



THINK FORWARD

The Philips Standard Should Apply Upon Expiration Of A Patent During Reexamination

The Federal Circuit held that the Board should have applied the *Philips* standard of claim construction when the patent at issue expired during reexamination. [*In re CSB-System International, Inc., Appeal No. 2015-1832 \(Fed. Cir. August 9, 2016\).*](#)

A third party requested *ex parte* reexamination of U.S. Patent No. 5,631,953 (“the ‘953 patent”) owned by CSB-System International, Inc. (“CSB”). The examiner found that U.S. Patent No. 5,097,528 (Gursahaney) anticipates claims 1-6 of the ‘953 patent and Gursahaney along with a few other prior art references render claims 7-8 of the ‘953 patent obvious. CSB appealed to the Board and the ‘953 patent expired during the pendency of the appeal. Specifically, the ‘953 patent expired after the examiner issued a final rejection and before the Board’s consideration. Upon its consideration, the Board applied the broadest reasonable interpretation (“BRI”) standard in construing claims of the ‘953 patent and affirmed the examiner’s rejection of claims 1-8 of the ‘953 patent. The Board acknowledged that the ‘953 patent had expired. But the Board asserted that CSB had the opportunity to amend its patent claims during reexamination before expiration of the patent and applying the BRI standard was proper. CSB appealed to the Federal Circuit.

The Federal Circuit disagreed with the Board’s application of the BRI standard. The Federal Circuit noted that *In re Rambus, Inc.*, 753 F.3d 1253 (Fed. Cir. 2014) would be instructive. In *Rambus*, the patent at issue expired during *inter partes* reexamination after the examiner issued a right of appeal notice. The Federal Circuit held that the *Philips* standard must be applied because the patent had expired during the appeal before the Board. *Rambus*, 753 F.3d at 1256.

The Federal Circuit also rejected the PTO’s argument that the Board must review claims consistent with the standard used by the examiner. The Federal Circuit noted that “[i]n many cases, the claim construction will be the same under the *Philips* and BRI standards.” The Federal Circuit further noted that “if anything, the *Philips* standard would result in a more *narrow* claim scope,” thereby resulting “little chance of the Board issuing new grounds of rejection based on a narrower claim scope.” The Federal Circuit further disagreed with the PTO’s argument that the BRI should apply because the patent owner could have amended its claims. The Federal Circuit reasoned that a patentee may not amend a claim that expires during prosecution and patents that expire during an appeal to the Board, would not be issued with amended claims even if the patent owner amended the claims while before the examiner. The Federal Circuit held that “once a patent expires, the PTO should apply the *Philips* standard for claim construction.” Then the Federal Circuit found that even under *Philips* standard, the CSB’s claim construction was too limiting and affirmed the Board’s decision to reject all claims of the ‘953 patent.

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