



THINK FORWARD

Supreme Court to Hear Claim Construction Case

By [Ryan Marshall](#)

January 20, 2016

On Friday, January 15, the U.S. Supreme Court granted certiorari in *In re Cuozzo Speed Technologies LLC*. The case was appealed from the Court of Appeals for the Federal Circuit and arises from an inter partes review (IPR) of U.S. Patent 6,778,074 by the Patent Trial and Appeal Board (PTAB). *Garmin Intl., Inc. v. Cuozzo Speed Tech. LLC*, Case IPR2012-00001, Patent 6,778,074 (PTAB Nov. 13, 2013). The Supreme Court will consider:

- the claim interpretation standard applied by the PTAB in IPR proceedings; and
- the judicial reviewability of the PTAB's decision to initiate IPR proceedings.

PTAB Proceedings

Garmin International, Inc. and Garmin USA, Inc. petitioned the USPTO to review all claims of the '074 patent relating to a speed limit indicator which displays when a vehicle exceeds the speed limit in a particular area. The PTAB reviewed only three claims, and invalidated those claims as obvious in view of prior art identified by Garmin. In reaching its determination, the PTAB used the "broadest reasonable interpretation" (BRI) standard when construing the claims.

Federal Circuit Appeal

On appeal, a majority of the reviewing panel of judges determined that (1) Congress was silent to the issue of what standard to use in claim interpretation in post-grant proceedings; and (2) it was permissible for the patent office to use the BRI standard based on the statutory language authorizing inter partes review. The majority opinion, authored by Judge Dyk, identified the following basis for the ruling:

- The patent office has used the BRI standard for more than a century to prevent a granted patent from being given broader coverage than appropriate.
- Congress would have been aware of this prevailing standard since it was used by the patent office for examination and interference proceedings, as well as in other post-grant proceedings such as reissue and reexamination.

In her dissent, Judge Newman disagreed with the majority, reasoning that:

- The America Invents Act implemented IPR proceedings as a cost effective alternative to litigation designed to reach the same result as a district court. Because district courts use a "plain and ordinary meaning" standard, IPR proceedings should as well.
- The BRI standard is inappropriate where the iterative amendment process of the initial examination is unavailable. Though IPR proceedings theoretically allow limited amendments, the ability to amend

is too weak to justify utilizing the BRI standard.

- A BRI standard may increase the possibility of error and the unreliability of results thereby transforming IPR proceedings into a vehicle for delay, harassment, and expenditure, all contrary to congressional intent.

The patent owner also argued that the patent office's decision improperly instituted IPR proceedings because the claims were invalidated on the basis of prior art not presented in the same form as the board used to invalidate the claims. The court determined that when the patent office institutes IPR proceedings, such a determination is unreviewable under 35 U.S.C. § 314(d). Furthermore, even if the decision of the PTO were reviewable, it was unclear that IPR proceedings are strictly limited to the grounds asserted in the petition, despite the specific pleading requirements of 35 U.S.C. § 312(a)(3). Judge Newman dissented cautioning that no statute precludes judicial review of whether an agency has applied 35 U.S.C. § 314(a) in accordance with the legislative intent.

On July 8, 2015, a divided Federal Circuit denied *en banc* review of the earlier decision. In a 6-5 vote, Judge Dyk wrote a concurring opinion to the order joined by Judges Lourie, Chen, and Hughes, reiterating many of the points of the original opinion. In dissent and arguing for rehearing, Judge Prost was joined by Judges Newman, Moore, O'Malley, and Reyna and reiterated many of Judge Newman's grounds in her prior opinion adding that Congressional silence in drafting the AIA was insufficient to uphold the BRI standard in an entirely new adjudicative process without more evidence.

Potential Impact

A decision by the Supreme Court regarding the claim construction standard used in IPR proceedings could have a major impact on how IPR proceedings are utilized. If the Federal Circuit and PTAB are affirmed indicating that a BRI standard may be used, IPR proceedings will likely continue to be attractive to potential defendants looking to utilize the more rigorous claim construction standard to invalidate claims that would otherwise withstand invalidation during litigation in a district court. This would be prevented if the Supreme Court adopts a view similar to Judge Newman's dissent. No date has been set yet for oral arguments, but a decision is expected by the Supreme Court on this case by June 2016.

If you have any questions or wish to discuss how this decision impacts your business, please contact a [Brinks Attorney](#).