

## Supreme Court: Patent Invalidity Must Be “Clear and Convincing”

On June 9, 2011, the United States Supreme Court reaffirmed that patent invalidity must be proved by “clear and convincing” evidence. The law has long been that patents are presumed valid, that deference should be shown to Patent Office determinations of patent validity, and that proof of invalidity must meet a heightened evidentiary standard: “clear and convincing” evidence, rather than merely a “preponderance” of the evidence. In *Microsoft Corp. v. i4i Limited Partnership*, the Supreme Court considered two issues: (1) whether the “clear and convincing” standard should continue to apply at all to patent invalidity; and (2) if so, whether the standard should be reduced to a “preponderance” when the challenge to validity is based on prior art that was not before the Patent Office when the patent issued.

Holding that Congress decided the issue when it adopted the Patent Act of 1952, the Court confirmed that patent invalidity must be proved by “clear and convincing” evidence, even where the Patent Office did not consider the allegedly invalidating prior art. But consistent with accepted practice, the Court held that “new evidence supporting an invalidity defense may ‘carry more weight’ ... than evidence previously considered by the PTO.” If based on “new evidence,” “the challenger’s burden to persuade the jury of its invalidity defense by clear and convincing evidence may be easier to sustain.” This “easier” burden of persuasion, the Court ruled, should “most often” be explained to patent case juries in the jury instructions.

This case generated substantial debate over the “wisdom of the clear and convincing evidence standard.” Many argued that the heightened standard of proof dampens innovation by insulating “bad” patents from invalidity challenges, among other negative effects. Others argued that the heightened standard properly limits the ability of juries to override patent issuance decisions of the Patent Office. But the Supreme Court decided that it was “in no position to judge the positive force of these policy arguments,” concluding only that “Congress specified the applicable standard of proof in 1952 when it codified the common-law presumption of patent validity.” “Any recalibration of the standard of proof,” the Court held, “remains in [Congress’] hands.”

*Microsoft Corp. v. i4i Limited Partnership*, No.10-290 (June 9, 2011)



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