

ARIOSA DIAGNOSTICS v. VERINATA HEALTH, INC., Appeal Nos. 2015-1215 and 2015-1226 (Fed. Cir. November 16, 2015). Before Prost, Wallach and Taranto. Appealed from Patent Trials and Appeals Board.

Background:

Verinata owns a patent directed to methods of noninvasive prenatal testing for identifying a presence of abnormal copies of a chromosome. Ariosa petitioned for an inter partes review (IPR) for claims of the patent, arguing that the claims would have been obvious over a combination of three references (two patents, and one scholarly article).

The Patent Trials and Appeals Board (PTAB) granted the IPR. However, after reviewing Verinata's responses, the PTAB found that Ariosa did not carry its burden of showing that the claims would have been obvious. The PTAB found that Ariosa did not explain how or where the references differ from the claims and how one of ordinary skill in the art would have gone about combining the disparate elements, or what modifications would have needed to have been made to have combined the disparate elements.

During the IPR, Ariosa provided, by way of a second declaration, a brochure including additional information intending to provide some background knowledge considered to be within the understanding of one skilled in the art. The PTAB gave no weight to the testimony, explaining that there was no reason why this information could not have been presented as a part of the asserted ground of unpatentability in the first instance.

Issue/Holding:

Did the PTAB err in determining that the claims would not have been obvious? Yes, in view of a possible mistreatment of the brochure and second declaration, vacated and remanded.

Discussion:

The Federal Circuit confirmed that the brochure needs to be considered by the PTAB for its teachings even though it was not one of the pieces of prior art presented as the basis for obviousness, and was unsure whether the PTAB, in its finding of nonobviousness of the claims, properly considered the brochure.

The Federal Circuit felt that it was at least possible that the PTAB incorrectly limited its consideration of the brochure. However, the Federal Circuit indicated that the ruling could be affirmed even if the PTAB's decision may have been based upon an incorrect legal proposition if (1) it could be reasonably discerned that the PTAB followed a proper path, even if less than perfectly clear, or (2) the erroneous portion of the PTAB's ruling is ultimately non-prejudicial.

In this situation, because the Federal Circuit could not confidently discern whether the Board's path was proper given its insufficient articulation of the grounds for its rejection of Ariosa's reliance on the brochure, and because it could not be determined whether the possible error was non-prejudicial, the Federal Circuit vacated the PTAB's decision and remanded the case for further consideration.