



## **ARE Litigation Alert: U.S. Supreme Court Confirms “Clear and Convincing” Evidence Standard Applies to Validity Challenges for Patents**

*June 9, 2011*

Author(s): Charles R. Macedo, Joseph Casino

(June 9, 2011) On June 9, 2011, the U.S. Supreme Court confirmed that the presumption of validity under 35 U.S.C. § 282 requires an accused infringer to meet a “clear and convincing” standard to prevail on an invalidity defense in *Microsoft Corp. v. i4i Limited Partnership*, No. 10-290, 564 U.S. \_\_\_ (S.Ct. Jun. 9, 2011).

In particular, the Court, per Justice Sotomayor writing for the majority, rejected Microsoft’s contention that a defendant need only persuade the jury of a patent invalidity defense by a preponderance of the evidence. The Court relied upon the fact that when Congress adopted the common law term “presumed valid” in 35 U.S.C. § 282, Congress intended to adopt the meaning attached to this term, which required a clear and convincing standard for challenges to patent validity.

The Court rejected Microsoft’s statutory construction arguments and also rejected Microsoft’s contention that the clear and convincing standard should not apply when the prior art in question was not before the Examiner during prosecution. However, the Court recognized that a jury may be instructed to evaluate whether the evidence before it is materially new, and if so, to consider that fact when determining whether an invalidity defense has been proved by clear and convincing evidence. Finally, the Court left it up to Congress to consider the wisdom and policy arguments associated with maintaining a “clear and convincing” standard.

Justice Breyer, in a concurring opinion, joined by Justices Scalia and Alito, also separately joined the majority opinion in full, but wrote to highlight that the “clear and convincing” standard only applies to invalidity inquiries which are concerned with questions of fact, rather than questions of law. Thus, Justice Breyer illustrated this distinction as follows:

Many claims of invalidity rest, however, not upon factual disputes, but upon how the law applies to facts as given. Do the given facts show that the product was previously “in public use”? 35 U.S.C. §102(b). Do they show that the invention was “nov[e]” and that it was “nonobvious”? §§102, 103. Do they show that the patent applicant described his claims properly? §112. Where the ultimate question of patent validity turns on the correct answer to legal questions—what these subsidiary legal standards mean or how they apply to the facts as given—today’s strict standard of proof has no



application. See, e.g., *Graham v. John Deere Co. of Kansas City*, 383 U. S. 1, 17 (1966); *Minnesota Mining & Mfg. Co. v. Chemque, Inc.*, 303 F. 3d 1294, 1301 (CA Fed. 2002); *Transocean Offshore Deepwater Drilling, Inc. v. Maersk Contractors USA, Inc.*, 617 F. 3d 1296, 1305 (CA Fed. 2010); cf. *Markman v. Westview Instruments, Inc.*, 517 U. S. 370 (1996).

(Breyer concur, at p.1). Justice Breyer suggested that courts should “keep applications of today’s ‘clear and convincing’ standard within its proper legal bounds by separating factual and legal aspects of an invalidity claim ....” (Breyer concur, at p.2).

Justice Thomas filed a separate concurring opinion which agreed that “the heightened standard of proof set forth in *Radio Corp. of America v. Radio Engineering Laboratories, Inc.*, 293 U. S. 1 (1934)—which has never been overruled by this Court or modified by Congress—applies.” However, Justice Thomas did not agree with the majority opinion that Congress had codified that standard in Section 282.

For more information on how this recent development may affect your organization, please contact one of our attorneys.

---

\*Charles R. Macedo is a partner and Joseph M. Casino was a partner at Amster, Rothstein & Ebenstein LLP. Their practice specializes in intellectual property issues including litigating patent, trademark and other intellectual property disputes. Charles may be reached at [cmacedo@arelaw.com](mailto:cmacedo@arelaw.com).

Mr. Macedo is also the author of [The Corporate Insider's Guide to U.S. Patent Practice](#), published by Oxford University Press in 2009.