

**CASE LAW UPDATE**

February 28, 2006

<b>CASE</b>	Laboratory Corp of America v. Metabolite Laboratories, certiorari granted, No. 04-607, October 31, 2005; case below at 370 F.3d 1354 (Fed. Cir. 2004); docketed for argument March 21, 2006
<b>MAIN ISSUE(S)</b>	Patentable subject matter
<b>EXECUTIVE SUMMARY</b>	The Supreme Court granted certiorari to consider the following question: Whether a method patent setting forth an indefinite, undescribed, and non-enabling step directing a party simply to “correlate” results can validly claim a monopoly over a basic scientific relationship used in medical treatment such that any doctor necessarily infringes the patent merely by thinking about the relationship after looking at a test result.
<b>KEY TERM(S)</b>	patentable subject matter; laws of nature; intent to infringe; intent to induce; correlate
<b>PROCEDURAL POSTURE</b>	<p>A jury found that LabCorp had indirectly infringed the ‘658 patent and had partially breached its contract with Metabolite Labs. The jury assessed damages of \$3,652,724 for breach of contract and \$1,019,365 for indirect infringement. The District Court doubled the infringement award for willful infringement and issued a permanent injunction against LabCorp. <i>Metabolite Labs., Inc. v. Lab. Corp.</i>, No. 99-Z-870 (D. Colo. Nov. 19, 2001).</p> <p>LabCorp appealed to the CAFC. The CAFC affirmed the jury findings and order for enhanced damages and permanent injunction. Petition for rehearing and rehearing en banc denied.</p> <p>LabCorp petitioned for writ of certiorari. On February 28, 2005, the U.S. Supreme Court invited the United States to file a brief in the case. (2005 U.S. LEXIS 2077).</p> <p>The United States submitted an Amicus brief on August 2005, recommending that the petition be denied. A writ of certiorari limited to Question 3 of the petition was granted on October 31, 2005. (2005 U.S. LEXIS 7857).</p>
<b>FACTS</b>	<p>U.S. Patent No. 4,940,658 claims methods for detecting cobalamin (Vitamin B12) of folic acid deficiency. At issue is the “total homocysteine test” of claim 13:</p> <p>13. A method for detecting a deficiency of cobalamin or folate in warm-blooded animals comprising the steps of:</p> <p>assaying a body fluid for an elevated level of total homocysteine; and correlating an elevated level of total homocysteine in said body fluid with a deficiency of cobalamin or folate.</p> <p>In reviewing the district court’s claim construction, the Federal Circuit focused on the construction of “correlating.” The Federal Circuit affirmed that physicians who ordered the assays from LabCorp directly infringed by performing the “correlating” step.</p>
<b>HOLDING</b>	Writ of certiorari granted on October 31, 2005, limited to Question 3.
<b>COURT’S REASONING</b>	LabCorp’s position: CAFC holding grants a monopoly over the thought processes of doctors. Law of nature, natural phenomena, and abstract ideas are not patentable subject matter. United States Amicus position: Issue of unpatentable subject matter was not raised below and validity of claim may depend on facts that are not well developed in the record. Not the right case to examine this issue.
<b>PANEL</b>	S. Ct.: en banc; Fed. Cir.: Rader, Friedman, Schall