

Cantor Colburn Client Alert: Federal Circuit Finds Assignment Lacks CIP Applications

Summary

On October 15, 2025, the United States Court of Appeals for the Federal Circuit issued a precedential decision concerning the assignment of patent rights in *Causam Enterprises, Inc. v. International Trade Commission*, No. 23-1769 (Fed. Cir. Oct. 15, 2025). In an appeal from the United States International Trade Commission's investigation into Causam's request to exclude certain internet-connected "smart" thermostats from importation and sale, the Federal Circuit concluded that the assignment in question, which recited continuation patent applications but not continuation-in-part patent applications, did not include the latter. This case serves as a reminder of the importance of securing clear and comprehensive assignments for all patent rights, particularly when subject matter is added to a patent application.

Background

Causam Enterprises, Inc. ("Causam") filed a complaint with the United States International Trade Commission ("ITC" or "Commission") alleging that Resideo Smart Homes Technology (Tianjin) Co., Ltd. and its U.S. affiliate, Ademco, Inc. (collectively, "Resideo") violated Section 337 of the Tariff Act of 1930 by importing and selling in the United States internet-connected "smart" thermostats that allegedly infringed U.S. Patent No. 10,394,268 (the "'268 patent"). The '268 patent issued from a continuation-in-part ("CIP") patent application.

The ITC investigated and initially determined that Causam did not own the '268 patent and that Resideo's products did not infringe the asserted claims. Upon review, the full Commission agreed with the non-infringement result but was silent on ownership. Causam appealed the ownership and infringement determinations to the United States Court of Appeals for the Federal Circuit ("Federal Circuit").

Simultaneously and relevant to the *Causam v. ITC* case, the '268 patent was the subject of an *inter partes* review ("IPR") before the U.S. Patent and Trademark's Patent Trial and Appeal Board ("PTAB") instituted by ecobee Technologies ULC ("ecobee"). The PTAB found that all the challenged claims (except claim 12) were unpatentable as obvious. Causam also appealed this decision to the Federal Circuit.

Court Findings

The Federal Circuit first addressed the ownership issue. In its analysis, the Court carefully examined the documents in the chain of title, focusing on the language and scope of the 2007 assignment executed by inventor Joseph Forbes to America Connect. In particular, the 2007 assignment conveyed ownership of the "invention" in the parent application and "all divisions, reissues, continuations and extensions thereof," but not CIPs.

The Court discussed the differences between continuation and CIP applications, with particular reference to the Manual of Patent Examining Procedure (M.P.E.P.). The Court commented that

these applications are understood to be vastly different. Notably, continuation patent applications cannot add new matter while CIPs do.¹ In addition, the recording of an assignment of a parent application is effective for a continuation patent application but not for a CIP patent application.²

The Court emphasized that the 2007 assignment expressly conveyed rights only to “continuations,” not to CIPs. The Court stated that to read continuations broadly to encompass CIPs would be to “insert words into the contract [assignment] that the parties never agreed to.”

In distinguishing the outcome in the present case from the closest case on point, *University of New Mexico v. Knight*, 321 F.3d 1111 (Fed. Cir. 2003), the Federal Circuit emphasized that the totality of three inter-related agreements and their broad language was sufficient to obligate the inventors to assign their rights to the invention and all applications, which included CIPs, despite using the same assignment language as in *Causam*. Thus, while the totality of the *Knight* assignment circumstances were sufficient to convey ownership of a CIP, the reading of the specific language in *Causam* did not extend that far.

The Federal Circuit concluded that because the ‘268 patent was a CIP,³ the 2007 assignment did not transfer ownership of that patent to America Connect. As a result, title remained with the entity that later received valid assignment rights from Forbes, supporting Causam’s ownership of and standing to assert the patent.

Having established ownership, the court next turned to whether the case could still proceed. It noted that in the parallel appeal (*Causam Enterprises, Inc. v. ecobee Technologies ULC*), it had already affirmed the PTAB decision earlier in the day that claim 1 of the ‘268 patent — the only claim asserted in the ITC case — was unpatentable. With the only asserted claim invalid, the dispute over infringement and importation was no longer a live controversy. The Federal Circuit therefore dismissed the appeal as moot.

¹ A continuation-in-part is an application filed during the lifetime of a prior-filed nonprovisional application, international application designating the United States, or international design application designating the United States repeating some substantial portion or all of the prior-filed application and adding matter not disclosed in the prior-filed application.

M.P.E.P. § 201.08

² In the case of a division or continuation application, a prior assignment recorded against the original application is applied (effective) to the division or continuation application because the assignment recorded against the original application gives the assignee rights to the subject matter common to both applications. In the case of a substitute or continuation-in-part application, a prior assignment of the original application is not applied (effective) to the substitute or continuation-in-part application because the assignment recorded against the original application gives the assignee rights to only the subject matter common to both applications. Substitute or continuation-in-part applications require the recordation of a new assignment if they are to be issued to an assignee, unless the substitute or continuation-in-part application is filed on or after September 16, 2012, and the assignee is the original applicant therein. M.P.E.P. § 306.

³ Interestingly, the Federal Circuit did not undertake an analysis of whether the application that matured into the ‘268 patent contained additional subject matter to qualify as a CIP. Rather the Court seemed to rely on the designation of the application as a CIP, which could lead to unintended consequences where a patent application drafter could “create” a CIP to avoid inclusion of the application in an assignment. See D. Crouch, Patently-O, “Assignment of Future Patents: Continuations in-Part,” October 19, 2025.

What This Means to You

The Federal Circuit affirmed that an assignment explicitly reciting “continuation” patent applications does not automatically include all continuing applications, for example, CIPs. Although the lack of an assignment of CIPs was favorable in this case, the inclusion of CIPs in an assignment of patent rights should be given careful consideration based on the circumstances, for example, intended ownership of improvements such as in a collaboration. If they are to be included, then assignment drafters must clearly specify CIPs in the assignment language.

Remember to draft the transfer of ownership in the present tense, for example, “hereby assign,” when including CIPs in an initial assignment. Use of such language is sufficient to convey legal title to inventions not yet conceived and then legal title by operation of law when the invention comes into existence. In these situations, it is prudent to follow up with a confirmatory assignment after the filing of an application with new subject matter. Doing so will ensure that both equitable and legal title are vested in the proper entity, safeguarding the enforceability, standing, and clarity of ownership throughout a patent family’s life cycle as well as providing a recordable instrument.

Best practice also dictates that a new assignment should be executed each time a patent application containing new subject matter is filed—for example, the initial patent application, a non-provisional patent application including international applications, and any CIPs. This ensures that ownership of all newly disclosed subject matter and resulting patent rights are clearly and legally transferred to the intended assignee.

Moreover, *Causum* illustrates that patent ownership is a threshold matter in a patent litigation. Establishing and maintaining a clear, clean chain of title from the inventors to the current owner is critical for any patent property that might be involved in a patent dispute or a financial transaction. Indeed, any due diligence involving patent properties almost always includes at least a review of the ownership thereof.

Conclusion

This decision is a reminder that what seems like a ministerial task, the preparation of an assignment, really matters when it comes to patents. If a company or inventor files a new patent application that includes new ideas or improvements — especially a CIP — they should sign a new assignment document to ensure ownership is clear. Even if the original assignment says it covers future applications, it’s safest to sign a confirmatory assignment each time something new is filed.

Following such practices can prevent confusion or legal fights later about who owns the patent. It’s like keeping all the ownership paperwork up to date every time something changes. By making sure assignments are comprehensive, complete and current, inventors and companies protect their rights, avoid losing control of their patents, and stay ready to enforce them if someone tries to use their ideas without permission.

**For Further Information and Assistance**

Cantor Colburn brings decades of experience in patents and all areas of intellectual property law. If you have questions about this matter or any other IP-related issue, please contact your Cantor Colburn attorney. This alert was prepared by Cantor Colburn Partner [Michael H. Brodowski, Ph.D.](#), who can be reached at mbrodowski@cantorcolburn.com.

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