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PREFACE: 2018 PATENT CONSTITUTIONAL CRISIS

Four days after Thanksgiving, on Monday, November 27, 2017, the Supreme Court will devote its entire argument calendar to consider the Constitutionality of inter partes patent review procedures in *Oil States Energy Services v. v. Energy Group* and *SAS Institute Inc. v. Iancu*. "Merits" decisions are expected in each case in the first half of 2018, before the current Term expires at the end of June 2018. The *Questions Presented* are:

Oil States Energy Services v. Energy Group, S. Ct. No. 16-712: The *Question Presented* is whether the inter partes review process used by the Patent and Trademark Office (PTO) to analyze the validity of existing patents violates the Constitution by extinguishing private property rights through a non-Congressional process.

SAS Institute Inc. v. Iancu, Supreme Court No. 16-969: The *Question Presented* is whether 35 U.S.C. § 318(a), which provides that the Patent Trial and Appeal Board to issue a final written decision as to every claim challenged by the petitioner, or does it allow that Board to issue a final written decision with respect to the patentability of only some of the patent claims challenged by the petitioner, is unconstitutional.

A decision in the *Oil States Energy Services* case has the *potential* to disrupt the current other post grant patent challenge systems by declaring them to be Unconstitutional. In a worst case scenario, such an extreme decision would immediately trigger a chaotic, crisis situation for patent practice, and also immediately create the need for system reforms of one kind or another.

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I. OVERVIEW

This work explores PTO post grant patent procedures to attack patents. Much space is written in the context of challenges to such procedures, including a pending Supreme Court attack in *Oil States Energy Services* that such procedures may be unconstitutional: A Supreme Court merits decision is anticipated before the end of June 2018. No matter what the Court decides, a legislative amendment to the patent law is proposed, *here*, that would *add* the possibility of a pre-grant pre-examination patent challenge.

There are two focal points for this work: The primary focus of this work is from a post-patenting perspective, where the die has been cast for such proceedings because of actions taken óor not taken óby the patentee both in his preparation of the application as well as prosecution leading up to the grant of the patent.

Also important, and prior to considering this primary focus, it is *also* one of the objectives of this work to consider how to draft and prosecute an application *before grant of the patent* to mitigate or avoid altogether some of the negative consequences that can be the result of a regular prosecution of the application up to grant. Such pre-grant considerations are summarized in § XII, *Pre-Grant Prophylactic Drafting Options*. First and foremost is the necessity to understand time pressures on the Examiner, and how the patent draftsman can minimize such pressures óand thereby permit time for a through merits examination of formalities. See § XII-A, *Crucial Understanding of Examiner Time Pressures*. A serious shortcoming to what appears to be a majority of the patent community is the

point of novelty can be given a narrower interpretation through proper draftsmanship. See § XII-B, *Cabining the Broadest Reasonable Interpretation*. Above all, a few carefully crafted claims should be the draftsman's friend. See § XII-C, *A few, Well Crafted Original Claims*, coupled with citation of the most relevant prior art *without* unnecessary, redundant citations, see § XII-D, *Encouraging Quality Must be Avoided*.

The increasingly technologically complex world coupled with the proliferation of prior art in various forms make it imperative that the Patent Examiner is assisted in his task by third parties through filings, once largely *prior* to grant but increasingly filed *post* grant. See § II, *The Global Movement to a Post-Grant System*.

While the major patent granting authorities of the world over the past two generations have moved to a post-grant system of inter partes review, the United States system has been too effective in weeding out bad patents in its versions of the system: Clear challenges to the post grant review system now exist including the *Restasis* case on its way to the Federal Circuit; the case focuses upon a too a clever title transfer strategy that seeks to avoid a Patent Office validity challenge.

More fundamentally important, however, are the merits appeals at the Supreme Court in *Oil States Energy Services* (challenging the Constitutionality of post grant invalidation procedures) and *SAS Institute v. Matal* (a second but less important challenge to such procedures.). . See § III, *Post Grant Proceedings under Judicial Challenge*.

This paper has a particular focus on the system of Post Grant Review, or PGR: It represents the most powerful PTO weapon for a patent challenger, particularly for highly technical issues. See § IV, *The Narrow Filter of Post Grant Review*. PGR is particularly important for continuing applications where there is a prior art publication between parent and actual filing date. See § IV-A, *Special Situation of Continuation Patent Validity*. Patentees have felt the sting of PGR: But, public statements criticizing this procedural tool often fail to mention that it is used against less than one (1) percent of issued patents. See § IV-B, *One Decision for Every 600 Patents per Year*. The relative number of petitions is also seen to be going down as the patent bar becomes more sophisticated. See § IV-C, *Maturation of the Patent Bar*. At the same time, the *need* for post grant review continues to be important as third party patent challengers act to weed out bad patents, thereby fostering competition. See § IV-D, *Patent Review: A New Role for the PTO*. (What is also generally not mentioned in the analysis of statistics focused on *final* decisions in PGR and other post grant review procedures is the fact that a significant number of *clearly* losing scenarios for patentees that normally would have been dropped long before a final decision are instead *maintained* until a final and invariably losing decision. The economic incentive to maintain a valuable patent until the bitter end more than pays for the legal costs of a continuation of proceedings that delays the inevitable invalidity ruling.)

A set of case studies is provided that shows how and why post grant review plays a vital role in the patent system. *See § V, Case Studies.*

To be sure, there are nuanced differences between the various post grant challenge procedures. Love and Ambwani explain that the significant differences in the outcomes of the various types of post grant review options open to patent challengers.¹

One of the possible reforms for the system would be to encourage preissuance submissions *prior to* examination. It has become apparent that there is an inefficiency in the system that *discourages* third party participation at an early date. Why have third parties hold off with their patent challenges until *after* a complete examination of the patent until the time for a Post Grant Review? It makes sense to *encourage* a third party challenge *prior to* examination to make the overall process more efficient and clear up patents of dubious worth at the earliest opportunity. A modest proposal is made for a simple modification of the statute to

¹ Brian J. Love & Shawn Ambwani, *Inter Partes Review: An Early Look at the Numbers*, 81 U. Chi. L. Rev. Dialogue 93, 101 (2014)(ð] V _ j g " t c v g " c v " y j k e j " r g v k v k q p g merits of their petitions is markedly different [comparing Inter partes review and inter partes reexamination]: *inter partes* reexaminations ended in complete victory for the petitioner just 31 percent of the time, less than half as often as for [Inter partes review]. In addition, over 60 percent of *inter partes* reexaminations ended with patentees securing new, amended e n c k(footnote omitted)

encourage pre-examination patent challenges. *See* § VI, *Pre-Examination Preissuance Submissions*. This proposal for a pre-grant procedure is made *whether or not* the Constitutionality of the current PGR system remains after the Supreme Court decision in *Oil States Energy Services*, but would become even more important if that decision concludes that the current system is Unconstitutional.

Another reform deals with the problem of motions to amend post-grant proceedings. Instead of changing the current post-grant procedures, which would make it impossible or next to impossible to meet the statutory time deadlines to complete such proceedings, suggestions are offered for practice evolution to obviate such problems. *See* § VIII, *Problematic Motions to Amend Post Grant Actions*. Proceedings would be simplified and facilitated if pre-examination filings were made, which is the subject of a proposed rules change. *See* § IX-A, *Pre-Examination Preissuance Submissions*.

Statistics showing an apparently very high rate of invalidity rulings in post grant proceedings show that this high rate is inflated by the conduct of patentees who file motions to amend. Once a patentee has become involved in such a proceeding that started in a good faith belief that the patent was valid, the handwriting is often there, whether that this will not be the outcome. But, the case continues as a sham whether innocent at first or not as there is little financial incentive for the patentee to end such a proceeding as he may benefit from continuation of the proceeding such as by way of continued royalties before a patent is finally found invalid. *See* § IX-B, *Terminating Continuation of Sham Post Grant Proceedings*.

To obtain a favorable result in a post grant proceeding, there are several important prophylactic measures that should be considered *prior to the patent grant*. . See § XII, *Pre-Grant Prophylactic Drafting Options*. The first and perhaps most important point is that Examiners are under tremendous time pressures. To best guarantee that an Examiner will be able to find otherwise fatal drafting errors, it is important to understand the limited time the Examiner has to examine each application. If the Examiner is forced to take a shortcut to examination because the applicant has flooded the Office with too many claims and too many prior art citations, the short end of the stick is the formalities examination, leading up to a grant of claims that will then be easy to challenge.

See § XII-A, *Crucial Understanding of Examiner Time Pressures Crucial Understanding of Examiner Time Pressures*. E c d k p k p i " v j g " ð d t q c f g k p v g t r t g v c v k q p ö " q h " c " e n c k o " g n g o g p v " c v " v through a *specifid* definition of the claim element in a *Summary of the Invention*.

See § XII-B, *Cabining the Broadest Reasonable Interpretation*. It should go without saying that, given the discrete, limited amount of time each Examiner has for an examination of an application, a focus should be on presentation of a minimal number of claims, see § XII-C, *A few, Well Crafted Original Claims*, and upon the citation of all *most* relevant prior art, without citation of redundant

ð e j c e h § XII-D," ð E n c k o " H n q q f k p i ö " o w u v " d g " C x q k f

II. THE GLOBAL MOVEMENT TO A POST-GRANT SYSTEM

Historically, patent offices have utilized a pre-grant opposition system, as opposed to the current post-grant systems now in vogue. This is manifested by the systems of Europe and Japan. This has changed in recent decades both for Europe and Japan.

A. The Patent Law Treaty (1994)

Despite the passage of time, and proceeding for a decade, the Patent Law Treaty, the PLT, was negotiated in Geneva under auspices of the World Intellectual Property Organization. The treaty was never ratified by the United States and has never entered into force as part of the American legal landscape.²

The PLT expressly proscribes a pre-grant opposition,³ but has a grandfather clause which permits a Contracting Party with a pre-grant opposition system ten years from the date of the Patent Law Treaty to switch to a post-grant system,⁴ provided a timely notice is given to the Director General.⁵ Unfortunately, the leader of the United States PTO unilaterally refrained from acceptance of the PLT,

² The Patent Law Treaty was killed by the unilateral action of then PTO Director Harry Manbeck.

³ See Wegner, PATENT HARMONIZATION, § 2160, *Administrative Revocation [Art. 18]*, p. 499. "Nq p f q p . " U y g g v " (" O c z y g n n " 3 ; ; 5 + * s w q v k p i ' v j Contracting Party may allow any party to oppose, before its Office, the grant of patents (pre-i t c p v " q r r q u k v k q p + 0 ö +

⁴ *Id.*, Art. 18(2)(b)

⁵ *Id.*, Art. 18(2)(c).

dooming this treaty (presumably for reasons *other* than the issue of post grant review.)

A member of the Patent Office involved with the creation of the treaty as a representative for the United States provides the following explanation:

Article 18(1) [of the PLT] requires Contracting Parties to provide for the revocation of patents granted after substantive examination. With regard to such the patent, in whole or in part, at least on the ground that, because of one or several documents available to the public, the conditions of novelty or inventive step are to file a request for reexamination by the Office of any claim of a patent on the basis of certain specified prior art. United States law, therefore, is consistent with Article 18(1)(a).

As to the time frame in which a person can request revocation, Article 18(1)(b)

States law is consistent with this provision since it provides that a request for patent.... non-e q o r n k c p e g " y k v j " h q t o c n " q t " r t q e g f w t c n "

More problematic are paragraphs (d) and (e) of Article 18(1) which address the procedures to follow once a person requests revocation. Under 35 U.S.C. section 304, if a third party requests reexamination, the patent owner can respond to the request. Following that, the third-party requestor is afforded an opportunity to reply to the patent owner's response. Thereafter, the proceedings before the USPTO are conducted *ex parte*, with the third-party requestor excluded.

original request after the inception of the *ex parte* proceedings, the third-party party requestor's lack of an

opportunity to present an argument is contrary to the provisions of Article 18(1)(d), thus necessitating a change to United States law.⁶

B. European Shift to A Post-Grant System

European countries through the European Patent Convention, the EPC, adapted their local practice to a post-grant opposition system. The European Patent Convention defines the ground rules for an opposition proceeding.⁷ As a prime example of national law integrated into the European system, prior to the EPC the United Kingdom featured a pre-grant opposition system; it was abolished in favor of a post-grant system as part of the implementation of the European Patent Convention. This change is explained by Justice Carr in *Fujifilm Kyowa Biologics*:

¶ 40 *** [T]he procedure for opposing a patent during the pre-grant process provided for in section 14 of the Patents Act 1949, was abolished when the Patents Act 1977 was enacted and there is no corresponding provision in the 1977 Act. It submits that the position is *a fortiori* with respect to European patents: Parliament

⁶ Richard C. Wilder, An Overview of Changes to the Patent Law of the United States After the Patent Law Treaty, § III-B, *Administrative Revocation Provisions of the PLT and Reexamination Practice in the United States*, 26 J. Marshall L. Rev. 497, 530-31 (1993)(footnotes omitted).

⁷ European Patent Convention, Art. 105, *Opposition*:

Article 105.3. Where a person provides evidence that in a Contracting State, following a final decision, he has been entered in the patent register of such State instead of the previous proprietor, such person shall, at his request, replace the previous proprietor in respect of such State. Notwithstanding Article 118, the previous proprietor and the person making the request shall not

Article 105.2. The opposition shall apply to the European patent in all the Contracting States in which that patent has effect.

Article 105.5. Where a person provides evidence that in a Contracting State, following a final decision, he has been entered in the patent register of such State instead of the previous proprietor, such person shall, at his request, replace the previous proprietor in respect of such State. Notwithstanding Article 118, the previous proprietor and the person making the request shall not

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can hardly have contemplated that despite the abolition of the pre-grant opposition with respect to 1949 Act patents regulated by UK law, the court would nonetheless take it upon itself to act as a forum for pre-grant examination of European applications under the 1977 Act. The European Patent Convention does not provide for pre-grant oppositions but instead states that opposition may be filed

¶ 41 A clear summary of the history and structure of the European patent system, including the deliberate exclusion of pre-grant oppositions; the provision for post-grant opposition proceedings; and the ability to apply for revocation of national designations of European patents whilst an opposition is continuing; was provided by Jacob LJ in *Unilin Beheer BV v Berry Floor NV* [2007] EWCA Civ 364; [2007] F.S.R 25 at [5]-[18]. This supports the conclusion that, both as a matter of UK law and under the EPC, pre-grant opposition is excluded.

AbbVie submits that, in effect, the Arrow judgment impermissibly introduces such pre-grant opposition by way of declaratory relief.

¶ 42 I agree that there is no provision for pre-grant oppositions, either in respect of UK or European patents. That is why, in common with Kitchin J., I agree that the UK Court cannot conduct a pre-grant opposition to European Patent applications, as this would usurp the function of the EPO, which would be inconsistent with the framework of the EPC and the Act. This is why Kitchin J.

⁸ *Fujifilm Kyowa Biologics Co., Ltd. v. Abbvie Biotechnology Limited*, [2016] EWHC 425 (PAT), 2016 WL 00750567 (High Court 2016)(Carr, J.).

The opinion in *Unilin Beheer BV v Berry Floor NV* relied upon in *Fujifilm Kyowa Biologics* is explained by the Max Planck scholar Heath:

[*Unilin Beheer v Berry Floor* is] concerned [with] a (successful) infringement claim that became final before the patent on which it was based was invalidated by the European Patent Office. The court flatly denied any remedy by the defendant in the absence of a statutory provision that would allow a retrial or even the estoppel principle. Where a final decision has been made on a fair context This principle of *res judicata* should stand ; unless an intention to exclude that principle can properly be inferred as a matter of construction of the statutory English domestic law or in the EPC whose *travaux préparatoires* to European patents view the precedence of UK proceedings over those of the European Patent Office's, but rather about the absence of an estoppel or the possibility of a retrial under UK law.⁹

Dr. David Lancaster provides further helpful information in his analysis of *Virgin Atlantic Airways Ltd v Zodiac Seats*:

In July 2007, Virgin Atlantic Airways Ltd (Virgin) brought an action against Zodiac Seats UK Ltd (Zodiac) for infringement of the UK designation of the patent (the EP(UK)). Zodiac denied infringement and alleged that, to the extent that the EP(UK) covered its products, it would be invalid in view of the prior art and for added matter. Virgin appealed against the decision on infringement, and Zodiac cross-appealed on validity.

⁹ Christopher Heath, *Wrongful patent enforcement: threats and post-infringement invalidity in comparative perspective*, 2008 IIC 307, 316 (2008)

Wegner, *Post Grant Patent Challenge Procedures Under Fire*

In February 2008, Zodiac, along with a number of companies who had bought its seats, commenced opposition proceedings against the patent at the EPO, relying on the same prior art that was before the Patents Court in England.

In January 2009, following a trial in the Patents Court, Lewison J. held that Zodiac had not infringed the EP(UK) and that, if the claims had been wide enough to

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In March 2009, the Opposition Division of the EPO upheld the validity of the patent. Zodiac and other opponents of the patent appealed the decision to the [Technical Boards of Appeal,] the TBA. Zodiac proposed that if the appeal on validity succeeded in England, the making of any final order by the Court of Appeal should be stayed pending the final determination of the opposition proceedings at the EPO. Virgin did not agree to a stay. In May 2009, Jacob L.J. gave a direction that the Court of Appeal would not grant a stay of the English proceedings.

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decision on validity, holding the EP(UK) to be valid and infringed.

In December 2009, following an application by Zodiac, the Court of Appeal refused to stay the order on the appeal, mainly on the ground that it was pointless to do so because the effect of the decision in *Unilin Beheer BV v Berry Floor NV* was that any later decision of the TBA revoking the patent would make no difference because the decision of the Court of Appeal would bind the parties *per rem judicatam*.

On January 12, 2010, the Court of Appeal therefore sealed an order making a declaration that the EP(UK) was valid and infringed, together with an injunction and an order for an inquiry as to damages. The damages Virgin wished to recover exceeded £49 million.

In September 2010, the TBA decided that all claims of the patent that had been held to be infringed by the English courts were invalid in view of the prior art. By the time the TBA gave its decision, the English appeal proceedings had been e q p e n w f g f " c p f " r g t o k u u k q p " v q " c r r g c n " v g been refused by the Supreme Court.

The question on appeal

The question on appeal to the Supreme Court was whether Zodiac was entitled to argue in an inquiry for damages that no damages were payable to Virgin on the basis that the claims held to have been infringed by the Court of Appeal were subsequently invalidated by the TBA. It was accepted that the injunction would e g c u g " h q n n q y k p i " v j g " V D C ø u " f g e k u k q p . " k p opposition proceedings was deemed to be retrospective as from the date of grant. To answer the question, it was necessary for the Supreme Court to assess whether the Court of Appeal was right to say that its Order of January 12, 2010 continued to bind the parties *per rem judicatam* despite the fact that the relevant claims were later held to be invalid by the TBA.

The decision of the Supreme Court

Lord Sumption gave the leading judgment, with Lord Neuberger giving a concurring judgment. The other three judges agreed with both judgments. The Supreme Court reviewed the law of *res judicata* and concluded that Zodiac was not precluded from relying on the decision of the TBA in the inquiry as to damages. The court affirmed the principle that the patent in the form as upheld by the TBA must be treated as the one that existed at the relevant time. Accordingly, the EP(UK) in the form upheld by Court of Appeal had to be treated as if it had never existed. Further, *res judicata* did not apply to the ongoing damages inquiry because Zodiac was not seeking to reopen the validity of the relevant claims, which was one of the questions determined by the Court of Appeal. Rather, Zodiac sought to rely on the fact that the patent had been amended, not the reasons for its amendment.

The Supreme Court also held that the authorities that had been followed by the Court of Appeal in reaching its decision were wrongly decided, primarily on the basis that those cases held cause of action estoppel to be absolute generally rather than being absolute only as regards points actually determined by the earlier decision. Further, those cases were wrong to suppose that taking into account the subsequent revocation of a patent by the EPO would be rehearing the question of validity that had been decided by the court. The effect of revocation by the EPO meant that the patent in that form is deemed never to have existed.¹⁰

C. Japan-U.S. Agreement to End Pre-Grant Oppositions

The conventional wisdom concerning the perceived evils of a pre-grant review process is expressed by Wolfson in a student note which accurately portrays the general view of American industry at the time (whether or not it corresponds to the reality in Japan of the time):

Publication of a patent application in Japan, a necessary part of the Japanese pre-grant opposition procedure, is required eighteen months after filing. Unlike the EPO, which has a post-grant opposition system, Japan is the only country in the world that allows pre-grant oppositions. The European post-grant opposition system allows competitors to oppose patents in an adversarial hearing for nine months following publication of the patent grant. Alternatively, the United States has no adversarial opposition system. Instead the United States chooses to use a post-issuance reexamination procedure in which the U.S. PTO reexamines issued patents in an ex parte hearing upon the request of any party.

Under the Japanese system, any person may file written opposition to a patent application within three months of its publication. ***This pre-issuance publication system [in Japan] allows large Japanese firms to profit by flooding the JPO with hundreds of applications for competing patents after they view U.S. and other foreign companies' patent applications.*** The newly signed Letters of Agreement

¹⁰ Dr David Lancaster, *Virgin Atlantic Airways Ltd v Zodiac Seats UK Ltd: implications for stays in English patent proceedings*, 2013 E.I.P.R. 609, 610-11 (2013)(explaining *Virgin Atlantic Airways Ltd v Zodiac Seats UK Ltd* [2013])

will eliminate the Japanese pre-grant opposition system and its serial hearings, in favor of a consolidated post-grant opposition hearing system.¹

The letter agreement between Japan and the United States is reproduced below:

**Japan-United States: Exchange of Letters
Concerning Patent Systems Agreement¹**

August 16, 1994
Washington, D. C.

Introductory Note by Thomas Robertson

On August 16, 1994, representatives of the United States and Japanese Governments exchanged letters by which they agreed to make certain modifications to their patent systems. Signed by U.S. Secretary of Commerce Ronald H. Brown and Japanese Ambassador Takakazu Kuriyama, the exchange was a result of the intellectual property discussions under the Economic Harmonization Basket of the so-called Uruguay Round of the World Trade Organization countries. Initiated under the U.S.-Japan Framework for a New Economic Partnership agreement signed by President Clinton and then-Prime Minister Hosakawa on July 10, 1993, the Framework discussions began in September 1993. The intellectual property discussions presented an opportunity for each country to air grievances it has with the other's intellectual property system. While there was no restriction as to subject matter, the talks primarily focused on the patent systems of the two countries. The Japanese concerns with the U.S. system primarily deal with the differences between the U.S. system and most other patent systems, including that it is a first to invent rather than first to file system; applications are not published; interferences are necessary to determine inventorship in some cases; the practice of reexamining patents is restricted as to the grounds for invalidation and who may participate; and restriction practice is ambiguous in some respects. The primary U.S. concerns with the Japanese patent system include the inability to make English-language filings in Japan that are followed up with Japanese translations; the long delays in the examination of patent applications in the Japanese Patent Office; the pre-grant opposition system and the practice of addressing oppositions seriatim rather than at the same time; the narrow grant of

patent claims; the availability of dependent patent compulsory licenses; and the lack of a full 12-month grace period. The U.S. representatives also raised concerns about delays in court cases in Japan and the absence of a mechanism to protect confidential information in court proceedings.

The negotiations on the exchange of letters were carried out primarily by the heads of the two delegations to the intellectual property discussions, Michael Kirk, Deputy Commissioner of the U.S. Patent and Trademark Office (PTO), and Toshido Ochiai, then-Director-General of the General Administration Department of the Japanese Patent Office. In the end, three of the primary U.S. concerns and two of the primary Japanese concerns were addressed in the letters.

Under the exchange of letters, the Japanese Patent Office will, by April 1995, introduce legislation that would, after January 1, 1996, no longer allow pre-grant oppositions to the issuance of a patent and would require the consolidation of oppositions; by January 1996, establish a procedure whereby applicants can request that their applications be fully processed within 36 months; and by July 1995, greatly restrict the instances in which the grant of dependant patent compulsory licenses is possible. The effect of these changes is likely to be a more rapid examination system and an enhanced confidence on the part of patentees that their patents will not be subject to compulsory licenses.

On behalf of the U.S. Government, Secretary Brown committed to submit legislation by September 30, 1994, that would end the practice of keeping applications secret until grant by publishing them 18 months after their priority filing date. Rather than submit legislation, the U.S. PTO has instead issued draft rules which if adopted would establish the 18-month publication system. Early publication will ensure that technology is disseminated promptly to U.S. researchers and inventors in the English language, putting them on an equal footing with foreign researchers and inventors whose countries publish all pending applications 18 months after filing. Secretary Brown also committed the U.S. Government to revise its reexamination procedures by January 1, 1996, so that the grounds for requesting reexamination include compliance with all aspects of 35 U.S.C. 112 except the best mode requirement (i.e., that the application contain a written description of the invention, the manner and process of making and using it, and claims in proper format), and third parties have an expanded opportunity to participate in reexaminations.

Expanded reexamination will provide third parties with a less expensive and more rapid procedure for challenging claims than is available through litigation in Federal court. Finally, Secretary Brown stated that the U.S. PTO would not grant a dependant patent compulsory license other than in certain limited cases. This is not a significant provision in light of the fact that the U.S. PTO does not now grant such licenses.

These commitments supplement an earlier exchange of letters between U.S. and Japanese representatives in which the Japanese Patent Office agreed to accept English-language filings by July 1995, and the U.S. PTO agreed to seek the modification of U.S. patent term from 17 years from grant to 20 years from filing. The change in the way patent terms are calculated in the United States was accomplished in the Uruguay Round Agreements Act, which was enacted into law on December 8, 1994 (Pub. L. 103-465). At this time, there are no plans for the working group to resume consultations.

Letter from the Japanese Ambassador to the Secretary of Commerce

EMBASSY OF JAPAN
WASHINGTON, D. C.

August 16, 1994

Dear Secretary Brown:

I have the honor to refer to the recent discussions between the representatives of the Government of Japan and the Government of the United States of America concerning the patent systems of the two countries. I am pleased to inform you that the Government of Japan confirms that, on the basis of these discussions, the Japanese Patent Office and the United States Patent and Trademark Office are to take the actions described in the Attachment hereto. In some instances, the implementation of these measures will require approval of the Japanese Diet or the U.S. Congress.

We look forward to working with you on a regular basis on these and other matters of mutual interest in the field of intellectual property. These ongoing talks will allow the Working Group on Intellectual Property or its successor to meet annually, or upon the request of either government, to discuss the implementation of the above actions.

I believe that the above-referenced actions and continued efforts will further promote the good relationship in the field of intellectual property between Japan and the United States of America.

Sincerely,

Takakazu Kuriyama
The Honorable Ronald H. Brown Secretary of Commerce

Attachment: Actions to be taken by the JPO:

1. (a) By April 1, 1995, in order to institute a revised opposition system by January 1, 1996, the JPO is to introduce legislation to revise the opposition system.
- (b) Under the revised system, oppositions are to take place only after the grant of a patent.
- (c) Multiple oppositions in the revised system are to be consolidated and addressed in a single proceeding to minimize the time spent during opposition.
2. (a) By January 1, 1996, the JPO is to institute a revised system of accelerated examination.
- (b) In the revised accelerated examination system:
 - (i) the JPO is to allow an applicant who has filed a patent application before a foreign national or regional industrial property office to request accelerated examination for a corresponding patent application filed in the JPO;
 - (ii) applications are to be processed to grant or abandonment within 36 months from the date of the request for accelerated examination;
 - (iii) the JPO may require the applicant to submit a copy of a search report, issued by the above mentioned national or regional industrial property office separately from or associated with its first substantive action on the merits; and
 - (iv) a fee, not to exceed the fee for filing an application, may be charged in addition to the normal fee for requesting examination but no working requirement is to be imposed.
3. Other than to remedy a practice determined after judicial or administrative process to be anti-competitive or to permit public non-commercial use, after July 1, 1995, the JPO is not to render an arbitration decision ordering a dependent patent compulsory license to be granted.

Actions to be taken by the USPTO:

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January 1, 1996, the USPTO is to introduce legislation to make applications publicly available 18 months after the filing date of the earliest filed application, a reference to which is made under 35 USC 119, 120, 121 or 365.

(b) The USPTO is to make publicly available all applications, filed after January 1, 1996, as soon as possible after the expiration of 18 months from the filing date or, where priority is claimed under 35 USC 119, 120, 121 or 365, from the earliest priority date. The drawing, specification, including claims, and bibliographic information of the application are to be made available to the public. Applications that are no longer pending and applications subject to secrecy orders are not to be made publicly available.

III. POST GRANT PROCEEDINGS UNDER JUDICIAL CHALLENGE

While the major patent granting authorities of the world over the past two generations have moved to a post-grant system of inter partes review, the United States system has been *too* effective in weeding out bad patents: There are now clear challenges to the post grant review system.

In the more than thirty-five years since the United States in 1980 introduced a first statutory provision for administrative patent revocation procedures at the Patent Office, such proceedings are under procedural judicial challenges both at the trial level in the *Restasis* case;¹¹ as well as in merits appeals at the Supreme Court with an oral argument on November 27, 2017, in both *Oil States Energy Services*¹² and *SAS Institute v. Matal*,¹³ with merits decisions in the two cases expected by the end of June 2018.

¹¹ In *Allergan, Inc. v. Teva Pharmaceuticals USA, Inc.* (E.D. Texas), the patentee Allergan sought to avoid a PTO patent validity attack by transferring formal title to the patent to the Saint Regis Mohawk Tribe (which then granted Allergan an exclusive license to the patents). The trial court determined that the clever scheme to transfer technical patent ownership to an Indian Tribe (with sovereign immunity) was *not* a successful avoidance of PTO jurisdiction to determine validity, and *also* ruled that the relevant claims of the Restasis patents are invalid on the basis of obviousness.

¹² In *Oil States Energy Services v. G P g t i { " U g t x Supreme Court No. 16-712, the Question Presented* *c u m u " ö inter partes review* to an adversarial process used by the Patent and Trademark Office (PTO) to analyze the validity of existing patents *ó* violates the Constitution by extinguishing private property rights through a non-Article III forum without a
l w t { 0 ö

¹³ In *SAS Institute Inc. v. Matal*, Supreme Court No. 16-969, *the Question Presented* asks:
ö F q3ö U.S.C. § 318(a), which provides that the Patent Trial and Appeal Board in an inter r c t v g u " t g x k g y " ÷ u j c n n " k u u w g " c " h k p c n " y t k v v g p ' f g claim challenged by the r g v k v k q p g t . ø " t g s w k t g " v j c v " D q c t f " v q " every claim challenged by the petitioner, or does it allow that Board to issue a final written

Restasis case deals with a specific, clever strategy to avoid Patent Office review procedures, and is only at the stage of an appeal to the Federal Circuit where a decision is expected at some point in 2018; whether there is any realistic possibility for a Supreme Court appeal will be better seen once a Federal Circuit decision is reached. As to *Oil States Energy Services* and *SAS Institute v. Matal*, the *Oil States Energy Services* involves a frontal attack on the Constitutionality of post grant proceedings where the PTO determines the validity of a granted patent.

In particular, *Oil States Energy Services* considers whether the PTO
c f o k p k u v t c v k x g " r t q e g f w t i o g a t e [d t h e C o n s t i t u t i o n i g u " y q '
by extinguishing private property rights through a non-Article III forum without a
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decision with respect to the patentability of only some of the patent claims challenged by the
r g v k v k q p g t . " c u " v j g " H g f g t c n " E k t e w k v " j g n f A ö

¹⁴ *Oil States Energy Services*, supra note 2.

IV. THE NARROW FILTER OF POST GRANT REVIEW

Of the multiple post grant procedures open to patent challengers, Post Grant Review (PGR) is the most powerful tool for administrative revocation of patents. PGR is particularly useful to challenge a patent on a highly technical issue of patent law where the complexity of the technology adds a degree of sophistication and difficulty to the legal issues.

A. Special Situation of Continuation Patent Validity

Some procedures are difficult for a non-technically savvy person to understand, whether a jurist or not. Continuing patent application practice may be at the top of the list:

Unlike the patent laws of the rest of the world, in the United States a patent application may be *refiled* over and over again as a continuing application such as a, a continuation-in-part, a "divisional" application, and a "reissue" application. Subject matter and claim scope are permitted. A technologically savvy and patent-trained person may be able to sort out subtle changes in the generations of CIP applications, such as determining that a later CIP application may not be entitled to rely upon the earlier or earliest date of filing: Where priority is denied to the parent of the CIP, the published (and other) work of the inventor more than a year before a later filing may constitute a statutory bar to invalidate the claims of the patent. The problem, here, is that prior to the PGR system it was difficult to establish such a statutory

bar in the District Court. Wherefore, the Lemelson saga permitted maintenance of his patents to the great cost of the public.

Professors Lemle { " c p f " O q q t g " r q k p v " q w [CIP] v j c v " ð] cases, patent applicants add claims during the continuation process to cover ideas they never thought of themselves but instead learned from a competitor. The most egregious and notorious example of submarine patenting is Jerome Lemelson. Lemelson filed eight of the ten continuation patents with the longest delays in prosecution in our study. *Those Lemelson patents spent anywhere from thirty-eight to more than forty-four years [pending] in the PTO*¹⁵

Instead of reaching a conclusion of invalidity based upon denial of priority v j g " l w f k e k c n " u { u v g o " e t g c v g f " c " p g y " d c k u Former Judge Seto explains:

The Federal Circuit í decided that fourteen of Dr. Lemelson's patents relating to machine vision and bar code technologies were unenforceable under the doctrine of prosecution laches. The Federal Circuit, in affirming a decision by the District Court for Nevada, held *that Lemelson's eighteen- to thirty-nine-year delay in executing his patent claims was unreasonable*, and found the patents unenforceable. The Federal Circuit's decision was dated September 9, 2005, after a host of companies had already paid Dr. Lemelson and his heirs a combined *\$1.5 billion in licensing fees*.¹⁶

¹⁵Mark A. Lemley & Kimberly A. Moore, *Ending Abuse of Patent Continuations*, 84 B.U. L. Rev. 63, 76-77 (2004)(footnotes omitted; emphasis added by this writer). Since this article was written, Professor Moore has become a member of the Federal Circuit.

¹⁶ Robert M. M. Seto, *A Federal Judge's View of the Most Important Changes in Patent Law in Half-a-Century*, 11 J. Tech. L. & Pol'y 141, 150 (2006)(footnotes omitted; emphasis added by this writer).

Sullivan and Loretto explain the need for post grant review in the context of the Lemelson patents:

In particular, a renewed, and more focused, emphasis on the requirements of [35 USC] § 112, especially the written description, enablement, and definiteness standards, offers the opportunity for striking directly at the core problem with junk patents: that, however cunningly the inventor manipulated his specification and claim language, he himself simply did not make, or did not sufficiently disclose or claim, the technological advance from which he seeks to profit by asserting the claims against the systems of others (including those who actually made the technical innovations usable for the public). But neither these types of defenses, nor any of the other existing defenses discussed herein, will provide a rapid or broad-spectrum solution to the junk-patent problem. If these defenses were capable of such a feat, Lemelson would not have collected multiple billions of dollars to date.¹⁷

Sullivan and Loretto explain the complexity of the Lemelson patents:

õ N g o g n u q p) u " r c v w o r l d c l a i m s t h a t h a v e b e e n a s s e r t e d o c f n { t g c f " q p " e q v o g o e q j p ø "" ÷ ò j u k i s j u e b a r c o d e s c a n n e r s s o l d b y S y m b o l T e c h n o l o g i e s , I n c . ó e v e n t h o u g h m a n y o f t h e p a t e n t s c l a i m p r i o r i t y , t h r o u g h a n e x t r a o r d i n a r y s e r i e s o f c o n t i n u a t i o n a p p l i c a t i o n s , t o a p p l i c a t i o n s f i l e d a s e a r l y a s t h e m i d - 1 9 5 0 s . F o r e x a m p l e , U . S . P a t e n t N o . 4 , 9 7 9 , 0 2 9 , i s s u e d D e c . 1 8 , 1 9 9 0 , u p o n a n a p p l i c a t i o n f i l e d o n M a r c h 2 7 , 1 9 9 0 , c l a i m s p r i o r i t y f r o m A p p l i c a t i o n N o . 4 7 7 , 4 6 7 , w h i c h w a s f i l e d o n D e c e m b e r 2 4 , 1 9 5 4 . C l a i m 1 o f t h i s r c v g p v " k u " f k t g e v g f " v q " ÷] c _ " o g v j q f " h q " " k] u k e _ " u g n g e v " k o c i g " r j g p q o g p q p i s e k s t e p ' s r t g t g p u w e j " c u " ÷ u e c p p k p i " c p " k o c i g " h k g n f " e q p c k f i e l d p o r t i o n w h i c h i s d e t e c t a b l e w i t h a n e l e c t r o - q r v k e c n " u e c p p k p i " o g ÷ i g p g t c v k p i " h k t u v " g n g e v t k e c n " u k i h o c n u y j q r v k e c n " e j c t c e v g t k u v k ¹⁸ e u " q h " v j g " q r v k e c n "

¹⁷ Jeffrey D. Sullivan and David Loretto, *Symbol Technologies v. Lemelson, Prosecution Laches, and the Still-W p o g v " E j c n n g p i g u " q B 3 " A I P L A Q J k 2 8 5 j 3 1 7 ÷ L w p m " R c v* (2005).

¹⁸ *Id.*, 33 AIPLA Q.J. at 286 n.3.

Wysocki, Jr., explains how Lemelson made his money through patents:

Few people paid much attention to Jerome H. Lemelson until he figured out a way to make \$500 million.

For decades, Mr. Lemelson has been a soft-spoken, somewhat-nerdy engineer who doesn't manufacture products and rarely even makes prototypes but who turns out a steady stream of blueprints and drawings and has filed huge applications at the U.S. Patent and Trademark Office. He files and amends and divides his applications. Eventually, sometimes 20 years later, he usually gets a patent. Over the years, the 73-year-old Mr. Lemelson has accumulated nearly 500 U.S. patents, more than anybody alive today. They cut through a wide swath of industry, from automated warehousing to camcorder parts to robotic-vision systems.

But he hasn't just hung the patents on a wall, like vanity plates. Seeking royalties, he has turned the strongest ones into patent-infringement claims-and a fortune.

* * *

In 1992 alone, [Lemelson] collected a total of \$100 million from 12 Japanese automotive companies, which decided to settle with him rather than fight him in processing patents. The claims cover various factory uses ranging from welding robots to vehicle-inspection equipment.

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c v v q t p g { " y j q " t g r t g u g p v g f " v j g " L c r e p " C v v c
j g) u " u v k n n " e w t t g p v . " n g v " o g " v g n n " { q w 0 c

These days, Mr. Lemelson is casting a longer shadow than ever. True, he makes huge donations, including funding the annual \$500,000 Lemelson-MIT Prize for innovation that will be presented tomorrow night at a gala in Washington.

MUCH CONTROVERSY

But behind the pomp lies controversy. Critics say Mr. Lemelson not only exploits the patent system but manipulates it.

* * *

[Mr. Lemelson] is currently embroiled in a brutal legal battle with Ford Motor Co. Unlike more than 20 other automotive companies, Ford has refused to get a license from him on the machine-vision and image-processing patents. In a filing in federal court in Reno, Nev., it charged that Mr. Lemelson, in an abuse of the Patent Office, Ford contended in *W. Sullivan* that Mr. Lemelson would get copyright applications to make the patents more valuable and more up-to-date. A Ford lawyer, in testimony before a congressional committee, once compared his patents covering new technology.

In 1995, U.S. Magistrate Judge Phyllis Atkins in Nevada sided with Ford, stating Lemelson's use of continuing applications has been abusive and he should be barred from enforcing his asserted patent. Mr. Lemelson has appealed, blaming the Patent Office for his delays in filing claims. A federal district judge is expected to rule soon.

* * *

Another battle on the horizon will pit Mr. Lemelson against Ford and more than a dozen secret allies. In dispute are some of his pending patent applications that are being issued; if the patents are issued, Mr. Lemelson plans to enforce them. Discussing the litigation-Mr. Lemelson estimates the two sides have spent well over \$10 million, with no end in sight.

Meanwhile, Mr. Lemelson is inspiring a horde of imitators. Firms are springing up whose main business is obtaining patents and, like him, enforcing them by first offering a license and then, if refused, suing. Working with them are individual inventors who have decided that patented ideas, legally enforced, can be more lucrative than manufacturing and marketing.

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inventor in Irving, Texas, with a patent covering transmission of digital
information over a network. Today, enforcement of Mr. Freeny's rights is in the
hands of E-data Corp., a tiny Secaucus, N.J., company with three employees. Its
main business is to try to extract royalty payments from alleged infringers.

* * *

A new breed of intellectual-property lawyer has emerged, too. Many seem to be
inspired by Mr. Hosier, who pioneered the use of contingency fees in patent cases
and whose work for Mr. Lemelson alone has brought him more than \$150 million
in fees. The lawyer's success óhe lives in a 15,000-square-foot house near Aspen,
Colo. ó j c u " o c f g " xv gj tg { " h j k q g v n " f c " t ö g c " 0 " K v) u " i q k p i " e
a patent attorney in Washington. Between 1991 and 1996, the American Bar
Association says, the number of intellectual-property lawyers soared to 14,000
from 9,400.

One Houston company, Litigation Risk Management Inc., is even helping finance
inventors' intellectual-property efforts by bringing in Lloyd's of London to finance
80% of the cost of the litigation. Joby Hughes, Litigation Risk's president, says that
if the licensing or litigation effort succeeds, the London insurance exchange will
get a 25% profit on the money it puts up. Mr. Hughes's company gets a fee for
arranging the deal.

A BOOMING FIELD

Companies long active in intellectual-property enforcement say business is strong.
One is Refac Technology Development Corp. The New York company buys the
rights to patents and licenses them to manufacturers, which pay royalties to both
Refac and the inventors. Last year, Refac's net income more than doubled to \$4.7
million on revenue of \$9.2 million.

The purpose of the U.S. patent system comes into question, however. A patent doesn't require the inventor to go into manufacturing; technically, a patent is a right to exclude somebody else from using your ideas in commercial products, for 20 years from the date of filing. (Before June 1995, patents were valid for 17 years from date of issue. These and other patent revisions remain a hot topic in Congress.)

U.S. Commissioner of Patents and Trademarks Bruce Lehman says he is outraged and { " ö v j g u g file patent applications and never, ever, ever go to market with an invention, based on their application. I thought what the patent system was all about was coming here and getting a patent and going to some banker or venture capitalist or something and get money, and then you go out and start a company and put products out on the marketplace. And you go sue the people that k p h t k p i g " q p " { q w 0 ö

But to the new intellectual-property players, it is the patent itself that has the economic value. And that has long been Mr. Lemelson's notion.

A native New Yorker, Mr. Lemelson worked for big companies and tried his hand at toy manufacturing. By his own testimony, that venture didn't succeed. Over time, he turned to crafting patents and then to seeking licenses. He often got involved in legal battles. His biggest one in toyland was a 15-year fight with Mattel Inc. over the flexible track in its Hot Wheels toys. In 1989, he won a \$71 million patent-infringement judgment, but it was overturned on appeal.

BIG DEAL WITH IBM

In electronics, Mr. Lemelson's big break came in 1980, when International Business Machines Corp. agreed to take a license on a portfolio of his computer patents 0 " ö C h v g t " v j g " K D O " f g c n . " K " d g e c o g " c ' o w me on easy street because I had so many balls in the air at one time. But it certainly j g n r g f " c " n q v 0 ö

An even bigger break came in the mid-1980s, when Mr. Lemelson met Mr. Hosier. In 1989, the already successful patent licensing campaign. Mr. Hosier focused his negotiations on 12 Japanese automotive companies, and the talks dragged on through mid-1992. That July, Mr. Lemelson sued four of the companies, Toyota Motor Corp., Nissan Motor Co., Mazda Motor Corp. and Honda Motor Co. Within a month, the Japanese agreed to settle; the 12 companies paid him the \$100 million.

At a post-settlement celebration of sorts, in the Brown Palace Hotel in Denver, the Japanese insisted on taking photographs, which show eight grim-looking Japanese surrounding a beaming Mr. Lemelson. He contends that it was a heroic victory, a of a billion dollars on my patents been

Similar infringement suits followed, against Mitsubishi Electric Corp., against Motorola Inc., against the Big Three Detroit auto makers. Initially, both Mitsubishi and Motorola decided to fight; later, they settled. The suits against General Motors further action against GM or Chrysler is in abeyance until the Ford outcome is known.

WHY THEY SETTLED

By all accounts, the strategy was well-planned and well-executed. Mr. Hosier says the Japanese were more inclined to settle than the Americans. Commissioner out with them. . . . And, of course, they all pay up, and that establishes a prec agreed to take licenses on Mr. Lemelson's patents.

Some who settled say they concluded that Mr. Lemelson had a good case. Others call it an uphill battle to try to persuade a judge or jury that the government had repeatedly made mistakes in issuing him all those patents. With a legal presumption that patents are valid, his opponents say they had the burden of proving the Patent Office had goofed 11 times in a row.

In any event, by 1994, Mr. Lemelson had amassed about \$500 million in royalties from his patents. But Ford has held out.

Even as the lawyers haggled over the law, many of the facts in the case were undisputed. In 1954 and 1956, both sides agree, Mr. Lemelson made massive patent filings, which included, for example, many drawings and descriptions of an electronic scanning device. As an object moved down a conveyor belt, a camera would snap a picture of it. Then that image could be compared with a previously stored one. If they matched, a computer controlling the assembly line would let the object pass. If the two images didn't match up, it might be tossed on a reject pile. But because Mr. Lemelson's filings were so extensive and complex, the Patent Office divided up his claims into multiple inventions and initially dealt with only some of them. Thus, for whatever reason, his applications kept dividing and subdividing, amended from time to time with new claims and with new patents. It was as if the 1954 and 1956 filings were the roots of a vast tree. One branch grew into the early 1990s. All direct descendants of the mid-1950s filings, they have up-to-date claims covering more recent technology, such as that for bar-coding scanning. The lineage was presented to the court in a color-coded chart produced by Ford. It shows how the mid-1950s applications spawned further applications all through the 1970s and 1980s. One result: a group of four bar-code patents issued in 1990 and 1992, with a total of 182 patent claims, all new and forming the basis of 14 infringement claims against Ford. But because of their 1950s roots, these patents claim the ancient heritage of Mr. Lemelson's old applications and establish precedence over any inventor with a later date.

The entire battle has become numbingly complex, a battle over whether the long stretch between the mid-1950s and the new claims in the 1990s constituted undue delay. Ford says yes. Mr. Lemelson says no. The magistrate judge found for Ford. Another question is whether Mr. Lemelson's original filings-his scanner and camera and picture of images on a conveyer belt-should be considered the concepts of bar-code scanning, and thus Ford's use of bar coding in its factories make it an infringer of his patents. Mr. Lemelson says yes. Ford says no, arguing Mr. Lemelson depicted a fixed scanner (bar-code scanners can be hand-held). The court ruled in favor of Ford. Ford's lawyer for Ford.

It's impossible to say which side will ultimately prevail. Or whether there will be a settlement. But the clear winners so far are the lawyers. Mr. Lemelson alone employs a small army of them. And Mr. Hosier pretty much thanks himself for

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{ q w) t ¹⁹g " t k e j 0 ö

B. One Decision for Every 600 Patents per Year

Much ado is made of a high rate of invalidity of patents subjected to a post grant patent challenge. In the first instance, it must be recognized that a significant number of cases reach a final decision of invalidity where from an objective viewpoint the patentee had very weak facts and *should* have simply given up or settled the proceeding long *prior* to a final decision: But, the economics of maintaining a patent for one or two additional years until a final invalidity ruling is often worth many *millions* of dollars to the patentee which, by contrast, makes the million or so dollars in legal fees insignificant by comparison. Beyond this artificial inflation of invalidity rates in final dispositions, one must also see that post grant challenges at the PTO are relatively rare:

More than 99 percent of all granted patents each year *avoid* a post grant challenge. Thus, what is not as widely understood outside the patent community is that the Patent Office has scientific and patent legal experts who determine whether to sustain a patent in post grant proceedings; in contrast, the same task in a District Court normally falls to a jury of peers. Thus, a patent challenger at the Patent Office who risks a post grant patent validity challenge on anything but a

¹⁹ H.R. 400, *The 21st Century Patent Improvement Act of 1997*, 143 Cong. Rec. H1585-01, 1997 WL 182364 (April 16, 1997)(quoting Bernard Wysocki, Jr., *How Patent Lawsuits Make a Quiet Engineer Rich and Controversial*, Wall Street Journal (Apr. 9, 1997)).

District Court defense based on patent validity: Any patent challenge that has survived a proceeding at the Patent Office makes it more difficult to reach the opposite conclusion in a subsequent District Court action. Therefore, patent challenges are rare in post grant proceedings unless the patent challenger has an extremely solid position or is otherwise desperate, without, for example, sufficient funding to undergo a full blown patent litigation.

The small number of post grant Patent Office challenges is manifested by the fact that there are only roughly 500 written decisions for *all* the post grant proceedings per year (out of an also small average of 1000 total post grant procedures that have commenced but are settled), including inter partes review, covered business method review, and post-grant review.²⁰

²⁰ Jason D. Eisenberg and Robert Greene Sterne, eds., 1 Patent Office Litigation § 15:26, *Statistics* * L c p 0 " 4 2 3 9 " W statistics g + w ð B c w g f " k p " C w i w u v q h number of petitions filed seeking inter partes review, covered business method review, and post-grant review currently averages 1,000 annually. Of those 1,000 petitions, roughly 50% proceed to a final written decision on the merits. While the appeal rate varies substantially from period to period, one or both parties appeal a final written decision between 50-60 % of the time. This accounts for roughly 250 appeals per year that never existed before the AIA. Of those, the vast majority are appeals pursued by patent owners, approximately 80%. Only about 10% are appeals taken by petitioners alone, and another 10% are cross-appeals. Like the underlying composition of the Board's docket, roughly 72% of the appeals involve electrical, communications, computer, and software technology, 16% involve chemical or biotechnology, and 12% involve mechanical or design technology.

Post-grant proceedings on appeal are faring roughly as one would expect, based on the historically high affirmance rate of Office decisions. For example, based on all appeals from reexaminations decided between 2011 and 2016, 70% of inter partes reexamination decisions were affirmed by the Federal Circuit (with 53% of those being Rule 36 affirmances) and 94% of ex parte reexamination appeals were affirmed by the Federal Circuit (with 68% of those being Rule 36 affirmances). As of August 15, 2016, the Federal Circuit had decided 134 appeals from AIA post-grant proceedings, affirming 84% of them (with 63% of those being Rule 36 affirmances). The reversal rate was at 8%, as was the remand rate. The Federal Circuit had also

To put this number in perspective a total of nearly 300,000 patents were granted in 2015, slightly more than half of which were of foreign origin.²¹

With roughly 500 decisions per year in post grant procedures compared to a base issuance of roughly 300,000 patents per year, this yields one (1) decision in a post grant proceeding per every 600 patents granted. (If one used as the base the patents open to one form or another of post grant challenge, the number would be closer to about 1 per 6,000 patents in force, counting the seventeen years that some post grant challenges can be instituted.)

One of the leading patent academics in the country, Professor Rochelle Cooper Dreyfuss of New York University Law School, helps put the statistics in perspective:

Y j k n g " í " u v c v k u v k e u " u r g c m " n q w f n { " c d q w " v
v j g u g "] R V Q _ " r t q e g patents, it is more difficult to interpret what the numbers mean from a normative standpoint. To some, they suggest that the Board is out of control. As Randall Rader, once chief judge of the Federal E k t e w k v . " r w v " k v . " v j g " death squads killing property R V C D
rights 0^[109] Q t " k p " v j g " y q t f u " q h " v y patented claims go g t u . " v

decided 13 petitions for writ of mandamus taken from post-grant proceedings and denied all of v j g o 0 ö + 0

²¹ The total is 298,407, of which 52.8 % were of foreign origin. See United States Patent and Trademark Office, *U.S. Patent Statistics Chart, Calendar Years 1963 ó2015*, https://www.uspto.gov/web/offices/ac/ido/oeip/taf/us_stat.htm, last visited October 21, 2017.

^[109] Tony Dutra, *Rader Regrets CLS Bank Impasse, Comments on Latest Patent Reform Bill*, BNA Pat. Trademark & Copyright L. Daily, Oct. 29, 2013.

More temperately, after comparing cancellation rates in IPRs to invalidation rates in court and considering the number of claims cancelled in IPRs that had previously survived ex parte reexamination,^[111] Gregory Dolin concluded that the high invalidation rate is basically a reflection of the PTAB's ability to forecast correctly how it will decide on at least one claim. Because the panel that decides whether to institute also decides the case on the merits, a strong correlation is to be expected.^[113]

But the numbers can be understood in a very different way. Before the PTAB can issue a final written decision cancelling claims, it must decide whether to institute a proceeding. The standard for determining whether to institute, although slightly different for the three procedures, is essentially whether it is more probable than not that at least one challenged claim is unpatentable. Since the preponderance of the evidence standard for determining whether a claim *should* be cancelled is also, essentially, whether it is more probable than not invalid, the high invalidation rate is basically a reflection of the PTAB's ability to forecast correctly how it will decide on at least one claim. Because the panel that decides whether to institute also decides the case on the merits, a strong correlation is to be expected.^[113] This is especially so because the institution decisions are far from pro forma: they are often as long as the merits decision, cover the same issues (claim construction is often central), and are as thoughtful and probing of the arguments as the

^[110] Michelle Carniaux & Michael E. Sander, *Claims Can Survive Inter Partes and Covered Business Method Review (But Few Do)*, IPR Blog (Apr. 7, 2014), <http://interpartesreviewblog.com/claims-can-survive-inter-partes-covered-business-method-review/>.

^[111] See Gregory Dolin, *Dubious Patent Reform*, 56 B.C. L. Rev. 881, 926-27 (2015) (citing John R. Allison & Mark A. Lemley, *Empirical Evidence on the Validity of Litigated Patents*, 26 AIPLA Q.J. 185, 205-06 (1998)); Shawn P. Miller, *Where's the Innovation: An Analysis of the Quantity and Qualities of Anticipated and Obvious Patents*, 18 Va. J.L. & Tech. 1, 6-7 (2013).

^[112] Dolin, *supra* note 111, at 926, 930.

^[113] The PTO is considering a pilot program in which institution decisions would be made by only one judge; if that judge decides to institute, two new judges would be added to decide the case. See Lee, *supra* note 37. [Note 37: 37 C.F.R. § 42.108(a) (2014) ; *id.* § 42.208 (permitting the Board to institute on only some claims and to refuse to consider all asserted grounds for invalidation); *id.* § 42.300; see also *Bank of Am., N.A. v. Intellectual Ventures II LLC*, No. CBM2014-00031 (P.T.A.B. Aug. 18, 2014) (institution decision) (instituting on nine of eighteen claims challenged). The PTAB then granted the patent holder's motion for adverse judgment on all challenged claims.]

decisions on the merits.^[114] Admittedly, once the PTAB decides one claim may be invalid, it can entertain challenges to other claims as well. But it need not hear *every* claim the petitioner seeks to cancel. Partial institutions are possible, and in practice, the PTAB screens out claims that appear to be valid at the institution stage. That is, in deciding whether to institute, the PTAB often considers every claim and every ground to determine whether each claim is more likely than not unpatentable on each alleged ground.^[115]²²

Professor La Belle summarizes the Rader- k p u r k t g f " õ f g c v j " u s w

Early studies indicate that patent challengers are enjoying high rates of success with the new [PTO patent challenge] proceedings.^[170] In IPRs, petitioners have won complete victories almost two-thirds of the time when pursuing their petitions to a final decision.^[171] And even when not securing a total win, petitioners have

^[114] To take two examples, arbitrarily chosen, the institution decision in *SAP America, Inc. v. Versata Development Group, Inc.* was forty-four pages long. No. CBM2012-00001 (P.T.A.B. Jan. 9, 2013) (institution decision). In the same case, the final written decision was thirty-five pages. *Id.* (P.T.A.B. June 11, 2013). The institution decision in *U.S. Bancorp v. Retirement Capital Access Mgmt. Co.* was fifteen pages. No. CBM2013-00014 (P.T.A.B. Sept. 20, 2013) (institution decision). There, the final written decision was twenty-one pages. *Id.* (P.T.A.B. Aug. 22, 2014).

^[115] 37 C.F.R. § 42.108(a) (2014) ; *id.* § 42.208 (permitting the Board to institute on only some claims and to refuse to consider all asserted grounds for invalidation); *id.* § 42.300; *see also Bank of Am., N.A. v. Intellectual Ventures II LLC*, No. CBM2014-00031 (P.T.A.B. Aug. 18, 2014) (institution decision) (instituting on nine of eighteen claims challenged). The PTAB then granted the patent holder's motion for adverse judgment on all challenged claims.

²² Rochelle Cooper Dreyfuss, *Giving the Federal Circuit a Run for its Money: Challenging Patents in the PTAB*, 91 Notre Dame L. Rev. 235, 251-52 (2015)(original footnotes included in brackets)(original emphasis).

^[170] *See* Brian J. Love & Shawn Ambwani, *Inter Partes Review: An Early Look at the Numbers*, 81 U. Chi. L. Rev. Dialogue 93, 101 (2014) (finding that the PTAB invalidated all instituted IPR claims almost 78% of the time).

^[171] *Id.*

managed to persuade the PTAB to institute IPR on at least one challenged claim in eighty-four percent of proceedings.^[172]

Based on these high rates of invalidation, critics have referred to the PTAB

as a "death squad" for patents.^[173] Former Chief Judge Randall Rader stated at an intellectual property conference that "the PTAB is invalidating patents and hundreds of patents are being invalidated." "The PTAB is a death squad for patents." A former high-level PTO official similarly criticized the agency as a "death squad" for patents.^[174] Patent law professor Megan M. La Belle has also referred to the Patent Office and the entire patent system as a "death squad."^[175]

^[172] *Id.* at 100. A more recent study finds that the rate at which the PTAB is instituting IPRs has been slowly and consistently declining since 2012. See Saurabh Vishnubhakat, Arti K. Rai & Jay P. Kesan, *Strategic Decision Making in Dual PTAB and District Court Proceedings*, 31 *Berkeley Tech. L.J.* 45, 78, 107 (2016).

^[173] Robert Greene Sterne & Gene Quinn, *PTAB Death Squads: Are All Commercially Viable Patents Invalid?*, IPWatchdog.com (Mar. 24, 2014), <http://www.ipwatchdog.com/2014/03/24/ptabdeathsquads-are-all-commercially-viable-patents-invalid/id=48642/> (quoting former Fed. Cir. Chief Judge Randall Rader, Comments at the 2013 American Intellectual Property Law Association Annual Meeting (Oct. 25, 2013)).

^[174] Erich Spangenberg, *Patent Predictions for 2015*, IPNav: Blog (Dec. 31, 2014), <http://www.ipnav.com/blog/erich-spangenbergs-patent-predictions-for-2015/> [<https://perma.cc/XsN4-XQRG>].

^[175] Ryan Davis, *RVC D's Chief Says Label Not Totally Off-Base*, *Chief Says Law360* (Aug. 14, 2014, 5:47 PM), <http://www.law360.com/articles/567550/ptab-s-death-squad-label-not-totally-off-base-chief-says> [<https://perma.cc/7FXK-DCJ6>].

^[176] Sterne & Quinn, *supra* note 173. While Rob Sterne and Gene Quinn do not identify the "death squad" label, Intellectual Property Law and Solicitor at the PTO) make these same observations at the Center for American and International Law's 52nd Annual Conference on Intellectual Property Law on November 10, 2014 in Plano, Texas.

²³ Megan M. La Belle, *Public Enforcement Of Patent Law*, 96 *B.U. L. Rev.* 1865, 1891-92 (2016)(original footnotes integrated into text in brackets).

C. Maturation of the Patent Bar

As pointed out by Dilger and Lord, *the early high rate of invalidation in post grant procedures has been attributed by Judge Smith to the selection of weak patents by patent challengers for such proceedings.*²⁵ *to post-grant reviews* ²⁶

D. Patent Quality and the Problem of Unenforced Patents

The need for greater patent quality is explained by the fact that "[i]nvalid patents, even if unenforced, are problematic. They dampen innovation, hamper competition, and harm consumers. Yet no public agency polices patents

²⁴ Nate Dilger & John Lord, *Evaluating the Effectiveness of the Inter Partes Review Process*, 39-AUG L.A. Law. 16 (July/August 2016).

²⁵ *Id.* (quoting Sarah Tran, *Policy Tailors and the Patent Office*, 46 U.C. Davis L Rev. 487, 498-99 (2012)) (citing Judge Smith's observation that the early IPR petitions appeared to focus on the weakest patents, a point that Judge Smith noted during a 2014 meeting of the U.S. Patent and Trademark Office's Patent Public Advisory Committee. Indeed the stated goal of the IPR proceedings ... includ[ing] post-grant review, IPR, supplemental examination, and derivation proceedings, as well as a transitional post-grant review program for certain business methods

²⁶ Manzo, *Patent Claim Construction in the Federal Circuit § 1:5, Additional considerations that complicate patent claim construction* (2017 ed.) (citing *In re Zletz*, 893 F.2d 319, 322 (Fed. Cir. 1989)) (citing *Intergilix, United States v. Carbon Co. v. Binney & Smith Co.*, 317 U.S. 228, 232 (1942), and *General Electric Co. v. Wabash Appliance Corporation*, 304 U.S. 364, 369 (1938)).

after they are issued. We rely instead on private parties, despite the fact that incentives for private validity challenges are seriously lacking. Even with the passage of the AIA and the creation of new and improved administrative proceedings, it is not clear that substantially more patents--or the right type of patents-- c t g " d g k p i ²⁷ e j c n n g p i g f 0 ö

²⁷ La Belle, *supra*, 96 B.U. L. Rev. at 1928.

V. CASE STUDIES

A. The *Restasis* Case

Under the *Leahy Smith America Invents Act* of 2011, procedures have been tightened up to make it easier for patent challengers to establish the invalidity of patents under Post Grant Review (PGR) and Inter Partes Review (IPR). Literally billions of dollars have been saved by consumers through the effective use of the PGR and IPR review proceedings. Indeed, a former member of the Federal Circuit before his resignation from the bench had dubbed these post grant

As an added feature to the *Restasis* case recently decided at the trial level, the patentee has employed a clever (but unsuccessful) trick to block a Patent Office challenge to validity by transferring patent title to the Saint Regis Mohawk Tribe (which then granted Allergan an exclusive license under the patents).

The *Restasis* scheme is explained by Hiltzik.

[T]he drug maker sold its *Restasis* patents to the St. Regis Mohawk Tribe, which promptly granted the company an exclusive license to those same patents and obligingly filed a motion to dismiss the Inter Partes Review. In return, the tribe was paid \$13.75 million up front and the promise of \$15 million a year in royalties. One wonders if the tribe could have held out for more, since *Restasis* sales come to \$1.5 billion a year, according to Allergan.

In announcing the deal, Allergan executives exuded all the sincerity of made men singing the praises of their *capo di tutti capi*. Allergan claimed it was approached by the tribe with a sophisticated opportunity to strengthen the defense of our Restasis intellectual property through a thoughtful and enterprising joint venture. Allergan claimed that the deal would help the tribe achieve its goals of self-reliance and help them address the most urgent needs in their community.

What Allergan is after, however, is the benefits of the U.S. patent system without accepting the limits that Congress has established. This is a key component of patent reform in 2011.

Hiltzik explains the extreme nature of the Allergan gambit:

In the annals of cynical corporate subterfuges, it would be hard to top the effort by the drugmaker Allergan to fend off a patent challenge by selling its drug rights to a rural New York Indian tribe.

Keyed Judge William Bryson of Marshall, Texas, Allergan

²⁸ Michael Hiltzik, *A judge calls foul on Allergan's attempt to hide its drug patents behind an Indian tribe's sovereignty*, Los Angeles Times (October 19, 2017), <http://www.latimes.com/business/hiltzik/la-fi-hiltzik-allergan-tribe-20171019-story.html>.

[*] This is incorrect: Circuit Judge Bryson is a resident of the Washington, D.C., area and was sitting as a Visiting Judge in Marshall, Texas.

perhaps more precisely, to rent ²⁹ V t k d g ø u " u q x k o o w p k v { ö " r w t g n { " k p " q t f g t " v q " f g h g c v " j g

J k n v | k m " h w t v j h g St. Regis Mohawk Tribe, which acted as õ] v _ C n n g t i c p ø u " r c v g p v " h t q p v . " k u p ø v " u j q y k j i ' Wednesday, the tribe sued Microsoft and Amazon on behalf of a small technology company called SRC Labs, which claims that the big companies are infringing its r c v g p v u " q p " f c v c " r t q e g u u k p i " v g e j p q n q i l g u tribe was to head off a counter- e j c n n g p i g " h t q o " O k e t q u q h v " c

B. *Oil States Energy Services* Case

The *Oil States Energy Services* case is scheduled for a merits argument at the Supreme Court just after Thanksgiving, on November 27, 2017, as explained in the *preface*. The petitioner argues that a patent validity challenge through an administrative proceeding is unconstitutional.

²⁹ Michael Hiltzik, *A judge calls foul on Allergan's attempt to hide its drug patents behind an Indian tribe's sovereignty*, Los Angeles Times (October 19, 2017), <http://www.latimes.com/business/hiltzik/la-fi-hiltzik-allergan-tribe-20171019-story.html>.

³⁰ *Id.*

C. SAS Institute v. Matal Case

In *SAS Institute Inc. v. Matal*, in an Inter Partes Review proceeding, the PTO examined only *some* of the claims; here, petitioner *s w g u v k q p t h [e] Board v j g t* [must] issue a final written decision as to every claim challenged by the petitioner, or does [the statute] allow that Board to issue a final written decision with respect to the patentability of only some of the patent claims challenged by the petitioner, *c u " v j g " H g f g t* The case will be argued the same morning as *Oil States Energy*.

Merits decisions in both *Oil States Energy Services* and *SAS Institute Inc. v. Matal* are expected before the Court completes its present Term at the end of June 2018.

D. The Prozac Case

1. A \$ 34 Billion Stock Price Fall

It is not just the patent challengers who should benefit from PTO proceedings to determine patent validity. Perhaps the most notorious determination of patent invalidity that broke new legal ground is the *Prozac* case. *Eli Lilly & Co. v. Barr Laboratories, Inc.*, 222 F.3d 973, 988 (Fed. Cir. 2000)(Gajarsa, J.), which Professors Burk and Lemley point out was, in their

w p f g t u v c v g f " h c u j k q p . " " õ s w k v g " e q p v t q x g t u

³¹ Dan L. Burk and Mark A. Lemley, *Inherency*, 69 " Y o 0 " (" O c t { " N 0 " Elg x 0 " 5 9 3 *Lilly & Co. v. Barr Laboratories, Inc.*, [251 F.3d 955 (Fed. Cir. 2001),] held that Lilly's own prior patent on a method of treating anxiety with Prozac inherently anticipated its later patent on a method of blocking serotonin uptake, since Prozac operates by inhibiting serotonin uptake. [*Id.*

The Prozac invalidity ruling triggered a one day drop in the value of patentee

It is difficult, at best, to rely upon an appellate court to overturn a District Court ruling such as in the *Prozac* case.³³ In her dissent in the *Prozac* case, Judge P g y o c p " u w o o c t k | g f " v j g " j q n f k p i " c u " h q n q y anomalous result of holding invalid for obviousness [the *Prozac* patent], on a theory of obviousness-type double patenting, an invention that was made and

at 969-70. *** [T]he panel's conclusion that the first Lilly patent was prior art, even though it was filed after the second patent, was quite controversial. See *id.* at 975(Newman, J.,

f k u u g p v k p i + 0 _ ö + * h q q v p q v g u " k p v g i t c v g f " k p v q " v g z
³² John R. Allison, Mark A. Lemley, Kimberly A. Moore and R. Derek Trunkey, *Valuable Patents*, 92 Geo. L.J. 435, 474 (2004)(citing M. Patricia Thayer, *Double Patenting Sounds Death Knell for Prozac Patent: Eli Lilly and Co. v. Barr Laboratories, Inc.*, at <http://www.hewm.com/use/articles/elilly.pdf> (last visited May 18, 2004)).

³³ *Eli Lilly & Co. v. Barr Laboratories, Inc.*, 222 F.3d 973, 988 (Fed. Cir. 2000)(Gajarsa, L 0 + * ö] V _ j g " e k t e w o u v c p e g u " i k x k p i " t k u g " v q " v j g " r [covering Prozac] is invalid for obviousness-type double patenting. This case arose when [generic manufacturer and patent challenger] Barr filed an ANDA application seeking FDA approval for marketing fluoxetine hydrochloride as an antidepressant, and Lilly responded by suing for infringement of, *inter alia*, claim 7 of the '549 patent. Under the '895 patent, which issued in 1977 and expired in 1994, Lilly possessed the right to exclude others from administering any compound, including fluoxetine hydrochloride, within the class of claimed compounds to treat depression. In effect, under the '895 patent, Lilly had the right to exclude others from engaging in the very conduct for which Barr currently seeks FDA approval. Now, by asserting claim 7 of the '549 patent, Lilly attempts to extend the term of exclusivity it enjoyed under the '895 patent for an additional nine years beyond the statutorily prescribed term.

ö G h h g e v k x g n { " g z v g p f k p i " v j g " r t h a t t h e d o c t r i n e o f t o . " j q y g x
obviousness- v { r g " f q w d n g " r c v g p v k i n i e B e y g c 1 4 0 ' F . 3 d t 1 4 2 8 , 1 4 3 5 f " v q " t g
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Her opinion more completely explains why the court was wrong in creating a new ground of double patenting to invalidate the *Prozac* patent:

The Federal Circuit, sitting en banc, vacated the panel's prior opinion [invalidating the *Prozac* patent on the ground of double patenting, 222 F.3d 9735 (Fed. Cir. Aug. 9, 2000) (Gajarsa, J.),] and returned the case to the panel for further Prozac, assigned to Eli Lilly] invalid for double patenting, but this time it bases that determination on Stark's patent. The panel now bases its determination of double patenting with the Stark patent. However, this shift has led the panel into factual and legal areas that were not developed at trial, and into misapplication and misstatement of the law of double patenting. I must, respectfully, dissent.

Obviousness-Type Double Patenting

The judge-made law of obviousness-type double patenting was developed to cover the situation where patents are not citable as a reference against each other and therefore can not be examined for compliance with the rule that only one patent is available per invention. Double patenting thus is applied when neither patent is prior art against the other, usually because they have a common priority date. See *General Foods Corp. v. Studiengesellschaft Kohle mbH*, 972 F.2d 1272, 1278 (81 Fed. Cir. 1992) (summarizing the criteria for obviousness-type double patenting). As the court explained in *In re Boylan*, 392 F.2d 1017, 1018 n. 1 (CCPA 1968), "it must always be carefully observed that the appellant's patent is not a double patent." *In re Boylan*, 392 F.2d 1017, 1018 n. 1 (CCPA 1968).

³⁴ As explained by Circuit Judge Newman in *Eli Lilly & Co. v. Barr Laboratories, Inc.*, 251 F.3d 955, 972-76 (Fed. Cir. 2001) (dissenting from the refusal to reconsider the case en banc).

These fundamental requirements for application of the law of double patenting are: (1) the two patents must be for the same invention; (2) the two patents must be for the same inventor; and (3) the two patents must be for the same inventorship. In *Amgen v. Hoechst Celanese*, 549 U.S. 13 (2006), the Supreme Court held that there is no formal relationship between different inventorships. The panel ignores these routine criteria and the effect they have on the law of double patenting. The panel also ignores the fact that the Stark patent is a continuation-in-part of the Amgen patent and that the Stark patent is a continuation-in-part of the Stark patent.

The district court had rejected Barr's double patenting arguments after summary judgment proceedings, ruling that:

The district court's summary judgment ruling is invalid for double patenting. The district court's summary judgment briefing on this matter is a confusing amalgamation of broad patent law principles that are not clearly applicable to the issues before the Court. In fact, the only case law cited in support of its theory is a dissenting opinion, never adopted thereafter by any court as best we could determine. Even disregarding any limitation on the application of this legal theory to the issues at hand, we observe that Barr's briefs focus extensively on the formulation and restatement of its legal theory to the exclusion of any evidence sufficient to explain or support it. Most notably, Barr has failed to provide any authoritative, reliable scientific opinion to establish that claim 7 of the 549 patent constitutes merely the later scientific explanation of what has already been disclosed in the Stark patent.

*** [T]he panel now *** sua sponte finds double patenting between claim 7 of the 549 patent and claim 3 of the Stark patent. Patentability of the Stark claims over this prior art was successfully argued in the *Amgen v. Hoechst Celanese* (effective filing date January 10, 1974) is invalid for obviousness-type double patenting with the Stark patent that was filed nine years later (April 8, 1983). Such a result is not available under the laws of 35 U.S.C. § 102 and § 103; neither can it be achieved under the rubric of double patenting.

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animals] comprising administering to said animal a monoamine blocking amount
of N methyl 3 ó árifluoromethylphenoxy ß ô phenylpropylamine [fluoxetine] or a
pharmaceutically-acceptab n g " c e k f " c f f k v k q p " u c n v " v j g t g q

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õ C " o g v j q f " h q t " v t g c v k p i " c p z k g v { " k p " c " . w c
comprises the administration to said human of an effective amount of fluoxetine or
norfluoxetine or pharmaceutically- c e e g r v c d n g " u c n v u " v j g t g c h C

The panel holds that the later-discovered and later-filed anxiety-treatment use of fluoxetine invalidates the patent on the earlier discovery of monoamine (serotonin) d n q e m k p i " w u g " d g e c w u g " v j g " g c t n k g t " f k u c q x a correct statement of either the law of double patenting or the law of inherency. The 1974 invention can not be invalidated based on what was filed and claimed in the 1983 application, even on the panel's incorrect view of the law of inherency as applied to biological inventions.

The district court remarked on the absence of reliable evidence as well as legal r t g e g f g p v " v q " u w r r q t v " D c t t) u " r t q h h g t g " v has offered a panoply of evidence to support the recognition of this inherent d k q n q i k e c n " h w p e v k q p 0 ö " R c p g n " q r 0 e h c e s v " 4 : 0 ' f c v g f " c h v g t " v j g " 7 6 ; " c r r n k e c v k q p " y c u h k 7 6 ; " e n c k o u 0 " N c v g t " f k u e q x g t k g u " c p f " u c k g earlier ones, but that does not retrospectively erase the patentability of the earlier work.

The complex factual issues that have been raised in the record, in connection with the relationship between serotonin uptake and the various pharmaceutical uses of fluoxetine, can not be resolved in favor of Barr and adversely to Lilly on the summary judgment record, for the material facts have been placed squarely at issue. Indeed, the scientific evidence in the record weighs heavily against the panel's findings.

It is highly relevant that the Stark application was examined in light of prior art v j c v " k p e n w f g f " v j g " 7 6 or cited cases that established u e n q t w t rules with respect to the subsequent patentability of a genus when a species is known, this has no relevance to the question at bar. Further, these rules relate to whether a subsequent invention is patentable, not a prior one. Here, however, it is the first-filed (Molloy) invention that the panel invalidates in view of the later-filed U v c t m " k p x g p v k q p 0 " C n v j q w i j " v j g " 549 c t m " c v patent, the panel incorrectly holds that the later-filed but earlier-issued Stark claim t g p f g t u " q d x k q w u " v j g " 7 6 ; " e n *dnkreöBerg* h " p k p g ' 140 F.3d 1428 (Fed.Cir.1998), relied on by the panel, nor any other case, supports such an inverted holding.

When two patents issue with claims that are not patentably distinct, the principle served by the judge made law of double patenting is that because patent protection started with the first patent to issue, it should not extend to the expiration of the second patent to issue. Thus the law of double patenting does not consider the patents as prior art; the law simply requires elimination of the extension of exclusivity by truncating the term of the second patent to issue, to coincide with the term of the first patent to issue.

When the second patent to issue is (as here) the first patent that was filed, an anomaly may arise when there is a valid charge of obviousness-type double patenting. I repeat, that charge is not here available because the first patent that was filed was in fact a reference against the second patent. The panel, ignoring this immutable fact, undertakes an obviousness-type double patenting analysis. When two patents are appropriately considered for obviousness-type double patenting, an applicant can obtain a patent that is obvious in light of the claims of patent A, but the claims of patent A are not obvious in light of the claims of patent B. An illustration is shown in *In re Berg*, where one patent was directed to a species, and the other to a genus that included the species. A genus is usually not patentable over a species, but a species may, depending on the facts, be patentable over the genus. Judge-made law has developed a special and simple test for double patenting: applying the rules of cross-reading, double patenting will not lie, for cases in which the first patent to issue is the second patent that was filed, unless the claims cross read; that is, unless the claims of each patent would have been obvious in view of the claims of the other patent. This simple expedient avoids the analytical trap into which the panel fell.

The panel has reached the truly anomalous result of holding invalid for obviousness, on a theory of obviousness-type double patenting, an invention that
y c u " o c f g " c p f " c r r n k g f " h q t " p k p g " { g c t u " c g h
The panel states that *In re Berg* requires that unless the PTO is solely and exclusively responsible for all delays in issuing the first-filed patent, the patentee can not rely on the fact of its earlier filing. That is not the *Berg* holding. In *Berg* the same inventors filed, on the same day, patent applications whose claims stood in the relationship of genus and species of the same method for preparing an abrasive particle suitable for use in an abrasive composition. When the species application was about to issue, the examiner rejected the genus application on the grounds of obviousness-type double patenting. *Berg* argued that each application should be evaluated as to whether it represented a patentable advance over the other, a two-way test of cross-reading applied in particular circumstances.

This court stated that the purpose of the two-way test, as it had been developed in *q w t " r t g e g f g p v . " y c u " õ v q "* -type double patenting *g l g e " k c* when the applicants filed first for a basic invention and later for an improvement, but, through no fault of the applicants, the PTO decided the applications in reverse order of filing, rejecting the basic application although it would have been allowed *k h " v j g " c r r n k e c v k q p u " j c f " d g g p " f g e k f g f " k p* Circuit then held that Berg was not entitled to the benefits of the two-way test because he could have included all of the claims in a single application. Neither the facts of Berg nor the law as developed therein applies to the patents here under consideration.

The panel also holds that because Lilly disclaimed the Stark patent before trial, this *d c t u " N k n n { " h t q o " f k u 549 p a t e n t t h a t w o u l d h a v e c v " r q t " k c* extended beyond the Stark patent's original life. No precedent so holds, and I discern no basis for such a new rule. A terminal disclaimer is a standard response to a charge of double patenting; this remedy need not be withheld, at least in the absence of fraud or bad faith. To deny a patentee the opportunity of simplifying the issues or improving its litigation position is an unnecessary if not a punitive action, unwarranted on this record.

The New Rules of Patentability of Biological Inventions

V j g " r c p g n " u v c v g u " f l u x e t i n e h y d r o c h l o r i d e i s t h e i n h i b i t o r m " t g u v *q h " u g t q v q p k p " w r v c m g . ö " c p f " j q n f u " v j c v " c "* property is unpatentable because it is inherent in the chemical compound. As authority the panel cites a dissenting opinion in *Burroughs Wellcome Co. v. Barr Labs., Inc.*, 40 F.3d 1223, 1233 (Fed.Cir.1994) (Lourie, J. dissenting in part), the *f k u u g p v " u w i i g u v k p i " v j c v " c " r c v g p v " v q " c " c "* *q h " v j g " r t c e v k e g ö " q h " c p q i n j e c t i o n d o u b l e v j q f " r c v g* *r c v g p v k p i 0 " V j w u " v j g " r c p g n " j q n f i n v a l i d j g " 7 6* as the natural and inherent result of the Stark treatment for relief of anxiety. However, every biological property is a natural and inherent result of the chemical structure from which it arises, whether or not it has been discovered. To negate the *r c v g p v c d k n k v { " q h " c " f k u e q x g t { " q h " d k q n c i k* of the chemical compound can have powerful consequences for the patentability of biological inventions. The narrow facts of *Burroughs Wellcome* and the dissenting view therein do not warrant the new rule now adopted.

V j g " r c p g n " c n u q " u v c v g u " v j c v " ð v j g t g " k u p c
base a finding that fluoxetine hydrochloride does not inhibit the uptake of
u g t q v q p k p 0 ö " K p f g g f . " k v " k u " h c t " h t q o " e i g c
be proved, on the panel's theory of double patenting, for the many scientific articles
cited in the record show the complexity of the mechanism of action of fluoxetine.
However, the panel's ruling that Lilly would have to prove that serotonin inhibition
does not occur on treatment with fluoxetine, in order to avoid double patenting
invalidity of its claim for serotonin inhibition on treatment with fluoxetine, will
surely add confusion and uncertainty to patent practice.

In this period of unprecedented development of patent-supported biological
advance, the nation needs a stable and comprehensible patent law, lest this court
falter in its leading role in implementing the law's fundamental purposes.³⁵

2. Unpredictability in the Judicial System

As seen from the *Prozac* case, it is not just the patent challengers who
should benefit from PTO proceedings to determine patent validity. Perhaps the
most notorious determination of patent invalidity in a trial court is the *Prozac* case
which Professors Burk and Lemley point out was, in their understated fashion,
ð s w k v g " e q³⁶ p v t q x g t u k c n ö 0

³⁵ *Eli Lilly & Co. v. Barr Laboratories*, 251 F.3d at 972-76 (Newman, J., dissenting from the
refusal to reconsider the case en banc)(bold emphasis added)(footnote omitted).

³⁶ Dan L. Burk and Mark A. Lemley, *Inherency*, 69 " Y o 0 " (" O c t { " N 0 " Elg x 0 " 5 9 3
Lilly & Co. v. Barr Laboratories, Inc., [251 F.3d 955 (Fed. Cir. 2001),] held that Lilly's own
prior patent on a method of treating anxiety with Prozac inherently anticipated its later patent on
a method of blocking serotonin uptake, since Prozac operates by inhibiting serotonin uptake. [*Id.*
at 969-70. *** [T]he panel's conclusion that the first Lilly patent was prior art, even though it
was filed after the second patent, was quite controversial. See *id.* at 975(Newman, J.,
f k u u g p v k p i + 0 _ ö + * text in brackets). g u " k p v g i t c v g f " k p v q "

The Prozac invalidity ruling triggered a one day drop in the value of patentee G n k " N o c k n t h e v a l u e o f \$ 34 billion dollars.³⁷ It is difficult, at best, to rely upon an appellate court to overturn a District Court ruling such as in the *Prozac* case.³⁸

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John R. Allison, Mark A. Lemley, Kimberly A. Moore and R. Derek Trunkey, *Valuable Patents*, 92 Geo. L.J. 435, 474 (2004)(citing M. Patricia Thayer, *Double Patenting Sounds Death Knell for Prozac Patent: Eli Lilly and Co. v. Barr Laboratories, Inc.*, at [http://www.heyo0eqo1wug1ctvkengulgnkn{n0rfh"*ncuv"xk](http://www.heyo0eqo1wug1ctvkengulgnkn{n0rfh) 30% (and over \$34 billion) on the day its Prozac patent was held invalid, even though this holding occurred only one year before the patent would otherwise have expired. See M. Patricia Thayer, *Double Patenting Sounds Death Knell for Prozac Patent: Eli Lilly and Co. v. Barr Laboratories, Inc.*, at <http://www.hewm.com/use/articles/elilly.pdf> (last visited May 18, 2004).

³⁸ *Eli Lilly & Co. v. Barr Laboratories, Inc.*, 222 F.3d 973, 988 (Fed. Cir. 2000)(Gajarsa, L 0 + * ð] V _ j g " e k t e w o u v c p e g u " i k x k p i " t k u g " v q " v j g " r [covering Prozac] is invalid for obviousness-type double patenting. This case arose when [generic manufacturer and patent challenger] Barr filed an ANDA application seeking FDA approval for marketing fluoxetine hydrochloride as an antidepressant, and Lilly responded by suing for infringement of, *inter alia*, claim 7 of the '549 patent. Under the '895 patent, which issued in 1977 and expired in 1994, Lilly possessed the right to exclude others from administering any compound, including fluoxetine hydrochloride, within the class of claimed compounds to treat depression. In effect, under the '895 patent, Lilly had the right to exclude others from engaging in the very conduct for which Barr currently seeks FDA approval. Now, by asserting claim 7 of the '549 patent, Lilly attempts to extend the term of exclusivity it enjoyed under the '895 patent for an additional nine years beyond the statutorily prescribed term.

ð G h h g e v k x g n { " g z v g p f k p i " v j g " r c v g p v " v g t o . " j q y g x obviousness- v { r g " f q w d n g " r c v g p v k p i e B e y g c 140'F.3dt1428, 1435 f " v q " t g * H g f 0 E k t 0 3 ; ; : + 0 _ ð +

3. Broad PTO Interpretation of *Lilly v. Barr*

The Patent Office in its *Manual of Patent Examining Procedure* cites *Eli Lilly & Co. v. Barr Labs., Inc.*, 251 F.3d 955 (Fed. Cir. 2001), as basis for the [is] *** an obvious variation of [] an invention claimed in the patent v ö " v j g p " ö c " nonstatutory double patenting rejection may be appropriate *** when the issuance of a second patent would provide unjustified extension of the term of the right to g z e n w f g " i t c p³⁹v g f " d { " c " r c v g p v 0 ö

The *Manual* interpretation of *Eli Lilly v. Barr Labs.* is followed *sub silentio* in a series of cases from the Patent Trial and Appeals Board:

³⁹ MPEP § 804, *Definition of Double Patenting* [R-07](October 2015)]

* ö C " p q p u v c v w v q t { " f q w d n g " r c v g p v k p i " t g l g e v k q p " k identical, but at least one examined application claim is not patentably distinct from the reference claim(s) because the examined application claim is either anticipated by, or would have been obvious over, the reference claim(s). See, e.g., *In re Berg*, 140 F.3d 1428 (Fed. Cir. 1998); *In re Goodman*, 11 F.3d 1046 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887 (Fed. Cir. 1985). In determining whether a nonstatutory basis exists for a double patenting rejection, the first question to be asked is: is any invention claimed in the application anticipated by, or an obvious variation of, an invention claimed in the patent? If the answer is yes, then a nonstatutory double patenting rejection may be appropriate. Nonstatutory double patenting requires rejection of an application claim when the claimed subject matter is not patentably distinct from the subject matter claimed in a commonly owned patent, or a non-commonly owned patent but subject to a joint research agreement as set forth in 35 U.S.C. 102(c) or pre-AIA 35 U.S.C. 103(c)(2) and (3), when the issuance of a second patent would provide unjustified extension of the term of the right to exclude granted by a patent. See *Eli Lilly & Co. v. Barr Labs., Inc.*, 251 F.3d 955 (Fed. Cir. 2001); *Ex parte Davis*, 56 USPQ2d 1434, 1435-36 (Bd. Pat. App. & Inter. 2000) 0 ö + 0

More recently, Judge Smith in the *Deluca* case focused once again on the patentable distinctness of claims: "Obviousness-type double patenting prohibits a claim that is not patentably distinct from an earlier claim." *In re Longi*, 759 F.3d 887, 892 (Fed. Cir. 2015) (citations omitted). An obviousness-type double patenting analysis is generally analogous to an obviousness analysis under 35 U.S.C. § 103. *See, e.g., Abbvie Inc. v. Mathilda and Terence Kennedy Institute of Rheumatology Trust*, 764 F.3d 1366, 1378-79 (Fed. Cir. 2014) (citing cases). However, resolution of a double patenting analysis is based on the claims at issue and the claims of the reference patent. *See Eli Lilly & Co. v. Barr Labs., Inc.*, 251 F.3d 955, 968 (Fed. Cir. 2001) ("A patent claim is not patentably distinct from an earlier patent claim if the later claim is not patentably distinct from the earlier claim.").

In the *Cooper* case, Judge Wilson followed *Eli Lilly v. Barr Labs.* by focusing upon extension of term for a double patenting rejection, as opposed to whether a reference patent is prior art:

⁴² *Ex parte Deluca*, 2017 WL 2061608, slip op. a 4 (Patent Tr. & App. Bd. 2017)(R.J. Smith, APJ).

The judicial doctrine of obviousness-type double patenting precludes an applicant from extending the term of protection for a patented invention by claiming an obvious variant of the patented invention in a subsequent patent application. *See In re Longi*, 759 F.2d 889, 892 (Fed. Cir. 1985). Generally, an obviousness-type double patenting analysis entails two steps. First, the claim in the earlier patent and the claim in the pending application are construed to determine the differences between them. Second, a determination is made whether the differences in subject matter between the two claims render the claims patentably distinct. *See, e.g., Eli Lilly & Co. v. Barr Labs., Inc.*, 251 F.3d 955, 968 (Fed. Cir. 2001). When considering whether the invention defined in a claim of an application would have been an obvious variation of the invention defined in the claim of a patent or copending application, the disclosure of the patent or copending application may not be used as prior art. *General Foods Corp. v. Studiengesellschaft Kohle mbH*, 972 F.2d 1272, 1279 (Fed. Cir. 1992).⁴³

Judge Flax in the *Cao* e c u g " h q e w u g u " w r q p " c " f g v g t o k
e n c k o u " c t g " r c v g p v c d n { " f k u v k p e v ö <

õ Q d x k q-type double patenting entails a two-step analysis. First, the allegedly conflicting claims are construed and, second, the difference(s) between the claims are considered to determine whether the claims are patentably distinct. *See Eli Lilly & Co. v. Barr Labs., Inc.*, 251 F.3d 955, 968 (Fed. Cir. 2001) 0 " õ C " n c v g t " r c v
is not patentably distinct from an earlier patent claim if the later claim is obvious q x g t . " q t " c p v k e k r c *Id.* Here," as we noted above, "Appellants' k g t e r
claims recite subject matter not recited in Chou's claims, thus, the scope of the respective claims is not the same. We find the aforementioned elements of Appellants' claims not recited by Chou's claims would not have been obvious in x k g y " q h " v j g "⁴⁴e n c k o u " q h " E j q w 0 ö

⁴³ *Ex parte Cooper*, 2017 WL 2061524, slip op. at 2 (Patent Tr. & App. Bd. 2017)(Wilson, APJ)(emphasis added).

⁴⁴ *Ex parte Cao*, 2017 WL 1177254, slip op. at 7 (Patent Tr. & App. Bd. 2017)(Flax, APJ).

4. PTO Invalidity Decisions Keyed to Technical Issues

As pointed out in *Herschler*, citing *Ruscetta* and *Lukach*,⁴⁵ settled law that disclosure of a species is insufficient to provide descriptive support for a generic or sub- i g p g t k e⁴⁵ That a highly technical issue is more likely to succeed at the PTO versus in the court to deny patentability or validity is manifested by the *Ruscetta* line of cases, as prominently featured in the *Lukach* case.

It is important to understand that technically-focused case law plays better at the PTAB than it does in the courts. For example, a search of case law beginning with January 1, 2010, showed two (2) Federal Circuit cases citing *Lukach* but in the same period of time there were ninety-seven (97) PTAB cases citing the same case. The same search without any date restrictions showed eight (8) Federal Circuit cases but one hundred ninety two (192) Board decisions.⁴⁶

⁴⁵ *In re Herschler*, 591 F.2d 693, 696 (CCPA 1979)(citing *In re Ruscetta*, 255 F.2d 687 (CCPA 1958), *In re Lukach*, 442 F.2d 967 (CCPA 1971); *In re Smith*, 458 F.2d 1389 (CCPA 1972)).

⁴⁶ The search was conducted on October 24, 2017 on Westlaw, for decisions of the PTAB for ["re lukach" and DA(aft 1/1/2010)], for all Federal Cases: There were only two (2) cases citing *Lukach* but ninety-seven (97) Board decisions (including *ex parte* appeals). A search without date restrictions shows a total of eight (8) published Federal Circuit opinions citing *Lukach*, while a search for Board opinions citing *Lukach* yields one hundred ninety two (192) decisions.

Wegner, *Post Grant Patent Challenge Procedures Under Fire*

It is important at the Board to cite *recent* case law, particularly where a leading case is relatively old. Thus, for example, the underlying principle of *Lukach* may be traced to the 1958 *Ruscetta* case where a search without date restrictions shows thirteen (13) PTO decisions citing *Ruscetta*, while a total of fourteen (14) Federal Circuit and CCPA opinions cite to *Ruscetta*.

VI. TRUMPING THE BROADEST REASONABLE INTERPRETION

Patent applicants j c x g " q h v g p " e q o r n c k p g f " c d q w v " v k p v g t r t g v c v k q p ö " v j c v " k u " i k x g p " v q " c " e r c k

Enough!

It is within the power of the patent draftsman to provide a *Summary of the Invention* as a key section in his patent application, and in that section provide a *specific definition* for any term where the patentee does not want a broader judicial interpretation than that definition.

As explained elsewhere:

V j g " U w r t g o g " E q w t v " j c u " c h t h a t k e b r o a d e s t " v j g " H t g c u q p c d n g " k p v g t r t g v c v k q p " u v c p f c t f " k j " K t g i w n *CigzacSpeed Techs., LLC*, 778 F.3d 1271, 1282 (Fed. Cir.2015), *ch h ø f " u w d S p e e d T e c h n o l o g i e s , L L C v . L e e*, 136 S.Ct. 2131 (2016).

In addition to affirming the right of the Patent Office to establish the ð d t q c f g u v " t g c u q p c d n g " k p v g t r *CigzacSpeed* q p " v c added its imprimatur as to a policy rationale to support this standard:

ð] V _ j g " t g i w n c v k q p "] u g p v c v k r p g i " " k h p v t g y t j r " t v g j v g c v : k claim interpretation] represents a reasonable exercise of the rulemaking authority that Congress delegated to the Patent Office. For one thing, construing a patent claim according to its broadest reasonable construction helps to protect the public. A reasonable, yet unlawfully broad claim might discourage the use of the invention by a member of the public. Because an examiner's [] use of the broadest reasonable construction standard increases the possibility that the examiner will find the claim too broad (and deny it), use of that standard encourages the applicant to draft narrowly. This helps ensure precision while avoiding overly broad claims,

and thereby helps prevent a patent from tying up too much knowledge, while helping members of the public draw useful information from the disclosed invention and better understand the lawful limits of the claim. See § 112(a); *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S.Ct. 2120, 2129 (2014); see also *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir.1984) ⁴⁷ ,

As stated in *Schriber-Schroth*, it is axiomatic that claims are not to be read *in vacuo*

As explained in the *Sneed* the PTO, claims in an application are to be given their broadest reasonable interpretation *consistent with the specification*, *In re Prater*, 415 F.2d 1393, 1404 (CCPA 1969), and that claim language should be read in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Johnson*, 558 H 0 4 f " 3 2 2 : " 3 2 3⁴⁸ " * E E R C " 3 ; 9 9 + 0 ö "

The *Sneed* case underpins a more recent explanation in *Suitco Surface* of the language should be read in light of the specification as it would be interpreted by *In re Bond*, 910 F.2d 831, 833 (Fed.Cir.1990) ⁴⁹ (quoting *In re Sneed*, 710 F.2d 1544, 1548 (Fed.Cir.1983)) (emphasis added [by broad. *** [C]laims should always be read in light of the specification and teachings in the underlying patent. See *Schriber-Schroth Co. v. Cleveland Trust Co.* . " 5 3 3 " W 0 U 0 " 4 3 3 . " 4 3 9 " * 3 ; 6 2 + * ÷ V j g " e n c k o k p v g t r t g v g f " k p " n k⁵⁰ j v " q h " k v u " u r g e k h k e c v k

⁴⁷ *Cuozzo Speed Technologies, LLC v. Lee*, 136 S.Ct. 2131, 2144-45 (2016).

⁴⁸ *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 217 (1940).

⁴⁹ *In re Sneed*, 710 F.2d 1544, 1548 (Fed.Cir.1983)(emphasis added); see also *In re Bond*, 910 F.2d 831, 833 (Fed.Cir.1990) (quoting *Sneed*).

Sneed was a reiteration of basic principles of claim construction as being keyed to the specification. As explained by Circuit Judge Bryson in the *en banc Phillips* case:

part of the specification aids in ascertaining the scope and meaning of the claims inasmuch as the words of the claims must be based on the description. The *Standard Oil Co. v. Am. Cyanamid Co.*, 774 F.2d 448, 452 (Fed.Cir.1985). ***

long pedigree in Supreme Court decisions as well. See *Hogg v. Emerson*, 47 U.S. (6 How.) 437, 482 (1848) (the specification is a patent] in construing them, as any paper reference [in *Bates v. Coe*, ; : " W O U O " 5 3 . " 5 : " * 3 : 9 : + " * ÷ k p " e c u g " q all cases to refer back to the descriptive portions of the specification to aid in solving the doubt or in ascertaining the true intent and meaning of the language g o r n q { g f " k p White v. Dunbar, 19 U.S. 470, 54 (1886) (specification k u " c r r t q r t k c v g n { " t g u q t v g f " v q " ÷ h q t " v j g " r v j g " e Schreiber v. Schrott Co. v. Cleveland Trust Co., 311 U.S. 211, 217 (1940) * ÷ V j g " e n c k o u " q h " c " r c v g p v " c t g " c n y c { u " v q ' u r g e k h k United States v. Adams, 5 : " 5 " W O U O " 5 ; . " 6 ; " * 3 ; 8 8 + fundamental that claims are to be construed in the light of the specifications and d q v j " c t g " v q " d g " t g c f " y k v j " c Phillips v. AWH v q " c e g Corp., 415 F.3d 1303, 1315-16 (Fed. Cir. 2005)(en banc)(Bryson, J.).⁵¹

⁵⁰ *In re Suitco Surface, Inc.*, 603 F.3d 1255, 1260 (Fed. Cir. 2010).

⁵¹ Y g i p g t . " H K T U V " V Q " H K N G " R C V G P V " F T C H V K P I < " C " F T C K p v g t r t g v c q l k q p v p k p " U Thomas Reuters 2017 (footnotes renumbered to fit within the format of the current paper.)

Perhaps the best way to make sure that a definition of a claim term is given ultimate weight in the determination of the scope of protection is to include the definition of the term in the *Summary of the Invention*:

Q p " v j g " q p g " j c p f . " c " ð i n q u u c t { ö " q t " ð f g should *not* be a part of the drafting strategy. But, for an element of the claim at the point of novelty to distinguish over the prior art, here, the *Summary of the Invention* immediately after the first reference to the element should contain a *specific definition* of that element. For example:

ð C u " v j g " ÷H t g c" d k v u x ø " p q l k " q p " k u " o g c p v í ö

Without the specific definition, the patent challenger at the PTAB will c v v g o r v " v q " u j q y " v j c v " v j g " ð H t c o w u ö " j c t " c c r r n k e c p v " j c u " k p v g p f g f " c p f . " k h " ð t g c u c p c proceedings at the PTAB. If this broader definition moves the claim closer to the prior art, the equation is shifted in favor of the patent challenger.

Y j k n g " v j g " R V C D " q r g t c v g u " w p f g t " v j g " ð d of claim construction, it is clear that a *specific definition* trumps this general rule of construction: ð] R _ c v g p v g g u " e c p " c e v " c u " v j g k t " q y p forth a definition of the disputed claim term' other than its plain and ordinary o g c p k v p s i d e o n Software, Inc. v. Microstrategy, Inc., 782 F.3d 671 (Fed. Cir., 2015)(Linn, J.)(quoting *Thorner v. Sony Computer Entm't Am., LLC*, 669 F.3d 1362, 1365 (Fed. Cir. 2012), quoting *CCS Fitness, Inc. v. Brunswick Corp.*, 288 F.3d 1359, 1366 (Fed. Cir. 2002)). See also *In re Bass*, 314 F.3d 575, 577 * H g f 0 E k t 0 4 2 2 4 + * ð] V _ j g " R V Q " o w u v " c r r n { v j claim language, taking into account any definitions presented in the u r g e k h k I r e A m e r i q a n A c a d e m y o f S c i e n c e Tech Center, 367 F.3d 1359, 1364 (Fed. Cir. 2004)(quoting *Bass*).

Thus, where an element is given a *specific definition* in the *Summary of the Invention* this should bar a Patent Office interpretation of that element broader than this definition. As explained in *Microsoft v. Proxyconn*:

õ Kpozzo, this court held that the broadest reasonable interpretation standard in *Microsoft Corp. v. Proxyconn, Inc.*, 778 F.3d 1271, 1282 (Fed. Cir.2015), *ch h ø f " u w d SpeedqTechhElogias, | / q LLC v. Lee*, 136 S.Ct. 2131 (2016)]. * * *

õ V j c v " k u " p q v " v q " u c { . " j q y g x g t . " v j c v " v j g broadly that its constructions are *unreasonable* under general claim construction *claims, should' always be read in light of the specification* *In re Suitco Surfing, Inc.*, 608 F.3d 1255, c v g v C 1260 (Fed. Cir. 2010)]. * * * Even under the broadest reasonable interpretation, *the D q c t f ø u " e q p u v t w e v k q p " ÷ e c p p q and" the ge'brd k x q t e g x k f gpre NTP, ðnc 0 . " 8 7 6 " H 0 5 f " 3 4 9 ; . " 3 4 : : " * H g f e q p u k u v g p v " y k v j " v j g " q p g " v j clvrè Copyright, g " u n k 165 F.3d 1353, 1358 (Fed. Cir. 1999). A construc v k q p " v j c v " k t ð e w ø t g c p f " y j k e j " f q g u " p q v " ÷ t g c u q p c d n { " t g h n g e v pass muster. *Suitco . " 8 2 5 " H 0 5 2 f " c v " 3 4 8 2 0 ö**

Thus, the patentee who includes a *definition* of claim elements in the *Summary of the Invention* avoids a broader interpretation of such elements. As explained in *SAS Institute, Inc. v. ComplementSoft, LLC.*, ___ F.3d ___, ___. 2016 WL 3213103 (Fed. Cir. 2016)(Stoll, J.):

⁵² *Microsoft Corp. v. Proxyconn, Inc.*, 789 F.3d 1292 (Fed. Cir. 2015)(Prost, C.J.).

cannot be the broadest reasonable interpretation of the claim term. This is not so. While we have endorsed the Board's use of the broadest reasonable interpretation of the claim term, the Board's construction cannot be divorced from the specification and the record evidence, and must be consistent with the one that those skilled in the art would understand. *Microsoft Corp. v. Proxycorp, Inc.*, 789 F.3d 1292, 1298 (Fed. Cir. 2015) (internal quotation marks omitted) (first quoting *In re NTP, Inc.*, 654 F.3d 1279, 1288 (Fed. Cir. 2011); and then quoting *In re Cortright*, 165 F.3d 1353, 1358 (Fed. Cir. 2003); ; ; + + 0 0

mean an *in vacuo* determination of the meaning of the claim wording, but, rather, mean a reasonable interpretation consistent with the specification.⁵³ That the Patent Office should honor a definition in the specification to cabin an otherwise broad interpretation of a claim element is made clear by the *Manual of Patent Examining Procedure*:

⁵³*In re Bond*, 910 F.2d 831, 833 (Fed. Cir. 1990)(quoting *In re Sneed*, 710 F.2d 1544, 1548 (Fed.Cir.1983) * e k v c v k q p u " q o k v v g f + * ö K v " k u " c z k q o c v k e v j an application are to be given their *broadest reasonable interpretation consistent with the specification*, [] and that claim language should be read in light of the specification as it would be interpreted by one of ordinary skill in the art at the time the invention was made. *In re Hyatt*, 211 F.3d 1367, 1372 (Fed. Cir. 2000)(Bryson, J.)(citing *In re Graves*, 69 F.3d 1147, 1152 (Fed.Cir.1995); *In re Etter*, 978 F.3d 1147, 1152 (Fed. Cir. 2020) * H g f 0 E k t 0 3 ; : 7 + " * g p " d c o e + u " added); *In re Montgomery*, 677 F.3d 1375, 1379 (Fed. Cir. 2012)(Dyk, J.)(quoting *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed.Cir.2004), quoting *In re Bond*, 910 F.2d 831, 833 (Fed.Cir.1990) + " * ö F w t k p i " g z c o k p c v k q p *broadest reasonable interpretation consistent with the specification*, and ... claim language should be read in light of the specification as it would be interpreted by one of ordinary skill in the art at the time the invention was made. *PPC Broadband, Inc. v. Corning Optical Communication RF, LLC*, 815 F.3d 747, 751 (Fed. Cir. 2016) (citing *In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1279 (Fed.Cir.2015), *Chhøf " u w d " nom Cuozzo Speed Technologies, LLC v. Lee*, 136 S.Ct. 2131 (2016) + 0 * ö K p " K R T " r t q e g g f Board gives claims *their broadest reasonable interpretation consistent with the specification* 0 ö + * g o r j c u k u " c f f g f + 0 "

mean the broadest possible interpretation. Rather, the meaning given to a claim term must be consistent with the ordinary and customary meaning of the term (*unless the term has been given a special definition in the specification*), and must be consistent with the use of the claim term in the specification and drawings⁵⁴

The Patent Office in the ensuing section of the *Manual* underscores the point that to trump the broadest reasonable interpretation rule there must be a clear definition of an alternate meaning set forth in the specification:

W p f g t " c " d t q c f g u v " t g c u q p c d n g " k j v g given their plain meaning, *unless such meaning is inconsistent with the specification*. *** [T]he best source for determining the meaning of a claim term is the specification *óthe greatest clarity is obtained when the specification serves as a glossary for the claim terms*. ***

V j g " r t g u w o r v k q p " v j c v " c " v g t o " k u " i k x g j " k rebutted by the applicant by *clearly setting forth a different definition of the term* in the specification. *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997) (the USPTO looks to the ordinary use of the claim terms taking into account definitions or other ÷ g p n k i j v g p o g p v a t t e n d e s c r i p t i o n) [k] p W h e n t h e s p e c i f i c a t i o n s e t s y t k a clear path to the claim language, the scope of the claims is more easily determined and the public notice function of the claims is best served.

V _ j g " d g u v " u q w t e g " h q claim term is the specification i " v g ' *óthe greatest clarity is obtained when the specification serves as a glossary for the claim terms*. See, e.g., *In re Abbott Diabetes Care Inc.*, 696 F.3d 1142, 1149-50

* H g f 0 " E k t 0 " 4 2 3 4 + " * e q p u v p w k p a " α u j ' g - " f v g g x t q k ' f g z v g t p c n " e q p p g e v k q p " e c d n g u " q t " y k t g u " q ' e q p u k u v g p v " y k v j " ÷ v j g " n c p i w c *In re Sui* " v j g e r *Surface, Inc.*, 603 F.3d 1255, 1260-61 (Fed. Cir. 2010) (construing the term ÷ o c v g t k c n " h q t " h k p k u j k p i " v j g " v q r " u w t h e g

⁵⁴MPEP § 2111, *Claim Interpretation; Broadest Reasonable Interpretation* (R-07)(2015)(emphasis added).

q p " v j g " v q r " u w t h c e g " q h " c " h n q q t " v j c v " k " v
e q p u k u v g p v " y k v j " ÷ v j g " g z r t g u u " n *Vitronics* s w c i g " c
Corp. v. Conceptronic Inc., 90 F.3d 1576, 1583 (Fed. Cir. 1996) (construing the
v g t o " ÷ u q n f g t " t g h n q y " v g o r g t c v w t g ø " v q " g c
t c v j g t " v j c p " v j g " ÷ n k s w k f w u " v g o r g t c v w t g ø "
the specification).

õ V j g " q p n { " g z e g r v k q p u " v q " i k x k p i " v j g " y c t f
meaning in the art are (1) *when the applicant acts as his own lexicographer*; and
(2) when the applicant disavows or disclaims the full scope of a claim term in the
specification. To act as his own lexicographer, *the applicant must clearly set forth
a special definition of a claim term in the specification* that differs from the plain
c p f " q t f k p c t { " o g c p k p i " k v " y q w n f " q v h j g t y l u g
k p x g p v q t ø u " k p v g p v k q p . " c u " g z r t g u u g f " k j " v
Phillips v. AWH Corp., 415 F.3d 1303, 1316 (Fed. Cir. 2005) (en banc). See also
Starhome GmbH v. AT&T Mobility LLC, 743 F.3d 849, 857 (Fed. Cir. 2014)
(holding that t j g " v g t o " ÷ i c v g y c { ø " u j q w n f " d g " i k x g p
o g c p k p i " q h " ÷ c " e q p p g e v k q p " d g v y g g p " f k h l g t
specification indicated a clear intent to depart from that ordinary meaning)[.]

õ C p " c r r n k e c p vis'ok her'öven lexicographer find may rebut the' j
*presumption that claim terms are to be given their ordinary and customary
meaning by clearly setting forth a definition of the term that is different from its
ordinary and customary meaning(s) in the specification at the time of filing.* See *In
re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994) (holding that an inventor may
f g h k p g " u r g e k h k e " v g t o u " w u g f " v q " f g u e t k c g '
e n c t k v { . " f g n k d g t c v g p g o u u u . et'öut-öis fur'common e k u k c p ø
f g h k p k v k q p " k p " u q o g " o c p p g t " y k v j k p " v j g r c
q t f k p c t { " u m k n n " k p " in meaning) (quoting *Intellikall, Inc.* q h " j g
v. Phonometrics, Inc., 952 F.2d 1384, 1387-88 (Fed. Cir. 1992)).

Ø Y j e g n t e x p l i c i t d e f i n i t i o n i s p r o v i d e d b y t h e a p p l i c a n t f o r a t e r m , t h a t d e f i n i t i o n w i l l c o n t r o l i n t e r p r e t a t i o n o f t h e t e r m a s i t i s u s e d i n t h e c l a i m . T o r o C o . v . W h i t e C o n s o l i d a t e d I n d u s t r i e s I n c . , 199 F.3d 1295, 1301 (Fed. Cir. 1999)

(meaning of words use f " k p " c " e n c k o " k u " p q v " e q p u v t w f k p " v j g " e q p v g z v " q h " v j g " u r g e k h k e c v k q p " c p t

Ø J q y g x g t . " k v " k u " k o r q t v c p v " v q " p q v g " v j c v ' be sufficiently clear in the specification that any departure from common usage

y q w n f " d g " u q " w p f g t u v q q f " d { " c " r g t u q p " q l " g Multiform Desiccants Inc. v. Medzam Ltd., 133 F.3d 1473, 1477 (Fed. Cir. 1998).

See also *Process Control Corp. v. HydReclaim Corp.*, 190 F.3d 1350, 1357 (Fed. Cir. 1999) and MPEP § 2173.05(a).

* * *

Ø K h " v j g " u r g e k h k e c v k q p " f q g u " p q v " r t q x k g ' examiner should apply the ordinary and customary meaning to the claim term. If

the specification provides a special definition for the claim term, the examiner should use the special definition. However, because there is a presumption that claim terms have their ordinary and customary meaning and *the specification must provide a clear and intentional use of a special definition for the claim term to be*

treated as having a special definition, an Office action should acknowledge and k f g p v k h { " v j g " u r g e k c MPEP § 2111.01 Ham Meqipg (Rk p " v k u 07)(2015)(emphasis added).]⁵⁵

⁵⁵ Y g i p g t . " H K T U V " V Q " H K N G " R C V G P V " F T C H V K P I < " C " R T C Summary of the Invention F g h k p k v k q p u " v q " E c d k p " v j g " Ø D t q c f g u v ' (Thomson Reuters 2017).

Thus, the *Summary of the Invention* may advantageously include a *definition* of the claim. ⁵⁶ If there is such a specific definition in the *Summary of the Invention* at the point of novelty, the definition should cabin the scope of the claim to that definition for purposes of establishing nonobviousness of the invention.⁵⁷

⁵⁶ *In re American Academy of Science Tech Center*, 367 F.3d 1359, 1364 (Fed. Cir. 2006).

4226 + * D t { u q p . " L 0 + * " ð F w t k p i " g z broadest reasonable interpretation consistent with the specification, and ... claim language should be read in light of the specification as it would be interpreted by a person of ordinary skill in the art at the time of the invention. *In re Bohn*, 910 F.2d 831, 833 (Fed.Cir.1990); accord *In re Bass*, 536 F.3d 1057, 1061 (Fed.Cir.2008). PTO must apply the broadest reasonable meaning to the claim language, taking into account any definitions of the claim terms. *In re Cortright*, 165 F.3d 1353, 1358 (Fed.Cir.1999).
* ÷ C n v j q w i j " v j g " R V Q broadest reasonable interpretation, this interpretation must be consistent with the one that those skilled in the art would use.

⁵⁷ *In re Trans Texas Holdings Corp.*, 498 F.3d 1290, 1298 (Fed. Cir. 2016).
i k x g p broadest reasonable interpretation, consistent with the specification, in *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed.Cir.1984). The term "inflation-responsive" is responsive to a market indicator of prior actual inflation and it is not meant to include the market's expectation of future inflation. *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed.Cir.1984).
÷ t g u r q p u k x g " v q " v j g " t c v g " q h " k p h n c v k q p ø " k u " f g h k responsive to a market indicator of prior actual inflation and it is not meant to include the market's expectation of future inflation. *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed.Cir.1984).
t g s w k t g u " v j c v " v j g " k p h n c v k q p " c f l w u v o g p v " d g " f k
There is nothing in the specification or the prosecution history that requires an immediate inflation-responsive interpretation.

Conversely, if a term at the point of novelty is *not* restricted by a specific
perhaps to the detriment of the patentee where a narrow interpretation is necessary
to sustain validity of the patent.⁵⁸

⁵⁸ *In re Buszard*, 504 F.3d 1364, 358 ; " * H g f 0 " E k t 0 " 4 2 2 9 + * R t q u v . " 0 .
must give claim language its broadest reasonable interpretation, I would affirm the Board's
e q p u v t w e v k q p " q h " ÷ h n g z k d n g " r q n { w t g v j c p g " h q c c " t
u r g e k h k e c v k q p " r t q x k f g f " c " f g h k p k v k q p " q h " v j g " v g
Board would have been required to give that term v j g " f g h k p k v k q p " t g e k v g f k p

VII. PRE-EXAMINATION PREISSUANCE SUBMISSIONS

To facilitate earlier action on an application, it is proposed that a simple rule 35 USC § 122(f) be implemented as follows:

35 U.S.C. 122 Confidential status of applications; publication of patent applications.

* * *

(f)(1) Notwithstanding the provisions of paragraph (e)^[*] any third party within four months of publication of the patent application may submit a request for inter partes preissuance participation upon payment of a fee of \$ 1000 and thereupon participate in a preissuance proceeding under section (e)(2), provided the requirements of section (e)(2) are met within four months thereafter. A total of no more than forty pages of double spaced text shall be permitted (exclusive of references cited in the preissuance proceeding).

(2) A patentee shall have the right to file a response days of no more than forty pages within ninety from the filing of a preissuance submission, whereupon the patent challenger under the foregoing paragraph shall have sixty days to file a response of no more than thirty pages.

[*] **35 U.S.C. 122 Confidential status of applications; publication of patent applications.**

< * * *

(e) PREISSUANCE SUBMISSIONS BY THIRD PARTIES. ô

(1) IN GENERAL. ô Any third party may submit for consideration and inclusion in the record of a patent application, any patent, published patent application, or other printed publication of potential relevance to the examination of the application, if such submission is made in writing before the earlier of ô

(A) the date a notice of allowance under section 151 is given or mailed in the application for patent; or

(B) the later of ô

(i) 6 months after the date on which the application for patent is first published under section 122 by the Office, or

(ii) the date of the first rejection under section 132 of any claim by the examiner during the examination of the application for patent.

(2) OTHER REQUIREMENTS. ô Any submission under paragraph (1) shall ô

(A) set forth a concise description of the asserted relevance of each submitted document;

(B) be accompanied by such fee as the Director may prescribe; and

(C) include a statement by the person making such submission affirming that the submission was made in compliance with this section.

VIII. PROBLEMATIC MOTIONS TO AMEND POST GRANT ACTIONS

This proposal makes sense to simplify proceedings which is best accomplished by encouraging a third party challenger presenting evidence of unpatentability early in proceedings, often *prior* to an examination on the merits by the Examiner.

A. A Necessarily Limited Opportunity to Amend

Prosecution of patent applications without regard to the consequences of indefinite or too broad claims can be disastrous for the patentee in a post grant proceeding. In order for the Patent Office to meet the tight time requirements of the America Invents Act, this necessarily limits the possibility for post grant amendments.

Gatzemeyer provides an excellent summary of the challenges a patentee has in an America Invents Act review of its patent where it has failed to present the proper claims that have resulted in the patent in controversy:

Since their inception, the AIA reviews have been criticized for the patent owner's inability to amend claims. Yet, the most recent representative order on motions to amend has incorporated public commentary to improve a practitioner's ability to make successful arguments within the motion page limits.

1. PTO Rulemaking and PTAB Practices: Motions to Amend Claims

The AIA allows patent owners one opportunity to amend claims by filing a motion to cancel a challenged claim and propose a substitute claim. [35 U.S.C. §§ 316(d) (IPR), § 326(d) (CBM and PGR) (2012).] The proposed amendment is not granted automatically, but only upon the patent owner having demonstrated by a preponderance of the evidence that the proposed claims are patentable. [See *id.* § 6403 * f + " * p q v k p i " v j c v " v j g " õ f g h c w n v " g x k f g x k f g p e g ö + 0 _ " " Y j k n g " v j g " u v c v w v g " e n c t l h k of the claims, [see 35 U.S.C. § 316(d)(3) (2012); see also 37 C.F.R. § 42.121(a)(2)(ii) (2014) (implementing rules consistent with 35 U.S.C. § 316(d)(3)),] Congress empowered the PTAB to establish the standards and procedures for granting a patent owner's motion to amend. The PTAB's initial proposed rules provided little guidance, merely stating that a motion to amend may not be granted where the amendment does not respond to a ground of unpatentability involved in the trial or where the amendment enlarges the claim scope or introduces new matter.

The PTAB provided some transparency by issuing a series of representative orders on motions to amend. [See *Representative Orders, Decisions, and Notices*, U.S. Patent & Trademark Office, http://www.uspto.gov/ip/boards/bpai/representative_orders_and_opinions.jsp (last visited Feb. 2, 2015).] The first order, in *Nichia Corp. v. Emcore Corp.*, was issued in June 2013 and specified the level of written description support for proposing substitute claims. [See *Nichia Corp. v. Emcore Corp.*, IPR2012-00005, 2013 WL 8352845, Paper No. 27 (P.T.A.B. June 3, 2013).] The PTAB explained that the motion to amend must clearly identify the written description support for the r t q r q u g f " u w d u v k v w v g " e n c k o i g i n d l d i s p l d s u l r e õ f u g v " l q t v j g " r c v g p v " h q t " g c e j [*Id.* at *3 (emphasis in original)] d u v k v v g (citing 37 C.F.R. §42.121(b)(1) (2014)).]

V j g " R V C D " c n u q " u r g e k h k g f " v j g " y t k v v g p " disclosure of the application relied upon reasonably conveys to a person of ordinary skill [sic] in the art that the inventor had possession of the claimed subject o c v v g t " c u " q h *Id.* ¶ j ö " h k n k p i " f c v g 0 ø "] *

The second order, in *Idle Free Systems, Inc. v. Bergstrom, Inc.*, was also issued in June 2013. It set the standard for demonstrating the patentability of each proposed amended or substitute claim over the prior art. [See *Idle Free Sys., Inc. v. Bergstrom, Inc.*, IPR2012-00027, 2013 WL 5947697, Paper No. 26 (P.T.A.B. June 11, 2013).]

The PTAB advised patent owners to specifically identify the feature(s) c f f g f " v q " g c e j " u w d u v k v w v g " e n c k o " c p f " v c " r those feature(s), including construction of new claim terms, sufficient to persuade the [PTAB] that the proposed substitute claim is patentable over the prior art of t g e q t f . " c p f " q x g t " r t k q t " c t v " p q v " q h " t g c q t q y p g t " u j q w n f " r t g u g p v " ö v j g " u r g e k h k e " v g e j known to the patent owner, and not just a conclusory remark that no prior art m p q y p " v q " v j g " r c v g p v " q y p g t " t g p f g t u " q d k c In January 2014, the PTAB's resulting final written decision in *Idle Free* issued, y k v j " c " e n c t k h k e c v k q p s u m e d t o b e a w a r e o f e v e r y i t e m g p v q y of prior art presumed to be known to a hypothetical person of ordinary skill in the c t v . ö " d w v " t c v j g t " k u " g z r g e v g f " v q " ö u g v h c ordinary skill in the art, and what was previously known, regarding each feature it relies and focuses on for establishing patentability of its proposed substitute e n c k o u 0 ö "] K f n g " H t g g " U { u -00027, 2014 WL " x 0 " D g i u : 4 6 3 7 8 . " R c r g t " P q 0 " 8 8 . " c v " , 5 5 " * R y ö C 0 I 0 ' requirement raised concerns among practitioners, who assumed it required the patent owner to find all relevant prior art; however, these concerns were downplayed at a February 2014 Patent Public Advisory Committee meeting by Administrative Patent Judge J. Lee. [See *Patent Public Advisory Committee Meeting*, U.S. Patent & Trademark Office, http://www.uspto.gov/about/advisory/ppac/ppac_transcript_20140212.pdf (last x k u k v g f " H g d 0 " 4 . " 4 2 3 7 + 0 _ " " J k u " t g u r q p u g " y needs to tell us is what the patent owner itself does know and what it does know c d q w v " v j g " n g x *Id.*)" q h " q t f k p c t { " u m k n n 0 ö

Finally, in May 2014, the PTAB granted-in-part a motion to amend in *International Flavors & Fragrances Inc. v. United States* and the final written decision was designated as an informative decision on a successful motion to amend claims. [*Int'l Flavors & Fragrances Inc. v. United States*, IPR2013-00124, 2014 WL 2120542, Paper No. 12 (P.T.A.B. May 20, 2014); see *Representative Orders, Decisions, and Notices*, U.S. Patent & Trademark Office, http://www.uspto.gov/ip/boards/bpai/representative_orders_and_opinions.jsp (last visited Feb. 2, 2015).] The U.S. government, the patent owner, did not file any response to the challenger's petition but only filed a motion to cancel and amend the patent claims and proposed nineteen substitute claims. [*Int'l Flavors & Fragrances Inc.*, IPR2013-00124, 2014 WL 2120542, Paper No. 12, at *2.] In the motion, the patent owner provided several publications, as well as an expert declaration, to demonstrate the level of ordinary skill in the art and the patentability of the features in the proposed substitute claims. [*Id.* at *12.] The petitioner did not file an opposition to the motion to amend, and the PTAB concluded that the patent owner had shown, by a preponderance of the evidence, that all but one of the substitute claims were patentable over the prior art. [20140916.pdf (last accessed Feb. 2, 2015).] It was thought that amendments during AIA trials would become more frequent after *International Fragrances*, yet practitioners continue to feel a successful motion is out of reach.⁵⁹

⁵⁹ Ryan J. Gatzemeyer, *Are Patent Owners Given a Fair Fight? Investigating the AIA Trial Practices*, § II- C, *Motions to Amend Claims*, 30 Berkeley Tech. L.J. 531, 552-55 (2015)(footnotes integrated into text or omitted).

B. Prophylactic Applicant Actions during *Ex Parte* Procurement

K p " v j g " h k t u v " k p u v c p e g . " v j g t g " c t g " u v k
with too many claims, which often results in the Examiner doing the best job possible *within the limited time frame permitted for each examination*. As a result of the presentation of too many claims, the applicant faces a double whammy. In the first instance, the high number of claims escalates the chance for inconsistencies and ambiguities multiplies. In the second instance, the Examiner is faced with time pressures and as a result will often overlook such inconsistencies and ambiguities, as formal matters are correctly seen to be secondary to finding and applying the most relevant prior art for obviousness issues under 35 USC § 103.

Patent applicants therefore should carefully draft their applications with a minimal number of claims sufficient to satisfy business interests, and also focus upon only the most relevant prior art; this is as opposed to filing dozens of claims c p f " ð f w o r k p i ö " g x g t { " e q p e g k x c d n g " t g h g g p
Disclosure Statement:

Practice tip Citations may be all right if there are only five claims, but thirty prior art citations may be too many if there are fifty claims. The point of a holistic approach to patent drafting is that the sum total of the time necessary to consider all the claims, all the prior art and all other features should cumulatively be within the time the Examiner has allocated for his first action.

Practice tip A widespread belief exists that because an applicant pays for twenty claims with his basic filing fee (or many more with additional fees) the applicant has a right to submit as many claims as desired. In practice, this right is shallow as the presence of too many claims for an Examiner to consider within his fixed time for a first action means that shortcuts will be taken in the issuance of the first action including the possibility of either an incomplete search or an incomplete formalities study or both.

Practice tip If an applicant wants to have, say, forty further claims to combination claims for a particular invention, the applicant should elect to have one claim elected with deferral of the remaining claims for one or more divisional applications.

R t q h g u u q t " N g o n c h t i m e a n d m o n e y s h o u l d t h e P a t e n t a n d T r a d e m a r k O f f i c e s p e n d d e c i d i n g w h e t h e r t o i s s u e a p a t e n t ? * * * [T] h e a n s w e r i s n o . T h e P a t e n t a n d T r a d e m a r k O f f i c e s h o u l d d o a s e r i o u s j o b o f e x a m i n i n g p a t e n t s , t h u s a l l o w i n g b a d p a t e n t s t o s l i p t h r o u g h t h e c r a c k s . ⁶⁰ H i s o p i n i o n i s s h a r e d b y o t h e r s . ⁶¹

⁶⁰ Mark A. Lemley, Rational Ignorance at the Patent Office, 95 Nw. U. L. Rev. 1495, 1495 (2001)(citing Julie E. Cohen, *Reverse Engineering and the Rise of Electronic Vigilantism: K p v g n n g e v w c n " R t q r g O u v ø " K o 468 S k C a l o L r R e v q 1091, '117780 ò N q e n* (1995); Andy Johnson-Laird, *Looking Forward, Legislating Backward?*, 4 J. Small & Emerging Bus. L. 95, 120-24 (2000); Jay P. Kesan & Marc Banik, *Patents as Incomplete Contracts: Aligning Incentives for R&D Investment with Incentives to Disclose Prior Art*, 2 Wash. U. J.L. &

Pol'y 23 (2000); Robert P. Merges, *As Many as Six Impossible Patents Before Breakfast: Property Rights for Business Concepts and Patent System Reform*, 14 Berkeley Tech. L.J. 577 (1999); John R. Thomas, *Collusion and Collective Action in the Patent System: A Proposal for Patent Bounties*, 2001 U. Ill. L. Rev. 305, 316-22; Simson Garfinkel, *Patently Absurd*, Wired, July 1994, at 104; James Gleick, *Patently Absurd*, *N.Y. Times Magazine*, Mar. 12, 2000, at 44; Lawrence Lessig, *The Problem with Patents*, *Standard*, Apr. 23, 1999, available at <http://www.thestandard.com/article/display/0,1151,4296,00.html>; Greg Aharonian, *Patenting the Internet, Electronic Commerce, Bioinformatics*, at <http://www.bustpatents.com/index.html>; Jeff Bezos, *An Open Letter on the Subject of Patents*, at <http://www.amazon.com/exec.obidos/subst/misc/patents.html>

⁶¹ Lee Petherbridge, Jason Rantanen & R. Polk Wagner, *Unenforceability*, 70 Wash. & Lee L. Rev. 1751, 1779 (2013). But the reality is that we do not have a search requirement; until we do, it appears that the doctrine of inequitable conduct can be used to challenge a patent. *** Jay R. Kesaf & Marc Banik, *Patents as Incomplete Contracts: Aligning Incentives for R&D Investment with Incentives to Disclose Prior Art*, 40 Y.C.U.J. 1070 (2013). Patent does not receive a by incentive to conduct a thorough prior art search. Stephen M. McJohn, *Patent Hiding from History*, 24 Sanv. Ent. & Tech. L. Rev. 1070 (2013). prior art search to see if others have invented similar technology, because you will then have to submit any relevant prior art along with your patent application. Do not even keep up on technology in the field because if you find out that others have developed relevant technology, { } Susan W. Gray, *Improving Patent Quality through Identification of Relevant Prior Art: Approaches to Increase Information Flow to the Patent Office*, 11 Lewis & Clark L. Rev. 495, 504 (2007). disincentives to perform a thorough prior art search during prosecution of an application. One reason is a strategic one, in that applicants may be able to obtain a broader patent if the examiner Michael Meehan, *Increasing Certainty and Harnessing Private Information in the U.S. Patent System: A Proposal for Reform*, 2010 Stan. Tech. L. Rev. 1, 12 (2010). (With a prior art search Kimberly A. Moore, *Worldwide Patents*, 20 Berkeley Tech. L.J. 1521, 1537-5 : " * It seems logical that applicants who more highly value a particular patent

Not only is it a common thread among [proposed solutions] seems intuitively obvious: the PTO should do a more careful job of reviewing patent

C. Okpko | kpi " v j g " ð D t q c f g u v " T g c u q p c n g

In case after case, claims are given an unhelpfully broad construction under v j g " t w n g " v j c v " e n c k o u " u j q w n f " d g " i k x g p v j
Yet, the patent applicant has it within his discretion to include in any patent application a *Background of the Invention* section and in that section cabin an otherwise broader claim interpretation by providing a *specific definition* for a claim limitation at the point of novelty:

would be likely to file more claims and do a more thorough prior art search prior to filing.

Hence, the larger the number of citations ma f g . " v j g " o q t g " n k m g n { " o c k p v g p
Jeff A. Ronspies, *Does David Need a New Sling? Small Entities Face a Costly Barrier to Patent Protection*, 6 " L 0 " O c t u j c n n " T g x 0 " K p v g n n 0 " R t q r 0 " N 0 " 3 : 6 .
not obligatory and generally vary in cost proportionately to their scope, most are limited so as to keep costs at a minimum. As a result, many prior art searches fail to discover relevant, pre- g z k u v k p i " k p p q x c v k q p u 0 ö + * h q q v p q v g u " q o k v v g f + C

⁶² Mark A. Lemley, *Rational Ignorance at the Patent Office*, 95 Nw. U. L. Rev. at 1495-96.

As explained elsewhere:

V j g " U w r t g o g " E q w t v " j c u " c h h ø f " u w d S p e e d T e c h n o l o g i e s , L L C q . L e e , 136 S.Ct. 2131 (2016).
that the broadest " v j g " H
reasonab n g " k p v g t r t g v c v k q p " u v c p f c t f " k p " K R T u "
t g i w n d n r k C u o z z o S p e e d T e c h n o l o g i e s , L L C q . L e e , 136 S.Ct. 2131
Cir.2015), c h h ø f " u w d S p e e d T e c h n o l o g i e s , L L C q . L e e , 136 S.Ct. 2131
(2016).

In addition to affirming the right of the Patent Office to establish the
õ d t q c f g u v " t g c u q p c d n g " k p v g t r C u o z z o S p e e d q p " v c
added its imprimatur as to a policy rationale to support this standard:

õ] V _ j g " t g i w n c v k q p "] u g v v k g t i r " t h g v t c v v j k " q v p j ø g " u : v
claim interpretation] represents a reasonable exercise of the rulemaking authority
that Congress delegated to the Patent Office. For one thing, construing a patent
claim according to its broadest reasonable construction helps to protect the public.
A reasonable, yet unlawfully broad claim might discourage the use of the invention
by a member of the public. Because an examiner's [] use of the broadest
reasonable construction standard increases the possibility that the examiner will
find the claim too broad (and deny it), use of that standard encourages the applicant
to draft narrowly. This helps ensure precision while avoiding overly broad claims,
and thereby helps prevent a patent from tying up too much knowledge, while
helping members of the public draw useful information from the disclosed
invention and better understand the lawful limits of the claim. See § 112(a);
Nautilus, Inc. v. Biosig Instruments, Inc., 134 S.Ct. 2120, 2129 (2014); see also *In*
re Yamamoto, 740 F.2d 1569, 1571 (Fed. Cir.1984) 0 , ⁶³ , ö

⁶³ *Cuozzo Speed Technologies, LLC v. Lee*, 136 S.Ct. 2131, 2144-45 (2016).

As stated in *Schriber-Schroth*, it is axiomatic that claims are not to be read *in vacuo*

As explained in the *Sneed* the PTO, claims in an application are to be given their broadest reasonable interpretation *consistent with the specification*, *In re Prater*, 415 F.2d 1393, 1404 (CCPA 1969), and that claim language should be read in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Johnson*, 558 H 0 4 f " 3 2 2 : " 3 2 3⁶⁸ " * E E R C " 3 ; 9 9 + 0 ö "

The *Sneed* case underpins a more recent explanation in *Suitco Surface* of the language should be read in light of the specification as it would be interpreted by any suc j " e q p u v t w e v k q p " d g " ÷ e q p u k u v g p v " y k v " v q p g " q h " q t f k p c *In re Bond*, 910 F.2d 831, 833 (Fed.Cir.1990) v 0 ø " (quoting *In re Sneed*, 710 F.2d 1544, 1548 (Fed.Cir.1983)) (emphasis added [by v j g " e q w t v _ + 0 " ÷ V j g " R V Q) u " e q p u v t w e v k q p j g broad. *** [C]laims should always be read in light of the specification and teachings in the underlying patent. See *Schriber-Schroth Co. v. Cleveland Trust Co.* . " 5 3 3 " W 0 U 0 " 4 3 3 . " 4 3 9 " * 3 ; 6 2 + * ÷ V j g " e n c k o k p v g t r t g v g f " k p " n k⁶⁹ j v " q h " k v u " u r g e k h k e c v k

⁶⁴ *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 217 (1940).

⁶⁵ *In re Sneed*, 710 F.2d 1544, 1548 (Fed.Cir.1983)(emphasis added); *see also In re Bond*, 910 F.2d 831, 833 (Fed.Cir.1990) (quoting *Sneed*).

⁶⁶ *In re Suitco Surface, Inc.*, 603 F.3d 1255, 1260 (Fed. Cir. 2010).

Sneed was a reiteration of basic principles of claim construction as being keyed to the specification. As explained by Circuit Judge Bryson in the *en banc Phillips* case:

part of the specification aids in ascertaining the scope and meaning of the claims inasmuch as the words of the claims must be based on the description. The *Standard Oil Co. v. Am. Cyanamid Co.*, 774 F.2d 448, 452 (Fed.Cir.1985). ***

pedigree in Supreme Court decisions as well. See *Hogg v. Emerson*, 47 U.S. (6 How.) 437, 482 (1848) (the specification is a patent] in construing them, as any paper referred to in *Bates v. Coe*, ; : " W O U O " 5 3 . " 5 : " * 3 : 9 : + " * ÷ k p " e c u g " q all cases to refer back to the descriptive portions of the specification to aid in solving the doubt or in ascertaining the true intent and meaning of the language *White v. Dunbar*, 19 U.S. 470, 54 (1886) (specification *Schreiber v. Schrott Co. v. Cleveland Trust Co.*, 311 U.S. 211, 217 (1940) * ÷ V j g " e n c k o u " q h " c " r c v g p v " c t g " c n y c { u " v q " u r g e k h k *United States v. Adams*, 5 : " 5 " W O U O " 5 ; . " 6 ; " * 3 ; 8 8 + fundamental that claims are to be construed in the light of the specifications and *Phillips v. AWH Corp.*, 415 F.3d 1303, 1315-16 (Fed. Cir. 2005)(en banc)(Bryson, J.).⁶⁷

⁶⁷ Y g i p g t . " H K T U V " V Q " H K N G " R C V G P V " F T C H V K P I < " C " R T C K p v g t r t g v j w k q l p " ð K p g ' N T h o m s o n R e i t e r s 2 0 1 7 . v k q p u ö

The best way to make sure that a definition of a claim term is given ultimate weight in the determination of the scope of protection is to include a definition of a term in the *Summary of the Invention*:

Q p " v j g " q p g " j c p f . " c " ð i n q u u c t { ö " q t " ð f g should *not* be a part of the drafting strategy. But, for an element of the claim at the point of novelty to distinguish over the prior art, here, the *Summary of the Invention* immediately after the first reference to the element should contain a *specific definition* of that element. For example:

ð C u " v j g " ÷ H t c o w k u ø " æ g h c' p v j í g ö' k p x g p v k q p "

Without the specific definition, the patent challenger at the PTAB will c v v g o r v " v q " u j q y " v j c v " v j g " ð H t c o w u ö " j c t " c c r r n k e c p v " j c u " k p v g p f g f " c p f . " k h " ð t g c u c p c proceedings at the PTAB. If this broader definition moves the claim closer to the prior art, the equation is shifted in favor of the patent challenger.

Y j k n g " v j g " R V C D " q r g t c v g u " w p f g t " v j g " ð d of claim construction, it is clear that a *specific definition* trumps this general rule of construction: ð] R _ c v g p v g g u " e c p " c e v " c u " v j g k t " q y p forth a definition of the disputed claim term' other than its plain and ordinary o g c p k v p s i d e o n Software, Inc. v. Microstrategy, Inc., 782 F.3d 671 (Fed. Cir., 2015)(Linn, J.)(quoting *Thorner v. Sony Computer Entm't Am., LLC*, 669 F.3d 1362, 1365 (Fed. Cir. 2012), quoting *CCS Fitness, Inc. v. Brunswick Corp.*, 288 F.3d 1359, 1366 (Fed. Cir. 2002)). See also *In re Bass*, 314 F.3d 575, 577 * H g f 0 E k t 0 4 2 2 4 + * ð] V _ j g " R V Q " o w u v " c r r n { v j claim language, taking into account any definitions presented in the u r g e k h k I r e A m e r i q a n A c a d e m y o f S c i e n c e Tech Center, 367 F.3d 1359, 1364 (Fed. Cir. 2004)(quoting *Bass*).

Thus, where an element is given a *specific definition* in the *Summary of the Invention* this should bar a Patent Office interpretation of that element broader than this definition. As explained in *Microsoft v. Proxyconn*:

õ Kpozzo, this court held that the broadest reasonable interpretation standard in *Microsoft v. Proxyconn*, 778 F.3d 1271, 1282 (Fed. Cir.2015), *ch h ø f " u w d SpeedqTechndLogias, | | q LLC v. Lee*, 136 S.Ct. 2131 (2016)]. * * *

õ V j c v " k u " p q v " v q " u c { . " j q y g x g t . " v j c v " v j g broadly that its constructions are *unreasonable* under general claim construction *claims, should' always be read in light of the specification and teachings in v j g " w p f g t n In the Suitco Surface, Inp., 603 F.3d 1255, 1260 (Fed. Cir. 2010)]. * * * Even under the broadest reasonable interpretation, the D q c t f ø u " e q p u v t w e v k q p " ÷ e c p p q and" the ge'brd k x q t e g x k f gmpre NTP, Onç 0 . " 8 7 6 " H 0 5 f " 3 4 9 ; . " 3 4 : : " * H g f e q p u k u v g p v " y k v j " v j g " q p g " v j Invrè Copyright, g " u n k 165 F.3d 1353, 1358 (Fed. Cir. 1999). A construc v k q p " v j c v " k u " ÷ w p t g and which f q g u " p q v " ÷ t g c u q p c d n { " t g h n g e v " v j g " r pass muster. *Suitco* . " 8 2 5 " H 0 5 f " c v " 3 4 8 2 0 ö*

The *en banc* court in *Aqua Products* overruled the *Proxyconn* case to the extent that the majority of the court considers that the patent law ãnambiguously requires the petitioner to prove all propositions of unpatentability, including for c o g p f g f " e n c k o u 0 ö " " " O q t g " e q o r n g v g n { . " v j g the *en banc* consideration of *Proxyconn* states that:

Upon review of the statutory scheme, we believe that § 316(e) unambiguously requires the petitioner to prove all propositions of unpatentability, including for amended claims. This conclusion is dictated by the plain language of § 316(e), is supported by the entirety of the statutory scheme of which it is a part, and is

⁶⁸ *Microsoft Corp. v. Proxyconn, Inc.*, 789 F.3d 1292 (Fed. Cir. 2015)(Prost, C.J.).

reaffirmed by reference to relevant legislative history. Because a majority of the judges participating in this en banc proceeding believe the statute is ambiguous on this point, we conclude in the alternative that there is no interpretation of the court must defer under *Chevron, U.S.A. Inc. v. Natural Resources Defense Council, Inc.*, 467 U.S. 837 (1984). And we believe that, in the absence of any required deference, the most reasonable reading of the AIA is one that places the burden of persuasion with respect to the patentability of amended claims on the petitioner. Finally, we believe that the Board must consider the entirety of the record before it when assessing the patentability of amended claims under § 318(a) and must justify any conclusions of unpatentability with respect to amended claims based on that record.

Because the participating judges have different views both as to the judgment we should reach and as to the rationale we should employ in support of that judgment, as explained below, today's judgment is narrow. The final written decision of the Board in this case is vacated insofar as it denied the patent owner's motion to amend the patent. The matter is remanded for the Board to issue a final decision under § 318(a) assessing the patentability of the proposed substitute claims without placing the burden of persuasion on the patent owner.⁶⁹

Overtaking *Proxyconn*, *L w f i g " Q ø O c n n g { " g z r n c k p u " v j*

To the extent the PTO's 2015 commentary relied on this court's endorsement of its practices in *Proxyconn*, as discussed above, *Proxyconn* never considered § 316(e) or whether the ultimate burden of persuasion on the patentability of amended claims could be placed on the patent owner; neither issue was ever in debate. And, to the extent the PTO's 2016 commentary relied on *Synopsys* and *Nike*, it is well established that an agency's belief that a statute or court decision compels or authorizes its practices is not the type of analysis to which deference is due. *See*,

⁶⁹ *Aqua Products, Inc. v. Matal*, ___ F.3d ___, 2017 WL 4399000 (Fed. Cir. 2017)(en d c p e + * Q ø O c n n g { . " L 0 + * h q q v p q v g " q o k v v e g f + 0 " " V banc court. ⁶⁹ Newman, Lourie, Moore, Wallach . " L L 0 . " " l q k p Dyk, Reyna, JJ, i g " Q ø O c concur in result; (2) Moore, J., joined by Newman, O'Malley, JJ; (3) Reyna, J., joined by Dyk, J., joined by Dyk, J., and in part by Prost, C.J., Taranto, Chen, Hughes, JJ.; (4) Taranto, J., joined by Prost, C.J., Chen, Hughes, JJ., dissenting from the judgment, joined in part by Dyk, Reyna, JJ.; (5) Hughes, J., joined by Chen, J., dissenting.

e.g., Negusie v. Holder, 555 U.S. 511, 521 (2009); *Nat'l Org. of Veterans' Advocates v. Sec'y of Veterans Affairs*, 314 F.3d 1373, 1379 n.7 (Fed. Cir. 2003)

* ð K v " k u . " q h " e q w t u g . " k o r g t o k u u k d n g " h q " v ground that particular regulations are *required* under the unambiguous language of v j g " u v c v w v g u 0 ö " * g o r j c u k u "atnofrefasgnfd+ + 0 " K p g g analysis occurred.

In sum, the PTO has failed to make any determination on the ambiguity of either § 316(d)(1) or § 316(e) at any point before the briefing before this court. Even in its briefing, moreover, the PTO initially contends that § 316(e) does not govern amended claims at all, and only points to its interpretations of its own rules in the c n v g t p c v k x g 0 " Y g " v j g t g h q t g " e q p e n w f g " v c v reasonable accommodation of manifestly competing interests ... [where] the agency considered the matter in a detailed and reasoned fashion, and the decision k p x q n x g u " t g e q p e k n k p i " e q p h n k e v k p i " r q n l e k deference under either *Chevron* or *Auer* exists. *Chevron*, 467 U.S. at 865, 104 S.Ct. 2778 (footnotes omitted).

* * *

With nothing to which we must defer for our interpretation of § 316(d) and § 316(e), we are left to determine the most reasonable reading of those provisions. Specifically, we are tasked to decide in the first instance whether the AIA either requires or authorizes placing the burden of proving the patentability of amended claims on the patent owner rather than the petitioner. For all the reasons discussed in section V.A.1 of this opinion, we believe that the most natural reading of the statute is that it does not.

For these reasons, we, along with Judges Dyk and Reyna, conclude that the Board erred when it imposed the burden of proving the patentability of its proposed substitute claims on Aqua. We reach this conclusion today by following two different analytical paths: we address this issue as part of a *Chevron* Step Two analysis, while Judges Dyk and Reyna follow the approach laid out in *Encino*, where the Supreme Court treated the question of whether the agency had engaged in the type of regulatory action to which deference would be due as a threshold inquiry. Once it concluded that the agency actually had not analyzed the statute or explained why the statute should be interpreted in a given way, the Supreme Court dispensed with further reference to *Chevron*; it ordered the court of appeals to interpret the statute in the first instance. *Encino*, 136 S.Ct. at 2126 ¶7. The

Supreme Court has vacillated on whether this inquiry is always a threshold inquiry, however, rather than one that falls under *Chevron* Step Two. Compare *id.* at 2124 ó 26, with, e.g., *Michigan v. EPA*, 135 S.Ct. 2699, 2707 ó8 (2015) (addressing sufficiency of agency rulemaking at *Chevron* Step Two).

Because we believe a thorough discussion of the statutory scheme at the outset lends context to the deference inquiry, and because we ultimately must interpret the statutory scheme either way, we address deference at Step Two. Judges Dyk and Reyna chose the alternative route. But, we end up in the same place under either approach: (1) there is no considered statutory interpretation that has been undertaken by the agency to which we must defer; and (2) in the absence of regulatory action to which we must defer, the burden of proving the unpatentability of all claims in an IPR ó both original and amended ó is on the petitioner.⁷⁰

The patentee who includes a *definition* of claim elements in the *Summary of the Invention* avoids a broader interpretation of such elements. As explained in *SAS Institute, Inc. v. ComplementSoft, LLC.*, ___ F.3d ___, ___. 2016 WL 3213103 (Fed. Cir. 2016)(Stoll, J.):

⁷⁰ *Aqua Products*, slip op. at 24, 26.

construction is narrow, it cannot be the broadest reasonable interpretation of the claim term. This is not so. While we have endorsed the Board's use of the broadest reasonable interpretation of the claim term, the Board's construction cannot be divorced from the specification and the record evidence, and must be consistent with the one that those skilled in the art would understand. *Microsoft Corp. v. Proxycorp, Inc.*, 789 F.3d 1292, 1298 (Fed. Cir. 2015) (internal quotation marks omitted) (first quoting *In re NTP, Inc.*, 654 F.3d 1279, 1288 (Fed. Cir. 2011); and then quoting *In re Cortright*, 165 F.3d 1353, 1358 (Fed. Cir. 2003); ; ; + + 0 0

mean an *in vacuo* determination of the meaning of the claim wording, but, rather, a reasonable interpretation *consistent with the specification*.⁷¹ That the Patent Office should honor a definition in the specification to cabin an otherwise broad interpretation of a claim element is made clear by the *Manual of Patent Examining Procedure*:

⁷¹*In re Bond*, 910 F.2d 831, 833 (Fed. Cir. 1990)(quoting *In re Sneed*, 710 F.2d 1544, 1548 (Fed.Cir.1983) * e k v c v k q p u " q o k v v g f + * ö K v " k u " c z k q o c v k e v j an application are to be given their *broadest reasonable interpretation consistent with the specification*, [] and that claim language should be read in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Hyatt*, 211 F.3d 1367, 1372 (Fed. Cir. 2000)(Bryson, J.)(citing *In re Graves*, 69 F.3d 1147, 1152 (Fed.Cir.1995); *In re Etter*, 978 F.3d 74 : 74 . " : 7 : . " * H g f 0 E k t 0 3 ; : 7 + " * g p " d c o e + u " are given their *broadest reasonable interpretation consistent with the specification*. ö + * g o r j c u u " added); *In re Montgomery*, 677 F.3d 1375, 1379 (Fed. Cir. 2012)(Dyk, J.)(quoting *In re Am. Acad. of Sci. Tech Ctr.*, 367 F.3d 1359, 1364 (Fed.Cir.2004), quoting *In re Bond*, 910 F.2d 831, 833 (Fed.Cir.1990)) * ö F w t k p i " g z c o k p c v k q p . " b r o a d e s t r e a s o n a b l e 0 0 0 " t g *interpretation consistent with the specification*, and ... claim language should be read in light of the specification as it would be interpreted by one of ordinary skill in the art. *PPC Broadband, Inc. v. Corning Optical Communication RF, LLC*, 815 F.3d 747, 751 (Fed. Cir. 2016) (citing *In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1279 (Fed.Cir.2015), *Chhøf " u w d " nom Cuozzo Speed Technologies, LLC v. Lee*, 136 S.Ct. 2131 (2016)). * ö K p " K R T " r t q e g g f k Board gives claims *their broadest reasonable interpretation consistent with the specification* ö + * g o r j c u k u " c f f g f + 0 "

õ V j g " d t q c f g u v " t g c u q p c d n g " k p v g t r t g v c v l q p interpretation. Rather, the meaning given to a claim term must be consistent with the ordinary and customary meaning of the term (*unless the term has been given a special definition in the specification*), and must be consistent with the use of the claim term in the specification and drawings ⁷²ö

The Patent Office in the ensuing section of the *Manual* underscores the point that to trump the broadest reasonable interpretation rule there must be a clear definition of an alternate meaning set forth in the specification:

õ , " , " , " W p f g t " c " d t q c f g u v " t g c u q p c d n g " k p v g given their plain meaning, *unless such meaning is inconsistent with the specification*. *** [T]he best source for determining the meaning of a claim term is the specification *óthe greatest clarity is obtained when the specification serves as a glossary for the claim terms*. * * *

õ V j g " r t g u w o r v k q p " v j c v " c " v g meaning may be k x g p " k rebutted by the applicant by *clearly setting forth a different definition of the term* in the specification. *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997) (the USPTO looks to the ordinary use of the claim terms taking into account definitions or other ÷ g p n k i j v g p o g p v ø " e q p v c k p When the specification sets t k v g a clear path to the claim language, the scope of the claims is more easily determined and the public notice function of the claims is best served.

* * *

õ [T]he best source for determining the meaning of a claim term is the specification *óthe greatest clarity is obtained when the specification serves as a glossary for the claim terms*. See, e.g., *In re Abbott Diabetes Care Inc.*, 696 F.3d 1142, 1149-50 (Fed. E k t 0 " 4 2 3 4 + " * e q p u v t w k p i " v j g " v g t o " ÷ g n g g z v g t p c n " e q p p g e v k q p " e c d n g u " q t " y k t g u " q ' e q p u k u v g p v " y k v j " ÷ v j g " n c p i w c In re *Slit*ch " v j g e r Surface, Inc., 603 F.3d 1255, 1260-61 (Fed. Cir. 2010) (construing the term ÷ o c v g t k c n " h q t " h k p k u j k p i " v j g " v q r " u w t h e g

⁷²MPEP § 2111, *Claim Interpretation; Broadest Reasonable Interpretation* (R-07)(2015)(emphasis added).

Wegner, *Post Grant Patent Challenge Procedures Under Fire*

q p " v j g " v q r " u w t h c e g " q h " c " h n q q t " v j c v " k " v
e q p u k u v g p v " y n k c v p j i " w : c v i j g g " " q g h z " r v t j g g u " u e " n Vikromi's c p f ' v
Corp. v. Conceptronic Inc., 90 F.3d 1576, 1583 (Fed. Cir. 1996) (construing the
v g t o " ÷ u q n f g t " t g h n q y " v g o r g t c v w t g ø " v q " g c
t c v j g t " v j c p " v j g " solek is order for main consistent with v w t g ø '
the specification).

* * *

õ V j g " q p n { " g z e g r v k q p u " v q " i k x k p i " v j g " y c t f
meaning in the art are (1) *when the applicant acts as his own lexicographer*; and
(2) when the applicant disavows or disclaims the full scope of a claim term in the
specification. To act as his own lexicographer, *the applicant must clearly set forth
a special definition of a claim term in the specification* that differs from the plain
and ordinary meaning it wou n f " q v j g t y k u g " r q u u g u u 0 " , , , " K
k p x g p v q t ø u " k p v g p v k q p . " c u " g z r t g u u g f " k j " v
Phillips v. AWH Corp., 415 F.3d 1303, 1316 (Fed. Cir. 2005) (en banc). See also
Starhome GmbH v. AT&T Mobility LLC, 743 F.3d 849, 857 (Fed. Cir. 2014)
* j q n f k p i " v j c v " v j g " v g t o " ÷ i c v g y c { ø " u j q v n f
o g c p k p i " q h " ÷ c " e q p p g e v k q p " d g v y g g p " f k h l g t
specification indicated a clear intent to depart from that ordinary meaning)[.]

* * *

õ C p " c r r n k e c p v " k u " g p v k v n g f " v q " d g " j k u " c t '
*presumption that claim terms are to be given their ordinary and customary
meaning by clearly setting forth a definition of the term that is different from its
ordinary and customary meaning(s) in the specification at the time of filing.* See *In
re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994) (holding that an inventor may
f g h k p g " u r g e k h k e " v g t o u " w u g f " v q " f g u e t k c g '
clarity, de n k d g t c v g p g u u . " c p fo "wru tv g" e : k : u k g q v p " ø q " w c v p " f j k " u k
f g h k p k v k q p " k p " u q o g " o c p p g t " y k v j k p " v j g r c
q t f k p c t { " u m k n n " k p " in meaning) (quoting *Intellikal, Inc.* q h " j g
v. Phonometrics, Inc., 952 F.2d 1384, 1387-88 (Fed. Cir. 1992)).

definition will control interpretation of the term as it is used in the claim. *Toro Co.*

v. White Consolidated Industries Inc., 199 F.3d 1295, 1301 (Fed. Cir. 1999)

* o g c p k p i " q h " y q t f u " w u g f " k p " c " e n c k o " k u p c
k p " v j g " e q p v g z v " q h " v j g " u r g e k h k e c v k q p " c p t

be sufficiently clear in the specification that any departure from common usage

Multiform Desiccants Inc. v. Medzam Ltd., 133 F.3d 1473, 1477 (Fed. Cir. 1998).

See also *Process Control Corp. v. HydReclaim Corp.*, 190 F.3d 1350, 1357 (Fed. Cir. 1999) and MPEP § 2173.05(a).

examiner should apply the ordinary and customary meaning to the claim term. If

the specification provides a special definition for the claim term, the examiner should use the special definition. However, because there is a presumption that claim terms have their ordinary and customary meaning and *the specification must provide a clear and intentional use of a special definition for the claim term to be*

treated as having a special definition, an Office action should acknowledge and

k f g p v k h { " v j g " u r g e k c MPEP § 2111.01 Ham Meqigs " k p " v k u
(R-07)(2015)(emphasis added).]⁷³

⁷³ Wegner, HKTUV " VQ " HKNG " RCVGPV " FTCHVKPI < " C " RTCEV KVF
Summary of the Invention F g h k p k v k q p u " v q " E c d k p " v j g " õ D t q c f g u v
(Thomson Reuters 2017).

The *Summary of the Invention* should include a *definition* of a term at the point of novelty, the definition should restrict the scope of the claim to that definition for purposes of establishing nonobviousness of the invention.⁷⁵

Conversely, if a term at the point of novelty is *not* restricted by a specific definition then the claim language should be read in light of the broadest reasonable interpretation of the patentee.⁷⁶

⁷⁴ *In re American Academy of Science Tech Center*, 367 F.3d 1359, 1364 (Fed. Cir. 2006) + * D t { u q p . " L 0 + * " ð F w t k p i " g z c b r o a d e s t r e a s o n a b l e . " ÷ e n c k o u

interpretation consistent with the specification, and ... claim language should be read in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Board of Regents*, 910 F.2d 831, 833 (Fed.Cir.1990); accord [*In re Bass*, 536 F.3d 1353, 1358 (Fed.Cir.1999)] *In re Copyright*, 165 F.3d 1353, 1358 (Fed.Cir.1999) * ÷ C n v j q w i j " v j g " R V O b r o a d e s t r e a s o n a b l e i n t e r p r e t a t i o n , t h i s i n t e r p r e t a t i o n j o i n t " o w u v " d g " e q p u k u v g p v " y k v j " v j g " q p g " v j c v " v j q u g " u m

⁷⁵ *In re Trans Texas Holdings Corp.*, 498 F.3d 1290, 1298 (H g f 0 " E k t 0 " 4 2 2 9 + * F { m . " i k x g p b r o a d e s t r e a s o n a b l e i n t e r p r e t a t i o n , c o n s i s t e n t w i t h t h e s p e c i f i c a t i o n , i n t g g z c o k p c v k q [*In re Yantano*, 740 F.2d 1569, 1574 (Fed.Cir.1984). The term ÷ t g u r q p u k x g " v q " v j g " t c v g " q h " k p h n c v k q p ø " k u " f g h k responsive to a market indicator of prior actual inflation and it is not meant to include the o c t m g v) u " g z r g e v c v k q p " q h " h w s p e c i f i c a t i o n s d e f i n i t i o n o n l y q p 0 ø " C u t g s w k t g u " v j c v " v j g " k p h n c v k q p " c f l w u v o g p v " d g " f k There is nothing in the specification or the prosecution history that requires an immediate inflation-adjustment every time v j g " t c v g " q h " k p h n c v k q p " k p e t g c u g u 0

⁷⁶ *In re Buszard*, 504 F.3d 1364, 358 ; " * H g f 0 " E k t 0 " 4 2 2 9 + * R t q u v . " 1 0 . must give claim language its broadest reasonable interpretation, I would affirm the Board's constru e v k q p " q h " ÷ h n g z k d n g " r q n { w t g v j c p g " h q c o " t g c e v u r g e k h k e c v k q p " r t q x k f g f " c " f g h k p k v k q p " q h " v j g " v g Board would have been required to give that term the definition recited in t j g " u r g e k h k e c v k q

D. Presentation of Twin Sets of Claims

That applicant should carefully parse his claims to make sure that they are the minimum number to meet business objectives. Providing clear and understandable claims is the first objective of claim drafting.

Should claims be presented as broadly as possible is also an important issue.

Claims should be drafted broadly " c p y g
bu v " c " d:k V j w d w v j k o g u j q w k b q h v g p . " k p f g g f .
limits of the state of the prior art, it often occurs that there is a specific subgeneric
t c p i g " v j c v " o w u v " d g " r t q v g e v g f " c v " c n n " c q u
limits of the state of the prior art, but *in addition* a second set of claims should be
provided to cover the subgeneric claim. The subgeneric claim should be drafted in
independent form, with a set of subclaims keyed to that independent but subgeneric
claim.

The benefit of providing this second set of claims is that if there *is* a post
grant attack made against the patent, and if at that time it is a good business
decision to retreat to the scope of the second set of claims (the independent claim
to the subgenus plus subclaims to that independent claim), then the patentee *as a
matter of right* can *disclaim* v j g " h k t u v " u g v "(and its subclaims) o u " v q "

For example, where c " r q u v " i t c p v " e j c n n g p i g " k u " o c
subclaims), the patentee as a matter of right is free to file a *statutory disclaimer* of
the first set of claims to claim 1 and subclaims based thereon. This can be done
r t k q t " v q " * q t " e q p e w t t g p v n { + " y k v j " v j g " c v

E. Case Studies based on Non-Patent Prior Art Invalidations

In the wake of cases including *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134
S.Ct. 2120 (2014), and *In re Packard*, 751 F.3d 1307 (Fed. Cir. 2014), there is a
heightened awareness of the right to challenge patent validity based upon drafting
errors that lead to ambiguities which can be challenged under 35 USC § 112(b).

1. *Securus Technologies* case

An example of a formalities challenge is found in the *Securus Technologies*
case. As explained by Judge Benoit in her opinion instituting Post Grant Review
in the *Securus Technologies* case:

Petitioner challenges claims 1 & 9 of the '386 patent as being unpatentable
under 35 U.S.C. § 112(b), y j k e j " u g v u " h q t v j " õ] v _ j g " u r g e
one or more claims particularly pointing out and distinctly claiming the subject
o c v v g t " y j k e j " v j g " k p x g p v q t " q t " c " k p v k p
Petitioner contends that the cla k o u " õ h c k n " v q " ÷ k p h q t o " v j q i g
u e q r g " q h " v j g " k p x g p v k q l p a t l 3 (quoting *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S.Ct. 2120, 2129 (2014)). In its contentions that the
e n c k o u " c t g " k p f g h k p k v g . " R g v k v k q p g t " c n q
e q p v c k p u " y q t f u " q t " r j t c u g u " y j q u g " o g c p l p i
MPEP § 2173.05(e) (9th ed., Nov. 2014) (citing *In re Packard*, 751 F.3d 1307,
1314 (Fed. Cir. 2014)); see MPEP § 2173.02 I. Petitioner further asserts that a

lack of antecedent basis can create a lack of clarity. Pet. 13 (citing *Haliburton Energy Servs., Inc. v. M d LLC*, 554 F.3d 1244, 1249 (Fed. Cir. 2008)).

K p f g r g p f g p v " e n c k o u " 3 . " : . " c p f " 3 5 " g c e j
is associated with the authenticate f " e c n n g t ö = " * k k + " õ c w v j g p v k
y k t g n g u u " e q o o w p k e c v k q p " f g x k e g " c p f " c " c r
k p e n w f k p i < " t g e g k x k p i " k f g p v k h { k p i " k p h e t c
e q p v g p f u " v j c v . " k p f " t e g e k v k p ä " õ y j j g e ' j w R g y p w
n c e m u " c p v g e g f g p v " d c u k u + . " õ c " e c n n g t . ö c p
c o d k i w q w u " c u " v q " õ y j g v j g t " v j g " v g t o u " k g p
e c n n d g at 12 03ö "

One way to understand these independent claims is by requiring the
authenticating step to be performed before the payment processing step. *See, e.g.,*
Mformation Techs., Inc. v. Research in Motion Ltd., 764 F.3d 1392, 1398 09 (Fed.
Cir. 2014) (indicat k p i " õ c " e n c k o " t g s w k t g u " c p " q t f g t k
language, as a matter of logic or grammar, requires that the steps be performed in
v j g " q t f g t " y t k v v g p ö " * s w q v c v k q p " c p f " e k v c v
the alleged antecedent basis is t g u q n x g f < " õ c " e c n n g t ö " t g e k v
r t q x k f g u " c p v g e g f g p v " d c u k u " h q t " v j g " t g e k v
k p v g t r t g v c v k q p . " v j g t g " k u " c " u k p i n g " e c n n g
c w v j g p v k e c v g f " e c n n g t ö " t g h g t 0

To require such a step-order in the independent claims, however, the
authenticating step must authenticate a caller. The plain language of the
k p f g r g p f g p v " e n c k o u . " j q y g x g t . " k u " p t q v " q
least one of the wireless communicati q p " f g x k e g " c p f " c " e c n n g . ö
consistent with the specification. *See, e.g.,* Ex. 1001, 9:12 05 (determining
õ y j g v j g t " v j g "] y k t g n g u u _ " f g x k e g " k u " c w v j c
disabling phone calls if the wireless device is not authorized); *id.* at 9:21 04
* f g v g t o k p k p i " õ y j g v j g t " v j g " w u g t " k u " x c k f
valid).

Interpreting the independent claims to allow authenticating a wireless communication device (without authenticating a caller) seems at odds with requiring the authenticating step to be performed for a caller (and before the

2. *Bayer Cropscience v. Exosect Limited*

In *Bayer Cropscience LP v. Exosect Limited*, Judge Kaiser in his opinion in the validity challenge to the Exosect patent found a draftsmanship ambiguity to

Petitioner argues that [the claims] are indefinite because the meaning of this term may not limit the scope of the challenged claims at all and then proposes that, if the term does limit the scope of the challenged claims, it might do so in either of two possible ways. As discussed above, we do not agree with Petitioner does not limit the scope of the challenged claims, and we leave that determination for trial. In addition, as discussed above, to the extent that this term is limiting, the present record is insufficient to permit us to determine the proper construction.

Because we cannot determine the proper scope of this term, we are persuaded that Petitioner has shown sufficiently, on the present record and for purposes of the present decision, that the scope of the challenged claims is uncertain. Accordingly, we determine that it is more likely than not that the challenged claims are indefinite.

Therefore, we institute post-grant review on the asserted ground that the term is indefinite.

⁷⁷ *Securus Technologies, Inc. v. Global Tel*Link Corp.*, 2017 WL 2270237, slip op. at 3-4 (Patent Tr. & App. Bd. 2017) (footnotes deleted).

⁷⁸ *Bayer Cropscience LP v. Exosect Limited*, 2017 WL 4570443, slip op. at 8 (Patent Tr. & App. Bd. 2017)(emphasis added; citations omitted).

. 3. *Grünenthal v. Antecip Bioventures II*

Judge Murphy in his opinion in *Grünenthal v. Antecip Bioventures II*

g z r n c k p u " v j g " D q c t f ø u " k p u v k v of the patent " q h " q u
reads:

Claim 1. A method of treating complex regional pain syndrome comprising orally administering zoledronic acid to a human being in need thereof, wherein the human being receives about 80 to about 500 mg of zoledronic acid within a period of six months.

Judge Murphy g z r n c k p u " v j g " D q c t f ø u " k p u v k v of the patent " q h " q u
in the present record, we determine that
Petitioner has demonstrated it is more likely than not that claims 1 & 7 are
unpatentable for insufficient written description of the dosing regimen limitation
t g e k v g f " k p " k p f g⁷⁹ Presently, the patentee failed to include, a , 0 ö
definition in his *Summary of the Invention*.⁸⁰

⁷⁹ *Grünenthal gmbH v. Antecip Bioventures II LLC*, 2017 WL 2901321, slip op. at 9 (Patent Tr. & App. Bd. 2017).

⁸⁰ *Id.* c v "In a post-grant review, the claims of an unexpired patent are interpreted using the broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.200(b); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144 ¶46 (2016). Under that standard, claim terms are given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). Any special definition for a claim term must be set forth in the specification with reasonable clarity, deliberateness, and precision. *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994) 0 ö + 0

4. *Peroxychem v. Innovative Environmental Technologies*

By amendment in *Peroxychem v. Innovative Environmental Technologies*,
"one or more" trivalent metals in the environmental medium ... wherein ... [an] amount of the
one or more trivalent metals is between approximately 17 to 30% of molecular
weight of the persulfate"

⁸¹ *Peroxychem LLC v. Innovative Environmental Technologies, Inc.*, 2016 WL 7985450 (Patent
Tr. & App. Bd. 2016)(Yang, APJ). The Board in more detail states:

Petitioner argues that claims 1 and 6 are unpatentable under 35 U.S.C. § 112(a) because the
Specification of the '245 patent does not provide adequate written-description support. Pet. 35 to
40. Based on the current record, we determine Petitioner has established that, more likely than
not, it would prevail in this assertion.

"medium ... wherein ... [an] amount of the **one or more trivalent metals is between approximately
17 to 30% of molecular weight of the persulfate**" As Petitioner points
out, this limitation was added in response to the final rejection during prosecution. *See* Pet. 17
(citing Ex. 1002, 22 to 26) ("Citing Ex. 1002, 22 to 26, the '245 patent recites that the amount of the
one or more trivalent metals is between approximately 17 to 30% of the molecular weight of the
persulfate." *Id.* at 18. Instead, the applicant, in the Remarks section of the response to the final rejection, set forth 13 steps to
explain how the ratio was derived. *Id.* (citing Ex. 1002, 30 to 31).

"Independent Claims 1 and 15 ... include several significant assumptions and
requirements. For example, Claim 1 recites that the persulfate and iron are the
trivalent metal ions. Petitioner points out that various steps require sodium persulfate as the persulfate and iron as the
metal. *Id.* (citing Ex. 1002, 30 to 31). These assumptions and requirements, however, according to
Petitioner, are not supported by the Specification. *Id.* (citing Ex. 1001, 4:4 to 5:5 (disclosing that
trivalent metal ions include manganese (Mn³⁺)), 5:34 to 5:35 (disclosing sodium, potassium, and
iron), and 6:1 to 6:2 (disclosing manganese, iron, and potassium)). As a result, Petitioner asserts that the
Specification does not disclose the invention that is sufficiently detailed so that a POSA can reasonably conclude that the
inventors had possession of the invention as applied to the application that issued as the '245 patent. *Id.* at 38. We find Petitioner's argument persuasive at
this stage of the proceedings.

Wegner, *Post Grant Patent Challenge Procedures Under Fire*

In reaching a conclusion of invalidity under 35 USC § 112(a), Judge Yang explains that:

To satisfy the written-description requirement, the applicant must disclose the invention in a manner that enables one of ordinary skill in the art to make and use the invention as described in the claims. *Ariad Pharm., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc). Based on the current record, we are persuaded by Petitioner's argument that the Specification of the '245 patent does not meet this standard. Of course, in some instances, a patentee can rely on information that is well known in the art to satisfy the written-description requirement. *Id.* * The amount of detail required to satisfy the written-description requirement varies depending on the nature and scope of the claims and on the complexity and predictability of the invention. In this case, the Specification of the '245 patent does not provide adequate written-description support, at least for the 17:30% ratio recited in the claims.⁸²

⁸² *Id.*, slip op at 3-4.

5. *US Endodontics v. Gold Standard Instruments*

In *US Endodontics v. Gold Standard Instruments*, a patent challenge was made on the basis of a lack of an enabling disclosure, the claimed invention is a method for making a root canal instrument with a shank of a superelastic nickel titanium alloy by heat-treating the entire shank at a temperature above 25° C. up to but not equal to the melting point of the titanium alloy.⁸³ In reaching a conclusion of invalidity, the opinion by Judge Goodson explains that:

The court in *US Endodontics v. Gold Standard Instruments*, 2016 WL 7985423 (Pat. Tr. & App. Ct. 2016), find that the guidance the Specification provides regarding how to achieve the deformation characteristic of the claimed instrument is not sufficient to enable one of ordinary skill in the art to make and use the claimed instrument. As summarized above, the '991 patent sought to overcome several deficiencies of prior art endodontic files. The '991 patent sought to fill a need for an endodontic file that has high resistance to torsion breakage, maintain shape upon fracture, can withstand increased strain, and can hold sharp edges. The Specification indicates that permanent deformation after bending, the characteristic of the prior art file 12, was only one of many features of the endodontic file with which the '991 patent was concerned. See also *id.* at 3:14, 6:42-60, 9:26-33.

The '991 patent includes a general description of the file 4:15, Figs. 1a, 1b) U.S. Pat. No. 8,842,388 (Gold Standard Instruments, LLC v. US Endodontics, LLC, 2016 WL 7985423 (Pat. Tr. & App. Ct. 2016)). Preferably, the temperature is from 400° C. up to but not equal to the melting point of the titanium alloy, and most preferably, the temperature is from 475° C. to 525° C. at 4:16-21). The Specification discloses preferred gases for the treatment at 4:16-19), and exemplary times and temperatures:

⁸³ *US Endodontics, LLC v. Gold Standard Instruments, LLC*, 2016 WL 7985423 (Patent Tr. & App. Ct. 2016). For use in performing root canal therapy on a tooth, the method comprising:
(a) providing an elongate shank having a cutting edge extending from a distal end of the shank along an axial length of the shank, the shank comprising a superelastic nickel titanium alloy, and
(b) after step (a), heat-treating the entire shank at a temperature above 25° C. up to but not equal to the melting point of the titanium alloy.

Wegner, Post Grant Patent Challenge Procedures Under Fire

1 = b c b Y Y I U a d Y Y a V c X } treated for approximately 1 to 2] g \ Y U
hours. In another example embodiment, the shank is heated at 500° C. for 75
minutes. However, other temperatures are suitable as they are dependent on the
h] a Y d Y f] c X g Y Y W h Y X Z c f \ Y U h Y I d c g i f Y " I

Id. at 4:24-29. The patent also describes alloys that can be used (4:30-62,
5:12-49) and coating processes (6:8-36).

In addition, the Specification describes five examples. *Id.* at 7:16-9:33. In each
example, one group of files is untreated, a second group is treated at 500°C for
) a] b i h Y g ž U b X ated with titanium nitride using physical vapor
deposition with an inherent heat f Y U h a d Y at 7:30-41, 7:62-8:1, 8:22-27,
8:49-54, 9:2-14. Each example studies a different performance characteristic of the
Z] Y g " 9 I U a d Y (g h a r i e X deformation after the flexion test d Y f a
fl 5 8 D Ł f Y d c f h Y X] b X Y [f Y Y g c Z X Y Z Y W h] c b d Y f z
3630% " *Id.* at 8:39 (& " 9 I U a d Y (g h U h Y g h treated h. \ Y I Z]
at 500° C. for 75 minutes showed the highest *Id.* at 8:57-59. Figure 6, which
shows the results of the study in Example 4, indicates an angle of permanent
deformation of nearly 30 degrees for the heat Y U h Y X Z] Y g fl] " Y " ž h \
Figure 6). *Id.* at 8:44-45, 50-52, Fig. 6. Examples 2, 3, and 5 study torsion, ability
to withstand strain, flexibility, resistance to torsion breakage, and fatigue.
7:27-29, 7:55-55, 8:12-13, 31-33, 8:67-9:1.

Thus, the only example that relates to the deformation characteristic recited in the
[k \ Y f Y] b I W U i g Y c Z W U] a % &] g -reated at Y (" H
) \$ \$ š 7 Z c f +) a] b i h Y g h f U b U X h a U b h ž] b \ h Y V Y b h Y a d Y U h U h
duration of which are not provided. *Id.* at 8:50-52. The Specification also explains
that the temperature will depend on the time period of the treatment. *Id.* at
4:27-29. Although the Specification discloses other, broader ranges of temperatures
and times, none of these other temperatures or times is tethered to the deformation
characteristic that recited in claims 126. See *id.* at [57], 2:63-1, 4:16-21, 24-
29.

The Specification's teaching that the deformation characteristic can be achieved
using heat f Y U h a Y b h U h) \$ \$ š 7 Z c f + h) f Y a U] h b a i Y b Y h g " c f Z I]
undisclosed parameters as a narrow disclosure compared to the scope of the
challenged claims. Claims 126 encompass temperature ranges from above 25°C
(claims 12, 13, 15, 16) or 300°C (claim 14) up to but not equal to the melting point of
the alloy (which is about 1300°C. Ex. 1002 ¶ 17; Tr. 35-113), and are not
limited to any duration for the heat treatment.⁸⁴

⁸⁴ *Id.*, slip op. at 9-10.

6. *Arkema v. Honeywell International*

In *Arkema v. Honeywell International* the Board manifested its expertise involving a prior use of an invention.⁸⁵

Claim 1 k u " v q " c " o g v j q f " h q t " c p " c w v q o q d k i g
1,1,1,2 ó v g v t c h n w q t q g v j c p As explained by Judge Sawert in h g c v v t
her opinion in *Arkema v. Honeywell*:

Section 102(a) r t q x k f g u " v j c v " ð led to a patent unless .p the u j c n " o
claimed invention was ... in public use ... before the effective filing date of the
e n c k o g f " 35 U.S.C. § 102(a)(1) 0 ö ö V j g " r t q r g t " v g u v " h q t
prong ... is whether the purported use was accessible to the public or was
e q o o g t e k c n *Delano Farms Co. v. Cab Table Grape Comm'n*, 778
F.3d 1243, 1247 (Fed. Cir. 2015) * s w q v c v k q p " q o k v v g f + 0 " ð E q o
a clear indication of public use ... 0 *Iovltrogen Corp. v. Biocrest Mfg., L.P.*, 424
F.3d 1374, 1380 (Fed. Cir. 2005).

⁸⁵ *Arkema Inc. v. Honeywell International Inc.*, 2017 WL 3835956 (Patent Tr. & App. Bd. 2017)(Sawert, APJ).

⁸⁶ Claim 1: A method for producing an automobile air conditioning system for use with 2,3,3,3 ó tetrafluoropropene (HFO d234yf) comprising:
(a) providing an automobile vapor compression air conditioning system usable with refrigerant 1,1,1,2 ó tetrafluoroethane (HFC d34a) and having at least one compressor and at least one condenser; and
(b) providing a heat transfer composition in said system, said heat transfer composition consisting essentially of:
(i) at least about 50% by weight of a low toxicity refrigerant suitable for use in automobile air conditioning systems, said refrigerant consisting essentially of HFO d234yf; and
(ii) lubricant consisting essentially of polyalkylene glycol(s), and
wherein (1) said condenser is operable with said refrigerant in a temperature range that includes 150°F. and (2) said system when operating at a condenser temperature of 150°F. achieves a capacity relative to HFC d34a of about 1 and a Coefficient of Performance (COP) relative to HFC d34a of about 1.

R g v k v k q p g t " c t i w g u " v j c v " õ] v _ j g t 017 e c p " c g ' patent claims ... was already in commercial use prior to the March 26, 2014, filing f c v g 0 ö " R I T 3 4 " R g v 0 " 5 9 0 " U r g e k h k e c ô the { . " I g v Ford Transit Custom Bus, the Mazda CX5 (2.0i and 2.2D models), and the Opel Mocca ô all used HFO 234yf and a PAG lubricant as early as 2012. *Id.* at 38. Petitioner asserts that these public uses anticipate claims 1 & 20 of the '017 patent. *Id.*

Patent Owner does not directly address Petitioner's evidence of prior public use, but instead relies on its argument that the claims of the '017 patent are entitled to priority to the April 29, 2004, filing date of the '525 application. PGR12 Resp. 61. Patent Owner also does not argue that 2 & 20 have a different effective filing date than claim 1.²² And, at oral argument, Patent Owner's counsel conceded that, if we find that the '017 patent has an effective filing date of March 26, 2014, then its claims would be unpatentable for prior public use:

JUDGE TIERNEY: I do have a couple of questions just before ô when we go ahead and decide this case and write it up, I'm looking at the PGR2016 0012 case ... if we hold that the claims do not get benefit of the earlier date and it's limited to its 2014 date, do we need to go into discussion of the art at this time? I'm looking at the response.

MR. LOCASCIO: No, you don't, because it's Honeywell's own work, so *it's no stunner that Honeywell's own work years after their priority date and they came up with this would invalidate*, so no.

JUDGE TIERNEY: And turning over to PGR2016 0011, similar question, if Honeywell is limited to a 2014 date, would we need to go through and discuss the art? Because then it's ô

MR. LOCASCIO: I think [it] would be moot at that time, *because under the PGR12, that art would, I think by all acknowledgments, then be covered by the claims and invalidate [them]*

Tr. 114:15 ¶15:18 (emphases added). Thus, we find that Patent Owner does not contest that a heat-transfer composition consisting essentially of HFO ¶234yf and PAG for AAC was in public commercial use before the March 26, 2014, filing date of the '017 patent.⁸⁷

V j w u . " v j g " D q c t f " õ h] q w _ p f " v j c v " R g v k v k
Owner's concessions, demonstrates by a preponderance of evidence that the claimed subject matter of the '017 patent was in commercial use before its March 26, 2014, effective filing date. *See* Ex. 1002 ¶¶ 399 ¶409.⁸⁸

⁸⁷ *Arkema v. Honeywell International*, slip op. at 20-21.

⁸⁸ V j g " r c u u c i g " l w u v " In particular, as to claims 1, 3, 10, 12, 13, and 15, ¶ 10, ¶ 13, and ¶ 15 of the '017 patent, we credit Dr. Brown's uncontested testimony that the refrigerant-lubricant AAC composition of the Ford Transit Custom Bus, the Mazda CX 5 (2.0i and 2.2D), and the Opel Mocca used HFO ¶234yf and a PAG lubricant as early as 2012. Ex. 1002 ¶ 399 (citing Ex. 1013, 2, 38, 55, 70). We also credit Dr. Brown's calculations, which show that the Ford Transit Custom Bus had an AAC refrigerant-lubricant composition of 26.7% of PAG lubricant and 73.3% of HFO ¶234yf (Ex. 1002 ¶ 401 (citing Ex. 1013, 38)); the Mazda CX 5 2.0i had 16.7% PAG lubricant and 83.3% HFO ¶234yf (Ex. 1002 ¶ 402 (citing Ex. 1013, 55)); the Mazda CX 5 2.2D had a 17.5% PAG lubricant and 82.5% HFO ¶234yf (*id.*); and the Opel Mocca had 11.6% PAG lubricant and 88.4% HFO ¶234yf (Ex. 1002 ¶ 402 (citing Ex. 1013, 70)). ö " * h q q v p q v g " q v k v

IX. NON-PRECEDENTIAL *DE FACTO* PRECEDENT

To anyone familiar with the inner workings of the Federal Circuit but not the PTAB, it would be unthinkable in almost any situation to cite a nonprecedential Federal Circuit opinion because the nonprecedential nature of an opinion from that body is based upon the *prospective, unilateral* determination by the *panel itself* that the opinion is to be nonprecedential *before the opinion is released to the public*.

Citation of a nonprecedential opinion is thus in direct defiance of the decision of the Board members themselves that the opinion should not be cited. But, insofar as a *Board* opinion is determined, the decision whether a Board opinion is or is not

õ r t g e g f g p ~~*after the fact*~~, ~~*after the creation of the opinion*~~ where in the end it is the Director of the PTO who has the final say in the determination whether

Only an opinion *nominated by the Chief Judge* is eligible for consideration as precedential, and even if a vote is taken in favor of precedential status, that status is still subject to the veto power of the Director. This is all made crystal clear in in h c o q w u " ~~the Official Policy~~ of the Patent Trial and Appeal Board, which explains the publication procedure at the PTAB. *Standard Operating Procedure 2 (Revision 9), Publication of Opinions and Designation of Opinions as Precedential, Informative, Representative, and Routine, § II, Nominating an Opinion*, <https://www.uspto.gov/sites/default/files/documents/sop2-revision-9-dated-9-22-2014.pdf> (last visited October 30, 2017):

SOP 2 NOMINATING AN OPINION AS PRECEDENTIAL

II. Nominating an opinion

- A. The Board consists of administrative patent judges (judges), including a Chief Administrative Patent Judge (Chief Judge) and four *ex officio* members: the Director, the Deputy Director, the Commissioner for Patents and the Commissioner for Trademarks (35 U.S.C. § 6(a)).
- B. Any member of the Board may recommend to the Chief Judge that an opinion, including Board decisions and orders, be designated as precedential, informative, or representative.
- C. The appellant, the patentee, a petitioner, or a third party member of the public may, within 60 days of issuance of the opinion, request in writing that an opinion be made precedential, by forwarding that request, along with accompanying reasons, to the Chief Judge. Where a written request for a precedential opinion has been received, the Chief Judge shall respond in writing to the requester to confirm receipt of the request.

III. Precedential opinion

- A. If the Chief Judge considers a nominated opinion to be an appropriate candidate for designation as precedential, the Chief Judge will circulate the opinion to all members of the Board. An opinion may be considered appropriate for any reason, but particular emphasis will be placed on opinions resolving conflicts or addressing novel questions.
- B. During a stated, limited period (typically ten business days), each Board member will be invited to vote and will have an opportunity to comment in writing on whether the opinion should be designated as precedential. The Chief Judge may share the comments with members of the authoring panel.
- C. After the expiration of the period, if a majority of the Board's voting members agree that the opinion should be made precedential, and after considering the Board members' comments, the Chief Judge shall notify the Director of the results of the voting.
- D. If the Director concurs that the opinion should be designated precedential, the Director will so notify the Chief Judge. No opinion may be precedential without concurrency by the Director.

C u " u g g p " h t q o " ÷ U Q R " 4 ö " c d q x g . " c " e q o r n g
after the opinion has been released. After the complex web of procedures set forth
in the announcement of SOP ; . " g x g p " k h " c " o c l q t k v { " q h " v j
c i t g g " v j c v " c p " q r k p k q p " u j q w n f " d g " ÷ r t g e g f
the Director to block a precedential status for the opinion. And, in any event, the
D q c t f " f q g u " p q v " i g v " v q " x q v g " w p n g u u " v j g " E
precedential status.

One may ponder, precisely *what* does the *Manual* u c { " c d q w v " ÷ U Q R " 4
Nothing.

Absolutely nothing.

Thus, the *Manual* says nothing about how an opinion becomes
÷ r t g e g f g p v k ~~Manual~~ u v t v g u h e t V g e j j g k e t Chö "+E_g p v g t "
Director may circulate and discuss [a] decision] l w u v " f g e k f g m f o n g d { " v j g
some or all of the supervisors in the TC, and the supervisors, in turn, may circulate
the decision among the examiners in their art units, depending on the subject
matter or issues in the decisions. ö ⁸⁹ 0

⁸⁹ MPEP § 1720, *Dissemination of Court and Patent Trial and Appeal Board Decisions*, § II, *Patent Trial and Appeal Board Decisions* [R-07.2015](Westlaw on line edition current through Ninth Ed., Oct. 2015; latest edition downloaded on October 30, 2017) *A decision rendered by the Patent Trial and Appeal Board (Board) is returned to the examiner. The examiner takes action consistent with the decision rendered by the Board unless rehearing of the Board decision will be requested (MPEP § 1214.04). The TC Director may circulate and discuss the decision among some or all of the supervisors in the TC, and the supervisors, in turn, may circulate the decision among the examiners in their art units, depending on the subject matter or issues in the decisions. ö +

The *Manual* also implicitly says that any opinion may be cited as it makes no distinction between a decision which is not available to the public but which has not been published, the tribunal rendering the decision and complete data identifying the paper should be given.⁹⁰

⁹⁰ MPEP § 707.06, *Citation of Decisions, Orders Memorandums, and Notices* [R-11.2013] (Westlaw on line edition current through Ninth Ed., Oct. 2015; latest edition Oct. 2015). In citing court decisions, when it is convenient to do so, the U.S. or Federal Reporter citation should be provided; in the alternative, the USPQ citation should be given.

The citation of decisions which are not available to the public should be avoided. It is important to recognize that a federal district court decision that has been reversed on appeal cannot be cited as authority.

In citing a decision which is available to the public but which has not been published, the tribunal rendering the decision and complete data identifying the paper should be given.

Thus, a decision of the Patent Trial and Appeal Board which has not been published but which is available to the public in the patented file should be cited, *Ex parte* -- --, decision of the Patent Trial and Appeal Board, Patent No. -- -- --, paper No. -- -- --, -- -- -- r c i g u 0 ö

Decisions found only in patented files should be cited only when there is no published decision on the same point.

When a Director's order, notice or memorandum not yet incorporated into this manual is cited in any official action, the title and date of the order, notice or memorandum should be given. When appropriate other data, such as a specific issue of the *Official Gazette* may also be given. ö + * g o r j c u k u " c f f g f - 0

X. WHETHER CHEVRON DEFERENCE FOR BOARD DECISIONS?

Duke University Law School Professors Stuart Minor Benjamin and Arti K. Rai suggest that a higher level of deference should be given to decisions of the PTAB [sh]ould be revamped to require a rehearing leading to a precedential opinion. A rehearing would bring in an additional source of legal authority for the guidelines give greater authority to the Director, and ensure that the PTO was in fact crafting a new decision (even if, in cases in which the Director agreed with the original decision, it bore a strong resemblance to the original one).⁹¹

Prior to this statement, Benjamin and Rai lay out their position on precedential status as follows:

Consistent with the position of [Thomas W. Merrill & Kristin E. Hickman, *Chevron 's Domain*, 89 Geo. L.J. 833, 908 (2001),] as well as the Second, Ninth, and Tenth Circuits, [John Golden, *Working Without Chevron : The PTO as Prime Mover*, 65 Duke L.J. 1655, 1663 (2016),] argues that ordinary PTAB decisions that are not reviewed by the PTO Director do not receive *Chevron* deference. Golden's view has some merit. Although only about one-third of the total cohort of more than 250 PTAB judges hear post-grant trials, that fraction still encompasses more than eighty judges. These judges, who serve on panels of three, receive, and must make decisions on, approximately 150 petitions per month. To some extent, PTAB procedures resemble the sort of uncoordinated decisionmaking process that [United States v. Mead Corp., 533 U.S. 218 (2001), identified as an indicator of decisions that lack the force of law. In *Mead*, the scale of decisionmaking and lack of force is to ignore the reality that 46 different Customs offices issue 10,000 to

⁹¹ Stuart Minor Benjamin and Arti K. Rai, *Administrative Power in the Era of Patent Stare Decisis*, 65 Duke L.J. 1563, 1586 (2016).

15,000 of them each year. Any suggestion that rulings intended to have the force of law are being churned out at a rate of 10,000 a year at an agency's 46 scattered offices is simply self-refuting. *Mead's* reasoning that *Chevron* deference is not warranted for the actions of many different units not supervised by the agency head supports the proposition that *Chevron* deference is inapplicable to routine PTAB decisions that are not specifically supervised by the PTO Director.

But that is not the end of the story. The PTO has promulgated guidelines for designating selected PTAB opinions as precedential and explicitly binding on the PTO. [U.S. Patent & Trademark Office, Patent Trial and Appeal Board Standard Operating Procedure 2 (Revision 9) Publication of Opinions and Designation of Opinions As Precedential, at pt. III(E),

<http://www.uspto.gov/sites/default/files/documents/sop2-revision-9-dated-9-22-2014.pdf> [<http://perma.cc/RCM6-6JAH>] (laying out procedures for the

an opinion is binding authority in subsequent matters involving similar facts or circumstances. The Deputy Director, the Commissioner for Patents, or the Commissioner for Trademarks can nominate a PTAB opinion to be designated as precedential. If the chief judge considers the opinion an appropriate candidate for designation as precedential, PTAB judges can then vote on the question. Even if a majority votes in favor, however, the Director's agreement is also required.

This process would seem to satisfy the more demanding of the two interpretations of *Mead* outlined above. The agency has created a process by which PTAB opinions are precedential and binding, and the process entails the explicit agreement of the agency head. * * *.⁹²

⁹² *Id.*, 65 Duke L.J. at 1585-86 (footnotes integrated into text in bracket or omitted).

XI. NECESSARY PRACTICAL SYSTEM REFORMS

Assuming that the post grant procedures survive Supreme Court review in the *Oil States Energy Services* case,⁹³ there remain several reforms that may be considered:

A. Pre-Examination Preissuance Submissions

It makes sense to simplify proceedings. This may be perhaps best accomplished by encouraging a third party challengers to present evidence of unpatentability early in proceedings, often *prior* to an examination on the merits by the Examiner.

To facilitate earlier action on an application, it is proposed that a simple rule 35 USC § 122(f) be implemented as follows:

⁹³ If the Supreme Court were to hold that a post-grant review system is unconstitutional, it would be as a matter of language a relatively simple concept to change to a pre-grant review system. But, the problematic feature of such a reform is that this would require a statutory change that would face opposition from those against the current system.

35 U.S.C. 122 Confidential status of applications; publication of patent applications.

* * *

(f)(1) Notwithstanding the provisions of paragraph (e)^[*] any third party within four months of publication of the patent application may submit a request for inter partes preissuance participation upon payment of a fee of \$ 1000 and thereupon participate in a preissuance proceeding under section (e)(2), provided the requirements of section (e)(2) are met within four months thereafter. A total of no more than forty pages of double spaced text shall be permitted (exclusive of references cited in the preissuance proceeding).

(2) A patentee shall have the right to file a response days of no more than forty pages within ninety from the filing of a preissuance submission, whereupon the patent challenger under the foregoing paragraph shall have sixty days to file a response of no more than thirty pages.

^[*]**35 U.S.C. 122 Confidential status of applications; publication of patent applications.**

< * * *

(e) PREISSUANCE SUBMISSIONS BY THIRD PARTIES. ô

(1) IN GENERAL. ô Any third party may submit for consideration and inclusion in the record of a patent application, any patent, published patent application, or other printed publication of potential relevance to the examination of the application, if such submission is made in writing before the earlier of ô

(A) the date a notice of allowance under section 151 is given or mailed in the application for patent; or

(B) the later of ô

(i) 6 months after the date on which the application for patent is first published under section 122 by the Office, or

(ii) the date of the first rejection under section 132 of any claim by the examiner during the examination of the application for patent.

(2) OTHER REQUIREMENTS. ô Any submission under paragraph (1) shall ô

(A) set forth a concise description of the asserted relevance of each submitted document;

(B) be accompanied by such fee as the Director may prescribe; and

(C) include a statement by the person making such submission affirming that the submission was made in compliance with this section.

B. Terminating Continuation of Sham Post Grant Proceedings

Even if it is assumed, *arguendo*, that all post grant proceedings are initially brought in good faith, there is a substantial number of proceedings originally brought in good faith that, after filing, will be seen to lack substantial merit and, in the end, will be losing efforts. A great many of such actions brought by a patent challenger are *maintained* until a final decision.

Why?

One answer is that to continue to pursue such an action until a final decision may take, say, 18 months or more, while an immediate termination of proceedings may well result in an economic detriment greater than the legal fees to continue the proceedings for that 18 months or more.

The Office should be provided with the opportunity to issue monetary sanctions sufficient to deter such conduct.

XII. PRE-GRANT PROPHYLACTIC DRAFTING OPTIONS

There are steps that an applicant *can* take in drafting his application to mitigate if not entirely avoid some issues that transpire in post grant proceedings at the Patent Office. Respect for the limited period of time the Examiner has for each examination is a critical predicate to understanding *why* the applicant for optimum results simply *must* present his case in a simple and direct manner so that the Examiner will have the *time* necessary to carefully consider formal matters, particularly formal claim drafting issues.

A. Crucial Understanding of Examiner Time Pressures

As explained elsewhere:

G c e j " G z c o k p g t " j c u " c " s w q v c " q h " " ð f k u r q
upon the rated complexity of his particular technological art that he examines and
his experience level. Reaching or exceeding the disposal goal is at the very center
q h " v j g " G z c o k p g t ø u " r t q h g u u k q p c n " n k h g 0 " U
Art Unit that show precise disposal results. Substantially exceeding the disposal
goal may result in a substantial cash bonus while repeated failure to meet the
disposal goal may in an extreme case result in dismissal from the examining corps.

As an example, consider the situation where a particular Examiner has a disposal goal such that he must complete a first action analysis, search and examination within, say, ten hours.

If the patent draftsman makes a presentation of a clean and easy to examine application with full citation of the best known prior art, then it may take, say, seven or eight hours for the complete first action analysis, search and examination.

Here, the Examiner generally *can and will* do a complete first action, including consideration of formal matters where a claim may appear to be indefinite. Here, the Examiner, upon finding patentable subject matter, will be prone to allow the application, perhaps after formalities have been met or claims

have been narrowed to avoid the prior art. The apparent indefiniteness will either be (a) explained to show why the claims are definite, strengthening the prosecution history; or (b) overcome by amending the claims in a manner at least implicitly suggested by the Examiner.

If, however, the Examiner would need, say, sixteen hours to do a complete first action analysis, search and examination, the Examiner, under his production pressure, is likely to cap the examination at ten hours. To do this, it is quite likely that there will *not* be a complete formalities examination. From an infringement standpoint. Additionally, the Examiner will do his best to search the application within primary search areas, but skip some aspects of the search due to time constraints. *Where the Examiner knows that he has not conducted a complete search on the merits he is more unlikely to ever agree to allow the application.* Instead, he will kick the can down the road, forcing the applicant to file an RCE or continuing application, and thus avoid allowing claims where the Examiner is uncertain whether the claims are patentable or not.⁹⁴

The common solution seen from outside the Beltway is that the answer to the time pressures the Examiner faces is that the Examiner should be given more time. But, there will *always* be more that the Examiner can do with more time, and if more time were given to Examiners patent applicants would simply add more time pressure by adding even more claims. Thus, the answer to the time question is *not* that the PTO should be given more time.⁹⁵

⁹⁴ Y g i p g t . " H K T U V " V Q " H K N G " R C V G P V " F T C H V K P I < GUIDE, § 2:33, *Respect h q t " v j g " G z c o k p g t ø u " N k o k v g f V k* (Thomson Reuters 2017)(footnotes renumbered to fit within the format of the current paper.).

⁹⁵ See § VIII-B, *Prophylactic Applicant Actions during Ex Parte Procurement*
* R t q h g u u q t " N g o n n c h t i m e a n d u n n e y - s h o u l d t h e P a t e n t a n d Trademark Office spend deciding whether to issue a patent? *** [T]he answer is ÷ c " n q v " o q t g " ö - j * c ø k' k α v' k ø ø 'ù d' ø k q y ø ø f + 0

B. Cabining the Broadest Reasonable Interpretation

V j g t g " j c u " d g g p " c " e q p u k f g t c d n g " f k u e w u
reasonable interpre v c v k q p ö may give an element of the claimed invention
an interpretation broad enough that, but for such interpretation, the claims are
invalid as being too close to the prior art.

C u " c " r t q r j { n c e v k e " c i c k p u v " g t j k u g ' w a g ' k ' q
of the claims as to an element at the point of novelty, a simple prophylactic
solution during the initial drafting process (and sometimes in the prosecution of the
application itself), the *Summary of the Invention* should include a *specific
definition* of that element.

As explained elsewhere:

V j g " U w r t g o g " E q w t v " j c u " c h h ø f " u w d S p e e d T e c h s . , L L C q . L e e , 136 S . C t . 2131
t g c u q p c d n g " k p v g t r t g v c v k q p " u v c p f c t f " k j " K
t g i w n *In re Cupzoc Speed Techs., LLC*, 778 F.3d 1271, 1282 (Fed.
Cir.2015), *ch h ø f " u w d Speed Technologies, LLC q. Lee*, 136 S.Ct. 2131
(2016).

In addition to affirming the right of the Patent Office to establish the
õ d t q c f g u v " t g c u q p c d n g " k p v g t r *Cupzoc Speed* q p " v c
added its imprimatur as to a policy rationale to support this standard:

õ] V _ j g " t g i w n c v k q p "] u g v v k p i " h q t v j " v j g ÷ c
claim interpretation] represents a reasonable exercise of the rulemaking authority
that Congress delegated to the Patent Office. For one thing, construing a patent
claim according to its broadest reasonable construction helps to protect the public.
A reasonable, yet unlawfully broad claim might discourage the use of the invention

by a member of the public. Because an examiner's [] use of the broadest reasonable construction standard increases the possibility that the examiner will find the claim too broad (and deny it), use of that standard encourages the applicant to draft narrowly. This helps ensure precision while avoiding overly broad claims, and thereby helps prevent a patent from tying up too much knowledge, while helping members of the public draw useful information from the disclosed invention and better understand the lawful limits of the claim. See § 112(a); *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S.Ct. 2120, 2129 (2014); see also *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir.1984) ⁹⁶ , ö

As stated in *Schriber-Schroth*, it is axiomatic that claims are not to be read *in vacuo*

As explained in the *Sneed* ⁹⁸ . " ö] k _ v " k u " c z k q o c v k " the PTO, claims in an application are to be given their broadest reasonable interpretation *consistent with the specification*, *In re Prater*, 415 F.2d 1393, 1404 (CCPA 1969), and that claim language should be read in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Johnson*, 558 H 0 4 f " 3 2 2 : " 3 2 3 ⁹⁸ " * E E R C " 3 ; 9 9 + 0 ö "

The *Sneed* case underpins a more recent explanation in *Suitco Surface* of the ⁹⁷ t w n g " v j c v " v j g " u e q r g " q h " e n c k o u " k p " R c v ; p v v j g " u r g e k h k e c v k q p ⁹⁸ emphasizes that it was required to give all j g " R V Q " ÷ e n c k o u " v j g k t " d t q c f g u v " t g c u q p c d n g " e q j u v c p { " u w e j " e q p u v t w e v k q p " d g " ÷ e q p u k u v g p v y k language should be read in light of the specification as it would be interpreted by q p g " q h " q t f k p c *In re Bond*, 910 F.2d 831, 833 (Fed. Cir.1990) v 0 ø " (quoting *In re Sneed*, 710 F.2d 1544, 1548 (Fed.Cir.1983)) (emphasis added [by v j g " e q w t v _ + 0 " ÷ V j g " R V Q) u " e a p , p s u n r e a s o n a b l y k q p j g broad. *** [C]laims should always be read in light of the specification and

⁹⁶ *Cuozzo Speed Technologies, LLC v. Lee*, 136 S.Ct. 2131, 2144-45 (2016).

⁹⁷ *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 217 (1940).

⁹⁸ *In re Sneed*, 710 F.2d 1544, 1548 (Fed.Cir.1983)(emphasis added); see also *In re Bond*, 910 F.2d 831, 833 (Fed.Cir.1990) (quoting *Sneed*).

teachings in the underlying patent. See *Schriber-Schroth Co. v. Cleveland Trust*

Co., 533 F.2d 433, 439 n.3; 62 + * ÷ V j g " e n c k o u " q h " c " r c v g p v " c t g " c n y c { u " u r g e k h k e c v k q p u 0 ø + = "

Sneed was a reiteration of basic principles of claim construction as being keyed to the specification. As explained by Circuit Judge Bryson in the *en banc Phillips* case:

U j q t v n { " c h v g t e " q w j t g v " . e " t L g w c f v i k g q " p T " k q e h j " " v y j t k q u v " g " v part of the specification aids in ascertaining the scope and meaning of the claims inasmuch as the words of the claims must be based on the description. The specification is, thus, the primary basis for construction. *Standard Oil Co. v. Am. Cyanamid Co.*, 774 F.2d 448, 452 (Fed.Cir.1985). ***

V j c v " r t k p e k r n g " j c u " c " n q p i " r g S e k i t g " k *Hogg v. Emerson*, 47 U.S. (6 How.) 437, 482 (1848) (the specification is a ÷ ø o r q p g p v " r c t v " q h " v j g " r c v g p v ø " c p f " ÷ k u " c r c v g p v _ " k p " e q p u v t w k p i " v j g o . " c u " c p { " r c r g *Bates v. Coe*, 53 U.S. (12 How.) 53, 59 n.3; 9 : + " * ÷ k p " e c u g " q all cases to refer back to the descriptive portions of the specification to aid in solving the doubt or in ascertaining the true intent and meaning of the language g o r n q { g f " k *White v. Quinlan*, 19 U.S. (7 Cranch) 54 (1805) (specification is appropriately re u q t v g f " v q " ÷ h q t " v j g " r w t r q u g " q h ' d v j g " e *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 217 (1940) * ÷ V j g " e n c k o u " q h " c " r c v g p v " c t g " c n y c { u " q u r g e k h k e c v k q p u 0 ø + = "

United States v. Adams, 383 U.S. 39, 49 (1966) * ÷ i s f u n d a m e n t a l t h a t c l a i m s a r e to be construed in the light of the specifications and both are to be read with a view v q " c u e g t v c k p k ¹⁰⁰ i " v j g " k p x g p v k q p 0 ø + 0 ö

⁹⁹ *In re Suitco Surface, Inc.*, 603 F.3d 1255, 1260 (Fed. Cir. 2010).

¹⁰⁰ *Phillips v. AWH Corp.*, 415 F.3d 1303, 1315-16 (Fed. Cir. 2005)(en banc)(Bryson, J.).

Summary of the Invention Definitions to Cabin the

õ D t c p t R f a s o n a b l e K p v g t r ¹⁰¹ g v c v k q p ö

Q p " v j g " q p g " j c p f . " c " õ i n q u u c t { ö " q t " õ f g should *not* be a part of the drafting strategy. But, for an element of the claim at the point of novelty to distinguish over the prior art, here, the *Summary of the Invention* immediately after the first reference to the element should contain a *specific definition* of that element. For example:

õ C u " v j g " ÷ H t c o w u ø " q h " v j g " k p x g p v k q p " k u

Without the specific definition, the patent challenger at the PTAB will at v g o r v " v q " u j q y " v j c v " v j g " õ H t c o w u ö " j c u " c " c r r n k e c p v " j c u " k p v g p f g f " c p f . " k h " õ t g c u c p c proceedings at the PTAB. If this broader definition moves the claim closer to the prior art, the equation is shifted in favor of the patent challenger.

Y j k n g " v j g " R V C D " q r g t c v g u " w p f g t " v j g " õ d of claim construction, it is clear that a *specific definition* trumps this general rule of construction: õ] R _ c v g ø ø v g " g a u " e w j g " k t " q y p " n g z k e q i t c forth a definition of the disputed claim term' other than its plain and ordinary o g c p k v p s i d e o n S o f t w a r e , I n c . v . M i c r o s t r a t e g y , I n c . , 7 8 2 F . 3 d 6 7 1 (F e d . C i r . , 2 0 1 5) (L i n n , J .) (q u o t i n g T h o r n e r v . S o n y C o m p u t e r E n t m ' t A m . , L L C , 6 6 9 F . 3 d 1 3 6 2 , 1 3 6 5 (F e d . C i r . 2 0 1 2) , q u o t i n g C C S F i t n e s s , I n c . v . B r u n s w i c k C o r p . , 2 8 8 F . 3 d 1 3 5 9 , 1 3 6 6 (F e d . C i r . 2 0 0 2)) . S e e a l s o I n r e B a s s , 3 1 4 F . 3 d 5 7 5 , 5 7 7 * H g f 0 E k t 0 4 2 2 4 + * õ] V _ j g " R V Q " o a w i n g t o t h e r r n { v j claim language, taking into account any definitions presented in the u r g e k h k I n t e r A m e r i c a n A c a d e m y o f S c i e n c e T e c h C e n t e r , 3 6 7 F . 3 d 1 3 5 9 , 1 3 6 4 (F e d . C i r . 2 0 0 4) (q u o t i n g B a s s) .

Thus, where an element is given a *specific definition* in the *Summary of the Invention* this should bar a Patent Office interpretation of that element broader than this definition. As explained in *Microsoft v. Proxyconn*:

¹⁰¹ This section is taken directly from Wegner, **FIRST TO FILE PATENT FTCHVKPI < " C " R T C E V K , S K Q Summary Of The Invention Definitions to Cabin the** (Thomson Reuters 2017).

õ K R T u u " ÷ r y t c q r g t n { " c f q r v g n f r e " C o l o z z o S p e e d T e c h n o l o g y L L C v . L e e , 778 F.3d 1271, 1282 (Fed. Cir.2015), c h h ø f " u w d S p e e d T e c h n o l o g y L L C v . L e e , 136 S.Ct. 2131 (2016)]. * * *

õ V j c v " k u " p q v " v q " u c { . " j q y g a i n g d u r i n g ' I P R j o v " v j g broadly that its constructions are *unreasonable* under general claim construction r t k p e k r n g u c l a i m s , s h o u l d ' a l w a y s b e r e a d i n l i g h t o f t h e s p e c i f i c a t i o n c p f " v g c e j k p i u " k p " I n r e S u i t c o S u r f a c e , I n c . , 608 F.3d 1255, c v g i v C 1260 (Fed. Cir. 2010)]. * * * Even under the broadest reasonable interpretation, the D q c t f ø u " e q p u v t w e v k q p " ÷ e c p p q and " t h e r e c o r d k x q t e g x k f g n r e N T P , I n c . " 8 7 6 " H 0 5 f " 3 4 9 ; . " 3 4 : : " * H g f e q p u k u v g p v " y k v j " v j g " q p g " v j c n r e C o r t r i g h t , g " u n k 165 F.3d 1353, 1358 (Fed. Cir. 1999). A construc v k q p " v j c v " k u " ÷ w p t g c p f " y j k e j " f q g u " p q v " ÷ t g c u q p c d n { " t g h n g e v pass muster. Suitco . " 8 2 5 " H 0 5 f " c v " 3 4 8 2 0 ö

Thus, the patentee who includes a *definition* of claim elements in the *Summary of the Invention* avoids a broader interpretation of such elements. As explained in *SAS Institute, Inc. v. ComplementSoft, LLC.*, ___ F.3d ___, ___. 2016 WL 3213103 (Fed. Cir. 2016)(Stoll, J.):

õ] V j g " r c v g p v " e j c n n g p i g t _ " c t i w g u " v j c v d g cannot be the broadest reasonable interpretation of the claim term. This is not so. While we have endorsed the Board's use of the broadest reasonable interpretation u v c p f c t f " k p " K R T " r t q e g g f k p i u . " y g " c n u q v c u v c p f c t f 0 " V j k u " k u " v q " u c { " v j c v " ÷] g _ x g l " v the Board's construction cannot be divorced from the specification and the record evidence, and must be consistent with the one that those skilled in the art would t g c M i c r o s o f t C o r p . v . P r o x y c o n n , I n c . , 789 F.3d 1292, 1298 (Fed. Cir. 2015) (internal quotation marks omitted) (first quoting *In re NTP, Inc.*, 654 F.3d 1279, 1288 (Fed. Cir. 2011); and then quoting *In re Cortright*, 165 F.3d 1353, 1358 (Fed. E k t 0 " 3 ; ; ; + + 0 ö

¹⁰² *Microsoft Corp. v. Proxyconn, Inc.*, 789 F.3d 1292 (Fed. Cir. 2015)(Prost, C.J.).

V j g " ð d t q c f g u v " t g c u q p c d n g " k p v g t r t g v c v mean an *in vacuo* determination of the meaning of the claim wording, but, rather, v j c v " q v j g t " h c e v q t u " c t g " k p x q n x g f . " r c t v k e reasonable interpretation *consistent with the specification*.¹⁰³ That the Patent Office should honor a definition in the specification to cabin an otherwise broad interpretation of a claim element is made clear by the *Manual of Patent Examining Procedure*:

ð V j g " d t q c f g u v " t g c u q p c d n g " k p v g t r t g v c v l q p interpretation. Rather, the meaning given to a claim term must be consistent with the ordinary and customary meaning of the term (*unless the term has been given a special definition in the specification*), and must be consistent with the use of the claim term in the specification and drawings¹⁰⁴

The Patent Office in the ensuing section of the *Manual* underscores the point that to trump the broadest reasonable interpretation rule there must be a clear definition of an alternate meaning set forth in the specification:

¹⁰³*In re Bond*, 910 F.2d 831, 833 (Fed. Cir. 1990)(quoting *In re Sneed*, 710 F.2d 1544, 1548 (Fed.Cir.1983) * e k v c v k q p u " q o k v v g f + * ð K v " k u " c z k q o c v k e v j an application are to be given their *broadest reasonable interpretation consistent with the specification*, [] and that claim language should be read in light of the specification as it would d g " k p v g t r t g v g f " d { " q p g " q h " q t f i n k r o p H y a t t , 2 1 1 F . 3 d 1 3 6 7 n " k p ' v j 1372 (Fed. Cir. 2000)(Bryson, J.)(citing *In re Graves*, 69 F.3d 1147, 1152 (Fed.Cir.1995); *In re Etter*, 9 7 8 " H 0 4 f " : 7 4 . " : 7 : . " * H g f 0 E k t 0 3 ; : 7 + " * g p " d c o e + are given their *broadest reasonable interpretation consistent with the specification*. ö + * g o r j c u u " added); *In re Montgomery*, 677 F.3d 1375, 1379 (Fed. Cir. 2012)(Dyk, J.)(quoting *In re Am. Acad. of Sci. Tech Ctr.*, 367 F.3d 1359, 1364 (Fed.Cir.2004), quoting *In re Bond*, 910 F.2d 831, 833 (Fed.Cir.1990) + " * ð F w t k p i " g z c o k p c v k q p b r o a d e s t r e a s o n a b l e " 0 0 0 " c i n t e r p r e t a t i o n c o n s i s t e n t w i t h t h e s p e c i f i c a t i o n , a n d ... claim language should be read in light of the specification as it would be interpreted by one of ordinary skill in the a t v 0 ø ö + = " *PPC Broadband, Inc. v. Corning Optical Communication RF, LLC*, 815 F.3d 747, 751 (Fed. Cir. 2016) (citing *In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1279 (Fed.Cir.2015), *c h h ø f " u w d " n o m C u o z z o S p e e d T e c h n o l o g i e s , L L C v . L e e*, 136 S.Ct. 2131 (2016)) 0 * ð K p " K R T " r t q e g g f Board gives claims *their broadest reasonable interpretation consistent with the specification* 0 ö + * g o r j c u k u " c f f g f + 0 "

¹⁰⁴MPEP § 2111, *Claim Interpretation; Broadest Reasonable Interpretation* (R-07)(2015)(emphasis added).

the claim must be defined "k... v g... given their plain meaning, *unless such meaning is inconsistent with the specification*. *** [T]he best source for determining the meaning of a claim term is the specification *óthe greatest clarity is obtained when the specification serves as a glossary for the claim terms*. ***

rebutted by the applicant by *clearly setting forth a different definition of the term* in the specification. *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997) (the USPTO looks to the ordinary use of the claim terms taking into account definitions or other... *When the specification sets a clear path to the claim language, the scope of the claims is more easily determined and the public notice function of the claims is best served*.

óthe greatest clarity is obtained when the specification serves as a glossary for the claim terms. See, e.g., *In re Abbott Diabetes Care Inc.*, 696 F.3d 1142, 1149-50

* *H g f 0 " E k t 0 " 4 2 3 4 + " * e q p u v t w k p i " v j g " v g t o " k u " i k x g p " k* *g z v g t p c n " e q p p g e v k q p " e c d n g u " q t ' b e y k t g u " q ' e q p u k u v g p v " y k v j " ÷ v j g " n c p i w c* *In re Surface, Inc.*, 603 F.3d 1255, 1260-61 (Fed. Cir. 2010) (construing the term

÷ o c v g t k c n " h q t " h k p k u j k p i " v j g " v q r " u w t h c e g " q h " c " h n q q t " v j c v " k u " v j g " h k e q p u k u v g p v " y k v j " ÷ v j g " g z r t g u u " n *Corporation v. Conceptor Inc.*, 90 F.3d 1576, 1583 (Fed. Cir. 1996) (construing the

v g t o f " g ÷ t u " q t n g h n q y " v g o r g t c v w t g ø " v q " o g c p " ÷ r g t c v j g t " v j c p " v j g " ÷ n k s w k f w u " v g o r g t c v w t g ø the specification).

ó V j g " q p n { " g z e g r v k q p u " v q " i k x k p i " a r y j g " y c t f meaning in the art are (1) *when the applicant acts as his own lexicographer*; and (2) when the applicant disavows or disclaims the full scope of a claim term in the specification. To act as his own lexicographer, *the applicant must clearly set forth a special definition of a claim term in the specification* that differs from the plain

c p f " q t f k p c t { " o g c p k p i " k v " y q w n f " q v j g t y l u g k p x g p v q t ø u " k p v g p v k q p . " c u " g z r t g u u g f " k p " v

Phillips v. AWH Corp., 415 F.3d 1303, 1316 (Fed. Cir. 2005) (en banc). See also *Starhome GmbH v. AT&T Mobility LLC*, 743 F.3d 849, 857 (Fed. Cir. 2014)

* j q n f k p i " v j c v " v j g " v g t o " ÷ i c v g y c { ø " u j q v n f o g c p k p i " q h " ÷ c " ekqhphpggt egvpkvq "pp" gdvgyvqytgmgupø "fd g e c w specification indicated a clear intent to depart from that ordinary meaning)[.]

õ C p " c r r n k e c p v " k u " g p v k v n g f " v q " d g " j k u " t presumption that claim terms are to be given their ordinary and customary meaning by clearly setting forth a definition of the term that is different from its ordinary and customary meaning(s) in the specification at the time of filing. See *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994) (holding that an inventor may f g h k p g " u r g e k h k e " v g t o u " w u g f " v q " f g u e t k e g e n c t k v { . " f g n k d g t c v g p g o u w u . v " " c ÷ p ÷ f u " g r v t " g g e w k v u " k j c k p u e f g h k p k v k q p " k p " u q o g " o c p p g t " y k v j f k p " v j g r c q t f k p c t { " u m k n n " k p " in meaning) (quoting *Intellikal, Inc. v. Phonometrics, Inc.*, 952 F.2d 1384, 1387-88 (Fed. Cir. 1992)).

õ Y j g t g " c p " g z r n k e k v " f g h k p k v k q p " k u " r t q k j definition will control interpretation of the term as it is used in the claim. *Toro Co. v. White Consolidated Industries Inc.*, 199 F.3d 1295, 1301 (Fed. Cir. 1999)

* o g c p k p i " q h " y q t f u " w u g f " k p " c " e n c k o " k u p c in the context of the specification p " c p f " f t c y k p i u ø + 0 " , , ,

õ J q y g x g t . " k v " k u " k o r q t v c p v " v q " p q v g " v j c v be sufficiently clear in the specification that any departure from common usage would be so understood by a person of experience in the field of the i p x g p v k q p 0 ø " *Multiform Desiccants Inc. v. Medzam Ltd.*, 133 F.3d 1473, 1477 (Fed. Cir. 1998). See also *Process Control Corp. v. HydReclaim Corp.*, 190 F.3d 1350, 1357 (Fed. Cir. 1999) and MPEP § 2173.05(a).

õ K h " v j g " u r g e k h k e c v i a k definition for the claim term, "the t q x k g examiner should apply the ordinary and customary meaning to the claim term. If the specification provides a special definition for the claim term, the examiner should use the special definition. However, because there is a presumption that claim terms have their ordinary and customary meaning and *the specification must provide a clear and intentional use of a special definition for the claim term to be*

treated as having a special definition, an Office action should acknowledge and

The *Summary of the Invention* should include a *definition* of a term at the
k p v " q h " p q x g n v { " k p " q t f g t " v q " e c d k p " c
k p v g t r ¹⁰⁶ If there is a specific definition in the *Summary of the Invention*
at the point of novelty, the definition should restrict the scope of the claim to that
definition for purposes of establishing nonobviousness of the invention.¹⁰⁷

Conversely, if a term at the point of novelty is *not* restricted by a specific definition
v j g p " v j g " ð d t q c f g u v " t g c u q p c d n g " k p v g t r g v
of the patentee.¹⁰⁸

¹⁰⁵ MPEP § 2111.01, *Plain Meaning* (R-07)(2015)(emphasis added).

¹⁰⁶ *In re American Academy of Science Tech Center*, 367 F.3d 1359, 1364 (Fed. Cir.

4 2 2 6 + * D t { u q p . " L 0 + * " ð F w t k p i " g z broadest reasonable p . " ÷ e r c k
interpretation consistent with the specification, and ... claim language should be read in light of
v j g " u r g e k h k e c v k q p " c u " k v " y q w n f " d In re Bond, 910 F.3d 1358 (Fed. Cir. 2019)
F.2d 831, 833 (Fed.Cir.1990); accord [*In re Bass*, 314 F.3d 575, 577 (Fed.Cir.2002)] (÷] V _ j g "
PTO must apply the broadest reasonable meaning to the claim language, taking into account any
definitions r t g u g p v g f " k p " In re Cortright, 165 F.3d 1353, 1358 (Fed. Cir. 1999) "
* ÷ C n v j q w i j " v j g " R V Broadest reasonable interpretation, this interpretation g k t "
o w u v " d g " e q p u k u v g p v " y k v j " v j g " q p g " v j c v " v j q u g ' u m

¹⁰⁷ *In re Trans Texas Holdings Corp.*, 498 F.3d 1290, 1298 (H g f 0 " E k t 0 " 4 2 2 9 + * F { r . "
i k x g p broadest reasonable interpretation, consistent with the specification, in
t g g z c o k p c v k q p r e Yamamoto, 740 F.2d 1569, 1574 (Fed.Cir.1984). The term
÷ t g u r q p u k x g " v q " v j g " t c v g " q h " k p h n c v k q p ø " k u " f g h k
responsive to a market indicator of prior actual inflation and it is not meant to include the
o c t m g v) u " g z r g e v c v k q p " q h " h w v w t g " k definition only q p 0 ø " C u
t g s w k t g u " v j c v " v j g " k p h n c v k q p " c f l w u v f inflation. " d g " = f k
There is nothing in the specification or the prosecution history that requires an immediate
inflation- c f l w u v o g p v " g x g t { " v k o g " v j g " t c v g " q h " k p h n c v k

¹⁰⁸ *In re Buszard*, 504 F.3d 1364, 1369 (Fed. Cir. 2007)(Pros v . " L 0 . " f k u u g p v k p i + ð D
must give claim language its broadest reasonable interpretation, I would affirm the Board's
e q p u v t w e v k q p " q h " ÷ h n g z k d n g " r q n { w t g v j c p g " h q c c " t
specification provided a definition of v j g " v g t o " ÷ h n g z k d n g " r q n { w t g v j c p
D q c t f " y q w n f " j c x g " d g g p " t g s w k t g f " v q " i k x g " v j c v " v

K p " r c t c n n g n " y k v j " v j g " o c p { " e c u g u " v j c v k p v g t r t g v c v k q p ö " u v c p t f e Patent Office, there has been " k p v g t a parallel, consistent thread of decisions that show that a *specific definition* of claim terminology trumps the otherwise broadest reasonable interpretation of that terminology.¹⁰⁹

¹⁰⁹ *In re Morris*, 349 F.2d 326 (Ct. Cl. 1961) (quoting *In re Auld Identification Systems, Inc.*, 504 Fed.Appx. 885 (Fed. Cir. 2014)); *In re Director of the Board*, 76 Fed.Appx. 98 (Fed. Cir. 2014) (quoting *In re Auld Identification Systems, Inc.*, 504 Fed.Appx. 885 (Fed. Cir. 2014)); *In re Marosi*, 710 F.2d 799, 802 (Fed. Cir. 1983) (Miller, J.) (quoting *In re Okuzawa*, 537 F.2d 545, 76 Fed.Appx. 398 (Fed. Cir. 1976) (quoting *In re Okuzawa*, 537 F.2d 545, 76 Fed.Appx. 398 (Fed. Cir. 1976)); *In re Royka*, 490 F.2d 981 (CCPA 1974) (quoting *In re Okuzawa*, 537 F.2d 545, 76 Fed.Appx. 398 (Fed. Cir. 1976)); *In re Ehrlich*, 90 F.2d 907 (CCPA 1979) (Rich, J.) (citing *In re Okuzawa*, 537 F.2d 545, 548 (CCPA 1976)); *In re Royka*, 490 F.2d 981 (CCPA 1974) (quoting *In re Okuzawa*, 537 F.2d 545, 76 Fed.Appx. 398 (Fed. Cir. 1976)); *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997) (on remand from *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997)); *In re Vap Gen's*, 988 F.2d 1184, 1184 (Fed. Cir. 1993), others include *In re Bond*, 910 F.2d 831, 833 (Fed. Cir. 1990). Since it would be unreasonable for the PTO to ignore any interpretive guidance afforded by the applicant's written description, either phrasing connotes the same notion: as an initial matter, the PTO applies to the verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in the applicant's specification. *In re Khatyralih*, 594 Fed.Appx. 666, 669 (Fed. Cir. 2014) (quoting *In re Bond*, 910 F.2d 831, 833 (Fed. Cir. 1990)). Since it would be unreasonable for the PTO to ignore any interpretive guidance afforded by the applicant's written description, either phrasing connotes the same notion: as an initial matter, the PTO applies to the verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in the applicant's specification. *In re Khatyralih*, 594 Fed.Appx. 666, 669 (Fed. Cir. 2014) (quoting *In re Bond*, 910 F.2d 831, 833 (Fed. Cir. 1990)). Since it would be unreasonable for the PTO to ignore any interpretive guidance afforded by the applicant's written description, either phrasing connotes the same notion: as an initial matter, the PTO applies to the verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in the applicant's specification.

C. A few, Well Crafted Original Claims

An applicant should, of course, draft reasonable claims that are definite, without fatal ambiguities. As a backup, however, the Patent Examiner should be able to catch problems that render the claimed invention indefinite. The catch, however, is that if the applicant presents too many claims and too many prior art issues, the Examiner will not be able to do *everything* in his first Office Action within his strictly allotted production goals. While the Examiner will do the best job he or she can to search for and apply the best prior art, an application with far too many claims may very well not receive the complete examination that should take place. This results all too often in the patent being granted in part because the Examiner ran out of time to check the formalities in the detail that is expected.

The prophylactic against this happening is to make sure that the best prior art is cited by the applicant in an *Information Disclosure Statement*, particularly where that best prior art is not buried in a lengthy list of prior art references; and, a *reasonable* number of claims should be presented supported by definitions in a *Summary of the Invention*.

D. "Dense" Must be Avoided

Best practices involves the presentation of all *necessary* claims but avoidance of presenting claims merely because one has the right to present an unlimited number of claims (with an additional claims fee). Beyond the ambiguities that may creep into a presentation of, say, dozens of claims, if one presents more claims than can be dealt with by an Examiner in a reasonable period of time, the most likely outcome is that while the Examiner will focus on novelty and nonobviousness search and examination a hopelessly jumbled set of, say, thirty or forty claims will lead to the Examiner *ignoring* subtle formalities errors that otherwise would be caught if the original application had, say, ten or fifteen claims.

XIII. CONCLUSION

At some point before the end of June 2018 the Supreme Court will in the *Oil States Energy* case will determine whether or not the current post-grant system to challenge patents at the Patent Office is constitutional. At that point, the patent community must decide whether to move forward with various reforms to strengthen the patent system.

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About the Author



R t q h 0 " Y g i p i n g l u e s u " r t c e v k e g
expert opinions; he also develops strategies on complex claim drafting and prosecution matters at the Examiner level and at the Board and the Federal Circuit.

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are in chemical patents, and particularly pharmaceuticals. After receiving a degree in chemistry from Northwestern University he spent four years as a Patent Examiner focused on claims to new compounds, and thereafter spent many years in private practice where a principal specialty was pharmaceutical patent law.

Westlaw has recently published the
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<http://legalsolutions.thomsonreuters.com/law-products/Treatises/First-To-File-Patent-Drafting-2017-ed/p/104366885>.

The work is also available electronically on Westlaw.

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