

Interactive Wearables, LLC ("IW") asserted related U.S. Patent Nos. 9,668,016 ("the '016 patent") and 10,264,311 against Polar Electro OY and Polar Electro Inc. (collectively "Polar") in the Eastern District of New York. Polar moved to dismiss for failure to state a claim, arguing both patents were ineligible under 35 U.S.C. § 101. Finding claim 32 of the '016 patent was representative of all claims both patents, the district court determined all claims were directed to the abstract idea of "consulting a TV guide" or "obtaining more information about a program while viewing it" and "merely invoke conventional and generic components arranged in a conventional manner." The district court granted Polar's motion, and IW appeals.

IW argues the district court's *Alice* analysis was flawed. According to IW, the district court "stripped away every concrete component and feature of the claimed content-player/remote combination" and, in doing so, viewed the claims at too high a level of abstraction. IW argues the claims are directed not to the abstract idea but to the physical combination of the content-player/remote combination. IW argues the district court improperly conducted its own Internet search and disregarded prosecution history evidence in finding the claimed combination is merely "conventional and generic components arranged in a conventional manner."

Polar responds the district court properly granted its motion to dismiss because the claims recite using conventional components (a receiver, processor, memory, displays, a content player, and a remote control) to retrieve information for a media consumer. At *Alice* step one, Polar argues the claims, like those found ineligible in *Electric Power Group, LLC v. Alston S.A.*, merely recite the abstract idea of "collecting, analyzing, and displaying information." At *Alice* step two, Polar argues the claimed combination of components is conventional and nothing in the patents suggests they are not. According to Polar, the district court's analysis was consistent with *Charge Point, Inc. v. SemaConnect, Inc.*, which requires the court to look to the focus of the purported invention and not to any physical components acting as conduits for the abstract idea.

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