

A Win Snatched from the Mouth of Standing: The Critical Role of Assignment Clauses in Patent Enforcement

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In patent infringement litigation, ownership isn't just about who invented the technology. It's about who holds the legal right to enforce it. That right depends on the language used in assignment agreements, license agreements, and settlement agreements. Poorly drafted or incomplete assignment clauses can result in a company or individual lacking standing to sue, even if they believe they own the patent.

The Federal Circuit's recent decision in ***Rasmussen Instruments, LLC v. DePuy Synthes Products, Inc.***, No. 2023-1855, (Fed. Cir. Oct. 6, 2025) vacating a \$20 million jury verdict awarded to Rasmussen Instruments, LLC, underscores the importance of precise agreement language, specifically assignment clauses in patent ownership management. The court ruled that the company lacked standing to bring the suit because it did not own the patents at the time of filing, due to a lack of clear reassignment language.

In October 2020, Rasmussen Instruments, LLC brought claims of infringement of two patents, U.S. Patent Nos. 9,492,180 and 10,517,583 (the '180 and '583 patents), against DePuy Synthes Products, Inc. and DePuy Synthes Sales, Inc. (collectively "DePuy") in the United States District Court for the District of Massachusetts. At trial, a jury found that DePuy had infringed the '180 patent and awarded Dr. Rasmussen \$20 million in damages. After the trial, DePuy renewed its motion for judgment as a matter of law, arguing that Dr. Rasmussen had not proven patent ownership. The motion was denied, and DePuy appealed to the Federal Circuit.

Dr. G. Lynn Rasmussen had developed an instrument for use during orthopedic surgery procedures (the "Zen Instrument"). In 2006, he assigned his intellectual property rights in the Zen Instrument to Wright Medical. The agreement assigning these rights, defined "inventions" as "improvements, modifications, enhancements, and later variations made solely by [Dr. Rasmussen] or jointly with others, including employees or agents." *Rasmussen Instruments, LLC v. DePuy Synthes Products, Inc.*, No. 2023-1855 (Fed. Cir. Oct. 6, 2025). Although the Dr. Rasmussen and Wright Medical entered into a settlement agreement and a license agreement in 2013 to unwind their business relationship, neither agreement included any assignment of patent rights back to Dr. Rasmussen. As a result, the court found that Dr. Rasmussen's attempt to assign variations of the Zen Instrument to his company was invalid, as he was not the patentee and therefore lacked the authority to assign rights in the Zen Instrument.

The court also rejected Dr. Rasmussen's argument that the 2013 agreements implicitly reassigned the patents, holding that implied transfers are insufficient to establish ownership. It further explained that the original 2006 agreement used clear, present-tense, self-executing language that required no further action to transfer ownership. Therefore, without an express assignment, Dr. Rasmussen had no rights to transfer the Zen Instrument or its improvements. As such, he had no right to enforce ownership rights against DePuy.

The *Rasmussen* decision is a reminder that assignment clauses are far more than legal boilerplate; they are the foundation of enforceable patent rights. Without clear, precise language and a properly documented chain of title, even a strong infringement claim can collapse. Companies must treat intellectual property ownership as a strategic priority and ensure their agreements are built to stand up in court.

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What should you do now?

- Review current and past assignment, license, and settlement agreements to confirm that patent ownership is clearly and explicitly stated.
- Consult with legal counsel to update or revise agreements with unclear or incomplete assignment clauses.
- Implement procedures to verify patent ownership before initiating infringement litigation.
- Keep records of patent assignments and related agreements for future reference and enforcement actions.

If you have questions about patent infringement, please call your Miller Canfield attorney or one of the authors of this alert.