HIP, INC. v. HORMEL FOODS CORP., Appeal No. 22-1696 (Fed. Cir. May 2, 2023). Before Lourie, Clevenger, and Taranto. Appealed from D. Del. (Judge Connolly).

Background:

HIP brought suit against Hormel, seeking a correction of inventorship to include David Howard, the president of HIP, as a joint inventor in a patent issued to Hormel. The patent is directed to a system for making precooked meat pieces, such as bacon, using a two-step cooking process. In the first step, the bacon is preheated by use of a microwave oven, an infrared oven, or hot air, so as to form a layer of melted fat around the bacon, thereby protecting the bacon from condensation that may wash away salt and flavor during cooking. The second step includes cooking the preheated bacon in a superheated steam oven, so as to avoid a charred flavor.

Prior to filing the patent application, Hormel and Howard held meetings and entered into a joint agreement for the development of an oven for use in the two-step process. It was during those meetings and testing that Howard alleges he disclosed the use of an infrared oven for preheating the bacon. As a result of subsequent testing performed by Hormel, it was revealed that a microwave oven could be used in the first step, and in the second step, the charred flavor could be avoided by turning off internal electrical heating elements in the steam oven.

In view of its findings, Hormel filed the patent application directed to the two-step process, without naming Howard as an inventor. Independent claim 1 recites a step of preheating the bacon using a microwave oven, and independent claim 5 recites a step of preheating meat pieces by using a microwave oven, an infrared oven, or hot air. In the suit before the district court, the judge held that Howard was a joint inventor based on Howard's contribution of the infrared oven preheating concept recited in claim 5. Hormel appealed.

Issue/Holding:

Did the district court err in holding that Howard should be added as a joint inventor? Yes, reversed.

Discussion:

The Federal Circuit held that Howard was not a joint inventor of the invention claimed in the patent at issue because Howard's contribution to the invention was insignificant. In this regard, the Federal Circuit agreed with Hormel's argument that Howard failed to meet at least one factor of the three-part test articulated in *Pannu*, 155 F.3d at 1351.

In particular, in view of the second *Pannu* factor, the Federal Circuit noted that the inventor must "make a contribution to the claimed invention that is not insignificant in quality, when that contribution is measured against the dimension of the full invention." In considering this factor, the Federal Circuit found that Howard's alleged contribution of preheating meat with an infrared oven was mentioned only once in the specification, and merely as an alternative to preheating with a microwave oven. Likewise, the Federal Circuit found that the term "infrared oven" was recited only once in claim 5 as an alternative preheating method. On the other hand, the Federal Circuit noted that the specification, claims and drawings squarely focused on a microwave oven as a preheating source. Thus, the Federal Circuit held that Howard's alleged contribution of preheating with an infrared oven was "insignificant in quality" when "measured against the dimension of the full invention."