

FLACHSBART & GREENSPOON, LLC
SUPREME COURT PATENT CASE ALERT
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The Supreme Court confirms the clear and convincing standard for proving invalidity.

Today in *Microsoft Corp. v. i4i Limited Partnership et. al.*, the Supreme Court affirmed the standard of proof for the invalidity defense in patent cases, specifically rejecting the Microsoft proposal that the standard of proof should be a mere preponderance of the evidence. The 8-0 decision, authored by Justice Sotomayor, held that the language of § 282 of the Patent Act of 1952 which states that patents are “presumed valid” requires the use of the higher standard. In his concurrence, Justice Thomas, while not relying on the language of § 282, agreed with the conclusion, stating that § 282’s language did not alter the common-law rule requiring clear and convincing evidence. Our firm filed an amicus brief before the Court on behalf of seven retired naval officers and in support of maintaining the clear and convincing standard.

The Court also specifically rejected Microsoft’s argument that a lower standard of proof should apply to prior art or evidence presented in litigation that had not been presented to the PTO during examination. In rejecting Microsoft’s proposals on the standard of proof, the Court explicitly stated that “Any recalibration of the standard of proof remains in Congress’ hands.” (Slip Op. at p. 20).

The debate about the standard of proof arose in the context of jury instructions. While i4i proposed a jury instruction at the District Court which recited the clear and convincing standard of proof, Microsoft proposed an instruction which applied the preponderance standard to any new evidence not seen by the PTO. Even though i4i argued that Microsoft had waived any argument to change the standard of proof across the board, the Court took up the issue, and rejected Microsoft’s position. As a result, the overall effect of the opinion is to confirm the clear and convincing standard for invalidity both for evidence considered by the PTO and evidence it did not see.

The Court’s opinion was not entirely one-sided, however. The Court did point out that new evidence can carry more weight and go further to sustaining the clear and convincing burden faced by those seeking to invalidate a patent, and hinted that the PTO’s judgment in allowing a patent can lose its persuasive power in the light of new evidence.

- William Flachsbart

William Flachsbart is a founding member of Flachsbart & Greenspoon. This alert and other articles and resources are available at http://www.fg-law.com/news_fg-law.html.