WINTER 2025

BRIEFS

Streamlining Patent Review: USPTO's 2025 Pilot Programs

JONATHAN L. KENNEDY
Patent Attorney

In October 2025, the USPTO released two pilot projects related to aid in expediting patent examination: The Automated Search Pilot Program (90 Fed. Reg. 48161) and the Streamlined Claim Set Pilot Program (90 Fed. Reg. 48579). Each program is discussed in greater detail below.

Automated Search Pilot Program

The Automated Search Pilot Program began October 20, 2025 and will run until either April 20, 2026 or for each Technology Center the date upon which it has 200 applications accepted. Technology Centers are art specific units and thus some TCs may have their quota completed faster than others.

The Automated Search Pilot Program applies to original, non-continuing, nonprovisional utility patent applications filed on or after October 20, 2025 and before April 20, 2026. If an Applicant participates in the Pilot, an automated search will be conducted using an AI tool. The AI tool will search prior art databases the USPTO has access to, including foreign patent databases. The AI's search will be based on the application's CPC classification, specification, claims, and abstract. The AI tool will rank the prior art from most to least relevant and return a report of up to 10 most relevant prior art it identified.

The formal search and examination by the assigned examiner is not sped up by this process, but instead it is intended to: (i) assess use of the AI search tool (likely for future use in examination), and (ii) to inform the applicant of potential prior art issues earlier in the examination process.

To participate, the USPTO requires submission of a petition seeking inclusion in the Pilot and payment of the petition fee set forth in 37 CFR 1.17(f), which is currently $90 (micro entity), $180 (small entity), and $450 (large entity). Given the limited number of spots available (200 per technology center), the USPTO will not accept multiple petitions in a single application. If this is of interest to you, please let your MVS attorney know who can evaluate whether your application might qualify for inclusion in the Pilot Program.

Streamlined Claim Set Pilot Program

The Streamlined Claim Set Pilot Program began October 27, 2025 and will run until either October 27, 2026 or for each Technology Center the date upon which it has 200 applications accepted. Technology Centers are art specific units and thus some TCs may have their quota completed faster than others.

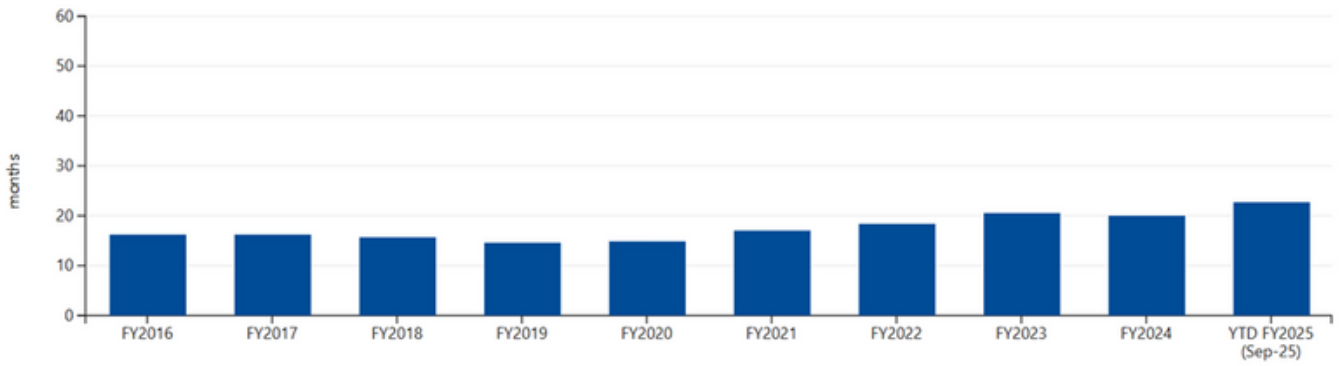
The Streamlined Claim Set Pilot Program applies to original, non-continuing, nonprovisional utility patent applications filed before October 27, 2025. Applications accepted into the program will be advanced in order for examination. After a first office action though the application will no longer be treated as special and will revert to standard examination timelines.

To qualify for consideration in the Streamlined Claim Set Pilot Program there are a number of requirements:

(1) The application can only have one independent claim and no more than ten total claims.
(2) The claims must not be multiply-dependent and must satisfy 35 USC § 112(d) by properly limiting the claim from it depends. Applicants can file a preliminary amendment to ensure the claims are compliant with these requirements when filing the petition to participate in this Pilot Program.
(3) A petition fee must be paid to the USPTO (regardless of whether the application is accepted). The Petition fee is provided in 37 CFR 1.17(h), which is currently $30 (micro entity), $60 (small entity), and $150 (large entity).
(4) The applicant must certify that no inventor named on the application is listed as an inventor on more than three other nonprovisional applications in which a petition to make special under this program has been filed.
(5) The application must have been filed in DOCX format.
(6) If the application was filed with a non-publication request, then that must be rescinded when filing the petition to participate.

If any of these requirements are not met, then the USPTO will deny the petition.

As of September 2025, the average pendency of an application to a first office action is 22.6 months. The USPTO provides up to date statistics for such information at its Patents Dashboard. A summary from the USPTO's dashboard summarizing the average time until a first office action for the past ten years is provided below:



Overall, this seems like a great way to get a focused claim set of priority into examination quickly without paying the fees required for Track One examination. If this is of interest to you, please let your MVS attorney know who can evaluate whether your application might qualify for inclusion in the Pilot Program.

Beyond the Basics: What the USPTO's Streamlined Claim Set Pilot Program Means for Applicants

CHARLES P. ROMANO
Patent Agent

As noted and detailed in the opening article , the USPTO has recently launched the Streamlined Claim Set Pilot Program to "enhance efforts to reduce the USPTO's inventory and pendency." As noted elsewhere, the USPTO is clearly incentivizing applicants to file applications that are more easily examined. This article explores some of the pros and cons of using the Streamlined Claim Set Pilot Program (SCSPP).

The most apparent benefit of the SCSPC is to obtain a USPTO search and first office action more quickly. Earlier receipt of USPTO search and examination results could inform internal and external decision making on patent filing strategies and investments in related research and development. However, the SCSPP's current requirement for publication of the application can be disadvantageous for US-only applications where non-publication is helpful. For example, non-provisional applications that claim the benefit of a US provisional patent application filed one year prior will publish six months after filing. At present, the SCSPP provides only that the application will be advanced out of turn and provides no guarantee as to the date of that first office action. In this regard, the SCSPP is unlike the USPTO's fee-based TrackOne program for prioritized examination which sets a twelve-month "final disposition" goal and can be filed with a non-publication request. In many USPTO examining groups, it is unlikely that a first office action would be received in time for an applicant to avoid publication by express abandonment of the application that received an unfavorable First Office Action.

One potential work-around to this problem would be to file a non-provisional patent application without a benefit claim to an earlier application. In this scenario, the applicant might receive the first office action in time to avoid publication by express abandonment but would sacrifice up to a year of additional patent term they might otherwise have enjoyed.

The most apparent downside to the SCSPP is that only one type of invention (e.g., composition, method of making, and method of use) will be searched and examined without any reduction in the USPTO filing, search, and examination fees. At first blush, this downside may seem negligible given that composition and method claims are frequently subject to a Restriction Requirement that limits examination to only one type of invention. Restriction Requirements and SCSPPs thus have the same ultimate effect of requiring that multiple applications be filed and multiple fees paid to have all of the types of inventions examined. However, divisional applications drawn to different inventions due to a Restriction Requirement have the distinct advantage of the 35 U.S.C. 121 safe harbor against non-statutory double patenting rejections. In contrast, there is no indication that claims to different types of inventions filed in an SCSPP and another application would enjoy the 35 U.S.C 121 safe harbor. As such, applicants who filed an SCSPP and another application might need to file a Terminal Disclaimer to overcome a non-statutory double patenting rejections. Such Terminal Disclaimers can be disadvantageous if any Patent Term Adjustments extending patent term of either application were in play or if the applicant wants to assign rights to different entities. For example, it is not too difficult to imagine a scenario where a patent applicant might want to assign rights to a patent for a method of making to a manufacturer and rights to a patent for a method of use to a retailer or end-user. In such instances, patent applicants who anticipate that different parties may ultimately own distinct patents drawn to distinct types of inventions may want to avoid the SCSPP.

Another aspect of the SCSPP that needs to be weighed is the potential for examination of different invention types by different examiners. For cases where an applicant with a common inventor files 2, 3, or the maximum of 4 SSCPP applications with one or more common inventors in the same patent family, there is no indication that the USPTO will send all of those applications to the same examiner. Sending all of the applications to a single examiner would seemingly defeat the purpose of the SCSPP. SCSPP and non-SCSPP applications in the same patent family may also be sent to different Examiners.

In such instances, applicants will need to take care that their duty to disclose information material to patentability is met by providing material and non-cumulative information to all examiners handling different applications in the family.

All patent applicants should welcome the USPTO's focus on providing a more financially accessible tool for expediting examination. It is not hard to imagine that this could be a real lifeline for certain applicants where an allowance obtained sooner rather than later could drive investment and growth of their business.

USPTO's Memorandum on Applicant Admitted Prior Art and General Knowledge in *Inter Partes Reviews*

GREGORY LARS GUNNERSON
Patent Attorney

On July 31, 2025, the U.S. Patent and Trademark Office's Acting Director, Coke Morgan Stewart, issued a policy memorandum (the "2025 Memo") that significantly tightens the use of Applicant Admitted Prior Art (AAPA) and other "general knowledge" in inter partes review (IPR) proceedings. Effective for IPR petitions filed on or after September 1, 2025, the Patent Trial and Appeal Board (PTAB) will no longer waive and will strictly enforce the rule that an IPR petition "must specify where each element of the claim is found in the prior art patents or printed publications relied upon". In practice, this means petitioners cannot rely on AAPA, expert testimony, common sense, or any other evidence that is not a prior art patent or printed publication to supply a missing claim element in an IPR challenge.

The America Invents Act strictly limits the prior art that can form the basis of an IPR challenge. Under 35 U.S.C. § 311(b), an IPR petitioner may request to cancel claims "only on the basis of prior art consisting of patents or printed publications." This statutory language raised the question of whether AAPA could be used in an IPR ground, since such admissions are found within the challenged patent itself.

The PTAB's rules echo the statute's requirement. Rule 42.104(b)(4) mandates that an IPR petition "must specify where each element of the claim is found in the prior art patents or printed publications relied upon." In other words, every claim limitation must be mapped to a patent or printed publication. Historically, the USPTO had discretion to waive or relax this rule (under 37 C.F.R. § 42.5(b)) for "efficient administration," and in 2020 and 2022 the Office did waive strict enforcement to allow some use of AAPA as supporting evidence. That policy has now changed.

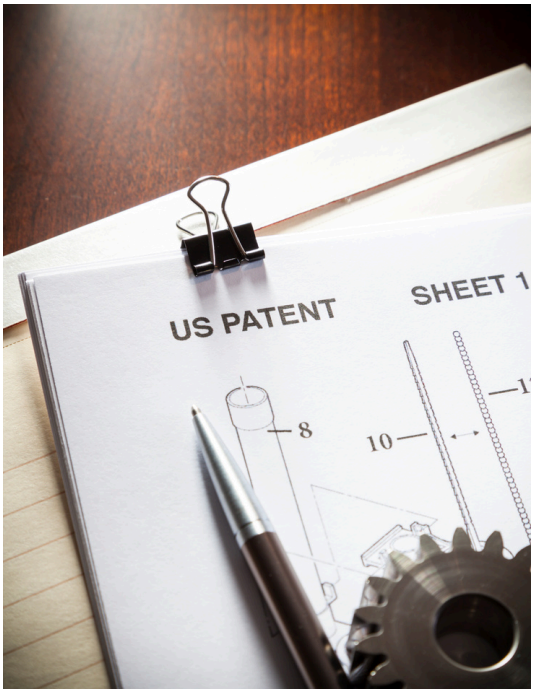
AAPA is typically found in the "Background" section of a patent, where the patentee describes certain work as already known. According to the Manual of Patent Examining Procedure (MPEP), an applicant's statement identifying the work of another as "prior art" in the specification or during prosecution is a binding admission that the work is prior art for both novelty and obviousness analyses. Examiners can rely on such admissions in rejecting claims (even if the admitted art wouldn't otherwise qualify under §102). However, for IPR purposes, the key issue is whether AAPA can count as a "patent or printed publication" under §311(b).

In the absence of explicit Director guidance, PTAB panels have sometimes permitted AAPA to be used in IPR obviousness grounds. For example, in the IPRs against Qualcomm's U.S. Patent No. 8,063,674 ("the '674 patent"), Apple challenged the claims as obvious over the patent's own admitted prior art in combination with two other references (Majcherczak and Matthews). In January 2020, the PTAB's final written decision found the '674 patent claims unpatentable, reasoning that the patent's AAPA was effectively "prior art consisting of patents or printed publications" under §311(b). The PTAB thus treated AAPA as if it were a qualifying prior art document and upheld Ground 2 (AAPA in view of Majcherczak and Matthews) as a valid basis for obviousness. Qualcomm argued on appeal that this was legal error, contending that AAPA cannot form the "basis" of an IPR ground because it is not a separate patent or publication.

Anticipating the controversy, then-Director Iancu issued guidance on August 18, 2020, titled "Treatment of Statements of the Applicant in the Challenged Patent in IPRs Under § 311" (the "2020 Memo"). The 2020 Memo took the position that AAPA is not a patent or printed publication under §311(b) and thus cannot form "the basis" of an IPR ground. However, Iancu's memo acknowledged that AAPA could still be used in a supporting role, e.g., "if used in conjunction with" a prior art patent or publication that does form the basis, AAPA might "support a finding of obviousness." In essence, the USPTO in 2020 drew a line: an IPR petition could not rely solely on AAPA but could cite AAPA to bolster an obviousness combination as long as a qualifying patent/publication was also cited as the primary basis.

In February 2022, the Federal Circuit weighed in, largely affirming the spirit of the 2020 USPTO guidance. In Qualcomm Inc. v. Apple Inc., 24 F.4th 1367 (Fed. Cir. 2022), the court held that AAPA "is not prior art consisting of patents or printed publications" and thus cannot form the basis of an IPR ground. Any IPR challenge that relied solely on AAPA would be improper. The court vacated the PTAB's 2020 decision against the '674 patent and remanded for the Board to determine whether, in Apple's petition, the AAPA had improperly been used as the basis of the ground or merely as permissible background evidence. Notably, the Federal Circuit in Qualcomm I clarified that it was not categorically barring AAPA's use altogether. The panel acknowledged that an IPR petitioner may refer to AAPA either to supply a missing claim limitation or to support a motivation to combine, provided that AAPA is not itself the sole basis of the challenge. In other words, AAPA could still play a role in obviousness arguments "under particular circumstances" so long as a patent or publication ground anchored the challenge. The takeaway from Qualcomm I was that AAPA can be used in IPR as evidence of the knowledge of a skilled artisan, but IPR grounds must ultimately rely on qualifying prior art documents.

Following Qualcomm I, new Director Kathi Vidal issued an updated guidance (June 9, 2022) superseding Iancu's 2020 memo. Vidal's guidance embraced the Federal Circuit's instruction that the PTAB must focus on whether AAPA is "the basis" of a ground. It introduced the so-called "in combination" rule: if an IPR petition relies on admissions in the specification in combination with at least one prior art patent or printed publication, then those admissions do not form "the basis" of the ground and should be considered by the Board in its patentability analysis. Under this 2022 policy, AAPA was explicitly allowed to supply missing claim limitations, as long as the petition also included at least one traditional prior art reference in that ground. This effectively blessed the practice of using AAPA as a secondary reference or background knowledge, so long as a patent or printed publication was present to prevent the ground



Qualcomm Inc. appealed the remand decision, and the Federal Circuit issued a further decision on April 23, 2025 (cited as 134 F.4th 1355) (hereinafter "Qualcomm II") clarifying the limits of the "in combination" approach. In Qualcomm II, the court rejected the USPTO's categorical "in combination" rule from the 2022 Vidal memo. The panel reasoned that automatically deeming AAPA permissible whenever it is paired with a prior art patent "would categorically [mean] AAPA cannot form the basis of a ground … whenever [it] is combined with prior art patents or printed publications." Such a blanket rule failed to account for scenarios where a petition might include AAPA in combination with other references but still effectively use AAPA as part of the ground's basis. The Federal Circuit gave an example: a petition could nominally include a patent reference, yet rely on AAPA to supply key claim elements, in substance making AAPA part of the basis despite the presence of other art. Qualcomm II thus held that the presence of other prior art in the ground does not automatically immunize the use of AAPA from §311(b). Each case must be assessed to ensure AAPA isn't serving as a partial basis of the challenge. Importantly, however, the court did not disturb its earlier ruling that AAPA may be used to supply missing limitations or as evidence of background knowledge, so long as it does not constitute the basis of the ground. In fact, the Qualcomm II decision reiterated that general knowledge can be relied upon in combination with patents/publications, just not as the basis for institution. The net effect of Qualcomm II was to strike down Director Vidal's bright line "in combination" safe harbor, thereby requiring closer scrutiny of how AAPA is used in each petition. Since Apple's only other ground had failed and the remaining ground leaned on AAPA, the Federal Circuit reversed the PTAB and declared the claims not unpatentable, refusing to uphold an IPR result that hinged on non-statutory prior art.

Shortly after Qualcomm II, another Federal Circuit panel addressed AAPA usage in Shockwave Medical, Inc. v. Cardiovascular Sys., Inc., 142 F.4th 1371 (Fed. Cir. 2025). In Shockwave, the court appeared to soften the edges of Qualcomm II by finding that a petition did not violate §311(b) where the petitioner "properly relied on general background knowledge to supply missing claim limitations … and used AAPA as evidence of that general background knowledge". The missing limitations in that case were not argued to be novel, and the petition was careful in its phrasing. Notably, although the PTAB's final written decision in Shockwave listed "AAPA" in the obviousness combination chart, the Federal Circuit focused on the petition's framing. Because the petition had presented the AAPA material as background knowledge rather than as the labeled "basis" of the ground, the court found no §311(b) violation. While Shockwave may elevate form over substance (i.e., focusing on labels in the petition), it nonetheless confirms that, under Qualcomm II, petitioners could still leverage AAPA or expert knowledge to implicitly supply a well-known element provided they frame it strictly as "general knowledge" and ensure a patent/publication covers the formal claim mapping.

In the wake of these cases, Acting Director Stewart's 2025 Memo represents a decisive policy choice by the USPTO. The 2025 Memo announces that the Office "will enforce and no longer waive" the Rule 42.104(b)(4) requirement to map each claim element to prior art patents or publications. This supersedes both the 2020 Iancu Memorandum and the 2022 Vidal Memorandum. In effect, the USPTO is opting for a bright-line, procedural rule rather than trying to parse whether AAPA is being used as "the basis" in each case.

The 2025 Memo makes clear that AAPA, expert testimony, "common sense," or any other evidence outside of patents and printed publications may not be used to supply a missing claim element in an IPR petition. Petitioners must find express support for every claim limitation in one or more patents or printed publications cited in their grounds. If a petition relies on general knowledge to plug a gap, the Board will deny the petition as failing to comply with Rule 104(b)(4) and 35 U.S.C. § 312(a)(4), which requires petitions to include information the Director prescribes by regulation.

Importantly, the 2025 Memo preserves a role for general knowledge in IPRs for limited purposes: "[g]eneral knowledge may still be used in an IPR to support a motivation to combine or to demonstrate the knowledge of a person having ordinary skill in the art." In other words, petitioners can rely on expert testimony, textbooks, AAPA, etc. to explain why a person of ordinary skill in the art would have been motivated to combine references or how they would understand the prior art, since those points relate to rationale and context rather than claim mapping. This aligns with Qualcomm I's and II's recognition that general background knowledge use is permissible when it doesn't form the basis of a ground. The 2025 Memo does not elaborate on how to distinguish an improper "missing limitation" use of AAPA from a proper use of AAPA, such as using the AAPA as background knowledge to illuminate a combination. Petitioners and the Board will need to tread carefully, but the safe approach is to avoid any suggestion that general knowledge is standing in for a claim element.

The 2025 Memo emphasizes that Rule 104(b)(4) is a procedural requirement that is a measure to ensure clarity and fair notice. Enforcing the rule provides a clear statement of the legal and factual basis for the challenge and informs the patent owner exactly how each claim is being challenged. The Director acknowledges that strictly applying Rule 104(b)(4) may in some cases be "narrower" than the outer bounds of §311(b) as interpreted by the Federal Circuit. In fact, Shockwave may even demonstrate that §311(b) might allow some uses of general knowledge that Rule 104 now forbids. Nevertheless, the USPTO's position is that this bright-line enforcement is "the best course" to provide certainty and avoid further piecemeal litigation over the issue.

As mentioned above, the renewed enforcement applies to any IPR petition filed on or after September 1, 2025. Notably, while the 2025 Memo by its terms addresses IPRs under 35 U.S.C. §311, it is expected that parallel logic will apply to Post-Grant Review (PGR) petitions, which contain an analogous rule: 37 C.F.R. § 42.204(b)(4), which similarly requires a PGR petition to map each element to prior art. Thus, petitioners in any AIA trial proceeding should abide by the same mapping requirement.

Interestingly, the new PTAB rule could allow applicants to be more open in discussing prior art in the background, since it can no longer be directly used to patch holes in an IPR petition. This could be useful, if, for example, the U.S. were to some day adopt regulations similar to Europe where the Applicant must include statements regarding references revealed during examination in the background prior to issuance. Currently, such amended statements are typically seen in the U.S. as "new matter". Petitioners preparing IPR challenges must adapt their strategies in light of Rule 42.104(b)(4)'s strict enforcement. Thus, before filing, practitioners should double-check that each claim element being challenged is explicitly present in the patents or printed publications cited. Moreover, while expert testimony remains valuable in IPRs for explaining technology and motivations to combine, an expert declaration cannot be used as a substitute for a prior art reference disclosing a claim element.

The PTAB and opponents will likely scrutinize whether the expert is effectively adding a new reference (their testimony) to cover an element. This stricter rule may thus necessitate grounds with more references.
In such cases where the inventive difference truly resides in something that was well-understood but not well-documented, an IPR might not be the optimal attack. Traditional district court litigation remains a forum where any evidence, including: expert testimony, product manuals, prior use, etc., can be used to prove invalidity. Thus, if a key claim element was only known through use or oral teachings and never reduced to writing, a challenger may have to rely on a litigation strategy rather than an IPR.
Finally, it's worth noting how this policy diverges from the MPEP's approach to general knowledge in examination. Under MPEP §2144.03, examiners can take Official Notice of facts not in the record if they are "capable of instant and unquestionable demonstration as being well-known."

From Cresco to the World: Norman Borlaug's Legacy and the Global Impact of Plant Breeders' Rights

HEIDI SEASE NEBEL
Patent Attorney

Norman Borlaug grew up in Cresco, Iowa, a small farm town, like so many in my home state. Iowa's 30-36 million acres of farmland sit atop rich glacial soils, and are combined with ideal rainfall and a temperate climate, all of which have made Iowa one of the national Agricultural leaders, producing abundant crops with no need for irrigation.
In 2020, Cresco, Iowa boasted not quite 4000 residents, and indeed the name Cresco is Latin for "I Grow". How perfect!

From these humble beginnings, Dr. Borlaug would become named one of Time Magazine's 100 most influential minds of the 20th Century, winning the Nobel Peace Prize in 1970 for his accomplishments and his role in the "Green Revolution". He is the only agricultural scientist ever to achieve the award. From his parents' escape from food scarcity in Norway to a career dedicated to increasing the world's food supply, Dr. Borlaug continues to inspire the world.

A Vision for Sustainable Agriculture

Dr. Borlaug championed rural infrastructure, agricultural research, and education, all of which he believed were essential for a new "green revolution" to lift the world's remaining one billion people out of the misery of malnutrition and pandemic poverty.

He foresaw biotechnology as an indispensable tool for the future: a way to enhance nutrition and increase yields while protecting the planet's ecosystems. He often stated that biotechnology was essential to face the crucial challenge to come with increasing population, how to achieve more production on less land.

Dr. Borlaug's vision is aligned directly with the mission of the International Union for the Protection of Plant Varieties, an intergovernmental organization based in Geneva, Switzerland. It

seeks to support the development of new varieties as an essential response to achieving food security and agricultural sustainability. UPOV provides a framework for protecting new varieties of plants and securing rights thereto, thereby allowing breeders to obtain a return on their investment for developing varieties and for promoting economic development and infrastructure to meet the needs to farmers and consumers.

With 75 members representing 94 different countries, all of which have enacted some form of Plant Breeder's Rights, UPOV and its framework ensure that each country adopts legislation with consistent standards and protections, such as a novelty grace period, famers saved seed exemption, breeder's exemption, protection term, and deposit of propagating materials that are ultimately released to the public through public depositories. And the system delivers.

The Proven Impact of Plant Breeder's Rights

In 2022, a report issued by the Community Plant Variety Rights organization (CPVR) found that the additional contribution to Gross Domestic Product generated by CPVR-protected crops amounted to 13 billion EUR. Innovations relating to CVPR protected varieties supported over almost 90,000 jobs across the arable, horticultural and ornamental sectors.

An article in "Seed World" researched the impact in Vietnam after adoption of Plant Breeder's Rights in 2007. It found that there were increased opportunities for farmers through introduction of new plant varieties with higher yields, increased quality and better resistance to pests and diseases, and this resulted in increased farmer income.

The growth of the agricultural and horticultural sector contributed to a higher economic prosperity at the national level. When looking at the Gross Domestic Product (GDP) across the entire economy, other studies showed that for three crops: rice, maize and sweet potato (Noleppa, 2017), there was an increase of $3.4 billion USD, which included the additional agricultural value and the additional generated GDP in upstream and downstream industries in Vietnam.

The successes of plant breeding, following the country's UPOV membership also added another $1.5 billion USD to the GDP value. In total, a GDP impact of around $5 billion USD annually could be calculated.

Carrying the Legacy Forward

It seems a full circle moment, that the Vice Secretary-General of UPOV, Yolanda Huerta, spoke at the 2025 Norman E. Borlaug International Dialogue, an International event, held annually in Des Moines Iowa, to honor Dr. Borlaug's legacy. MVS sponsored a Deep Dive Session, entitled "From IP to Impact" discussing Plant Breeder's Rights and documenting real world success stories with additional speakers from the USDA/PVP Office and Gates Ag One.

At MVS we are proud to help our clients secure Plant Breeder's Rights around the world to protect the tireless efforts of plant breeders, those who continue to make Dr. Borlaug's vision of a nourished and sustainable world, a reality.

Image: World Food Prize Headquarters, Des Moines, Iowa

Review Your Website for Unauthorized Use of Copyrighted Content: The risk of embedding content on your website from someone else's social media site without express permission

MARK D. HANSING
Patent Attorney

Overview
Recently, the U.S. Supreme Court declined to review whether a website infringes the copyright of a photographer by "embedding" (discussed below) the photographer's Instagram posts without his permission. McGucken vs. Valnet, Inc. Case No. 24-1040. Some jurisdictions in the U.S. allow it.Others do not. By declining to take up the case, website owners continue to have uncertainty as to whether embedding exposes them to liability for copyright infringement.

This case involves the balancing of competing interests -- those of copyright owners to control their works versus those of website or other digital platform owners/users to easily share and exchange information. It is also a reminder of the challenges that the courts have in refereeing disputes between those interests, and the challenges of clients to continuously keep up and evaluate potential risks (whether those clients are copyright holders or website owners/users).

Background
- McGucken is a professional photographer that regularly posts to social media sites. Some of those posts include images of his photographs.
- Valnet is a well-known digital publishing company and operates over twenty-five publications related to such things as entertainment, sports, technology, and travel. It also hosts websites related to that business including www.thetravel.com, the website implicated in the lawsuit.
- Valnet embedded on its website some of McGucken's social media posts that included his photos. This is not taking a copy (e.g., cut and paste) of McGucken's photographs and uploading those copies to the Valnet website. That would have been a straight-forward copyright infringement case.
- Embedding is a specific technical procedure used in web development. The Valnet website allowed viewing of the McGucken photos by embedding them directly from McGucken's Instagram page.
- ·McGucken sued Valnet for copyright infringement in the federal district court of McGucken's home state of California.
- Valnet argued that the precedential law in California's federal court region (the western-most 9th Circuit of the thirteen different regions or "Circuits" across the U.S.) insulated it from liability because of the "server test", citing the 9th Circuit's 2007 decision in Perfect 10, Inc. v. Amazon.com, Inc. (where the court addressed whether Google's image search results infringed copyright by displaying thumbnail images hosted on third-party servers). The "server test" essentially holds that the server that generates a first website is not responsible for any viewable content that is the result of embedding from a second website, because the viewable content embedded on the first website is generated from the second server.
- The California federal trial court agreed with Valnet based on its precedential "server test". McGucken appealed to the regional 9th Circuit appeal court. The 9th Circuit agreed with the trial court—Valnet was not liable.
- McGucken asked the U.S. Supreme Court to review the decision, arguing that the "server test" is legally wrong and should be overturned. The Supreme Court denied his request.

The highly technical differences of embedding versus other website information sharing
Photographers normally have the exclusive right to control reproduction of their copyrighted photographs and, absent express permission from the photographer, can sue for copyright infringement. Depending on the copyright status of the photographs (particularly if they are registered or not with the U.S. Copyright Office), infringement damages can range from hundreds to tens of thousands of dollars. Thus, in this digital age where it is easy to snip or copy digital content to reproduce it, doing so carries the risk of a claim for significant money.

Cut and Paste Reproduction. The McGucken case was not a Valnet "cut and paste" reproduction situation. As mentioned, that is a straight-forward infringement argument—the entity that "cuts and pastes" makes an unauthorized copy.

Linking. And it was not a case of Valnet merely "linking" to McGucken's social media posts. A "link" refers to a clickable text or image that redirects users at a first site to another webpage or resource when clicked. Often displayed as underlined or otherwise highlighted text, clicking a link automatically navigates or redirects to that second page or site. Importantly for the present issue, any textual or image content from the second page or site is not available for viewing on the first site. By clicking the "link", the user is redirected to the authorized site where the content can be viewed. Typically, linking is not held to be copyright infringement.

Embedding. The McGucken case poses a specific and highly technical question that courts struggle with—whether "embedding" access to content of others makes the embedder liable. As discussed earlier, the 9th Circuit's view is that embedding is not copyright infringement because even though content (like McGucken's photos) is viewable on another website (Valnet's website), that viewable content is "hosted" by a server other than Valnet's website server. Thus, the 9th Circuit "server test" is essentially saying Valnet's server does not generate McGucken's photos so Valnet is not responsible or liable.

McGucken's argument to the Supreme Court for infringement by embedding
McGucken's petition for review of his loss at the 9th Circuit asked the Supreme Court to overturn the "server test". McGucken emphasized that anyone that accessed the Valnet website could see his photographs in high digital resolution. McGucken argued that the "server test" ignored that not only is reproduction by making copies an infringement, but other acts as well relevant to photos -- particularly "display" of his copyrighted "pictorial works" without permission, citing the Copyright Statute, Title 17 United States Code § 106(5).

McGucken argued it was nonsensical that embedding is not a "display" of his works without permission.

The dilemma that remains because of the Supreme Court's denial of review
The Supreme Court's non-action means the law remains as it currently stands regarding embedding. The dilemma for our clients is, however, that different courts around the country have come to different conclusions on this issue.

For cases brought in the 9th Circuit, website owners that embed presently have the safe harbor of the "server test".

On the other hand, courts such as in New York and Texas have declined to use the server test and have found infringement by embedding. See, e.g., Goldman v. Breitbart News Network LLC, 302 F. Supp. 3d 585 (S. D. N. Y. 2018) and Nicklen v. Sinclair Broadcast Group Inc., 551 F. Supp. 3d 188 (S. D. N. Y. 2021). Additionally, courts in the 5th, 7th and 10th circuits have not adopted a concrete position on the server test. Instead, their precedent requires their own interpretation of the copyright statute regarding "display".

The practical effect is that there is uncertainty as to whether embedding social media posts on a website is infringement depending on what regional law controls. Also, the question of what regional law controls relative to each set of parties can be complex. It could depend not only

on where the accused website owner resides, but also the location of the server that generates its website (as well as other factors). But, presently, except for the Ninth Circuit (California, Nevada, Washington, Montana, Arizona, Oregon, Idaho, Hawaii), a court deciding a claim of infringement for embedding a photograph on a website could very well find infringement in favor of the photographer.

Take-aways
The old adage remains that it is safest to never reproduce the work of another without permission. There is a heightened risk with photographs. Photographers and their artisan groups aggressively advocate the power the copyright law gives to them. Obviously, diligent avoidance of any use or reproduction of another entity's content on your website, absent obtaining express permission, is prudent.

But care should be taken, also, if embedding is used on or considered for any website or digital site you control. This is particularly true for sites that could be brought into court outside of the 9th Circuit. It is prudent to consult with your intellectual attorney so that you can evaluate any risk.

Let's Create Connections!

515-288-3667
www.ipmvs.com/subscribe
801 Grand Avenue
Suite 3200
Des Moines, IA 50309