

No. 20-440

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IN THE  
**Supreme Court of the United States**

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MINERVA SURGICAL, INC.,  
*Petitioner,*

*v.*

HOLOGIC, INC.,  
*Respondent.*

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ON WRIT OF CERTIORARI TO THE  
UNITED STATES COURT OF APPEALS  
FOR THE FEDERAL CIRCUIT

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**BRIEF FOR PHARMACEUTICAL RESEARCH AND  
MANUFACTURERS OF AMERICA AS AMICUS  
CURIAE SUPPORTING RESPONDENT**

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## **INTEREST OF AMICUS CURIAE**

Pharmaceutical Research and Manufacturers of America (PhRMA) is a voluntary, nonprofit association representing leading research-based pharmaceutical and biotechnology companies.<sup>1</sup>

PhRMA's members are the primary source of the many new medicines introduced each year and play a key role in extending longevity and improving the quality of human life. Given the risky biopharmaceutical research and development process, which has a significant failure rate, and the substantial requirements to demonstrate safety and efficacy of new products, those results come at a significant cost to PhRMA's members. Since 2000, PhRMA members have invested nearly \$1 trillion in the search for new treatments and cures, including an estimated \$83 billion in 2019. PhRMA members make these investments in reliance on a legal system that protects their intellectual property.

PhRMA has no direct interest in the outcome of this appeal. Nevertheless, this case addresses an issue of great importance to PhRMA's member companies, which depend on a robust system of patent rights. PhRMA's members regularly seek patent protection for their products, invest in acquiring patents from inventors or companies that inventors founded or contributed to, and invest in product development based in part on the strength of the patent protections afforded

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<sup>1</sup> PhRMA's members are listed at <http://www.phrma.org/about/members>. No counsel for a party authored this brief in whole or in part, and no entity or person, other than amicus curiae, its members, and its counsel, made a monetary contribution intended to fund the preparation or submission of this brief. Counsel for the parties have consented to the filing of this brief.

to the product. PhRMA believes that preserving assignor estoppel protects and incentivizes the investment that its members have made in lifesaving drug development.

### **SUMMARY OF ARGUMENT**

For over a century, courts have applied the fundamental rule that an inventor who assigns a patent but then continues to practice the invention should not be able to argue that the patent was invalid. Although the doctrine has limits, the core of assignor estoppel has been recognized by this Court, widely applied, and left intact by Congress.

Minerva and its amici primarily focus on this Court's decisions, but it is important not to overlook the breadth of the consensus in the lower courts. This Court was given discretion whether to hear patent cases in 1891, years before that discretion was extended more generally. Like today, this meant that where there was a settled consensus on a proposition of patent law, this Court was less likely to address the question. Disregarding lower court cases in considering the backdrop to the Patent Act of 1952 would thus, ironically, disregard some of the most settled legal principles.

In light of the long history of applying assignor estoppel, established reliance interests strongly counsel against the abrogation of the doctrine. Parties have made irreversible business decisions on the understanding that assignor estoppel will be available. Businesses have chosen to publicly disclose their inventions in exchange for patent protection rather than keep them secret, forgoing recourse to a cause of action in trade secret. They have paid large sums to acquire patents from inventors on the assumption that the inven-

tor and those in privity with the inventor would not be able to practice that same invention while arguing to a jury that the patent was invalid. They have forgone the opportunity to negotiate contractual arrangements with the inventor that could have protected them from the debilitating effect of negative inventor testimony, such as express representations about the patent's validity. They have invested heavily in marketable products based on the belief that the patents covering those products would not be vulnerable to attack from the inventor. And they have watched their employee-inventors move on to new employment without fear that their prized intellectual property was going with them.

Minerva now argues that this Court should revoke assignor estoppel. But given the extent to which parties have ordered their affairs in reliance on that doctrine, revoking it requires a special justification. *Kimble v. Marvel Entm't, LLC*, 576 U.S. 446, 457-458 (2015). Minerva does not have one. Instead, it describes a series of alleged harms that ignore the limits that are already part of the doctrine. Contrary to Minerva's and its amici's arguments, assignor estoppel does not significantly affect patent quality, because it leaves everyone but the inventor and those in privity with the inventor free to challenge the patent's validity. Further, Congress's creation of the *inter partes* review process in 2011 has meant that even inventors and those in privity have been allowed to challenge patentability. 35 U.S.C. § 311; *Arista Networks, Inc. v. Cisco Sys., Inc.*, 908 F.3d 792, 798-804 (Fed. Cir. 2018). In contrast, Congress declined to revoke assignor estoppel in general. Doing so would have fostered injustice and upended settled expectations without benefiting innovation.



It is true that here the inventor's invalidity argument is based not on anticipation or obviousness but on lack of written description or enablement in his original application. But it is normal for claims to be amended and new claims to be drafted while applications are working their way through the Patent and Trademark Office. Here, the inventor benefited from that possibility in the \$8 million he earned when he sold his company. Creating an exemption to assignor estoppel merely because an inventor later disputes the breadth of the disclosure in the original application is not necessary and would prove unworkable in practice.

## **ARGUMENT**

### **I. ASSIGNOR ESTOPPEL IS CONSISTENT WITH THE PATENT ACT**

#### **A. The Patent Act's Text Does Not Preclude Assignor Estoppel**

Since its passage in 1790, the Patent Act has provided that invalidity is a defense to an infringement action. In that time, courts have not found the Act to bar assignor estoppel. Rather, the statute's general invalidity defense and the common law doctrine have coexisted, and Congress has chosen to leave the statutory language materially unchanged. Where Congress has legislated against the backdrop of an established common law doctrine, and even "spurned multiple opportunities to reverse" that doctrine, this "supports leaving [the doctrine] in place." *Kimble v. Marvel Entm't, LLC*, 576 U.S. 446, 456-457 (2015); *City of Newport v. Facts Concerts, Inc.*, 453 U.S. 247, 263-264, 271 (1981). This Court should not, therefore, read the Patent Act's general invalidity defense as abrogating assignor estoppel.

When a doctrine is “well established at common law,” this Court “assum[es] that ‘Congress would have specifically so provided had it wished to abolish the doctrine.’” *Newport*, 453 U.S. at 263-64. Accordingly, this Court has repeatedly applied equitable doctrines alongside a statute’s plain language. See *Impression Prods., Inc. v. Lexmark Int’l, Inc.*, 137 S. Ct. 1523, 1531-1535 (2017) (doctrine of patent exhaustion applies despite the general statutory rule that patents convey a right to exclude); *Young v. United States*, 535 U.S. 43, 49-50 (2002) (equitable tolling principles permit IRS’s attempt to collect a tax debt even though the debt would have been considered discharged under the statutory text); *Newport*, 453 U.S. at 258-271 (common law rule forbidding punitive damages in suits against municipalities applies to limit the general authorization of municipal liability in 42 U.S.C. § 1983); *Sorrels v. United States*, 287 U.S. 435, 445-450 (1932) (equitable entrapment defense is available despite the fact that the applicable statute did not provide for it).

When this Court addressed assignor estoppel in 1924, it recognized the doctrine in the context of statutory language that was materially the same as it is now. See *Westinghouse Elec. & Mfg. Co. v. Formica Insulation Co.*, 266 U.S. 342 (1924). In *Westinghouse*, and in the many years before it, the Patent Act’s statutory language governing invalidity as a defense to infringement contained essentially the same language on which *Minerva* now bases its textual argument. See Act of April 10, 1790, Pub. L. No. 1-7, § 6, 1 Stat. 109, 111-12 (“[I]n all actions to be brought” by a patentee for infringement, the defendant may raise invalidity defenses); Act of February 21, 1793, Pub. L. No. 2-11, §§ 5-6, 1 Stat. 318, 322 (the defendant in an infringement action “shall be permitted to” raise invalidity defenses); Act of

July 8, 1870, Pub. L. No. 41-230, § 61, 16 Stat. 198, 208 (the defendant “in any action for infringement” may raise invalidity defenses). But, far from finding that Congress had abolished assignor estoppel, this Court considered the doctrine of assignor estoppel “well settled.” *Westinghouse*, 266 U.S. at 349.

Since *Westinghouse*, Congress has chosen not to reject the doctrine despite numerous opportunities. In 1952, Congress opted for continuity when it stated that invalidity “shall be [a] defense[] in any action involving the validity or infringement of a patent.” 35 U.S.C. § 282(b); see Act of July 19, 1952, Pub. L. No. 82-593, § 282, 66 Stat. 792, 812 (codified at 35 U.S.C. § 282(b)). That language does not reject assignor estoppel. The terms “shall” and “in any action” had existed in much older versions of the Patent Act. As this Court implied in *Westinghouse*, the statute’s general rule did not disturb the ordinary operation of background estoppel principles. And it certainly did not speak to the fundamental fairness of an inventor’s decision to continue to practice an invention previously sold while arguing that the invention sold was worthless.

In 2011, nearly 60 years after the Patent Act’s current language became law, Congress again revamped the patent law system, and again, did so against the backdrop of the well-established doctrine of assignor estoppel. See 5 Matthews, *Annotated Patent Digest* § 35:15 (2008) (“It is well settled that an assignor of a patent may not raise the defense to a subsequent infringement action that the patent is invalid[.]”); *Diamond Sci. Co. v. Ambico, Inc.*, 848 F.2d 1220, 1224 (Fed. Cir. 1988); Deller, 4 *Deller’s Walker on Patents* (2d ed. 1965) § 357, at p.435 (2d ed. 1965) (“An assignor is estopped to deny the utility, novelty, or validity of

the invention assigned.”). Congress again chose not to revoke assignor estoppel. If there is a problem with assignor estoppel that should be fixed, parties like Hologic “can take their objections across the street, and Congress can correct any mistake it sees.” *Kimble*, 576 U.S. at 456.

### **B. Consensus Among The Lower Courts Weighs In Favor Of Assignor Estoppel**

While *Minerva* and its amici focus on *Westinghouse* and *Scott Paper Co. v. Marcalus Manufacutring Co.*, 326 U.S. 249 (1945)—the only two cases in which this Court was asked to apply assignor estoppel—they overlook the longstanding consensus in the lower courts applying the doctrine. That consensus existed in 1952, when Congress created today’s statutory language governing validity. It makes clear that Congress chose not to abrogate assignor estoppel.

There is and has been a longtime consensus in the lower courts in favor of assignor estoppel. In 1924, this Court cited six cases applying the doctrine, and acknowledged “later cases in nearly all the Circuit Courts of Appeal to the same point.” *Westinghouse*, 266 U.S. at 349. It explained, “In view of the usual finality of patent decisions in the Circuit Courts of Appeal, this court will not now lightly disturb a rule well settled by 45 years of judicial consideration and conclusion in those courts.” *Id.*

Treatises from before *Westinghouse* also reflect this consensus. See, e.g., 3 Robinson, *The Law of Patents for Useful Inventions*, § 981, at pp.182-183 & n.12 (1890) (“The relation that subsists between a transferor or transferee of any interest in a patented invention is also ground for an estoppel in a court of law, in any case

where the transferor is plaintiff, and in his suit he must attack either the existence or validity of the transfer he has made.”); Walker, *Text-Book of the Law of Patents for Inventions* § 469, at p.546 (5th ed. 1917) (“[W]here an assignor or grantor of a patent right, afterward infringes the right which he conveyed, he is estopped by his conveyance from denying the plaintiff’s title, or the validity of the patent, when sued for its infringement[.]”).

By nature of its limited jurisdiction, this Court has only once been asked to address the doctrine since *Westinghouse*, but avoided doing so. *Scott Paper*, 326 U.S. at 254 (finding it “unnecessary to pursue these logical refinements, or to determine whether, as respondent asks, the doctrine of estoppel by patent assignment as stated by the [*Westinghouse*] case should be rejected”). However, in the lower courts, which confront a much higher volume of patent suits, there has been a broad consensus in favor of assignor estoppel, including after *Scott Paper*. See, e.g., *Deller’s Walker on Patents* § 357, at p.435 (“An assignor is estopped to deny the utility, novelty, or validity of the invention assigned.”); *Timken-Detroit Axle Co. v. Alma Motor Co.*, 163 F.2d 190, 191 (3d Cir. 1947); *Hope Basket Co. v. Product Advancement Corp.*, 187 F.2d 1008, 1012 (6th Cir. 1951) (“Th[e] basic rule of estoppel may have been somewhat modified by the ruling in *Scott Paper Co.*...but it was not abolished.”).

When Congress passed the Patent Act of 1952, it legislated against the background of this consensus in the lower courts. The lower courts’ decisions were particularly important because, while this Court had mandatory jurisdiction over many areas of law until 1925, its jurisdiction over patent laws had been discretionary

since 1891. *See* Act of March 3, 1891, Pub. L. No. 51-517, § 6, 26 Stat. 826, 828 (“[T]he judgments or decrees of the circuit courts of appeals shall be final...in all cases arising under the patent laws” unless the court of appeals decides to “certify to the Supreme Court of the United States any questions or propositions of law” or the Supreme Court chooses “to require, by certiorari or otherwise, any such case to be certified to the Supreme Court for its review and determination”). Thus, when Congress evaluated the state of patent law in 1952, it looked back on 61 years in which this Court had rarely intervened. As a result, many of the most important issues in patent law had been resolved not by decisions in this Court but by consensus in the Courts of Appeals. That is why this Court cited “the usual finality of patent decisions in the Circuit Courts of Appeal” when it said “this court will not now lightly disturb a rule well settled by 45 years of judicial consideration and conclusion in those courts.” *Westinghouse*, 266 U.S. at 349.

The Court has often concluded in other contexts that Congress intended to codify a consensus among the courts of appeals. *See, e.g., United States v. Hayes*, 555 U.S. 415, 424-425 (2009); *Bragdon v. Abbott*, 524 U.S. 624, 644-645 (1998); *Cannon v. University of Chi.*, 441 U.S. 677, 696-698 (1979). Indeed, like today, the more settled the consensus on a proposition of law, the less likely this Court was to address the question. Therefore, disregarding those lower court cases would, ironically, disregard some of the most settled principles of patent law.

## II. ABROGATING ASSIGNOR ESTOPPEL WOULD UPSET SETTLED EXPECTATIONS

The longstanding application of assignor estoppel continues today. *See, e.g.*, 5 Matthews, *Annotated Patent Digest* § 35:15 (“It is well settled that an assignor of a patent may not raise the defense to a subsequent infringement action that the patent is invalid[.]”); *Diamond Sci.*, 848 F.2d at 1224. Abrogating the doctrine now would upset settled expectations in an area of law where reliance interests are “at their acme” because “parties are especially likely to rely on such precedents when ordering their affairs.” *Kimble*, 576 U.S. at 457.

Companies are naturally apprehensive about bringing a patent suit in which the inventor of the very patent being asserted or a party in privity with that inventor would challenge the inventor’s own patent as invalid. Without assignor estoppel, companies that have acquired patents would thus be left with a Hobson’s choice between risking the undue weight likely to be assigned to the identity of the party mounting a validity challenge and allowing the inventor and those in privity to infringe the patent.

In light of this prospect, parties may have relied on assignor estoppel in several ways. First, they may have relied on its availability in deciding to patent inventions in the first place. Businesses frequently face a strategic choice between publicly disclosing their private discoveries in exchange for a defined term of patent protection or keeping them secret and relying on actions for trade secret misappropriation for protection. In addition to having no time limit, the latter would be enforceable against the inventor. *See, e.g.*, *Winston Research Corp. v. Minnesota Mining & Mfg. Co.*, 350 F.2d 134, 140 (9th Cir. 1965) (noting employee is bound by an

agreement not to disclose ideas he himself contributed to the employer). In choosing to patent their developments rather than to keep them secret, it is likely that many businesses relied on the ability to enforce patents against their inventors. The public has benefited from the corresponding public disclosures of their ideas. It would be unfair to change the terms of that bargain now.

In addition to upending reliance interests, a resort to trade secret protection would harm innovation. The public's exchange for the grant of a limited monopoly is the free disclosure of ideas, which in turn fuels more innovation. See *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 480-481 (1974) (disclosure of invention stimulates further innovation, and the patent system permits the public to eventually practice the idea for free). If businesses instead protect their ideas with trade secrets, these benefits are lost.

Second, businesses may have paid more for patents based on the assumption that assignor estoppel would be available. This case is illustrative. The inventor received \$8 million when he sold his company and the invention in this case against the backdrop of settled law. If Hologic could have predicted that the inventor and his new company would lead a validity challenge in district court, it may not have agreed to pay what it did to acquire his intellectual property.

For this reason, the abolition of assignor estoppel could hurt small companies and start-ups, contrary to the claims of Minerva's amici. If a small company's patent has a lower value because the assignee fears that the inventor could testify to the jury that the patent is invalid, then the company will be worth less than it would otherwise. An enforceable patent provides secu-



urity for investors, particularly in small companies and start-ups, thereby encouraging early investments and acquisitions. *See, e.g.,* Cao & Hsu, *The Informational Role of Patents in Venture Capital Financing* 5 (2011) (reporting that firms with successful patent applications before receiving venture capital money receive “7 million U.S. dollars more in total VC investment” and “funding from 35% more VC funds”).

Third, assignor estoppel has reduced the need to demand that inventors sign an affidavit or otherwise expressly warrant the patent’s validity. Such express representations might help offset the impact of the inventor’s self-serving testimony in court, but because there had been no need to take these defensive measures in light of longstanding law, many companies may not have sought them. A change in the law thus could leave such companies exposed to new risks after the opportunity to mitigate those risks has passed.

Fourth, companies may have invested in product development with the understanding that the inventors on patents that cover the products would not be able to challenge the patents’ validity. Particularly where an inventor has left the company to form a competitor, this consideration can be significant in a choice to invest in one product over another.

Fifth, absent assignor estoppel, companies may have negotiated different business relationships with the inventors of their patents. The nature of assignor estoppel offers companies comfort when the inventors on their patents move on to new opportunities because companies have some assurance that the inventor will not use the intellectual property they purchased against them. If that assurance were weakened, companies might have protected themselves in other ways,

including by employing inventors for longer periods after an acquisition of a smaller company, negotiating other ongoing business relationships with them, or relying on more restrictive non-compete agreements.

Accordingly, it is not the case, as some amici suggest, that assignor estoppel inhibits innovation and mobility. *See e.g.*, Petitioner Br. 39; Law Prof. Amicus Br. 10; Engine Advocacy Amicus Br. 8-9, 15-16; N.Y. Bar Ass'n Amicus Br. 16. By bolstering the prospect that inventors will not undermine companies' intellectual property, assignor estoppel gives companies more confidence and allows for shorter and less restrictive relationships between inventors and companies where mutually desired, facilitating mobility.

Even if some of the foregoing harms could be remedied by negotiating new arrangements, many are irreparable. Patents and companies have been paid for; employment decisions have been made. Many of those decisions cannot be undone.

Recognizing that parties operating “at the intersection of two areas of law: property (patents) and contracts” are “especially likely to rely” on the state of the law “when ordering their affairs,” this Court has held that reliance interests are “at their acme” in this context. *Kimble*, 576 U.S. at 457. As a result, Congress, not the judiciary, is in the best position to balance competing policy concerns. Congress is better equipped to weigh policy arguments by holding hearings and commissioning studies, rather than relying on the limited information that can be provided to the Court in the context of this case. Congress is accountable if the decision it makes is inconsistent with public priorities. And any legislative changes could be applied prospectively, reducing reliance concerns.

### III. ASSIGNOR ESTOPPEL HAS BUILT-IN SAFEGUARDS

While Minerva and its amici contend that assignor estoppel contributes to an abundance of invalid patents and stifles innovation by constraining inventors, safeguards built into the equitable doctrine prevent these harms.

Minerva's amici cite outdated attacks on patent quality that, in addition to other flaws, do not account for recent statutory and judicial changes that have expanded opportunities to challenge patent validity. For example, in 2011, Congress created the *inter partes* review process, permitting anyone accused of infringement to petition the Patent and Trademark Office (PTO) to invalidate the asserted patent on the basis that it is obvious or anticipated by prior art. Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011). This Court has also substantially broadened parties' ability to challenge patent validity. *See, e.g., Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 573 U.S. 208 (2014) (instructing the application of a broader standard for ineligible subject matter); *Nautilus, Inc. v. Biosig Instruments, Inc.*, 572 U.S. 898 (2014) (expanding the standard for indefiniteness). Assessments of the economic costs of invalid patents that do not account for these changes are necessarily outdated. *See, e.g.,* Law Prof. Amicus Br. 17-18 (citing studies from 2004 and 2010).

More importantly, assignor estoppel's effect on patent quality is inherently limited. Assignor estoppel prevents only inventors and those in privity with inventors from challenging a patent's validity. Minerva's amici complain that the Federal Circuit has expanded what relationships constitute privity with the assignor. *See, e.g.,* Engine Advocacy Amicus Br. 19-20; N.Y. Bar

Ass'n Amicus Br. 6-7. But this case does not implicate those concerns. It is situated at the heartland of assignor estoppel. Here, the inventor assigned his invention, received \$8 million in compensation when that invention and the company was acquired, and then became the founder and original CEO of the company accused of infringement that wants to challenge the validity of the rights he assigned. This is not an appropriate case to decide other questions of privity or the outer bounds of the doctrine of assignor estoppel. Nor should assignor estoppel be jettisoned based on implementation concerns that could be addressed more directly.

Further, the restraints assignor estoppel imposes on inventors and those in privity are limited. This Court has held that inventors can use the prior art “to construe and narrow the claims” when defending against infringement. *Westinghouse*, 266 U.S. at 351, *Scott Paper*, 326 U.S. at 252. Further, the Federal Circuit decided just over two years ago that an inventor can challenge a patent in *inter partes* review and use the result of a successful petition against the assignee in an infringement suit. *See Arista Networks, Inc. v. Cisco Sys., Inc.*, 908 F.3d 792, 798-804 (Fed. Cir. 2018). That decision may profoundly impact the use of assignor estoppel in district court, as inventors can use the *inter partes* review process to invalidate patents that would have otherwise been used against them.<sup>2</sup>

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<sup>2</sup> The Federal Circuit has not yet addressed whether assignor estoppel applies to post-grant review, another administrative proceeding created by the America Invents Act, which permits a broader range of challenges to patent validity than those permitted in *inter partes* review, including written description challenges, 125 Stat. 284.

Given this changing landscape, the need Minerva and its amici allege for revoking assignor estoppel does not withstand scrutiny. Indeed, these recent changes make it a particularly inopportune moment for this Court to abolish the long-established doctrine of assignor estoppel, and they drive home the importance of leaving decisions regarding the future of assignor estoppel to Congress.

#### **IV. ATTACKS ON CONTINUATION PRACTICE ARE MISGUIDED**

Minerva attacks Hologic for receiving claims based on a continuation application filed after the inventor's involvement with the patenting process ended. Petitioner Br. 42-47. But Minerva's attacks are misplaced. The claims that ultimately issue from a continuation application must be supported by the original disclosure that the inventor made to the PTO. When an inventor assigns a patent application, he accepts the risk that the resulting claims may not be identical to those initially proposed. In any event, the claims here are not materially different from what the inventor proposed.

The patent application process involves a back-and-forth with the PTO. For all applications, the PTO reviews the application's described invention against prior art and reviews the proposed claims against the application's description of the invention (the "specification"). Manual of Patent Examining Procedure (MPEP) §§ 706, 2161-2174, 2185 (June 2020). If the patent examiner finds deficiencies in the application, the applicant has an opportunity to amend the application, including by amending or submitting new proposed claims. MPEP § 714. The applicant may also submit a continuation application, which uses the same specifica-

tion—and thus is based on the same disclosure—as the original, pending application, but has different claims. MPEP § 201.07. Thus, the subject matter of any claims resulting from a continuation application must have already been described in the disclosure of the pending application. 35 U.S.C. § 112. If granted, the patent that results from the continuation application expires at the same time as the pending application—i.e., the continuation application does not restart the clock on the patent term.

It is unusual for a patent to issue with claims that are identical to those initially submitted in the patent application. Typically, an applicant and the patent examiner engage in a series of exchanges that result in amendments to the originally submitted claims and the submission of new claims. The final patent claims may differ in many ways, small and large, from those originally submitted. This allows flexibility in the patenting process, which might otherwise result in rejections of patentable ideas.

Inventors often assign their applications before final patents issue, and thus before the claims are finally determined. An assignment would be significantly less valuable if it encompassed only those claims that the inventor included in the initial application. For this reason, assignor estoppel has generally applied even where the assignment was made before the final claims issued, and even where those claims differed from the claims originally proposed. *Westinghouse*, 266 U.S. at 352-353; *Diamond Sci.*, 848 F.2d at 1226.

An alternative rule that requires courts to evaluate amended or later-added claims against those originally submitted (*see* Petitioner Br. 43-45; U.S. Br. 25, 31) would necessitate a new and likely unworkable

doctrine. Amended or newly added claims can differ from the original claims in many dimensions, such that evaluating the amount of their difference would be practically impossible. This would create confusion, be difficult to apply, and distort the applicant's incentives in proposing initial claims to the PTO.

Such a doctrine is unnecessary. When an inventor assigns a patent application and thus all claims that issue from it, the inventor accepts the risk that the assignee and the PTO will find that the application supports different claims from the ones he proposed. The inventor often benefits from that very possibility in the amount of consideration paid, so that rejecting the application of assignor estoppel in cases like this one would result in a windfall for the inventor. Here, for example, the inventor was compensated for the breadth of his patent application in the \$8 million he earned when he sold his company.

The parties' discussion in this case of the evolution of the patent claims during prosecution illustrates the complexity of attempting to limit assignor estoppel to claims pending at the time of assignment. But if any comparison of the issued claims against the claims that the inventor proposed is relevant, the comparison makes clear that the inventor's proposed claims encompassed what the patent claims today. In his original application, the inventor proposed a claim that was as broad as the claim he now challenges. As Hologic explains (Br. 7-8), this originally proposed claim (claim 31) did not require any means of "moisture transport." A lack of means of moisture transport is exactly the feature of Minerva's product that it argues differentiates it from the patented invention. The inventor now seeks to recharacterize the breadth of his application so his

new company can invalidate the patent and sell a product that directly competes with the invention he assigned. That is precisely what assignor estoppel was designed to prevent. Thus, this case is a particularly inapt vehicle in which to make changes to the doctrine of assignor estoppel.

### CONCLUSION

This Court should not abrogate assignor estoppel. The doctrine is consistent with the Patent Act, has been widely applied for decades, and contains the built-in safeguards discussed above. If any change were required, Congress would be in the best position to make it.

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