

No. _____

In the
Supreme Court of the United States

INNOVATION SCIENCES, LLC,
Petitioner,

v.

AMAZON.COM, INC.,
AMAZON WEB SERVICES, INC.,
Respondents.

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

PETITION FOR WRIT OF CERTIORARI

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QUESTION PRESENTED

In *Washburn & Moen Mfg. Co. v. Beat 'Em All Barbed-Wire Co.*, 143 U.S. 275 (1892) (also known as “*Barbed Wire Patent*”), the Court found the burden to establish prior invention is high, rejected the uncorroborated testimony of two dozen eye-witnesses, and held that contemporaneous documentation was required to prove a patent invalid over an alleged anticipatory prior art reference. That holding was subsequently confirmed in *Eibal Process Co. v. Minnesota & Ontario Paper Co.*, 261 U.S. 45 (1923). More recently, the Court confirmed the long-held view that no patent shall be found invalid by anything less than clear and convincing evidence. *Microsoft Corp. v. i4i Limited Partnership*, 564 U.S. 91 (2011).

In the present case, the Respondents, patent infringement defendants asserting patent invalidity, prevailed at the district court by presenting a hardware system assembled at the instruction of trial counsel in 2019 as an allegedly anticipatory prior art reference. That single reference, however, was first assembled in 2019, more than a decade too late to qualify as prior art in this case. Moreover, that “reference” was actually pieced together from component parts using the asserted patent claims as the construction blueprint, modifying the assembled components to mirror Petitioner’s asserted patent claims. No witness testified that they had seen the combination of components prior to 2019. Despite the absence of any proof that the system assembled in 2019 existed at any earlier time, the United States Court of Appeals for the Federal Circuit upheld the district court’s invalidity finding on the

grounds that the system created in 2019 “was representative of prior-art HAL systems.” 6a-7a, 8a.

The questions presented is:

Whether an inference that a device that *could have existed* before the invention thereof by an inventor is properly treated as an anticipatory reference under 35 U.S.C. § 102 sufficient to prove invalidity under the clear and convincing standard in the absence of any evidence that such a device actually existed prior to the invention’s critical date.

CORPORATE DISCLOSURE STATEMENT

Petitioner Innovation Sciences, LLC is not publicly traded and no publicly traded company owns 10% or more of Petitioner's stock/equity.

STATEMENT OF RELATED PROCEEDINGS

This case arises from an infringement action filed in the United States District Court for the Eastern District of Texas. There are no proceedings in state or federal trial or appellate courts directly related to this case within the meaning of this Court's Rule 14.1(b)(ii).

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PETITION FOR WRIT OF CERTIORARI

A patent should never be invalidated based on nothing more than an inference that an anticipatory prior art reference could have existed. The Court has held that nothing less than clear and convincing will suffice to invalidate a patent. That standard is so high that testimony alone of even more than a dozen witnesses has been found insufficient. Here, Respondents presented no evidence that a single allegedly anticipatory system existed prior to August 2006.

Recognizing the absence of an actual anticipatory reference, Respondents decided to build one. In 2019, in the midst of the on-going litigation, Respondents' counsel worked with their expert and consultant to assemble a communication system. The system they created combined a software product called the HAL2000 with several other components, including: (1) a wireless video camera, (2) drivers used to facilitate wireless communications, and (3) a second software product called the HALpro. Even that was not enough and Respondents' technical expert found it necessary to modify the HAL2000 software itself to make the assembled system operate as claimed by the challenged patents claims. Given its importance to this case, one undisputed fact bears repeating: No one testified that they had seen the system built in 2019 at any time prior to 2019. The 2019 HAL2000-based system was presented to the jury to demonstrate the prior art that *could have been built* and the Federal Circuit affirmed.

This Court's plenary review is necessary to ensure that *i4i*, *Barbed Wire Patent*, and *Eibal*

retain their force and that the statutory structure of the Patent Act is not undermined. In light of the decisions below, there should be no doubt about the importance and recurring nature of the problem. The Federal Circuit's decision below is dangerous and threatens to undermine the statutory structure Congress created. Future infringers have been given the go ahead to build their own after-the-fact devices – in the absence of proof that such devices actually existed in the prior art timeframe - and argue that those after-the-fact devices “represent” an anticipatory prior art reference, even in the absence of proof that such a reference actually existed.

OPINION BELOW

The opinion of the Court of Appeals for the Federal Circuit is not available in a Federal Reporter but is reproduced in the Appendix at 1a-11a. The Federal Circuit's denial of Petitioner's Petition for Rehearing and Rehearing En Banc is reproduced at 12a-13a.

JURISDICTION

Petitioner seeks review of a decision of the United States Court of Appeals for the Federal Circuit (“Federal Circuit”) entered on July 20, 2022. The Federal Circuit denied Petitioner's Petitions for Rehearing and Rehearing En Banc on September 21, 2022.

This Court has jurisdiction in this case under 28 U.S.C. § 1254(1).

**QUOTATION OF STATUTES
INVOLVED IN THE CASE**

35 U.S.C. § 102(a) reads, in relevant part:

Novelty; Prior Art. – A person shall be entitled to a patent unless –

- (1) The claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention;

35 U.S.C. § 120 reads, in relevant part:

An application for patent for an invention disclosed in the manner provided by section 112(a) (other than the requirement to disclose the best mode) in an application previously filed in the United States, or as provided by section 383 or 385, which names an inventor or joint inventor in the previously filed application shall have the same effect, as to such invention, as though filed on the date of the prior application, ...¹

¹ The text of 35 U.S.C. §§ 102 and 120 reprinted here is from the current versions of those statutes as amended by the Leahy-Smith America Invents Act, Public Law 112-29, sec. 3(b) and sec. 15(b), 125 Stat. 284, and in the case of Section 120, as further amended by the Patent Law Treaties Implementation Act of 2012, Public Law 112-211, sec. 102(5), 126 Stat. 1531. The pre-amendment and post-amendment versions of these statutes are substantively the same as they relate to the facts of this case.

35 U.S.C. § 282 reads, in relevant part:

- (a) *In general* – A patent shall be presumed valid. ... The burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity.

STATEMENT OF THE CASE

This is a patent infringement action in which Innovation Sciences, LLC (“Innovation” or “Petitioner”) accuses Amazon.com, Inc., and Amazon Web Services, Inc. (“Amazon” or “Respondents”) of infringing United States Patent Nos. 9,912,983 (“the ‘983 Patent”), 9,729,918 (“the ‘918 Patent”) and 9,942,798 (“the ‘798 Patent”). The patented technology in dispute relates to a communication system that forms the backbone of what has become known as the “smart home” technology. Respondents incorporated that basic technology into several of their products in the 2015 timeframe resulting in the initiation of the present action.

Every one of the asserted claims of the three asserted patents were found invalid as anticipated at the district court level. The only “anticipatory” prior art relied upon was a communication system created under the guidance of trial counsel in 2019 – years too late to serve as an anticipatory reference. The asserted patents claimed priority under Section 120 of the Patent Act to a parent patent application filed on August 9, 2006. *See* 35 U.S.C. § 120.²

² Respondents stipulated to the August 9, 2006 priority date in the proposed final pre-trial order but subsequently argued that they were nevertheless free to dispute that date. Assuming that Respondents are not bound by their trial stipulation, the asserted patents are entitled to a priority date no later than

Undeterred by the timing issue, and over Petitioner's objections, the district court allowed the Respondents' technical expert to opine that the system built in 2019 anticipated Petitioner's patent claims. 14a-19a. The district court allowed that testimony despite the fact that no witness testified they had seen such a system at any time before 2019.

The parties did not dispute that one or more versions of a software product known as the HAL2000 existed prior to August 9, 2006 and qualified as prior art. That product was marketed and sold by a company named Home Automation Living ("HAL"). 20a. Respondents had engaged Mr. Timothy Shriver, the principal at HAL, as a paid consultant in this action. 39a. Mr. Shriver had been working with counsel for the Respondents and Respondents' technical expert, Dr. Johnson, for months to build the 2019 system. More specifically, Mr. Shriver located whatever system components he could find in storage, bought some new equipment, searched for the necessary network drivers, and shipped those items to Respondents' counsel in 2019. 23a-26a, 29a-30a.³

Mr. Shriver's deposition testimony is central to the present discussion.⁴ More specifically, rather

May 2007, still more than a decade before the allegedly anticipatory system was assembled in 2019.

³ Respondents' expert, Dr. Johnson, candidly admitted that Shriver assembled the system at the request of attorneys, who provided Mr. Shriver with a set of requirements based on the asserted claim language using the patent claims themselves as the construction blueprint for the system Respondents asked Mr. Shriver to assemble. 38a-39a, 42a.

⁴ Mr. Shriver did not appear at trial.

than testifying that he supplied Respondents' counsel with a sample of a system he had sold or used prior to August 9, 2006, Mr. Shriver testified that he shipped multiple components to Respondents' counsel including: (1) a version of the HAL2000 software (v. 3.6.9); (2) a version of a later-developed software called the HALpro (v. 3.6.1); (3) a wireless video camera; and (4) a set of network drivers he had acquired. 26a, 30a. These components were assembled to create the "anticipatory" 2019 system. Critically, Mr. Shriver testified that he had no knowledge of anyone having combined these components prior to August 9, 2006:

Q. So, you wouldn't know whether a customer would have set up a system like [the 2019 HAL System] on August 9th of 2006.

A. No.

28a-29a.

Amazon's testifying technical expert, Dr. Johnson, was likewise unable to establish the existence of anyone having created the 2019 HAL2000-based system before the critical date. 41a. Dr. Johnson testified that the asserted patent claims were anticipated but limited his analysis to the HAL2000-based system built in 2019. 35a-37a (testifying with reference to the system constructed in 2019).

Moreover, in order to closely track the requirements of the challenged patent claims, Dr. Johnson admitted that he was required to *alter* the original HAL2000 software to (1) facilitate detection of motion by a video camera and (2) add an email address to control how messages were routed. 34a,

40a. Because Dr. Johnson relied upon the ability of the 2019 system to detect motion as part of his anticipation analysis, the changes Dr. Johnson made were material. 33a. The evidentiary record is devoid of any proof that the system created under the direction of Respondents' counsel in 2019 existed at any time prior to 2019 and Respondent never asserted otherwise. Rather, it was always Respondents' contention that the 2019 HAL2000-based system represented the prior art that *could have existed*.

REASONS FOR GRANTING THE PETITION

A. The Decision Below Conflicts With The Court's Precedents

A patent can be found invalid if it is proved that the work of another pre-dates, and thus anticipates, the later work. 35 U.S.C. § 102. Issued patents are presumed valid under Section 282 of the Patent Act. 35 U.S.C. § 282. Critically, and a fact apparently overlooked by the Federal Circuit, the Court has long advocated a high standard of proof to overcome the presumption of validity, especially where the validity challenged is based on the prior invention by another.

The Federal Circuit erred by evaluating Respondents' invalidity proofs under the "substantial evidence" test, not the clear and convincing standard. Apx.8; *see also Microsoft Corp. v. i4i Limited Partnership*, 564 U.S. 91 (2011). The Federal Circuit erred further by finding that product user guides for the HAL2000 software and an unauthenticated video demonstrating the operation of that software, combined with Mr. Shriver's memories regarding events that purportedly

occurred more than twelve years earlier, satisfied even the substantial evidence test.⁵

The product user guides presented by Respondents depict uses of the HAL2000 software, not the 2019 HAL2000-based *system* Respondents relied upon at trial. Nothing in those user guides disclose, or even suggest, the product combination used to create the 2019 HAL2000-based system. If they did, Respondents would have built their invalidity arguments around those brochures, not the system their experts created in 2019. Nor can the unauthenticated Oprah video cited by the Federal Circuit support a finding of invalidity here. *See* 6a. Like the user guides Respondents presented, the Oprah video demonstrated the use of the *original HAL2000 product* and there is no reason to treat that video as depicting the 2019 HAL2000-based system created by Respondents.⁶ Indeed, the HAL2000 software depicted in the Oprah video lacked the component parts Respondents used to build what they misleadingly called the “HAL system” in 2019.

As to Mr. Shriver’s recollection that a customer possessed the components he and Dr. Johnson used

⁵ While appellate courts look for substantial evidence, in the case of patent validity, the reviewing court must find substantial evidence that the clear and convincing standard has been met.

⁶ Nor should the Federal Circuit have referenced the Oprah video as substantive evidence. The district court admitted that unauthenticated video as a demonstrative only. 31a-32a. That video failed to demonstrate any witness’ testimony and was admitted, in error, as a demonstrative because Respondents’ technical expert listed that video as an item he had reviewed in forming his opinion.

to create the 2019 HAL2000-based system, also cited by the Federal Circuit, Mr. Shriver did not testify that he saw that customer use those components to create the 2019 HAL2000-based system he and Dr. Johnson later built. Quite the opposite, Mr. Shriver testified he had never seen that combination before August 2006. 28a-29a. Mr. Shriver's testimony fails in another respect too. Rather than identifying a specific customer who possessed the components he and Dr. Johnson used to build their system in 2019, or a specific date on which that customer possessed those components, Mr. Shriver testified generally that a customer having those parts at some point in time "probably happened." 26a-27a. Such memories, however, are plainly inadequate to meet the clear and convincing evidence standard and the Federal Circuit's reliance on that testimony was misplaced. Apx.6.

In *Barbed Wire Patent*, the Court rejected the testimony of twenty-four eye-witnesses who allegedly saw the assembled prior art fence at an 1858 county fair. The Court explained:

The very fact, which courts as well as the public have not failed to recognize, that almost every important patent, from the cotton gin of Whitney to the one under consideration, has been attacked by the testimony of witnesses who imagined they had made similar discoveries long before the patentee had claimed to have invented his device, has tended to throw a certain amount of discredit upon all that class of evidence, and to demand that it be subjected to the closest scrutiny. Indeed, the frequency with which testimony is tortured, or fabricated outright,

to build up the defense of a prior use of the thing patented, goes far to justify the popular impression that the inventor may be treated as the lawful prey of the infringer.

Washburn & Moen Mfg. Co. v. Beat 'Em All Barbed-Wire Co., 143 U.S. 275, 284-85 (1892); *see also Eibal Process Co. v. Minnesota & Ontario Paper Co.*, 261 U.S. 45 (1923) (testimony alone will not serve to anticipate a patent). Thus, this Court has serious distaste for all oral testimony proffered to invalidate a patent—regardless of the interest of the witnesses.

By contrast to the present facts, numerous witnesses testified to the same fact in *Barbed Wire*, they uniformly testified that they had seen a completed fence at a specific event in 1858. The evidence of anticipation presented in this case pales in comparison to the evidence the Court rejected as inadequate in *Barbed Wire* and *Eibal*. But that is not the only problem with the Shriver testimony the Federal Circuit relied upon.

Mr. Shriver testified that he believed that both the HALpro software and wireless video camera used to build the 2019 HAL2000-based system were commercially available prior to August 9, 2006. Neither Respondents nor Mr. Shriver presented any written corroboration for those assertions. Mr. Shriver testified that his company developed the HALpro software to augment the functionality of the existing HAL2000 software to support true wireless video. In Mr. Shriver's opinion, he needed to add that functionality to his product offering before his company could be considered a true automation company. 21a-22a. Although he was specifically asked about the availability of the HAL2000

software in 2006, Mr. Shriver was never asked when the HALpro software became available. 30a.⁷ That is yet another fatal lapse of evidence.

The wireless video camera used to create the 2019 HAL2000-based system presented at trial suffers the same shortcoming. At deposition, Mr. Shriver testified that his company did not sell video cameras. 27a-28a. But like his memory as to when the HALpro software became available, Mr. Shriver's current belief that such cameras were on the market prior to August 9, 2006 lacks the requisite documentary support.

The Respondents failed to present clear and convincing evidence of invalidity and the evidence the Federal Circuit relied upon satisfies neither the substantial evidence test nor the proper clear and convincing evidence standard. A device that *might have existed* should never be accepted as an anticipatory reference. Characterizing a later-constructed system as "representative" of an alleged earlier system does not supplant the need to prove the actual existence of the earlier system. Evidence documenting one part of a larger system (in this case, a version of the HAL2000 software) does not evidence the existence of the larger system Respondents assembled in 2019.

The Federal Circuit's opinion sets a dangerous precedent. In the absence of a viable prior art reference, infringers should not be free to create their own. The ability to create new prior art years after the fact by combining existing components

⁷ Nor did Respondents introduce a written record as to when Version 3.6.9 of the HAL 2000 software used to create the 2019 HAL2000-based system became available.

provides an end run around the safeguards created by the Court. Combining existing components in a new way is not “representative” of the prior art – it is a newly created “prior” art reference. Allowing a party to use newly created prior art to challenge patent validity is neither logically nor legally sound. No patent would be safe and no infringer held accountable if accused infringers are free to build new prior art references. The Federal Circuit’s willingness to accept an after-the-fact creation as representative of the prior art conflicts with, and erodes the value of, the precedents of the Court.

B. The Question Presented Warrants the Court’s Review In This Case

The “prior art” reference relied upon in this proceeding was illusory. At no time did the Respondents present any evidence that the “anticipatory” 2019 HAL2000-based system existed prior to 2019. That omission should have been fatal to Respondents’ invalidity argument.

The district court erred by allowing the jury to even consider that system. The Federal Circuit compounded that error by not substantively addressing the evidentiary issue presented. Evidence of prior art that *could have existed* should not have been admitted and it is plainly insufficient to overcome the presumption of validity or prove invalidity under the clear and convincing evidence standard confirmed by *i4i* and the long line of decisions addressed therein. An after-the-fact device is a “recreation” of the prior art if it is proven that the “recreated” device actually existed in the relevant timeframe. That did not happen here.

Ironically, the Federal Circuit's designation of its opinion as "nonprecedential" is exactly the opposite of what its opinion represents. By its opinion, the Federal Circuit has authorized accused infringers to create alleged prior art during the litigation that aligns with the asserted patent claims. The Federal Circuit's acceptance of an after-the-fact creation as a substitute for proof of an actual, proven prior art reference undermines the statutory structure on which patent validity rests and this Court's long-standing efforts to protect that statutory structure.

CONCLUSION

The Court should grant the petition.

Respectfully submitted,

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