

Fed. Circ. Says Medtronic Didn't Infringe Defibrillator Patents

By **Allissa Wickham**

Law360, New York (March 11, 2014, 5:44 PM ET) -- The Federal Circuit ruled Tuesday that Medtronic Inc. had not infringed defibrillator patents held by Boston Scientific Corp., applying the U.S. Supreme Court's finding that patent owners bear the burden of proof when a licensee files a suit alleging invalidity and noninfringement.

On remand from the high court, the Federal Circuit ruled that a Delaware district court had correctly held that that Mirowski Family Ventures LLC, which assigned the patents to Boston Scientific, had not proven that Medtronic had infringed the patents.

"Having determined that [Mirowski's expert's] opinion lacked foundation, the district court was correct to conclude that MFV failed to prove literal infringement by a preponderance of the evidence," the opinion said.

The case stems from a declaratory suit filed by Medtronic, which claimed its new products were not covered by defibrillator patents licensed from Boston Scientific, which had licensed them from Mirowski.

In 2012, the Federal Circuit held that Medtronic bore the burden of proving invalidity and noninfringement of the patents, reversing the lower court's finding. The appeals court wrote that the district court had failed to take into account that the license barred Boston Scientific from counterclaiming for infringement, which left Medtronic as the only party seeking relief.

However, the Federal Circuit was forced to reconsider its stance after the Supreme Court ruled in January that companies licensing patents do not have the burden of proof when they file a declaratory judgment suit seeking to invalidate them and the patent owner is barred from alleging infringement by the license.

The high court held that the Federal Circuit's ruling would make it more difficult for licensees to file a declaratory judgment suit, and that a strong reason for creating this obstacle did not exist.

Using the Supreme Court's guideline, the Federal Circuit on Tuesday affirmed the lower court's finding that Mirowski had not proved infringement because the opinions of its expert, Dr. Ronald Berger, were insufficient.

Berger had failed to examine the limitations of each asserted patent claim in comparison to each of Medtronic's accused products, according to the appeals court. Since he only addressed disputed claim elements, the district court was left to review the remaining elements of asserted claims in order to determine infringement, the Federal Circuit wrote.

The appeals court ruled that Berger was not excused from issuing an opinion on every claim limitation in regards to Medtronic's products, and that the district court should not have been required to "scour the record for whatever other evidence may have supported MFV's infringement position."

In its January decision, the high court left untouched the appeals court's ruling that the lower court had improperly restricted the patents' claims to the treatment of congestive heart failure, which meant it had based its finding of the patents' validity on an incorrect claim construction. The appeals court therefore remanded the suit with instructions that the lower court reconsider its claim construction and finding of no invalidity.

Attorneys for Medtronic and Mirowski did not immediately respond to requests for comment.

The patents-in-suit are U.S. Patent Numbers RE38,119 and RE39,897.

Medtronic is represented by Martin R. Lueck, Jan M. Conlin and Stacie E. Oberts of Robins Kaplan Miller & Ciresi LLP.

Mirowski is represented by Arthur I. Neustadt, Thomas J. Fisher and John F. Presper of Oblon Spivak McClelland Maier & Neustadt LLP. Counsel information for Boston Scientific was not immediately available.

The case is Medtronic Inc. v. Boston Scientific Corp. et al., case number 11-1313, in the U.S. Court of Appeals for the Federal Circuit.

--Additional reporting by Ryan Davis. Editing by Elizabeth Bowen.

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