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IP Update

A Summary of the Supreme Court's *Microsoft Corp. v. i4i Limited Partnership* Decision

June 14, 2011

On June 9, 2011, the Supreme Court decided, 8-0 (Justice Roberts recused himself), that the Patent Act requires invalidity to be proven by “clear and convincing” evidence. *Microsoft Corp. v. i4i Limited Partnership*. In an opinion written by Justice Sotomayor (which was joined in by all of the Justices who participated in the case except Justice Thomas), the Court concluded that when Congress stated in § 282 of the Patent Act of 1952 that a patent is “presumed valid,” the presumption of validity had a “settled meaning,” according to which “a defendant raising an invalidity defense bore ‘a heavy burden of persuasion,’ requiring proof of the defense by clear and convincing evidence.” The Court thus held that in passing the 1952 Act, Congress codified the settled meaning of the presumption, including the heightened standard of proof, irrespective of the fact that § 282 “fails to reiterate it expressly.”

The Court also rejected Microsoft’s alternative argument that the preponderance standard should at least apply in those situations where the evidence relied on to establish invalidity was not before the PTO. The Court held that, where

appropriate, “the jury may be instructed to consider that it has heard evidence that the PTO had no opportunity to evaluate,” and that it may “consider that fact” when deciding whether the clear-and-convincing standard has been met.

There were two concurring opinions supporting the same outcome. Justice Breyer wrote a concurring opinion (joined in by Justices Scalia and Alito) in which he joined the Court’s opinion “in full” but wrote separately to emphasize that the clear-and-convincing standard applies only to questions of fact and not to legal questions. And Justice Thomas wrote a concurring opinion in which he reached the same result as the Court, but based on the Court’s prior cases rather than on the idea that Congress codified a standard of proof when it stated in the 1952 Act that a patent is “presumed valid.”

Microsoft Corp. v. i4i Limited Partnership Supreme Court Decision, 6.9.2011

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