

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., CYTYC SURGICAL PRODUCTS, LLC,  
*Respondents.*

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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 PETITIONER**

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February 22, 2021

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## QUESTION PRESENTED

In the Patent Act, Congress established that invalidity “*shall* be” a “defense[] in *any* action involving the validity or infringement of a patent.” 35 U.S.C. § 282(b) (emphases added). There is no textual exception to this command. The Federal Circuit nonetheless applies a judge-made “equitable” exception to the statute’s unqualified language known as “assignor estoppel.” Assignor estoppel prevents an inventor who has assigned a patent from later contesting the patent’s validity.

The question is whether a defendant in a patent infringement action who assigned the patent, or is in privity with an assignor of the patent, may have a defense of invalidity heard on the merits.

**PARTIES TO THE PROCEEDING AND RULE  
29.6 STATEMENT**

Petitioner Minerva Surgical, Inc. (“Minerva”) has no parent corporation. Boston Scientific Corporation, a publicly traded company, holds 10 percent of Minerva’s stock. No other publicly held company owns 10 percent or more of Minerva’s stock.

Respondents are Hologic, Inc. and Cytoc Surgical Products, LLC.

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## OPINIONS BELOW

The Federal Circuit’s opinion is reported, 957 F.3d 1256, and is reproduced in the Appendix to the Petition for a Writ of Certiorari (“Pet. App.”) at 1a-32a. The unreported order denying the petition for rehearing and rehearing *en banc* is reproduced at Pet. App. 79a-80a. The district court’s grant of summary judgment is reported, 325 F. Supp. 3d 507, and is reproduced at Pet. App. 33a-78a.

## JURISDICTION

The Federal Circuit entered its judgment on April 22, 2020, Pet. App. 1a, and denied a timely-filed petition for rehearing and rehearing *en banc* on July 22, 2020, Pet. App. 80a. Petitioner timely filed a petition for certiorari on September 30, 2020. This Court granted the petition on January 8, 2021. This Court has jurisdiction pursuant to 28 U.S.C. § 1254(1).

## STATUTORY PROVISIONS

The relevant statutory provisions are set forth in the addendum to this brief.

## INTRODUCTION

An inventor develops a new medical device. He assigns his invention to his company, which prosecutes a patent covering his “Moisture Transport” invention and obtains FDA approval. His company is sold and then sold again to a large company. The device becomes a huge success—the leading device of its kind in the world. The invention generates profits for the many investors who helped bring it to market, and the inventor receives a small portion of those profits. This is the patent system working.

Roughly a decade later the inventor develops a new device that is even better at treating the same condition than his old device. His new device does not transport moisture and does not infringe the “Moisture Transport” patent his company prosecuted covering his old device. The large company that owns the old patent and has been enjoying market dominance wants to frustrate competition from the inventor’s new device. Using the inventor’s old specification, it prosecutes a new patent claim broader than anything the inventor had described. Then it accuses the inventor’s new device of infringing that broader claim. The inventor’s new company (which owns the right to make and sell the new device) asserts that the large company’s recently issued patent claim is invalid because it covers more than is described or enabled by the specification. But the Federal Circuit refuses to consider the argument. This is the patent system failing.

The culprit is a doctrine called assignor estoppel. The Patent Act says that a party accused of infringement may assert in litigation that the patent is invalid. Assignor estoppel, however, prevents the assignor of a patent or patent application (and those in privity with the assignor) from asserting invalidity of the patent or patents that issue from the assigned application.

It is an uncommonly lawless doctrine. There is no textual support in the Patent Act for assignor estoppel. To the contrary, the Patent Act uses broad language commanding that invalidity is available to every accused infringer. The doctrine was created by lower courts, not this Court, and this Court’s decisions long ago gutted it. It has never had anything resembling the kind of settled status in our law that would lead one to believe Congress considered it part of the Patent Act. In fact, assignor estoppel emerged by analogy to a

common-law doctrine that, upon inspection, does not support it. And assignor estoppel defeats rather than advances important patent law policies. For decades, most observers thought this Court had killed it. But the Federal Circuit resurrected it in the late 1980s. Now it is time for this Court to do expressly what it left to implication many decades ago: declare that assignor estoppel is not part of patent law.

If this Court reads assignor estoppel into the Patent Act, it should make clear that the doctrine is tightly constrained. Its application here is indefensible. An assignee who prosecutes overbroad patent claims to frustrate competition from a novel device must be required to defend the validity of the new patent it prosecutes, even against the original patent application's assignor. The Federal Circuit's judgment should be vacated.

### STATEMENT OF THE CASE

Csaba Truckai is a prolific inventor who has developed multiple ground-breaking medical devices. Joint Appendix ("J.A.") 334-36. In particular, Truckai has revolutionized the treatment of Abnormal Uterine Bleeding, or AUB.

AUB is a serious and frequently debilitating condition which impacts approximately ten million Americans each year. J.A. 95. Endometrial ablation is a treatment option for AUB. *Id.* The procedure ablates (destroys) the endometrial lining of the uterus with the goal of stopping or significantly reducing bleeding. J.A. 95, J.A. 166. A successful endometrial ablation significantly improves a patient's life and allows the patient to avoid the more invasive hysterectomy. J.A. 95.

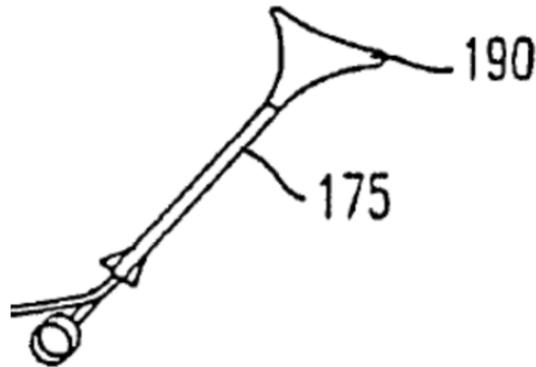
Truckai revolutionized endometrial ablation technology twice. In the 1990s, he developed a "moisture transport system" that employed moisture permeable

material to significantly improve results. Then, more than a decade later, he developed a moisture-*impermeable*, plasma-based invention that further improved results.

#### A. Truckai's Moisture Transport Invention.

1. Truckai first took on endometrial ablation in the mid-1990s, inspired in part by his mother's experience with AUB and undergoing a hysterectomy. J.A. 139; J.A. 343. Novacept—a company he founded—filed a patent application for the invention in 1998: U.S. Application No. 09/103,072 (the '072 application). J.A. 144; J.A. 834-904.

At that time, endometrial ablation devices commonly were made up of a handle, a tube for inserting the device through the cervical canal, and an applicator head which could be compressed in order to be inserted and then expanded to conform to the triangular shape of the uterus. J.A. 139; J.A. 168-69. For example, a prior-art patent issued in 1995 claimed a device that looked like this:



J.A. 989; see also J.A. 367-69.

During ablation, these devices applied energy to the uterine lining through the applicator head, which is labeled 190 above. J.A. 166. The heat dehydrated the lining and moisture emerged from the tissue. J.A. 180-81.

The '072 application explained the problems with such prior art devices. The applicator heads of prior art devices were not permeable to moisture. So the emergent moisture could not escape, and created a highly-conductive liquid layer between the device and the tissue. J.A. 858; see also J.A. 344-45, 348-49. During ablation, energy flowed into and continuously heated the fluid. J.A. 858. The resulting hot fluid was difficult to control, and could ablate the tissue “beyond the desired ablation depths.” *Id.* Fluid in the uterus could also overheat and turn into steam. The “steam [could] not escape” and sometimes forced itself into surrounding tissue, “causing embolism or unintended burning.” *Id.* The '072 specification explained that it was “therefore desirable to provide an ablation device which eliminates the . . . problem of steam and liquid buildup” and “allows the depth of ablation to be controlled.” J.A. 859. In short, the specification explained, “liquid buildup at the ablation site is detrimental.” J.A. 879.

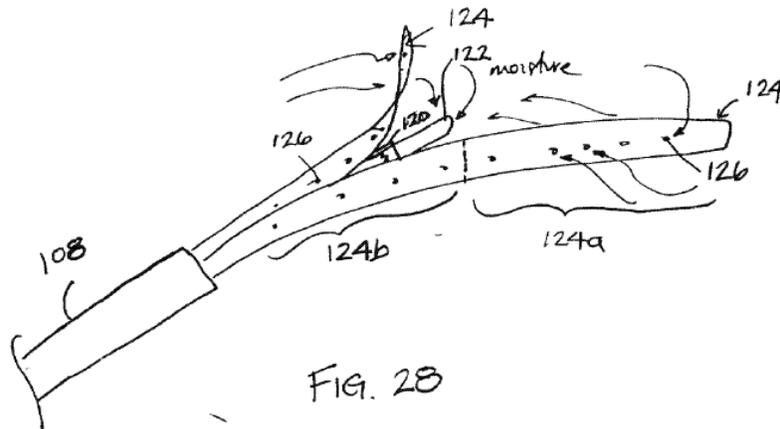
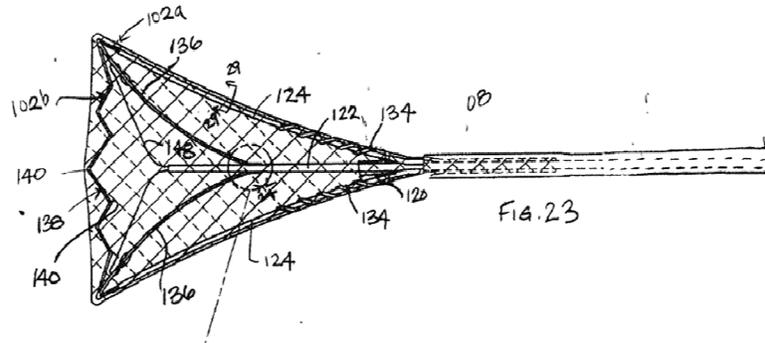
Truckai’s key innovation was a moisture permeable applicator head designed to transport moisture out of the patient’s uterine cavity during treatment. This invention “shunt[ed] moisture away from the ablation site and thus prevent[ed] liquid build-up.” J.A. 879. As the '072 specification makes clear, “there is no liquid conductor at the ablation area during use of the ablation device of the present invention.” *Id.*

The specification further explains that moisture removal is essential to controlling the level of energy applied to the tissue. The device uses radiofrequency energy, a direct, “active” method of heating tissue. J.A.

857. Prior art devices which used radiofrequency energy lost control of the level of heat applied to the tissue. As liquid built up, the applicator head lost contact with the tissue, and the radiofrequency energy was drawn instead into the highly-conductive liquid layer which, in turn, heated the endometrial lining. J.A. 857-58, 879; J.A. 196-97. Physicians therefore struggled to monitor or control the progress of ablation. J.A. 879. Removing moisture allowed physicians to deliver a precisely calculated amount of energy into the tissue to achieve a precise ablation depth. See J.A. 868-71, 888-90. And, because uterine tissue becomes less conductive as it is dehydrated during ablation, physicians could monitor ablation progress by tracking the flow of energy into the tissue. J.A. 879. Removal of moisture was thus essential. As Truckai explained, an impermeable applicator head would “defeat the purpose” of the invention and “not work.” J.A. 357.

Every aspect of Truckai’s application makes clear that moisture permeability is required. Truckai titled the application “A Moisture Transport System for Contact Electrocoagulation.” J.A. 834. The application’s summary of the invention explains that the invention “includes a fluid permeable elastic member preferably formed of a metallized fabric” and that “moisture generated during dehydration is actively or passively drawn into the array and away from the tissue.” J.A. 859. The abstract describes the invention as one which “includes a metallized fabric electrode array which is substantially absorbent and/or permeable to moisture and gases.” J.A. 904.

Every embodiment in the application is moisture permeable. J.A. 357; J.A. 877-79, 881, 896-97. The figures in the application show how moisture could permeate the applicator head and escape the uterus:



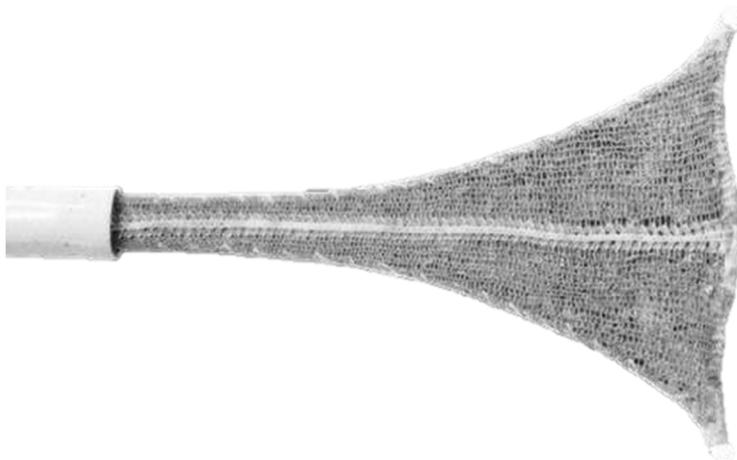
J.A. 846, 850.

2. Around the time the '072 application was filed, Truckai assigned his interest in the application to Novacept for one dollar. J.A. 909. Through the assignment, Truckai represented that he had invented "new and useful improvements" but, of course, only "as described and set forth in" the '072 application. *Id.* He assigned his interest in "said invention, said application . . . , and any Letters Patent which may hereafter

be granted on the same,” including any continuations. *Id.*

The patent application sought thirty-one claims. J.A. 898-903. Thirty included explicit moisture permeability limitations. *Id.* Novacept asked the Patent Office to cancel the single claim without such an explicit limitation in 2002, J.A. 974, after Truckai determined it was too broad because it did not include an explicit permeability limitation, J.A. 360.

After Truckai left his role as president of Novacept in 2000 (retaining ownership of approximately 2.5% of the company, J.A. 138; J.A. 391), Novacept obtained FDA approval for Truckai’s device, the NovaSure, with its “stretchable metallized fabric mesh” applicator head. J.A. 881; J.A. 212-13; Pet. App. 5a.



J.A. 145.

Novacept continued prosecuting the '072 application, which issued as U.S. Patent No. 6,813,520 (the '520 patent) in 2004. J.A. 795. Like the application, the '520 patent’s title—“Method for Ablating And/Or Co-

agulating Tissue Using Moisture Transport”—emphasized the centrality of moisture permeability, and each of the patent’s forty-seven claims included an explicit permeability limitation. J.A. 795, 797-801.

3. In 2004, Cytoc Corporation acquired Novacept’s assets, including its intellectual property and its device’s FDA approval, for \$325 million. Pet. App. 5a. Truckai earned approximately \$8 million from the sale, the remainder going to other shareholders. J.A. 391-92. Truckai made no representations regarding Novacept’s intellectual property in conjunction with the sale. Hologic later acquired Cytoc in 2007. Pet. App. 6a.

Before Hologic obtained the patent at issue in this case, Cytoc and Hologic prosecuted additional patents which rely upon Truckai’s “Moisture Transport” specification. Every issued claim in those patents explicitly requires the applicator head to be moisture permeable. J.A. 210-12.

The NovaSure has been massively successful. It is the leading endometrial ablation device in the world. J.A. 49. For Hologic alone, the NovaSure has generated billions of dollars in revenue. J.A. 332.

### **B. Truckai Invents A New Moisture Impermeable Device And Hologic Prosecutes A Broader Patent Claim To Frustrate Competition.**

1. From 2000 through 2008, Truckai turned his attention to different types of medical devices. J.A. 360-65. Around 2007, Truckai began experimenting with using a novel plasma-based technology to ablate tissue—focusing initially on cardiac ablation and ablation of tissue containing cancerous cells. J.A. 377-79. Truckai soon realized the potential of using plasma to improve the treatment of AUB. So in 2008, ten years

after his '072 application was filed, Truckai founded a new company, Minerva, to focus on turning his ideas into a new endometrial ablation device. J.A. 379; J.A. 365; J.A. 147. After years of research and development, and many failed experiments, Truckai developed the Minerva Endometrial Ablation System, or “EAS.” J.A. 379-86; J.A. 151-57. Truckai left his role as president of Minerva in 2011. J.A. 242. The EAS ultimately received FDA approval in 2015. Pet. App. 6a.

The applicator head in Minerva’s EAS is not permeable to moisture and does not transport moisture out of the uterus. It is a sealed, highly-engineered silicone balloon filled with argon gas. J.A. 148. When ionized, the gas turns into plasma. *Id.* The plasma heats the silicone membrane from the inside, and thermal energy then ablates the surrounding tissue. J.A. 149-50. Critically, the plasma in the applicator head does not apply constant energy across the uterine lining. Instead, plasma filaments jump around the applicator head, drawn to the most conductive—which turns out to be the least ablated—areas of the endometrium. J.A. 153. The use of plasma in Minerva’s EAS requires roughly a quarter of the maximum power used by the NovaSure. J.A. 150.

This novel, patented technology, J.A. 157-59, has dramatic consequences for patients. The lower power level produces a smaller amount of steam and moisture—not enough to cause the uncontrolled thermal ablation that plagued earlier devices. J.A. 150. And, as it turns out, retaining moisture in the uterus *improves* ablation with this device. J.A. 149. The endometrial lining is composed of millions of tiny folds of tissue. J.A. 150. The retained moisture heated during ablation flows into those otherwise inaccessible folds, resulting in a significantly more thorough, gentle, and

even ablation. *Id.* Moreover, the combination of retained moisture and the applicator head's smooth silicone membrane allows the physician to more comfortably and easily insert and remove the device from the patient. J.A. 151-52; J.A. 373-74.

In FDA-reviewed clinical studies, the success rate (reducing bleeding to at least a normal level) for the EAS was 93%, far higher than the 77.7% success rate for Hologic's device. J.A. 759, 762; J.A. 485-86. And the EAS completely stopped bleeding 72% of the time, exactly twice as often as Hologic's device. J.A. 759, 762; J.A. 485-86.

Moisture *impermeability* is essential to the EAS. Without an impermeable exterior, Minerva's applicator head "simply would not work." J.A. 149. The argon gas "would escape into the uterine cavity" and "would be contaminated by moisture and thus could not be ignited" into plasma. *Id.*

2. Truckai and Minerva hoped that Hologic would invest in or acquire Truckai's new device. J.A. 489. In fall 2009, Minerva reached out to Hologic to discuss the device. *Id.* Hologic responded with interest, and, over the next several years, Minerva met with Hologic and disclosed every detail of the EAS. J.A. 489-95. In fall 2012, Hologic executives told Minerva that Hologic was working on a deal to acquire Minerva. J.A. 493-94.

Hologic decided against the acquisition. Instead, Hologic developed a "scorched earth" plan to prevent Minerva from gaining a foothold in the market. J.A. 741-42; J.A. 746-47; J.A. 500-04. Part of Hologic's strategic plan was to seek "additional patent protection" to prevent "new entrants from entering the market." J.A. 504-06; J.A. 749.

In 2013, Hologic filed a continuation application with the Patent Office relating back to Truckai's 15-

year-old '072 patent application. J.A. 802-03. For the first time, Hologic claimed an applicator head with no express permeability requirement. J.A. 833.

In connection with the continuation application, Hologic asked Truckai to sign a declaration stating that he invented the claimed invention. J.A. 763-64. Truckai refused, telling Hologic that he could “not in good faith sign it” because he had not invented what was claimed. J.A. 737; see also J.A. 753-54.

The Patent Office issued U.S. Patent No. 9,095,348 (the '348 patent) in August 2015. J.A. 802-33. Like Truckai's 1998 application, the '348 patent is titled “Moisture Transport System for Contact Electrocoagulation.” J.A. 802. And like all patents in the “Moisture Transport” family, the '348 patent includes the same common specification which emphasizes moisture permeability in the title, summary, abstract, figures, and every embodiment. J.A. 178; J.A. 802-33.

**C. Hologic Asserts Assignor Estoppel To Relieve It Of The Obligation To Justify Its Broad Claim Which Lacks Support In The Specification.**

1. After the '348 patent issued, Hologic sued seeking to enjoin Minerva from selling the EAS. Pet. App. 6a. Hologic, over Minerva's objection, obtained a broad construction of its claim language: the “applicator head” would cover not only moisture permeable devices capable of transporting moisture as the specification requires, but would also cover moisture *impermeable* applicator heads. J.A. 130-31.

A patentee who obtains a broad claim enjoys the benefit of covering a broader range of potentially infringing devices. But the law imposes a corresponding cost: the specification must describe and enable the full scope of the broad claim or the patent is invalid. 35

U.S.C. § 112(a); *MagSil Corp. v. Hitachi Glob. Storage Techs., Inc.*, 687 F.3d 1377, 1381 (Fed. Cir. 2012). Minerva asserted that the '348 patent, construed to cover devices with moisture impermeable applicator heads, was invalid under 35 U.S.C. § 112 for lack of written description and enablement. Pet. App. 58a.

Hologic responded with assignor estoppel. According to Hologic, Minerva could not argue that the '348 patent is invalid because Minerva was in privity with Truckai, and no party in privity with Truckai could challenge the validity of *any* patent obtained from Truckai's 1990s specification. See Pet. App. 55a.

The district court agreed with Hologic and concluded that assignor estoppel barred Minerva from asserting invalidity. Pet. App. 58a. The district court also considered the invalidity arguments in the alternative. It concluded that Minerva's arguments failed as a matter of law, though it identified no disclosure in the specification of a moisture impermeable applicator head, nor any explanation in the specification for how such a device might solve the problems of moisture build-up at the ablation site. *Id.* at 62a-64a.

2. Minerva appealed, urging the Federal Circuit to abandon assignor estoppel and arguing that, even if assignor estoppel were retained, the doctrine should not apply here. The doctrine could not support empowering assignees to expand the scope of assigned patents to frustrate competition from innovative devices.

The Federal Circuit affirmed the district court's ruling that assignor estoppel prevented Minerva from asserting any invalidity defense. Pet. App. 17a-20a. The Federal Circuit had revived assignor estoppel in 1988, even though this Court, in *Lear, Inc. v. Adkins*, 395 U.S. 653 (1969), had abandoned the doctrine's close cousin, licensee estoppel. *Diamond Sci. Co. v. Ambico*,

*Inc.*, 848 F.2d 1220, 1223-25 (Fed. Cir. 1988). The Federal Circuit parroted its prior reasoning that “it is the implicit representation by the assignor that the patent rights that he is assigning (presumably for value) are not worthless that sets the assignor apart from the rest of the world and can deprive him of the ability to challenge later the validity of the patent.” Pet. App. 12a-13a (quoting *Diamond Sci.*, 848 F.2d at 1224). Yet the Federal Circuit did not deny that Minerva’s invalidity arguments did not call into question any “implicit representation” by Truckai in 1998 that what he was assigning had value. The Federal Circuit did not even consider whether any such “implicit representation” could or should bar the invalidity challenges Minerva raised here.

“Because the district court did not abuse its discretion in applying the doctrine of assignor estoppel,” the Federal Circuit “affirm[ed] the district court’s grant of summary judgment of no invalidity.” Pet. App. 20a. It never addressed the substance of Minerva’s section 112 arguments.

### SUMMARY OF ARGUMENT

I. This Court should hold that assignor estoppel is not part of the Patent Act. The doctrine has never enjoyed any sound basis in the statute, this Court’s decisions, or public policy.

The Patent Act’s language is and has always been clear: invalidity “shall” be available as a defense in “any” action asserting patent infringement. 35 U.S.C. § 282(b). This language commands that every individual or entity accused of infringing a patent is entitled to the chance to demonstrate that the patent is invalid.

Lower courts, not this Court or Congress, read assignor estoppel into the Patent Act. And this Court has

never applied it. To the contrary, this Court's decisions so undermined the rationale for the doctrine that—long before the Federal Circuit resurrected it—courts (including this Court) and commentators (including scholars testifying before Congress) had concluded that the doctrine was dead. To abandon it today would merely state out loud what has long been true.

At no time has Congress assumed that courts would read assignor estoppel into the Patent Act. Congress has long been aware of this Court's decisions undermining the doctrine, and it specifically considered and decided against amending the Patent Act to include assignor estoppel. The lower courts that introduced assignor estoppel into American law adapted it from the common-law doctrine of estoppel by deed. But estoppel by deed and conveyances of land are a poor analog for assignor estoppel and conveyances of patent rights. Assignor estoppel has never rested on the solid foundation that this Court requires to inform atextual glosses on federal statutes.

Finally, assignor estoppel has never served the policies of patent law. To the contrary, it stands opposed to the critical policy that issued patents be subject to invalidity challenges. Invalid patents are a substantial drag on innovation and our economy. Our patent prosecution system is *ex parte*, and so depends on litigants accused of infringement to test patent validity. The only meaningful policy concern assignor estoppel serves—protection against fraud and misrepresentation in patent assignments—can be addressed through tort and contract law.

II. If this Court chooses to read assignor estoppel into the statute, the doctrine should be substantially constrained. The Federal Circuit applies the doctrine in circumstances that bear no relation to its common-law roots or even to the unguided concept of “equity” it

believes the doctrine reflects. Any one or more of the following three limitations would show at least some respect for the common-law origins of assignor estoppel, and minimize the harm to patent law policies.

First, assignor estoppel should not prevent invalidity challenges to patent claims issued after the assignment. An assignor cannot have warranted the validity of patent claims obtained by others. Providing assignees with the power to seek additional patent claims and then assert them against new inventions by assignors, free of the obligation to defend against invalidity challenges, perverts the doctrine into a sword to frustrate legitimate competition.

Second, assignor estoppel should never bar invalidity defenses based on the specification's lack of written description and enablement. Such arguments depend on facts available to the assignee at the time of the assignment, so the assignee cannot have reasonably relied on any supposed representation regarding the specification's adequacy. Moreover, assignees who need not present specification support for the scope of the claims they assert in litigation are encouraged to seek overbroad claims and assert them against assignors, secure in the knowledge that such claims will not be deemed invalid. What is left is an overbroad patent protected by the presumption of validity, which deters competition generally, stifles innovation, and harms consumers.

Third, if the doctrine is to have any legal foundation, the assignee should have to establish that it reasonably relied on some representation regarding validity. That requirement is the basis of estoppel by deed. There is no reason to lighten the load of patent assignees asserting an estoppel based on the common-law doctrine.

**ARGUMENT****I. ASSIGNOR ESTOPPEL SHOULD BE ELIMINATED.****A. The Patent Act’s Text Precludes Assignor Estoppel.**

The Patent Act says that invalidity, including invalidity under section 112, “shall be” a defense “in any action involving the validity or infringement of a patent.” 35 U.S.C. § 282(b). This language leaves no room for assignor estoppel.

“In patent law, as in all statutory construction, unless otherwise defined, words will be interpreted as taking their ordinary, contemporary, common meaning.” *Bilski v. Kappos*, 561 U.S. 593, 603 (2010) (citation omitted). Thus, “[w]hen the words of a statute are unambiguous, . . . judicial inquiry is complete.” *Barnhart v. Sigmon Coal Co.*, 534 U.S. 438, 462 (2002) (citation omitted).

The language of section 282(b) is plain. The word “shall” is “nondiscretionary” in patent law, *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1354 (2018), just as it is in other statutes. *Lexecon Inc. v. Milberg Weiss Bershad Hynes & Lerach*, 523 U.S. 26, 35 (1998) (“[T]he mandatory ‘shall,’ . . . normally creates an obligation impervious to judicial discretion.”); *Murphy v. Smith*, 138 S. Ct. 784, 787 (2018). And “the word ‘any’ naturally carries an expansive meaning.” *SAS Inst.*, 138 S. Ct. at 1354 (citation omitted). “When used (as here) with a ‘singular noun in affirmative contexts,’ the word ‘any’ ordinarily ‘refer[s] to a member of a particular group or class without distinction or limitation’ and in this way ‘impl[ies] every member of the class or group.’” *Id.* (quoting Oxford English Dictionary (3d ed., Mar. 2016)). Thus, this Court concluded that because a statute instructs that the Patent Trial and Appeal Board

“shall” resolve the patentability of “any patent claim challenged by the petitioner,” the Board “*must* address *every* claim the petitioner has challenged.” *Id.* Similarly, section 282(b) instructs that invalidity *must* be available as a defense in *every* action involving the validity or infringement of a patent. There is no exception that would allow a patent holder to enforce an invalid patent against an assignor.

Allowing enforcement of invalid patents runs contrary to the Patent Act as a whole, which carefully limits the patent monopoly to *patentable* inventions. A patent may issue only if the invention is useful, novel, and non-obvious, 35 U.S.C. §§ 101-103, and if the patent describes and enables the invention, 35 U.S.C. § 112. Congress chose to allow prosecution of patents through a non-adversary examination, without review, see 35 U.S.C. § 131, a system which inevitably leads to the Patent Office issuing “scores of invalid patents every year,” Anup Malani & Jonathan S. Masur, *Raising the Stakes in Patent Cases*, 101 *Geo. L.J.* 637, 640, 647-49 (2013). Given the non-adversarial patent-prosecution process, Congress sensibly chose to allow adversarial testing of validity in litigation. That choice is reflected in the broad, unqualified language of section 282(b).

Congress’s careful effort to protect the public from the burden of invalid patents is of constitutional significance: the Constitution authorizes Congress to “*promote the Progress of . . . useful Arts*, by securing for limited Times to . . . Inventors the exclusive Right to *their . . . Discoveries*.” U.S. Const. art. I, § 8, cl. 8 (emphases added). This “clause is both a grant of power and a limitation.” *Graham v. John Deere Co. of Kan. City*, 383 U.S. 1, 5 (1966). Written against a backdrop of the English Crown’s practice of “granting monopolies to court favorites in goods or businesses which had

long before been enjoyed by the public,” the clause is a barrier against use of the patent power to stifle progress by granting patents on material the inventor did not discover. *Id.*; see Craig Allen Nard, *The Law of Patents* 13-16 (5th ed. 2020). There is no reason to believe Congress has ever intended to authorize patentees to have the benefit of invalid patents against *anyone*.

The Federal Circuit has not attempted to reconcile assignor estoppel with the text of the Patent Act. Instead, it treats the doctrine as “judge-made” and rooted in principles of private, state-law-based, contractual equities. Pet. App. 2a, 31a. This Court has repeatedly rejected the Federal Circuit’s attempts to read, in the name of equity, such atextual limitations into the patent laws. See, e.g., *SCA Hygiene Prods. Aktiebolag v. First Quality Baby Prods., LLC*, 137 S. Ct. 954, 967 (2017) (rejecting equitable defense of laches for claims brought within the statute of limitations); *Halo Elecs., Inc. v. Pulse Elecs., Inc.*, 136 S. Ct. 1923, 1931-34 (2016) (rejecting non-statutory test for enhanced damages); *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 572 U.S. 545, 553-58 (2014) (eliminating non-statutory attorneys’ fees framework); *Bilski*, 561 U.S. at 602-04, 606-08 (removing atextual limitations on patentable processes). That is in keeping with this Court’s century-old view that courts “should not read into the patent laws limitations and conditions which the legislature has not expressed.” *Bilski*, 561 U.S. at 602; *United States v. Dubilier Condenser Corp.*, 289 U.S. 178, 198-99 (1933), *amended*, 289 U.S. 706 (1933) (mem.).

### **B. This Court’s Decisions Fully Support Abandoning Assignor Estoppel.**

The Court did not create assignor estoppel and has never applied it to bar an assignor from asserting in-

validity. The rationales of numerous of this Court's patent law decisions since this Court first confronted assignor estoppel leave no room for the doctrine to continue. The Court should formally declare it abandoned.

1. This Court first addressed assignor estoppel in *Westinghouse Elec. & Mfg. Co. v. Formica Insulation Co.*, 266 U.S. 342 (1924). This Court noted that “there seems to be no reason why” the rule applied at common law to assignment of deeds should not apply to assignment of issued patents, and the Court declared it would “not now lightly disturb” the rule of patent assignor estoppel which lower courts had adopted. *Id.* at 348-49 (emphasis added). Still, even in this first encounter, the Court significantly narrowed the doctrine. *Lear*, 395 U.S. at 664 (noting that *Formica* “stringently limited” the estoppel rule).

Lower courts had held that assignor estoppel prevented assignors from using prior art to narrow the scope of patent claims. *Formica*, 266 U.S. at 349. This Court noted that the distinction between allowing an assignor to point to prior art to narrow a patent claim and allowing an assignor to point to prior art to prove invalidity was “a nice one,” yet ruled that the assignor must be allowed to point to prior art to narrow claims. *Id.* at 351. That was the best way of “measuring the extent of the grant the government intended and which the assignor assigned.” *Id.* The assignor could show “what the thing was which was assigned” in the first place. *Id.* (quoting *Noonan v. Chester Park Athletic Club Co.*, 99 F. 90, 91 (6th Cir. 1900)).

*Formica's* mild endorsement of assignor estoppel, while narrowing it, proved to be the high-water mark of the doctrine in this Court. In its next occasion to discuss assignor estoppel roughly 20 years later, this Court, in *Scott Paper Co. v. Marcalus Manufacturing Co.*, 326 U.S. 249 (1945), criticized *Formica's* “nice”

distinction. The Court called it a “logical embarrassment” to apply “a doctrine which forbids the assignor to deny validity of the patented invention for want of novelty, but nevertheless allows him to narrow its scope by reference to the prior art in order to save his accused device from infringement.” *Id.* at 253. Indeed, today, the defense *Formica* allowed to assignors—construing a claim to avoid potentially invalidating prior art—would typically result in a judgment of invalidity. See *Tate Access Floors, Inc. v. Interface Architectural Res., Inc.*, 279 F.3d 1357, 1365, 1367 (Fed. Cir. 2002) (finding “there is no ‘practicing the prior art’ defense to literal infringement” but that when “claim language clearly reads on prior art, the patent is invalid”).

Nonetheless, in *Scott Paper* this Court did not need to determine to what “extent [assignor estoppel] may be deemed to have survived the *Formica* decision” because it again concluded that assignor estoppel did not apply. 326 U.S. at 254. Specifically, the Court ruled that an assignor could argue as a “complete defense” to infringement that his device practiced prior art described in an expired patent. *Id.* at 257-58.

This rationale choked assignor estoppel to death. If an assignor can point to a prior (now expired) patent as a complete defense to infringement, as *Scott Paper* allows, then the assignor is allowed to assert that the assigned patent, at least as the assignee reads its scope, is invalid in light of that (now expired) prior art. See Mark A. Lemley, *Rethinking Assignor Estoppel*, 54 Hous. L. Rev. 513, 518 (2016). A patent with a scope coextensive with prior art would today be deemed invalid. See *Tate*, 279 F.3d at 1365, 1367.

The logical consequence of *Scott Paper* has not been lost on this Court. Just two years later, this Court described *Scott Paper* as “h[olding] that even an assignor

who had sold a patent issued to itself was free to challenge the validity of the patent and thereby defeat an action for infringement.” *Edward Katzinger Co. v. Chi. Metallic Mfg. Co.*, 329 U.S. 394, 400 (1947). Looking back on *Scott Paper* decades later, the Court found it “impossible” to maintain a distinction between allowing an assignor “to show that he did no more than copy an expired patent” and allowing the assignor “to show that the invention lacked novelty.” *Lear*, 395 U.S. at 666. Thus, “[t]he *Scott* exception had undermined the very basis of” assignor estoppel. *Id.*

That this Court’s rationale in *Scott Paper* killed assignor estoppel was even the basis of Justice Frankfurter’s dissent in that case. There is no distinction under the patent laws between an invention that “is not patentable” and one “on which the patent has expired,” he reasoned. 326 U.S. at 263 (Frankfurter, J., dissenting). Justice Frankfurter would have preferred that this Court repudiate assignor estoppel “explicitly, not by circumlocution.” *Id.* at 264. This Court should do so now.

2. This Court has not directly considered whether to apply assignor estoppel since *Scott Paper*. But it has since abandoned the closely-related doctrine of licensee estoppel in *Lear*, 395 U.S. 653. And as the Court indicated in *Lear*, parallels between the rationales for and atextual bases of licensee and assignor estoppel make *Lear* a clear model for abandoning assignor estoppel.

Licensee estoppel barred one who licensed a patent from challenging that patent’s validity. The rationale for the doctrine mirrored the rationale for assignor estoppel: that it was unfair and impermissible under the common law of contracts for “a licensee . . . to enjoy the benefit afforded by the agreement while simultaneously urging that the patent which forms the basis of

the agreement is void.” *Lear*, 395 U.S. at 656. And like assignor estoppel, licensee estoppel had long been applied in the lower courts. *Id.* Even this Court had previously applied licensee estoppel in *Automatic Radio Manufacturing Co. v. Hazeltine Research, Inc.*, 339 U.S. 827, 836 (1950).

*Lear* acknowledged the licensor’s supposed equitable claim to the expectation that his licensee would not later challenge the patent’s validity. 395 U.S. at 656, 668-69. Yet this Court concluded that federal law and the “strong federal policy favoring the full and free use of ideas in the public domain” must prevail. *Id.* at 674. As the Court explained, private contractual “equities . . . do not weigh very heavily when they are balanced against the important public interest in permitting full and free competition” by eliminating invalid patents. *Id.* In so reasoning, *Lear* echoed the rationale of *Scott Paper*, where this Court observed that “[t]he interest in private good faith is not a universal touchstone which can be made the means of sacrificing a public interest secured by an appropriate exercise of the legislative power.” *Scott Paper*, 326 U.S. at 257.

The supposed ancient pedigree of the estoppel doctrines, licensee and assignor alike, was no basis for maintaining them. *Lear* treated assignor estoppel as equivalent to licensee estoppel. 395 U.S. at 664-67. Looking at the history of both doctrines, this Court concluded that “[l]ong before *Hazeltine* was decided, the estoppel doctrine had been so eroded that it could no longer be considered the ‘general rule,’ but was only to be invoked in an ever narrowing set of circumstances.” *Id.* Since 1905—with the exception of *Hazeltine*—“each time a patentee sought to rely upon” either licensee or assignor estoppel the Court had “created a new exception to permit judicial scrutiny into the validity of the Patent Office’s grant.” *Id.* at 663-64. As

discussed above, “*Formica* imposed a limitation upon estoppel which was radically inconsistent with the premises upon which” assignor estoppel is based. *Id.* at 665. And *Scott Paper* had created an “exception [that] undermined the very basis” for assignor estoppel. *Id.* at 666.

*Lear* confirmed what *Scott Paper*’s reasoning had foreshadowed: assignor estoppel has no leg to stand on. Like licensee estoppel, assignor estoppel has its roots in state common-law contract doctrines which cannot prevail over federal patent law. See Lemley, *supra*, at 528. Like licensee estoppel, the doctrine’s status has long been “uncertain.” *Lear*, 395 U.S. at 668. And like licensee estoppel, assignor estoppel allows worthless patents to stifle innovation and impede “full and free competition,” contrary to federal patent policy. *Id.* at 670, 673-74 & n.19; see, e.g., Lemley, *supra*, at 527-29.

Indeed, *Lear*’s reasoning applies with even greater vigor to assignor estoppel. “Given the role of [inventors] in technological progress, the argument for unmuzzling them is far stronger than it is for patent licensees.” Franklin D. Ubell, *Assignor Estoppel: A Wrong Turn from Lear*, 71 J. Pat. & Trademark Off. Soc’y 26, 31 (1989). Inventors, even more so than licensees, are well equipped to challenge assignees’ attempts to broaden their patent monopoly with overly-aggressive interpretations of their inventions. See *Lear*, 395 U.S. at 670-71. Inventors are also likely to find themselves accused of infringing their previously-assigned patents because, as experts in a field, they are more likely to bring novel, competing products to market in that field. As this case well illustrates, the impact of assignor estoppel can be expected to stifle innovation, the exact opposite of the core policy of patent law, see *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 589 (2013), by placing a

unique burden on inventors who can benefit the public with further innovations.

Numerous courts concluded that *Lear* sounded the death knell for assignor estoppel. *Coastal Dynamics Corp. v. Symbolic Displays, Inc.*, 469 F.2d 79 (9th Cir. 1972); see *Diamond Sci.*, 848 F.2d at 1223 (collecting cases). Yet the Federal Circuit revived it. In doing so, it offered a distinction of *Lear* that cannot survive scrutiny.

The Federal Circuit reasoned that “[u]nlike the licensee, who, without *Lear* might be forced to continue to pay for a potentially invalid patent, the assignor who would challenge the patent has already been fully paid for the patent rights.” Pet. App. 12a (quoting *Diamond Sci.*, 848 F.2d at 1224). As an initial matter, this wrongly assumes that all licensees and all assignees agree to particular payment arrangements. A licensee may pay a lump sum up front, and an assignee may agree to make payments over a period of time. See, e.g., 3 Eckstrom’s Licensing - Forms § 5:14.50, Fully paid up nonexclusive worldwide license; *Reece v. Comm’r*, 24 T.C. 187, 189 (1955) (discussing patent assignment that required royalty payments over a period of years).

More importantly, this “specious distinction” is nowhere to be found in either *Scott Paper* or *Lear*. Lara J. Hodgson, *Assignor Estoppel: Fairness at What Price?*, 20 Santa Clara Computer & High Tech. L.J. 797, 816-17 (2004). If the timing of payment mattered in determining whether estoppel applies, surely this Court would have mentioned it. But it did not. Indeed, even the Federal Circuit has been unable to square assignor estoppel with this Court’s decisions, and has described *Diamond Scientific* as “declin[ing] to apply the *Lear* doctrine.” *Gen-Probe Inc. v. Vysis, Inc.*, 359 F.3d

1376, 1381 (Fed. Cir. 2004), *abrogated by MedImmune, Inc. v. Genentech, Inc.*, 549 U.S. 118 (2007).

3. Beyond *Scott Paper* and *Lear*, other rulings underscore the extent to which this Court's decisions have already overtaken assignor estoppel.

For example, this Court has questioned the enforceability of private contractual agreements not to challenge validity, rejecting efforts by individuals, via contract, to “estop [themselves] from disputing patents which may be wholly void,” because “the right to make the [invalidity] defense is not only a private right to the individual, but it is founded on public policy, which is promoted by his making the defense, and contravened by his refusal to make it.” *Pope Mfg. Co. v. Gormully*, 144 U.S. 224, 233, 235 (1892); see also *Scott Paper*, 326 U.S. at 257 (“For no more than private contract can estoppel be the means of successfully avoiding the requirements of legislation enacted for the protection of a public interest.”); *Edward Katzinger Co.*, 329 U.S. at 402 (“[A] specific contract not to challenge the validity of [a] patent can no more override congressional policy than can an implied estoppel.”). This Court has reasoned that “[a]llowing even a single company to restrict its use of an expired or invalid patent . . . would deprive . . . the consuming public of the advantage to be derived from free exploitation of the discovery” and “to permit such a result, whether or not authorized by express contract, would impermissibly undermine the patent laws.” *Kimble v. Marvel Entm’t, LLC*, 135 S. Ct. 2401, 2407 (2015).

Continuing to maintain assignor estoppel in the face of these decisions makes no sense. If our patent law has doubted whether parties may explicitly disable themselves from challenging the validity of issued patents, then how can that same law be understood to have effectively implied such a term into *every* patent

assignment? See *Lear*, 395 U.S. at 673 (patent estoppel is “rooted in contract principles”).<sup>1</sup>

This Court has also struck down state laws which preclude validity challenges, holding that “state regulation of intellectual property must yield to the extent that it clashes with the balance struck by Congress in our patent laws.” See *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 152 (1989). State law may not “block off from the public something which federal law has said belongs to the public.” *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 231-32 (1964); *Sola Elec. Co. v. Jefferson Elec. Co.*, 317 U.S. 173, 176 (1942) (“[L]ocal rules of estoppel will not be permitted to thwart the purposes of statutes of the United States.”). Once again, if our patent law so prefers to allow invalidity challenges that it overcomes state laws to the contrary, it makes no sense to read the same patent law to silently disable assignors from challenging patent invalidity.

This Court, as noted above, has also repeatedly eliminated the Federal Circuit’s equitable glosses on the

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<sup>1</sup> To be sure, the Court has never held that agreements not to challenge validity are *always* unenforceable. See Lemley, *supra*, at 542-43. Settlement agreements, in certain contexts, have been permitted to include enforceable promises not to litigate validity. See *Flex-Foot Inc. v. CRP, Inc.*, 238 F.3d 1362, 1367-70 (Fed. Cir. 2001); *Rates Tech. Inc. v. Speakeasy, Inc.*, 685 F.3d 163, 167-72 (2d Cir. 2012) (collecting cases). This case does not require this Court to decide whether parties to a patent assignment may agree to disable the assignor from ever challenging validity; there is no such agreement here. What matters for present purposes is that this Court has treated such agreements as questionable because they are contrary to the important policy of allowing invalidity challenges. It would make no sense to understand this Court as nonetheless endorsing the court-created presumption that *every* patent assignment is implicitly an enforceable agreement by the assignor not to challenge validity.

Patent Act. *Supra* at 19. Nonetheless, the Federal Circuit views assignor estoppel as an equitable gloss on the Patent Act that authorizes courts to decide when it is fair to disable assignors from asserting invalidity. Pet. App. 2a. The result is equity run amok: an ever *expanding* doctrine of assignor estoppel that disregards how this Court has narrowed, and eliminated any rationale for, the doctrine.

For example, the Federal Circuit had evaded *Lear* by constructing an “equitable” limitation on licensees’ standing to challenge patent validity, reasoning that it would be “inequit[able]” for a patent owner to remain at “risk of attack on the patent . . . while the licensee can preserve its license and royalty rate if the attack fails.” *MedImmune, Inc. v. Genentech, Inc.*, 427 F.3d 958, 964 (Fed. Cir. 2005). This Court reversed, refusing to accept the Federal Circuit’s “equitable” revision to standing and rejecting an invitation to revisit *Lear*. *MedImmune, Inc. v. Genentech, Inc.*, 549 U.S. 118, 135 (2007).

In short, this Court’s cases all point in one direction: assignor estoppel should be abandoned.

### **C. Congress Has Never Assumed Assignor Estoppel Is Part Of The Patent Act.**

This Court sometimes reads common-law doctrines into federal statutes, but only when it concludes that Congress legislated “with an expectation that” the common-law rule would apply because the “common-law principle is well established.” *Astoria Fed. Sav. & Loan Ass’n v. Solimino*, 501 U.S. 104, 108 (1991); *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 572 U.S. 663, 679-82 (2014) (rejecting argument that Congress assumed common-law doctrine of laches would apply to bar claim brought within statute of limitations when nothing in the Court’s precedent “suggest[ed] a doctrine of

such sweep”). Assignor estoppel has never been a well-established principle of law. There is no reason to believe, and there is strong reason to doubt, that Congress has assumed assignor estoppel—an adaptation of a common-law doctrine that ill-suits patent law—has been incorporated into the Patent Act and carried through the Act’s revisions over the years.

**1. Assignor Estoppel Was Not Well Established When Congress Enacted Any Version Of Section 282(b).**

1. For the first 80 years of U.S. patent law, Congress stated, without exception, that invalidity was available as a defense in an infringement action, and did so in the absence of any U.S. assignor estoppel doctrine. Congress thus could not have assumed an exception barring assignors from asserting invalidity.

Assignor estoppel first appeared in England in 1789 in an unpublished case. Lemley, *supra*, at 516 n.8 (discussing *Oldham v. Langmead*). It surfaced in the United States approximately a century later, around 1880. *Formica*, 266 U.S. at 349 (citing *Faulks v. Kamp*, 3 F. 898 (C.C.S.D.N.Y. 1880)).

Long before assignor estoppel appeared in American jurisprudence, and *only one year after the very first mention of the doctrine* in England, Congress mandated in the original Patent Act, passed in 1790, that “in *all* actions to be brought” by a patentee for infringement, the defendant may raise invalidity defenses. Act of Apr. 10, 1790, ch. 7, § 6, 1 Stat. 109, 111-12 (emphasis added). In 1793, Congress revised the statute to provide that the defendant in an infringement action “*shall* be permitted to” raise such defenses. Act of Feb. 21, 1793, ch. 11, §§ 5-6, 1 Stat. 318 (emphasis added). In 1870, Congress revised the Act again, adding that the defendant “in *any* action for infringement” may

raise invalidity defenses. Act of July 8, 1870, ch. 230, § 61, 16 Stat. 198, 208.

2. From the late 1800s to the early 1900s, assignor estoppel gained traction among American trial and appellate courts. *Formica*, 266 U.S. at 349. But its heyday was short-lived. By the next time Congress significantly revised the patent laws in 1952, the doctrine had already been fatally undermined by this Court.

As discussed above, *Formica* carved out a significant exception to assignor estoppel in 1924. And when *Scott Paper* was decided in 1945, many observers concluded, along with Justice Frankfurter, that “the *Scott Paper* case reverse[d] the old law and wipe[d] out estoppel by assignment.” Harvey Lechner, *Estoppel Against Patent Assignors—The Scott Paper Company Case*, 28 J. Pat. Off. Soc’y 325, 329-30 (1946); see also Hal D. Cooper, *Estoppel to Challenge Patent Validity: The Case of Private Good Faith vs. Public Policy*, 18 Case W. Res. L. Rev. 1122, 1123 (1967) (“[The estoppel rule] has become so unsettled during the past forty years of judicial consideration that, today, some courts apparently consider the rule to be no longer valid, others find no weakening of the rule, while still other courts apply the rule only after considerable speculation as to its continued validity.”); *Nat’l Welding Equip. Co. v. Hammon Precision Equip. Co.*, 165 F. Supp. 788, 792 (N.D. Cal. 1958) (refusing to apply assignor estoppel in light of *Formica* and *Scott Paper*).

Congress’s revisions to the Patent Act in 1952 directly responded to several of this Court’s patent law decisions, reversing three of them. Nard, *supra*, at 26-27. But it did not reverse *Scott Paper* or otherwise revive the beleaguered assignor estoppel doctrine, despite being presented with a request to do so. See *Patent Law Codification and Revision: Hearings on H.R. 3760 Before Subcomm. No. 3 of the H. Comm. on the*

*Judiciary*, 82d Cong. 115, 115-16 (1951) (statement of Harold Mosier, on behalf of the Aircraft Industries Association of America, Inc.) (proposing that Congress add a provision to the Patent Act codifying assignor estoppel “to nullify the effect of” *Scott Paper*, which permitted the assignor “to deny the validity of his own patent” and thus “upset the doctrine of estoppel which had been in effect in the case law”). Instead, Congress adopted the clear language that appears in the law today, mandating that invalidity “shall be” a defense in “any action.” Act of July 19, 1952, Pub. L. No. 82-593, § 282, 66 Stat. 792, 812.

3. After this Court decided *Lear* in 1969, additional courts, including the Ninth Circuit, concluded that assignor estoppel had been abolished. *Supra* at 25. And in 1971, Congress considered an amendment that would have created statutory assignor and licensee estoppel. *Patent Law Revision: Hearings Before the Subcomm. on Patents, Trademarks, & Copyrights of the S. Comm. on the Judiciary*, 92d Cong. 175-76 (1971). Congress heard testimony from witnesses stating that *Lear* “completely overruled” assignor estoppel. *Id.* at 231 (statement of James T. Lynn, Under Secretary of Commerce); *id.* at 218 (statement of Chamber of Commerce of the United States); *id.* at 383 (supplemental statement of Nathaniel B. French, President, American Patent Law Association).

Congress also heard compelling reasons *not* to revive the doctrine. As one statement reasoned, Congress should not “restore and rigidify by legislation old doctrines which have not served the public interest.” *Id.* at 310 (statement of Professor Stephen Breyer, et al.). Since the Patent Office could not “be depended upon to determine the validity of patents with any degree of thoroughness and regularity, the public interest re-

quires that private parties be afforded adequate opportunities to secure judicial scrutiny of questionable patents.” *Id.* And assignors “rank high among those possessing both the knowledge and the interest to challenge a patent’s validity.” *Id.* The amendment failed.

In sum, Congress has never legislated against the backdrop of a well-established common-law doctrine of assignor estoppel. Congress’s first two times addressing invalidity defenses pre-date the doctrine in America. By the time Congress in 1952 adopted the current language—invalidity “shall be” a defense in “any action”—this Court had already undermined any rationale for the doctrine. When Congress actually considered whether to enact assignor estoppel in 1971, it declined.

## **2. Common-Law Estoppel Doctrines Offer No Support For Assignor Estoppel.**

Assignor estoppel should never have made its way into patent law. The lower courts that grafted it onto the Patent Act in the late 1880s did so by analogy to the common-law rule of “estoppel by deed.” *Formica*, 266 U.S. at 348-50. But the rationale for estoppel by deed ill-fits patent law.

Estoppel by deed “precludes a party to a deed and its privies from asserting as against the other party and that party’s privies any right or title in derogation of the deed, or from denying the truth of any material fact asserted in it.” 31 C.J.S., *Estoppel and Waiver* § 9. If a seller who lacks valid title executes a deed purporting to transfer the property, then later acquires valid title from the true owner, the seller cannot assert that later-acquired interest against the purchaser. 28 Am. Jur. 2d, *Estoppel and Waiver* § 5; see, e.g., *Van Rensselaer v. Kearney*, 52 U.S. 297, 319-20, 323-28 (1851). Instead, whenever the seller acquires title, the title

passes automatically to the purchaser. Restatement (Third) of Property § 6.1 (2003).

There are, as this Court in *Formica* observed, some common features “between estoppel in conveyances of land and estoppel in assignments of a patent right”: someone selling a deed “purports to convey the right to exclude others . . . from a defined tract of land,” and someone selling a patent purports to convey the right to exclude others “from a described and limited field of the useful arts.” 266 U.S. at 350. And the earliest U.S. assignor estoppel cases involved arguments not unlike estoppel by deed. An assignor sells a patent, then acquires an older patent that renders the assigned patent invalid, and asks a court to declare that the assignor owns the right to exclude others, including the assignee, by virtue of the prior art the assignor has acquired. *Faulks*, 3 F. 898; *Curran v. Burdsall*, 20 F. 835 (N.D. Ill. 1883). But this unusual scenario involving facial similarity between estoppel by deed and assignor estoppel led courts to overlook important differences between the two contexts. And if estoppel by deed was ever analogous to assignor estoppel, changes in the way patents are prosecuted and assigned has broken down that analogy entirely.

First, unlike a grantor who later claims to own the same property she purported to sell, an assignor asserting invalidity is not claiming to own what she purported to assign. The core purpose of estoppel by deed—to prevent a seller from acquiring ownership of property she guaranteed to someone else that she validly sold—is absent. Instead, the assignor asserts that no property right exists: the technology is committed to the public. This critical public service function is missing from the estoppel-by-deed context. See *Mercoïd Corp. v. Mid-Continent Inv. Co.*, 320 U.S. 661, 665

(1944) (describing public interest in patent system as “dominant”).

Second, estoppel by deed is limited in ways that make it a poor fit for patent assignments. Estoppel by deed typically applies only when (1) the grantor made representations about the quality of the title being passed (2) upon which the purchaser reasonably relied. 28 Am. Jur. 2d, *Estoppel and Waiver* § 8; 31 C.J.S., *Estoppel and Waiver* § 9. As a general rule, estoppel by deed does not apply to quitclaim deeds that make no representation “that title of a specified quality is being conveyed.” Restatement (Third) of Property § 6.1 (2003); see also 28 Am. Jur. 2d, *Estoppel and Waiver* § 7. That is, the grantor in a warranty-deed transaction promises that the deed is good as against the world, and the buyer relies on that promise.

A patent assignment involves no comparable warranty and reliance, nor could it. There is nothing inherent about a patent assignment that warrants that the patent is valid. “With real estate, a conveyance from the sovereign gives good title to the land, and so title to the grant and title to the land are inseparable.” *Westinghouse Elec. & Mfg. Co. v. Formica Insulation Co.*, 288 F. 330, 333 (6th Cir. 1923). But that is “not so as to patents, for the grant of the monopoly is always defeasible by third parties, and the title to the grant may be immaterial.” *Id.* Our *ex parte* patent prosecution system assumes that the validity of issued patents can later be challenged. Not so for title issued to land. A patent assignment is thus “close[ly] analog[ous] to a quitclaim; at the most, . . . the implication is of good title to the grant and not that the grant is good.” *Id.* Indeed, an assignor cannot warrant that a patent is valid. Patent validity is “a legal conclusion . . . predicated on factors as to which reasonable men can differ

widely.” *Lear*, 395 U.S. at 670; Patricia Stanford, *Diamond Scientific Co. v. Ambico, Inc.: Enforcing Patent Assignor Estoppel*, 26 Hous. L. Rev. 761, 766 (1989). “Since validity is never contractually transferred in an assignment, there is no theoretical basis for assignor estoppel by deed.” Stanford, *supra*, at 765-66.

The value of an assigned patent thus does not rest on any guarantee from the assignor that it is valid. The assignor can certainly expressly warrant that it presently knows of no reason why the patent would be invalid. But the assignor can promise no more.

The estoppel-by-deed analogy makes even less sense for transfers of rights to inventions *before* a patent is granted. In that case, the assignor transfers only “the inchoate right suggested by a pending application.” *Formica*, 288 F. at 333. Such an assignment “in effect says: ‘Here is my device; I do not know whether it is patentable, or, if it is, how broadly; take it, prosecute the patent application, and get what you can.’” *Id.* It is even more clearly in the nature of a quitclaim, rather than a warranty, deed. Applying assignor estoppel in such situations does not read a common-law doctrine into patent law. It reads a novel and indefensible *extension* of common-law doctrine into patent law.

Transfers of the rights to patent applications, prior to patent issuance, are now exceedingly common. As Congress recognized in passing the America Invents Act (“AIA”), it is an “antiquated notion that it is the inventor who files the application, not the company-assignee.” H.R. Rep. No. 112-98, at 43 (2011). In fact, “many employment contracts require employees to assign their inventions to their employer.” *Id.*; see also Lemley, *supra*, at 525-26. Eighty-two percent of patent transactions recorded with the Patent Office from 1970 through 2014 are transfers of patent applications

from employees to employers. Office of Chief Economist, *The USPTO Patent Assignment Dataset: Descriptions and Analysis* 7-8, 16, 27, 30 (U.S. Patent & Trademark Office, Working Paper No. 2015-2, July 2015).<sup>2</sup> So it is no exaggeration to say that the run-of-the-mill application of assignor estoppel in the modern case would involve an assigned application, not an assigned issued patent.

The absence of a true analog to a “warranty” of title is sufficient to defeat any suggestion that assignor estoppel maps onto estoppel by deed. But the absence of any basis to assume reasonable reliance by the assignee even more deeply undermines the comparison. Generally, “the party seeking estoppel must not only lack knowledge regarding true state of title, but be destitute of means of acquiring such knowledge.” 31 C.J.S, *Estoppel and Waiver* § 9; 28 Am. Jur. 2d, *Estoppel and Waiver* § 8. Assignees of patents are well-equipped to make their own assessments of the validity of patents they acquire, and obviously possess the incentive to do so. Even assuming assignor estoppel can apply, an assignee still must assure itself of the value of a patent or patent application as against the rest of the world. It would be manifestly *unreasonable* to rely on merely the present knowledge of the assignor as to the validity of any issued patent, much less any patent application that hasn’t matured to issuance. Moreover, “most validity challenges in the modern world are not based on facts in the inventor’s possession.” Lemley, *supra*, at 530-31. In fact, “[t]he most commonly asserted validity challenges today” present questions of law and any subsidiary questions of fact turn on “what the person having ordinary skill in the art would know or be able

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<sup>2</sup> Available at [https://www.uspto.gov/sites/default/files/documents/USPTO\\_Patents\\_Assignment\\_Dataset\\_WP.pdf](https://www.uspto.gov/sites/default/files/documents/USPTO_Patents_Assignment_Dataset_WP.pdf).

to do, not . . . anything the inventor knew or did.” *Id.* There is no reason for an assignee to fail to assess these issues independently of any representation by the assignor.

Put simply, the historical view of a common-law basis for assignor estoppel was always weak and does not withstand scrutiny.

#### **D. Assignor Estoppel Thwarts Federal Patent Policy.**

Abandoning assignor estoppel will advance core policies this Court has consistently understood motivate our patent laws. The only plausible policy assignor estoppel advances relates not to patent law but to contract law, and remedies to preserve those policies should remain matters of contract or tort law, not patent law.

This Court has long recognized that “[i]t is as important to the public that competition should not be repressed by worthless patents, as that the patentee of a really valuable invention should be protected in his monopoly.” *Pope Mfg. Co.*, 144 U.S. at 234-35. It is therefore federal patent policy to “encourage authoritative testing of patent validity,” by “eliminating obstacles to suit by those disposed to challenge the validity of a patent.” *Blonder-Tongue Labs., Inc. v. Univ. of Ill. Found.*, 402 U.S. 313, 344-45 (1971) (citing cases); see also *Edward Katzinger Co.*, 329 U.S. at 400 (patent policy is to “keep[] open the way for interested persons to challenge the validity of patents”). To further that policy, as explained above, in “case after case, the Court has construed [the patent] laws to preclude measures that restrict free access to . . . unpatentable[] inventions.” *Kimble*, 135 S. Ct. at 2407. When a patent is invalidated, innovators are free to develop products in the field without fear of liability, and the

public is not forced to pay monopoly prices for inventions which do not warrant patent protection. See *Edward Katzinger Co.*, 329 U.S. at 400-01; *Pope Mfg. Co.*, 144 U.S. at 235.

What was true 50 years ago is only more true today. The Patent Office's decision to issue a patent "in an *ex parte* proceeding, without the aid of the arguments which could be advanced by parties interested in proving patent invalidity" is not a reliable proxy for whether a patent has value. *Lear*, 395 U.S. at 670. Indeed, the understaffed, overworked Patent Office has been criticized for the high number of bad patents it grants. Malani & Masur, *supra*, at 647; see also Michael D. Frakes & Melissa F. Wasserman, *Does the U.S. Patent and Trademark Office Grant Too Many Bad Patents?: Evidence From a Quasi-Experiment*, 67 *Stan. L. Rev.* 613, 617, 663 (2015) (empirical evidence indicates the Patent Office is overgranting patents, in particular those regarding medical instruments); Roger Allan Ford, *The Patent Spiral*, 164 *U. Pa. L. Rev.* 827, 837 (2016). Bad patents impose a significant social cost; one estimate puts that cost at \$25.5 billion per year. T. Randolph Beard et al., *Quantifying the Cost of Substandard Patents: Some Preliminary Evidence*, 12 *Yale J.L. & Tech.* 240, 268 (2010); see also Frakes & Wasserman, *supra*, at 620 (cataloguing the "significant costs on society" invalidly issued patents cause).

Assignor estoppel is not a run-of-the mill barrier to invalidity challenges. "[I]t imposes a particular tax on inventors, placing on them a burden not shared by anyone else in the market." Lemley, *supra*, at 536-37. The cost of this tax is passed on to the public, which is deprived of future innovations the inventor might otherwise develop, and which may be forced to continue

paying monopoly prices for technology belonging to the public.

Indeed, that is precisely the result of applying assignor estoppel in this case. Truckai, years after having developed and marketed one successful improvement over prior endometrial ablation devices, discovered another even better way to treat patients. Hologic, the current owner of Truckai's original technology, saw the threat. It prosecuted a new patent from Truckai's old application. That new patent, with the aid of assignor estoppel, was especially suited to frustrate Truckai's innovative competition. Hologic won an infringement judgment without having to explain, to the satisfaction of the Federal Circuit, how the 15-year-old application described and enabled the broad claim it needed to prevail.

In the modern economy, assignor estoppel also functions as a hidden tax on employee mobility. Large firms can wield the doctrine against start-up companies precisely because the most successful start-ups are likely to have been founded by or to have attracted innovative employees in their fields. Lemley, *supra*, at 537-38; Brief Amici Curiae of Intellectual Law Professors at 8-11; Brief Amicus Curiae of Engine Advocacy at 7-18.

On the other side of the scale, assignor estoppel offers no patent policy benefits. The most obvious policy assignor estoppel advances is preventing fraud or misrepresentation in patent assignments. This concern motivated Justice Frankfurter's *Scott Paper* dissent. 326 U.S. at 258-59. Without diminishing that concern, it is important to emphasize that tort and contract law remain available to address it. To the extent patentees warrant that they, at the time of the assignment, know of no reason why the patent might be invalid, such a

representation would be breached *only* if they later assert an invalidity argument based on what they knew at the time of the assignment. And if a patent were held invalid for such a reason, the assignee would have a claim for fraud or breach of warranty and could seek damages. There is no reason why the general public should suffer the anticompetitive weight of an invalid patent because the original patentee misled the buyer when selling the patent.

The Federal Circuit's expansion of assignor estoppel appears to reflect a different policy. It has broadened the doctrine as if every patent assignment includes the equivalent of a covenant not to compete. If such a rule has any public value, it is not a public value reflected in *patent* law. No identifiable policy of patent law is served by treating every inventor who sells his patent as having agreed to exit the field for the life of the assigned patent family.

In this way, assignor estoppel may even frustrate state law. States have made distinct policy choices regarding the ability to restrict employee movement via contract. For example, California—where Truckai lives and works—generally regards covenants not to compete as unenforceable. Cal. Bus. & Prof. Code § 16600. The judicially-created doctrine of assignor estoppel overrides this policy choice to the extent it treats patent assignments as unbargained-for non-competes.

Finally, there is the question of the reliance interests of assignees in continuing the Federal Circuit's law of assignor estoppel. Any such reliance interests are especially weak. Abandoning assignor estoppel would not require overruling any decision of this Court, so the role of reliance in *stare decisis* is not a factor. See *Kimble*, 135 S. Ct. at 2409. Federal Circuit decisions regarding patent law are not entitled to special weight

in this Court; this Court has repeatedly overruled Federal Circuit decisions without regard to reliance interests the public might have in that court's rulings. See *Teva Pharm. USA, Inc. v. Sandoz, Inc.*, 135 S. Ct. 831 (2015); *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398 (2007); *MedImmune, Inc.*, 549 U.S. 118; *eBay Inc. v. MercExchange, LLC*, 547 U.S. 388 (2006). Moreover, assignor estoppel creates *no* reliance interest in the validity of an assigned patent; the assignee takes the patent knowing that most accused infringers will be free to challenge validity.

Policy questions are, of course, ultimately a matter for Congress. *Kimble*, 135 S. Ct. at 2414. But to the extent they weigh on this Court's decision whether to read assignor estoppel into the Patent Act, the policies tilt decidedly, indeed overwhelmingly, against.

## II. IF ASSIGNOR ESTOPPEL SURVIVES, IT SHOULD BE CONSTRAINED.

If this Court chooses to read assignor estoppel into the Patent Act, it should impose clear, readily administrable limits on the doctrine. The Federal Circuit's expansive version bears no resemblance to the doctrine's common-law roots. It amounts to a roving license to enforce a court's unguided sense of equity, which, as the Federal Circuit sees things, *always* favors the assignee. See *Diamond Sci.*, 848 F.2d at 1225; Lemley, *supra*, at 524. The result has been an ever-expanding doctrine. See generally Lemley, *supra*, at 519-24.

Indeed, assignor estoppel has become so unwieldy at the Federal Circuit that the court has applied it contrary to its own stated rationale. According to the Federal Circuit "it is the implicit representation by the assignor that the patent rights that he is assigning (pre-

sumably for value) are not worthless that sets the assignor apart from the rest of the world” and prevents the assignor from later “assert[ing] that what was sold is worthless.” *Diamond Sci.*, 848 F.2d at 1224. But the Federal Circuit applies the doctrine whether or not there was any sale for value. See *Carroll Touch, Inc. v. Electro Mech. Sys., Inc.*, 15 F.3d 1573, 1580-81 (Fed. Cir. 1993) (assignor estoppel applies if the only consideration for an employee’s invention is a salary). And the assignor need not have made any representation about the patent’s validity. See *Shamrock Techs., Inc. v. Med. Sterilization, Inc.*, 903 F.2d 789, 794 (Fed. Cir. 1990). The Federal Circuit bars invalidity challenges by anyone in privity with an assignor—and it “has never found a defendant not to be in privity” with an assignor. Lemley, *supra*, at 521. The Federal Circuit even prevents a company from challenging validity in defending a product the company developed before hiring the inventor/assignor. *MAG Aerospace Indus., Inc. v. B/E Aerospace, Inc.*, 816 F.3d 1374, 1380-81 (Fed. Cir. 2016).

In this case, the Federal Circuit again broke new ground. No previous case had applied assignor estoppel to prevent an inventor/assignor from asserting lack of enablement and lack of written description. This case involved a patent prosecuted long after the assignment, and whose claims were broadened to frustrate competition from novel technology. The Federal Circuit ignored that the assignor had never asserted “that what was sold is worthless” (what was sold generated billions in revenue for the assignee) and barred an invalidity challenge that specifically asks what is the scope of the “invention” that was assigned. That makes no sense.

These circumstances provide an array of options for this Court to constrain the doctrine which would, individually or in combination, blunt the ill-effects of the

doctrine and root it in something that at least resembles a (weak) legal basis for reading assignor estoppel into the law. Even if the doctrine survives, it most assuredly should not apply in this case.

**A. Assignor Estoppel Cannot Protect Patent Claims Issued After Assignment.**

Assignor estoppel cannot logically prevent an assignor from challenging patent claims which the assignor *did not assign*. As explained above, there is no reason for a court to infer any implicit representation in an assignment of a patent application about the validity of any claim which may later issue from that application. *Supra* at 34-35. Once the assignment is complete, the assignee is responsible for prosecuting the patent and for any defects in the claims which issue.

In *Formica*, this Court noted that an assignment of a patent application is an assignment of “an inchoate right,” the scope of which “is much less certainly defined than that of a granted patent.” 266 U.S. at 352-53. When an inventor assigns patent rights before the patent has issued, the claims are “subject to change by curtailment or enlargement by the Patent Office with the acquiescence or at the instance of the assignee” and the new claims “may ultimately include more than the assignor intended to claim.” *Id.* This Court concluded in *Formica* that it was particularly important to allow an inventor who assigned a patent application to defend against infringement by showing that the patent claims exceeded what he had invented and assigned. *Id.* at 353.

The prospect of improperly applying assignor estoppel in situations where an inchoate right to a potential patent was assigned has grown exponentially. In the early days of patent law, the patent system “contemplated that individual inventors would file their own

patent applications.” H.R. Rep. No. 112-98, at 43. Indeed, until the 1952 Patent Act, the inventor alone could file the patent application.<sup>3</sup> But now assignees can file patent applications—including reissue applications—without the inventor’s involvement. 1952 Patent Act §§ 118, 251, 66 Stat. at 799-800, 808; Leahy-Smith America Invents Act, Pub. L. No. 112-29, sec. 4(b)(1), § 118, sec. 4(b)(2), § 251, 125 Stat. 284, 296 (2011). Inventors today commonly assign inventions and applications early in the design process (or even before the process has begun, in an employment agreement), and leave it to the assignee to define and prosecute the claims. See H.R. Rep. No. 112-98, at 43; Lemley, *supra*, at 525-26. In the modern world, therefore, assignor estoppel is “most likely [to] be used by large companies” who drafted and prosecuted their own patent claims “to bully small start-ups” involving former employees. See Lemley, *supra*, at 536.

Estoppel has never attached to an inventor who drafted a claim but failed to prosecute that claim through to an issued patent. *Haughey v. Lee*, 151 U.S. 282, 285 (1894). There is no reason to treat the assignor of an applied-for claim any differently.

Limiting assignor estoppel to claims already issued at the time of the assignment would at least maintain a resemblance to common-law estoppel by deed. It would also prevent assignees from doing what Hologic did here: draft and prosecute overbroad patent claims to frustrate a competitor with a novel product, secure in the knowledge that the competitor would be barred

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<sup>3</sup> Patent Act of 1790, § 1, 1 Stat. at 109-10; Patent Act of 1793, § 1, 1 Stat. at 318-21; Act of July 4, 1836, ch. 357, § 6, 5 Stat. 117, 119; Patent Act of 1870, § 26, 16 Stat. at 201.

from arguing that the overbroad claim is invalid. Assignor estoppel should not be a sword wielded by assignees to prevent competition from upstarts.

### **B. Assignor Estoppel Cannot Bar Section 112 Defenses.**

There is no reason to preclude an assignor from raising the invalidity defenses available under section 112. Enablement and written description turn on what “a person of ordinary skill in the art” would understand from “an objective inquiry into the four corners of the specification.” *Rivera v. Int’l Trade Comm’n*, 857 F.3d 1315, 1319 (Fed. Cir. 2017) (quoting *Ariad Pharm., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc)); *Nat’l Recovery Techs., Inc. v. Magnetic Separation Sys., Inc.*, 166 F.3d 1190, 1195-96 (Fed. Cir. 1999). Whether a patent is adequately described or enabled turns on an objective analysis of the fit between the specification and the claims, not any fact uniquely in the inventor’s possession. Thus, the assignee can always assess written description and enablement. Indeed, the assignee, often a large corporate entity, will generally possess better resources than the assignor to determine whether the specification adequately supports the claims.

For the same reason, section 112 defenses are beyond the scope of the estoppel-by-deed basis of assignor estoppel. An assignee cannot have reasonably relied on any representation (presumably implicit) that a patent’s claims are supported by sufficient written description and are enabled. The assignee has full access to everything it needs to make its own assessment of potential risk. See *Gilbertson v. Charlson*, 301 N.W.2d 144, 148 (N.D. 1981) (finding no implied warranty that deed assigned larger percentage of mineral interest when reservation of five percent of interest was a matter of record); *Kirkpatrick v. Jones*, 446 A.2d

80, 81 (N.H. 1982) (estoppel by deed did not apply when the words in the deed “could not have ‘induced’ [the purchaser] to act in reliance on them”).

Moreover, applying assignor estoppel to prevent consideration of section 112 defenses undermines one of the core bargains of patent law. A patentee prefers a broad scope so it can exclude a broader array of devices from competition. But the price for overbroad claiming is invalidity of the patent. *O’Reilly v. Morse*, 56 U.S. (15 How.) 62, 120-21 (1854). The *full* scope of the claim must be described and enabled in the specification. *MagSil Corp.*, 687 F.3d at 1381. The scope of patent claims is often disputed in litigation. Yet the same principles apply: when a patent holder seeks a broad claim construction, it risks invalidity if the specification does not support the full scope it obtains. *Trs. of Bos. Univ. v. Everlight Elecs. Co.*, 896 F.3d 1357, 1365 (Fed. Cir. 2018) (a patent holder “create[s] its own enablement problem” by seeking an over-broad construction of a claim term). Applying assignor estoppel to section 112 defenses gives the assignee an incentive to seek an overbroad construction without being made to pay the invalidity price for it. Instead, the public pays the price because the assignee’s overbroad claim, combined with the presumption of validity, will deter everyone from attempting to compete.

This Court has long understood that assignor estoppel should not prevent an assignor from disputing the scope of the invention she assigned. *Formica* allowed the inventor to show “the extent of the grant . . . which [the inventor] assigned.” *Formica*, 266 U.S. at 350-51. An assignor asserting section 112 defenses is doing just that: she is asserting that what she assigned is more limited than what the assignee asserts was assigned. Since the inventor assigned the invention described and enabled by the specification, but no more,

a court should always be able to consider section 112 defenses.

**C. Assignor Estoppel Cannot Bar An Assignor Who Made No Representation About Patent Validity On Which The Assignee Reasonably Relied From Challenging Validity.**

Finally, consistent with its estoppel-by-deed roots, assignor estoppel should be limited to situations where an assignor made a representation that claims were valid, on which an assignee reasonably relied. See *supra* at 34-37.

In *Formica*, this Court recognized that an assignor might not be able to offer evidence to narrow the scope of the claims if the assignor “made specific representations as to the scope of the claims and their construction, inconsistent with the state of the art, on the faith of which the assignee purchased.” 266 U.S. at 351. But in the absence of such a “special instance,” the general rule of assignor estoppel could not bar the assignor from challenging the scope of the claims asserted by the assignee. *Id.*

Narrowing assignor estoppel to these special instances, where an assignor made a representation about some fact uniquely within the assignor’s knowledge, would promote the “fair dealing” ends which have motivated courts to apply the doctrine without imposing the significant cost on the public that comes from ignoring invalidity issues in the broad swath of cases in which it currently applies.

**CONCLUSION**

For the foregoing reasons, the Court should reverse and remand.

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**STATUTORY ADDENDUM**

Add. 1

**35 U.S.C. § 112. Specification**

(a) IN GENERAL.—The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor or joint inventor of carrying out the invention.

\* \* \*

**35 U.S.C. § 282. Presumption of validity; defenses**

\* \* \*

(b) DEFENSES.—The following shall be defenses in any action involving the validity or infringement of a patent and shall be pleaded:

(1) Noninfringement, absence of liability for infringement or unenforceability.

(2) Invalidity of the patent or any claim in suit on any ground specified in part II as a condition for patentability.

(3) Invalidity of the patent or any claim in suit for failure to comply with—

(A) any requirement of section 112, except that the failure to disclose the best mode shall not be a basis on which any claim of a patent may be canceled or held invalid or otherwise unenforceable; or

(B) any requirement of section 251.

(4) Any other fact or act made a defense by this title.

\* \* \*