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2021 Year in Review: Intellectual Property Law and the Supreme Court

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2021 was a busy year for intellectual property practitioners. Here is a quick look at some of the highlights from the U.S. Supreme Court's docket this past year.

Fair Game: For the first time in over twenty-five years, the Supreme Court issued a rare fair use copyright decision in April in *Google LLC v. Oracle America, Inc.* At issue in the landmark decision was Google's use of portions of Java source code—over which Oracle asserted copyright protection—for use in Google's Android smartphones. Google argued that the source code (1) was too functional to be protected by copyright law; and (2) was subject to copyright's fair use doctrine. The Court ruled in a 6-2 decision that it need not address the issue of whether the code was copyrightable because even if it were, Google's use of pieces of Java's source code was fair use.

The nature of the code at issue was central to the Court's ruling. The Java source code used by Google was "declaring code," which is related to the programmer's user interface, rather than "implementing code," which instructs the computer how to execute a task. The Court ruled that, as part of the interface, the declaring code was inextricably bound together with (1) the general organization of the system and its grouping of tasks, which no one claimed to be a proper subject of copyright; and (2) the implementing code of the Android platform, which is copyrightable, but was newly written by Google.

Looking to the amount and substantiality of Java source code copied, the Court found that Google copied 11,500 lines of code, which was only 0.4 percent of the entire interface code at issue. Thus, Google's copying was tied to its alleged purpose of attracting programmers to build its Android platform with a familiar language.

The *Google* decision was previously summarized by Vorys attorneys [here](#).

In other Copyright matters, the Supreme Court denied cert. in *The Moodsters Company v. Walt Disney*, regarding the copyrightability for fictional characters.

Starting the Summer with some Patent-ish Work: Just a little over two months after the *Oracle* decision, the Supreme Court dabbled into another area of intellectual property, patents. With a strong flavor for constitutional law, at issue in *U.S. v. Arthrex, Inc.* was whether Patent Trial and Appeal Board Judges should be appointed by the President under the Appointments clause or if they are considered “inferior officers” whose appointment Congress has properly vested in the head of the USPTO.

Arthrex, Inc., received a patent regarding a surgical device. After claiming infringement of its patent, the case moved to the Patent Trial and Appeal Board, which ultimately invalidated the patent. In its appeal to the Federal Circuit, Arthrex questioned the constitutionality of the PTAB judges. The Federal Circuit agreed with Arthrex, finding that the PTAB Judges were required to be appointed by the President and confirmed by the Senate as principal officers of the patent office.

In an eventual 7-2 decision, the Supreme Court determined that the problem of being principal officers with unreviewable authority may be solved by having all Board decisions subject to review by the Director of the Patent Office, a position appointed by the President and confirmed by the Senate through the Appointees Clause.

The *Arthrex* decision was previously summarized by Vorys attorneys [here](#).

Estoppel, Drop, and Roll: In another summertime decision, the Supreme Court upheld the validity of the doctrine of assignor estoppel in *Minerva Surgical, Inc. v. Hologic, Inc.* Briefly, the doctrine of assignor estoppel bars a patent assignor from attacking the validity of the patent in patent litigation.

As an inventor and co-founder of Novacept Inc., Csava Truckai assigned all patent rights regarding a system for treating uterine bleeding to Novacept, which was subsequently sold to Hologic, Inc. A year after the assignment, Truckai started another company, Minerva Surgical, while developing an improved device to treat uterine bleeding. In response, Hologic filed a continuation application with claims that read on Minerva Surgical's system. After issuance, Hologic sued Minerva for patent infringement.

The district court prevented Minerva from asserting invalidity of the patents because Truckai assigned the Patent rights to Hologic's predecessor. While the Federal Circuit affirmed the district court's decision, the ruling was vacated by the Supreme Court. The Court upheld the doctrine of assignor estoppel with the limitation that the doctrine only applies when “the assignor's claim of invalidity contradicts explicit or implicit representations he made in assigning the patent.” With these representations absent, assignor estoppel does not apply.

The *Minerva* decision was previously summarized by Vorys attorneys [here](#).

In other Patent matters, the Court denied Cert. in *Indenix Pharmaceuticals LLC v. Gilead Sciences Inc.* a case involving enablement issues for pharmaceutical compounds. *American Axle & Manufacturing Inc. v. Neapco Holdings LLC*, regarding the application of section 101 to subject matter eligibility is still pending cert.

Trademark Rulings were Quarantined: The Supreme Court did not issue any 2021 decisions in the world of trademark law. The Court denied Cert. of *Select Comfort Corp. v. Baxter*, regarding initial interest confusion as well as *VIP Products, LLC v. Jack Daniels Props. Inc.* regarding parody marks.

Please contact your Vorys attorney if you have any questions about the impact any of these cases may have on your intellectual property portfolio or litigation strategy.

