CELANESE INTERNATIONAL CORPORATION v. INTERNATIONAL TRADE COMMISSION, Appeal No. 2022-1827 (Fed. Cir. Aug. 12, 2024). Before Reyna, Mayer, and Cunningham. Appealed from the ITC.

Background:

Celanese is an artificial sweetener manufacturer that kept its manufacturing process a trade secret while selling the sweetener product (Ace-K). More than a year after first commercializing Ace-K, Celanese filed for a patent directed to the manufacturing process. Based on the patent, Celanese filed a §337 investigation regarding alleged infringing activity of Anhui Jinhe (a Chinese food additive manufacturer). The Administrative Law Judge (ALJ) determined no violation by Anhui Jinhe because the claims were invalid from the on-sale bar that was triggered by Celanese's sale of Ace-K before the critical date of patent.

Under the pre-AIA precedent, sales of products made using a secret process triggered the on-sale bar to patentability on the process. Celanese, however, argued that the AIA changed the on-sale bar to not include secret sales like the sale of Ace-K. The ALJ rejected this argument based on the Supreme Court's decision in *Helsinn*[1] where the Court addressed whether Congress altered the on-sale bar with the AIA and held unanimously that it did not. Celanese appealed.

Issue/Holding:

Did the AIA change the on-sale bar such that Celanese's sale of Ace-K made using a secret process would not bar patentability to that process? No, the ALJ's judgment is affirmed.

Discussion:

Celanese argued that the change of language in the AIA indicated Congress' intent to alter the on-sale bar. Celanese argued that replacing "invention" with "claimed invention" in §102[2] shows that the claimed invention *itself* must be on sale to trigger the on-sale bar. The Federal Circuit did not agree. Celanese's interpretation would mean a foundational change to the pre-AIA law on the on-sale bar, and Congress did not intend to make such a change with a simple substitution of "invention" with the "claimed invention."

Celanese argued that the use of the catchall phrase "otherwise available to the public" after "on sale" shows that Congress intended to exclude secret sales that do not disclose the invention. The Federal Circuit did not agree. Helsinn already tried this argument, and the Supreme Court explicitly rejected it. The rationale behind the on-sale bar confirms this conclusion. The on-sale bar precludes one from commercially exploiting the invention and then continuing that exploitation through a patent, effectively extending the statutory patent term.

Celanese argued that, if the "on-sale" in §102(a)(1) is interpreted to include secret sales, it would be inconsistent with §102(b)(1) that provides a one-year grace period for "disclosures" made by the inventor because, a secret sale is not a disclosure, and then the grace period would not exist for secret sales. The Federal Circuit dismissed this argument as §102(b)(1) is not implicated here because Celanese's sale occurred well before the one year grace period and declined to interpret §102(b)(1) in this case.

---

[1] *Helsinn Healthcare v. Teva Pharms.,* 586 U.S. 123 (2019). Helsinn argued that the AIA changed the on-sale bar such that its confidential sale of a patented product does not trigger the on-sale bar. The Supreme Court unanimously rejected the argument.

[2] *Compare* 35 U.S.C. §102 (2006) ("…entitled to a patent unless…(b) the invention was…on sale…"), with AIA §102(a) ("…entitled to a patent unless— (1) the claimed invention was…on sale…").