Angioscore – Federal Jurisdiction and the UTSA

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Often, one of the touted "benefits" of a patent portfolio is the ability to enter Federal court rather than State when desired.

While that's often true, it really isn't possible when the issues considered are so unrelated that it's unreasonable to bring them all into Federal court. In legalese, there has to be a "common nucleus of operative fact".

> *"For this relatedness requirement to be satisfied, '[t]he state and federal claims must derive from a common nucleus of operative fact' such that they would ordinarily be expected to be tried in one proceeding." Highway Equip. Co., 469 F.3d at 1038 (quoting United Mine Workers of Am. v. Gibbs, 383 U.S. 715, 725 (1966)).*

In Angiocore, the plaintiff sued for both 1) patent infringement (a Federal issue) and 2) breach of various fiduciary duties and misappropriation (a mostly State issue). While the Federal district court reached judgment on the State claims, here on appeal, CAFC decided that wasn't appropriate.

> *Although the district court was required to have a general understanding of how Chocolate operated to determine if Chocolate fell within AngioScore's line of business, see J.A. 43–44 ("AngioSculpt and Chocolate, TriReme's device, are both*

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> *angioplasty balloon catheters used to open occluded or narrowed blood vessels at lesion sites by inflating to compress plaque deposits against the vessel wall and then deflating for removal from the patient's body."), this does not create a "common nucleus of operative fact" because it is simply background information and not the "transaction or event on which the claims are based." Wisey's #1 LLC, 952 F. Supp. 2d at 190.*

So CAFC dismissed the Federal District Court's judgment on the state law issues (likely blowing away a lot of hard work).

Now, there are other ways than patents to bring these issues into Federal court. Under the new Uniform Trade Secrets Act, it wouldn't be hard to lump the trade secret analysis in with the unfair competition, fiduciary duty, etc. "nucleus of fact". I think this case was filed before the UTSA became law, but it's something that's pretty typical now.

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