PATTON BOGGS LLP

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Solicitor General's Brief Suggests That Proof of Infringement by a Patent Owner Does Not Require a Heightened Standard

Intellectual Property Client Alert

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The Solicitor General suggested that the Supreme Court should deny certiorari in the matter of *Saint-Gobain Ceramics v. Siemens Med. Solutions USA Inc*., No. 11-301 because the Federal Circuit applied the appropriate standard – preponderance of the evidence – even in the narrow circumstance in which a product that "incorporates a patented improvement is alleged to infringe an earlier patent under the doctrine of equivalents."

Siemens Medical Solutions USA, Inc. (Siemens) is the owner of U.S. Patent No. 4,958,080 ('080 patent). Siemens also develops, manufactures and sells Positron emission tomography (PET) scanners. PET is a nuclear medical imaging technique that provides images and information about the chemical structure and function of a patient's organ systems. The scintillator crystals in Siemens' PET scanners consist of cerium-doped lutetium oxyorthosilicate (LSO). Saint-Gobain Ceramics & Plastics, Inc. (Saint-Gobain) manufactures and sells scintillator crystals for use in PET scanners under a non-exclusive license to U.S. Patent No. 6,624,420 ('420 patent). Saint-Gobain's crystals consist of cerium-doped lutetium-yttrium orthosilicate (LYSO), which differs chemically from LSO in that 10 percent of the lutetium atoms are substituted with yttrium atoms. Siemens filed a suit against Saint-Gobain in the United States District of Delaware for contributory and induced infringement of the '080 patent, which claimed a "detector comprising a scintillator composed of a transparent single crystal of cerium-activated lutetium oxyorthosilicate" (LSO).

The District Court instructed the jury that they could find infringement by Saint-Gobain under the doctrine of equivalent of the '080 patent using a preponderance of the evidence standard, rather than the higher "clear and convincing" evidence standard requested by Saint-Gobain. The jury returned a verdict finding Saint-Gobain liable for infringement and assessed damages. On appeal, the Federal Circuit affirmed the jury's decision and a divided court denied the petition for rehearing *en banc*. Saint-Gobain filed a petition to the Supreme Court to review the Federal Circuit's decision.

Saint-Gobain contended that the "clear and convincing standard," a heightened standard of proof, should apply in circumstances where a jury finding of infringement under the doctrine of equivalents would operate as "a de facto finding" that a later-issued patent was invalid. In response, Siemens opposed the petition for certiorari. The Supreme Court then invited the Government to file a brief expressing its views.

On April 25, the Solicitor General filed the Government's brief, arguing that a variable standard of proof would be fraught with difficulties. The Solicitor General also argued that possibility of cases in which the issues of infringement and the validity of later-issued patents would be linked was extremely rare. Finally, the Solicitor General argued that the Supreme Court in *Microsoft Corp. v. i4i Ltd. Partnership*, 131 S. Ct. 2238 (2011), rejected a variable standard of proof for challenges to patent validity, emphasizing the need to avoid analogous practical burdens. In the *Microsoft* case, the Supreme Court further explained that rather than inject uncertainty into the legal formulation of the standard of proof, district courts could accommodate relevant factual variations in each case by instructing the jury on the weight that may be accorded to particular types of evidence.

The Court has not yet decided the certiorari petition. Patton Boggs will monitor the case.