

601 F.3d 1319, 94 U.S.P.Q.2d 1607
(Cite as: **601 F.3d 1319**)



United States Court of Appeals,
Federal Circuit.

SIRF TECHNOLOGY, INC., E-Ten Corp., Pharos
Science & Applications, Inc., MiTAC International
Corp., and Mio Technology Limited, USA, Appel-
lants,

v.

INTERNATIONAL TRADE COMMISSION, Ap-
pellee.

and

Broadcom Corporation and Global Locate, Inc., In-
tervenors.

No. 2009–1262.

April 12, 2010.

Background: Alleged infringers of six patents in the field of global positioning system (GPS) technology appealed decision of the International Trade Commission (ITC), finding that they violated the Tariff Act through unlawful importation, sale for importation, and sale after importation of certain accused devices.

Holdings: The Court of Appeals, [Dyk](#), Circuit Judge, held that:

- (1) substantial evidence supported ITC's finding that patent assignee, acting alone, had standing to assert claims of one of the patents;
- (2) one of the alleged infringers directly infringed two of the patents; and
- (3) two other patents recited patentable subject matter.

Affirmed.

West Headnotes

[1] Patents 291 324.5

291 Patents

291XII Infringement

291XII(B) Actions

291k324 Appeal

291k324.5 k. Scope and extent of review
in general. [Most Cited Cases](#)

Patents 291 324.55(1)

291 Patents

291XII Infringement

291XII(B) Actions

291k324 Appeal

291k324.55 Questions of Fact, Verdicts,
and Findings

291k324.55(1) k. In general. [Most
Cited Cases](#)

The question of standing to assert a patent claim is jurisdictional, and is reviewed de novo; however, underlying factual determinations upon which the conclusion of standing is based are reviewed for substantial evidence.

[2] Customs Duties 114 22

114 Customs Duties

114I Validity, Construction, and Operation of
Customs Laws in General

114k22 k. Prohibition of importation. [Most
Cited Cases](#)

Patents 291 286

291 Patents

291XII Infringement

291XII(B) Actions

291k286 k. Persons entitled to sue. [Most](#)

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Cited Cases

Patents 291 290(1)

291 Patents

291XII Infringement

291XII(B) Actions

291k290 Parties

291k290(1) k. Complainants. **Most**

Cited Cases

Absent the voluntary joinder of all co-owners of a patent, a co-owner acting alone will lack standing to assert a patent claim; this rule applies equally in International Trade Commission (ITC) investigations.

[3] Labor and Employment 231H 310

231H Labor and Employment

231HV Intellectual Property Rights and Duties

231Hk308 Inventions, Discoveries, or Creations of Employees

231Hk310 k. Contracts. **Most Cited Cases**

Employee-assignment agreement providing that “[t]he Employee assigns all of his or her right, interest, or title in any Invention to the Employer to the extent allowed by law” provided for automatic assignment; by using the language “Employee assigns,” the employee-assignment agreement expressly granted rights with no further action needed on the part of the employee.

[4] Federal Courts 170B 3078(1)

170B Federal Courts

170BXV State or Federal Laws as Rules of Decision; Erie Doctrine

170BXV(B) Application to Particular Matters

170Bk3063 Substantive Matters

170Bk3078 Contracts, Sales, and As-

signments

170Bk3078(1) k. In general. **Most**

Cited Cases

(Formerly 170Bk412.1)

The question whether an agreement provides for automatic assignment is a matter of federal law.

[5] Patents 291 183

291 Patents

291X Title, Conveyances, and Contracts

291X(A) Rights of Patentees in General

291k183 k. Assignment of invention or right to patent. **Most Cited Cases**

If a contract expressly grants rights in future inventions, no further act is required once an invention comes into being, and the transfer of title occurs by operation of law.

[6] Customs Duties 114 22

114 Customs Duties

114I Validity, Construction, and Operation of Customs Laws in General

114k22 k. Prohibition of importation. **Most Cited Cases**

Substantial evidence supported International Trade Commission's (ITC) finding, in concluding that assignee of patent directed to signal correlation in global positioning system (GPS) receivers, acting alone, had standing to assert claims of patent, that there was no evidence that invention of patent was “related to or useful” in one of the named inventor's employer's business within the meaning of employee-assignment agreement between inventor and his employer, so as to establish inventor's employer had a co-ownership interest in patent, in light of evidence that employer sued assignee as well as inventor personally for trade secret misappropriation, and as part

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of the settlement agreement employer and inventor appeared to recognize that assignee was the owner of the invention in question, stating that nothing in the agreement precluded assignee from using the technology involved in the asserted claims of the patent.

[7] Federal Courts 170B 🔑3074(1)

170B Federal Courts

170BXV State or Federal Laws as Rules of Decision; Erie Doctrine

170BXV(B) Application to Particular Matters

170Bk3063 Substantive Matters

170Bk3074 Labor and Employment

170Bk3074(1) k. In general. **Most**

Cited Cases

(Formerly 170Bk412.1)

Question of whether invention was “related to or useful in the business of the Employer” within the meaning of employee-assignment agreement was a matter of state, rather than federal law.

[8] Evidence 157 🔑448

157 Evidence

157XI Parol or Extrinsic Evidence Affecting Writings

157XI(D) Construction or Application of Language of Written Instrument

157k448 k. Grounds for admission of extrinsic evidence. **Most Cited Cases**

Labor and Employment 231H 🔑323(3)

231H Labor and Employment

231HV Intellectual Property Rights and Duties

231Hk313 Actions

231Hk323 Evidence

231Hk323(3) k. Admissibility. **Most Cited Cases**

Under California law, when a contract is ambiguous, extrinsic evidence is admissible to prove a meaning to which the contract is reasonably susceptible; such extrinsic evidence may include evidence of the nature of the employer's business and the nature of the employee's work for the employer, as well as evidence of the conduct of the parties, i.e., evidence probative of whether they regarded the invention as falling within the agreement.

[9] Patents 291 🔑199

291 Patents

291X Title, Conveyances, and Contracts

291X(B) Assignments and Other Transfers

291k196 Requisites and Validity of Assignments and Grants

291k199 k. Recording. **Most Cited Cases**

The recording of an assignment with the Patent and Trademark Office (PTO) is not a determination as to the validity of the assignment; however, it creates a presumption of validity as to the assignment and places the burden to rebut such a showing on one challenging the assignment. **37 C.F.R. § 3.54.**

[10] Patents 291 🔑324.5

291 Patents

291XII Infringement

291XII(B) Actions

291k324 Appeal

291k324.5 k. Scope and extent of review in general. **Most Cited Cases**

Patent claim construction is an issue of law subject to de novo review.

[11] Patents 291 🔑101(2)

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291 Patents

291IV Applications and Proceedings Thereon

291k101 Claims

291k101(2) k. Construction in general. [Most](#)

[Cited Cases](#)

Second step of patent teaching sending satellite ephemeris to a mobile global positioning system (GPS) receiver through an assisted-GPS (A-GPS) network and using the ephemeris at the receiver to more precisely locate the satellites and narrow the search for weak signals, providing for “communication [sic] the satellite ephemeris to a mobile GPS receiver at a second location,” encompassed communicating, whether direct or indirect.

[\[12\] Patents 291 ↪101\(2\)](#)

291 Patents

291IV Applications and Proceedings Thereon

291k101 Claims

291k101(2) k. Construction in general. [Most](#)

[Cited Cases](#)

Third step of patent teaching the compaction of satellite ephemeris data in order for it to be received more quickly by global positioning system (GPS) receivers that uncompact data, providing for “transmitting the formatted data to a remote receiver,” encompassed transmitting, whether direct or indirect.

[\[13\] Patents 291 ↪235\(2\)](#)

291 Patents

291XII Infringement

291XII(A) What Constitutes Infringement

291k233 Patents for Machines or Manufactures

291k235 Identity of Principle or Mode of Operation

291k235(2) k. Particular patents or devices. [Most Cited Cases](#)

Alleged infringer of two patents in the field of global positioning system (GPS) technology indirectly transmitted or communicated relevant files to GPS receivers, as required to meet claim limitations providing for “communication [sic] the satellite ephemeris to a mobile GPS receiver at a second location,” and “transmitting the formatted data to a remote receiver,” even though “communicati[ng]” or “transmitting” could only occur if the customer forwarded the data to the end user and the end user downloaded the data; alleged infringer initiated the process of transmitting and communicating, and the files were actually transmitted to the end users.

[\[14\] Patents 291 ↪101\(2\)](#)

291 Patents

291IV Applications and Proceedings Thereon

291k101 Claims

291k101(2) k. Construction in general. [Most](#)

[Cited Cases](#)

“Processing” and “representing” steps of claims of patents in the field of global positioning system (GPS) technology, requiring “processing [the] satellite signals received at the mobile GPS receiver,” and “representing [the] formatted data in a second format supported by the remote receiver,” took place in a GPS receiver that was enabled and ready to process data.

[\[15\] Patents 291 ↪324.5](#)

291 Patents

291XII Infringement

291XII(B) Actions

291k324 Appeal

291k324.5 k. Scope and extent of review in general. [Most Cited Cases](#)

Whether a patent claim is drawn to patent-eligible

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subject matter is an issue of law that is reviewed de novo.

[16] Patents 291 7.11

291 Patents

291I Subjects of Patents

291k4 Arts

291k7.11 k. Use or operation of machine or apparatus as affecting process. [Most Cited Cases](#)

In determining whether a claimed process is tied to a particular machine or apparatus, so as to be patent-eligible, a “machine” is a concrete thing, consisting of parts, or of certain devices and combination of devices, which includes every mechanical device or combination of mechanical powers and devices to perform some function and produce a certain effect or result. [35 U.S.C.A. § 101](#).

[17] Patents 291 7.14

291 Patents

291I Subjects of Patents

291k4 Arts

291k7.14 k. Particular processes or methods as constituting invention. [Most Cited Cases](#)

Global positioning system (GPS) receiver was a “machine” integral to claims of patents in the field of GPS technology, expressly directed to calculating an absolute position of a GPS receiver, and requiring the estimation of “states” “associated with a satellite signal receiver,” and a “dynamic model . . . to compute [the] position of the satellite signal receiver,” for purposes of determining whether claims recited patentable subject matter. [35 U.S.C.A. § 101](#).

[18] Patents 291 7.14

291 Patents

291I Subjects of Patents

291k4 Arts

291k7.14 k. Particular processes or methods as constituting invention. [Most Cited Cases](#)

Presence of global positioning system (GPS) receiver in claims of patents in the field of GPS technology, expressly directed to calculating an absolute position of a GPS receiver, and requiring the estimation of “states” “associated with a satellite signal receiver,” and a “dynamic model . . . to compute [the] position of the satellite signal receiver,” placed a meaningful limit on the scope of the claims, for purposes of determining whether the claims recited patentable subject matter under the machine-or-transformation test, absent evidence that the calculations could have been performed entirely in the human mind. [35 U.S.C.A. § 101](#).

[19] Patents 291 7.11

291 Patents

291I Subjects of Patents

291k4 Arts

291k7.11 k. Use or operation of machine or apparatus as affecting process. [Most Cited Cases](#)

In order for the addition of a machine to impose a meaningful limit on the scope of a claim, for purposes of determining whether a claim recites patentable subject matter under the machine-or-transformation test, it must play a significant part in permitting the claimed method to be performed, rather than function solely as an obvious mechanism for permitting a solution to be achieved more quickly, i.e., through the utilization of a computer for performing calculations. [35 U.S.C.A. § 101](#).

Patents 291 328(2)

291 Patents

291XIII Decisions on the Validity, Construction,

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