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Federal Circuit Denies *En Banc* Rehearing for Hepatitis Drug Patent Ruling

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(October 27, 2014) On October 20, 2014, the Federal Circuit, by a 7-4 vote, denied a petition for rehearing (*en banc*) a decision invalidating a Bristol-Myers Squibb ("BMS") hepatitis B drug patent as obvious, which raised issues regarding the relevance of post-invention date evidence of nonobviousness.

The concurring opinions appeared to take conflicting views on post-invention evidence. Judge Timothy Dyk, for example, stated that 35 U.S.C. § 103 mandated that evidence post-dating a patent cannot be used to find it nonobvious. According to Judge Dyk, the discovery of unexpected results *only by the time of the invention* can affect obviousness because "hindsight bias must be avoided in determining obviousness." Judge Kathleen O'Malley, on the other hand, stated that the panel's decision did "not foreclose the possibility that post-invention evidence regarding the properties of either the invention or the prior art might be persuasive in the appropriate case," but in this particular case, the post-invention evidence was insufficient.

The dissenting opinions argued in favor of granting the rehearing *en banc*. Judge Pauline Newman, for example, stated that the panel decision ignored overwhelming precedent that "[i]nformation learned after the patent application was filed may provide evidence of unexpected or unpredicted properties." Judge Richard Taranto, on the other hand, simply stated that the panel decision raised questions about "the proper meaning of the related elements, 'reasonable expectation of success' and 'unexpected results.'"

The court's denial of rehearing (*en banc*) means that the questions regarding the relevance of post-invention date evidence of nonobviousness will not be resolved by the full court in connection with the BMS case. Look for future decisions from the Federal Circuit (or Supreme Court) to help resolve any ambiguities regarding the timing of this type of evidence.

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