


In the
Supreme Court of the United States



INTEL CORPORATION, ET AL.,

Petitioners,

v.

CONTINENTAL CIRCUITS LLC, ET AL.,

Respondents.

On Petition for Writ of Certiorari to the
United States Court of Appeals for the Federal Circuit

BRIEF OF AMICUS CURIAE
PAUL R. MICHEL, U.S. CIRCUIT JUDGE (RET.)
IN SUPPORT OF GRANTING WRIT OF CERTIORARI

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QUESTION PRESENTED

A patent is a property right defined by its claims. The process of interpreting those claims—claim construction—affects virtually every patent issue and litigation. This Court has recognized that the law on patents and claim construction should be stable and predictable. Without such predictable principles, patentees, licensees, and competitors cannot make informed judgments about what patents cover, inhibiting options to enforce or avoid patents. Congress has similarly emphasized predictable patent laws, creating the Federal Circuit to make it the exclusive forum for harmonizing these principles.

As this case illustrates, however, the Federal Circuit has not produced such claim-construction principles. Over three decades, the court has instead perpetuated a split between two conflicting sets of precedents. One set, applied in some cases for some patents, accords a “heavy presumption” about what a patent’s claims mean. And it limits the role of the patent’s *specification* so that it can affect a term’s construction “*only*” by meeting an “exacting” standard for (a) “clear” lexicography, i.e., a special claim-term definition; or (b) a “clear” disavowal of claim scope. Another set, applied in other cases for other patents, takes a “holistic” approach that permits the specification to affect claim construction in ways *not* limited to lexicography or disavowal. Despite this intra-court divide, the Federal Circuit has long declined to resolve it. The question presented is:

Whether this Court should resolve the split over which sets of principles govern claim construction—the “heavy presumption” or “holistic” set—and determine whether the court here erred in deciding when the patent’s specification restricts claim scope?

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INTEREST OF AMICUS CURIAE¹

Amicus Curiae is a former U.S. Circuit Judge of the U.S. Court of Appeals for the Federal Circuit, appointed to that court in 1988 and serving in that capacity until his retirement as Chief Judge on May 31, 2010. During that time, Judge Paul R. Michel heard and helped decide more than 1000 appeals involving patent rights, including numerous cases addressing claim construction. Since his retirement, Judge Michel has continued to advocate for neutral principles of patent law—principles that provide the predictability, public notice, and incentives to innovate that Congress sought to achieve not only with the Patent Act, but also with the 1982 creation of the Federal Circuit. To that end, he has been frequently called upon to speak, testify and provide guidance on the patent laws, including before the U.S. Senate’s Subcommittee on Intellectual Property in June 2019. This case directly concerns the Amicus because the conflicting sets of claim-construction precedents at issue here undermine those objectives of the U.S. patent system, including stimulating investment and innovation—the lifeblood of the Nation’s economy.

¹ Pursuant to Sup. Ct. R. 37.3(a), Petitioners have filed a blanket consent letter; a consent from Respondents has been submitted to the Clerk with this filing. Pursuant to Sup. Ct. R. 37.6, amicus states that this brief was not authored in whole or in part by counsel for any party, and that no person or entity other than amicus made a monetary contribution to its preparation or submission.



INTRODUCTION AND SUMMARY OF ARGUMENT

1. For all the legal issues that can affect the coverage, value, and validity of a patent—a right having the “attributes of personal property,” 35 U.S.C. § 261—none is more significant than claim construction, i.e., the process of interpreting a patent’s claims. *See, e.g., Markman v. Westview Instruments*, 517 U.S. 370, 386, 388-91 (1996). Indeed, given the patent system’s public-notice function and related need for clear, predictable principles, this Court in *Markman* held that claim construction is ultimately a legal question reserved exclusively for a court, not a jury. *See, e.g., id.* at 372, 388. Similarly, in 1982, Congress created the Federal Circuit for the purpose of harmonizing the patent laws such that they would be clear, consistent, and predictable. *See* H.R. Rep. No. 312, 97th Cong., 1st Sess. 20-23 (1981); *Phillips v. AWH Corp.*, 415 F.3d 1303, 1330 (Fed. Cir. 2005) (en banc) (“This court was created for the purpose of bringing consistency to the patent field” and “to reinvigorate the patent and introduce predictability to the field”) (Mayer, J., dissenting). And once in patent litigation, virtually every theory or defense depends on claim construction.

2. Despite the predominant role that claim construction plays in determining patent rights and cases, the Federal Circuit’s claim-construction precedents have proven wholly inconsistent and its constructions unpredictable. As more fully explained below, the inconsistency here is not merely a recurrence of one panel choosing to apply a particular canon (or set of

canons) of claim construction differently than another panel. Rather, the inconsistent lines of cases are fundamental and strike at the heart of the patent system. More specifically, the Federal Circuit has developed two divergent sets of claim-construction principles:

(a) One set of principles, applied by some Federal Circuit judges in some cases to some patents, accords a “*heavy presumption*” that a claim term carries its ordinary meaning, as understood by a person of ordinary skill in the art—and that permits the patent document’s *specification* to affect that meaning “*only*” if it meets an “*exacting*” standard and demonstrates either (i) lexicography, *or* (ii) a clear disavowal of claim scope²;

–VERSUS–

(b) another set of principles, applied by other Federal Circuit judges in other cases to other patents, takes a more “*holistic*” approach toward claim construction—and allows the

² *E.g.*, *Hill-Rom Servs., Inc. v. Stryker Corp.*, 755 F.3d 1367, 1371 (Fed. Cir. 2014) (recognizing the “heavy presumption” favoring term’s ordinary meaning and stating that “[w]e depart from the plain and ordinary meaning of claim terms based on the specification in only two instances: lexicography and disavowal. The standards for finding lexicography and disavowal are exacting.”); *Starhome GmbH v. AT & T Mobility LLC*, 743 F.3d 849, 857 (Fed. Cir. 2014); *Plantronics, Inc. v. Aliph, Inc.*, 724 F.3d 1343, 1350 (Fed. Cir. 2013); *Thorner v. Sony Computer Enter. Am.*, 669 F.3d 1362, 1365-66 (Fed. Cir. 2012); *Omega Eng’g, Inc. v. Raytek Corp.*, 334 F.3d 1314, 1323 (Fed. Cir. 2003); *Teleflex, Inc. v. Fiscosa N. Am. Corp.*, 299 F.3d 1313, 1325-28 (Fed. Cir. 2002); *CCS Fitness, Inc. v. Brunswick Corp.*, 288 F.3d 1359, 1366-67 (Fed. Cir. 2002); *Johnson Worldwide Assocs., Inc. v. Zebco Corp.*, 175 F.3d 985, 989-90 (Fed. Cir. 1999).

specification to limit a claim term’s scope even when it does not evince clear lexicography or a disclaimer.³

The court’s ongoing claim-construction rulings, split between these conflicting sets of principles, have only compounded the confusion among the patent system’s stakeholders.

3. The patent system has many stakeholders, of course. These include the patent owner seeking to assert the full scope of its patent claims against potential infringers; the potential infringer considering a “design-around” or other options to avoid infringement; the competitor or other member of the public looking to innovate or sell products or services in the same field as the patent-at-issue; the potential licensee or buyer of patents, looking to assess the scope, strength, and value of various patent rights; or the patent lawyer or litigant involved in patent prosecution, litigation or in the analysis for an opinion of counsel. But no stakeholder, regardless of how sophisticated they may be, can know with any confidence which of these inconsistent sets of judge-made claim-construction canons—whether the “heavy presumption” set or the “holistic” set—will even apply to the claims of the patent-in-suit. Or at

³ *E.g.*, *Kinetic Concepts v. Blue Sky Med. Grp.*, 554 F.3d 1010, 1017-19 (Fed. Cir. 2009); *Abbott Labs v. Sandoz, Inc.*, 566 F.3d 1282, 1288-89 (Fed. Cir. 2009); *On Demand Machine Corp. v. Ingram Indus. Inc.*, 442 F.3d 1331, 1338-39 (Fed. Cir. 2006); *Nystrom v. TREX Co.*, 424 F.3d 1136, 1142-44 (Fed. Cir. 2005); *AquaTex Indus., Inc. v. Techniche Solutions*, 419 F.3d 1374, 1380-83 (Fed. Cir. 2005); *SciMed Life Sys., Inc. v. Adv. Cardiovascular Sys., Inc.*, 242 F.3d 1337, 1341 (Fed. Cir. 2001); *Wang Labs, Inc. v. Am. Online, Inc.*, 197 F.3d 1377, 1382-83 (Fed. Cir. 1999); *O.I. Corp. v. Tekmar Co., Inc.*, 115 F.3d 1576, 1581 (Fed. Cir. 1997).

least they cannot know until the tail-end of a litigation, when the Federal Circuit panel that was randomly assigned to the appeal issues its decision.

Given the imperatives for consistency, predictability, and public notice, that is far too late. Assuming relevant technical knowledge, interested members of the public *should* be able to apply clear, consistent and predictable canons of claim construction and, as a result, should have a reasonably correct understanding of a patent claim's scope and meaning. And they *should* be able to make such accurate determinations about a patent's boundaries at any time, and certainly before any litigation may arise.

4. But this they cannot do. Contrary to Congress's intent, the Federal Circuit's precedential divide has created confusion as to what the claim-construction principles even *are*, let alone how they apply. Accordingly, determining the scope of a patent and its corresponding value becomes even more difficult. And since claim construction affects nearly every issue for patents and patent litigation, the uncertainty wrought by the case law makes it all the more difficult for patent litigants (among others) to assess potential outcomes in a case—and to decide whether and when they should settle, or on what terms.

Unsurprisingly, the scholarly analysis over the years has repeatedly emphasized the harm that this unpredictability has imposed on patent stakeholders—and to the cause of innovation. In short, with all such stakeholders unable to reliably predict the scope of U.S. patent rights, companies, researchers, innovators, investors, and the like have grown to distrust the U.S. patent system and the protections it does (or does not)

offer. With that lack of legal predictability, incentives to invest in research-and-development—and efforts to invent generally—surely shrink, including in the pharmaceutical and medical industries. And as innovation dries up, so too will the American economy that depends on it. Beyond that, the case before this Court illustrates the impact of the Federal Circuit’s conflicting cases. That is, the outcome here could have differed if the Federal Circuit’s “holistic” precedent had been applied, as opposed to the heavy-presumption/exacting-standard precedent that the panel did apply.

5. That this Court should intervene and resolve this internal court-split is highlighted by the fact that the Federal Circuit has allowed its “feuding” case law to continue, unabated, for decades. The court’s oft-cited *Phillips* case, decided en banc more than 14 years ago, maps out general Federal Circuit precedent on claim construction. But it has done nothing to resolve this longstanding, and ongoing, claim-construction fracture. Indeed, *Phillips* underscores the need for this Court’s review.



ARGUMENT

I. THE FEDERAL CIRCUIT’S INTRA-COURT SPLIT ON FUNDAMENTAL PRINCIPLES OF CLAIM CONSTRUCTION UNDERMINES THE PUBLIC-NOTICE FUNCTION AND PREDICTABILITY THAT THE PATENT SYSTEM REQUIRES.

Amicus agrees that the claim-construction issues addressed by the petitioners highlight a fundamental

and long-standing split within the Federal Circuit’s precedents—a split that undercuts the consistency, predictability, and public notice that lie at the foundation of the patent system. *See, e.g., Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S.Ct. 2120, 2124 (2014); *see also Markman*, 517 U.S. at 373 (“It has long been understood that a patent must describe the exact scope of an invention”). Given this intra-court split and its profound consequences for the U.S. patent system, this Court should grant *certiorari* and resolve these claim-construction questions. *See, e.g., section II. C., infra.*

A. Clear and Consistent Canons of Claim Construction Are Necessary for Accurately Assessing Patent Scope, Validity and Value.

As this Court explained more than a 100 years ago, a patent and the claims recited at the end of that document’s specification are “aptly likened” to a deed to real property, in that the deed and the claims must both recite with “particularity” the “bounds” of the property owner’s rights. *E.g., Motion Picture Patents Co. v. Universal Film Mfg. Co.*, 243 U.S. 502, 510 (1917); *accord* 35 U.S.C. § 112(b). In that way, both the deed and the patent claims provide public notice to potential purchasers and trespassers alike about the scope of the property rights—and what those claims do and do not cover. *E.g., id.*

Accordingly, having clear and consistent principles of claim interpretation are vital to the U.S. patent system. After all, patents are a type of property right, as this Court has recognized, and “like any property right, its boundaries [as interpreted] should be clear.” *E.g., Nautilus*, 134 S.Ct. at 2124 (citation omitted); *see*

also 35 U.S.C. § 261; *Florida Prepaid Postsecondary Educ. Expense Bd. v. Coll. Sav. Bank*, 527 U.S. 627, 644 (1999) (patents “long . . . considered a species of property”). And the value of maintaining clear rules and precedents—of according them significant *stare decisis* value—is “at [its] acme in cases involving property . . . rights,” such as the patents rights here. *E.g.*, *Payne v. Tennessee*, 501 U.S. 808, 828 (1991).

More specifically, having a stable and coherent set of principles governing claim construction would ensure that patents and the patent system are meeting the public-notice function of the law. For example, with a consistent set of claim-construction precedents:

- Patent owners, among others, can more reliably know the outer boundaries of their patent claims. *See, e.g., Nautilus, supra.*
- Competitors would likewise better understand what a patent’s claims cover. In that way, they could make more informed decisions about whether they need to design-around and avoid a patent; how they could reliably design-around such a patent; and where they could otherwise continue to innovate or sell without concerns about infringing the patent. *See, e.g., Markman*, 517 U.S. at 373 (patent must be precise enough to afford clear notice of what is claimed, thereby “‘appris[ing] the public of what is still open to them’”) (citation omitted). “Otherwise there would be ‘[a] zone of uncertainty which enterprise and experimentation may enter only at the risk of infring[ing] claims.’” *United Carbon Co. v. Binney & Smith Co.*, 317 U.S. 228, 236 (1942) (citation omitted).

- Potential licensees or buyers could more reliably assess what a patent’s claims cover and whether those patent rights they may want to acquire are broad, valid, and valuable—or narrow, potentially invalid, or otherwise of less value.

Each of these purposes of the patent laws—predictability, consistency, and public notice—are in turn vital to promoting innovation, the very reason for having a patent system. *See, e.g.*, U.S. Const., Art. I, § 8, cl. 8 (“[Congress shall have the power] To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries”). After all, without stable and predictable principles governing the scope of this property right, the incentives to invest in innovation—and to invent generally—decrease. Investment money will not flow in a patent system that lacks clear standards and predictability.

B. Congress Created the Federal Circuit Precisely Because of the Need for Patent Law to be Uniform, Consistent, and Predictable.

Congress understood this. Prior to 1982, patentees and other stakeholders were subject to an array of conflicting and confusing decisions from the regional circuit courts.⁴ Thus, in an effort to harmonize and

⁴ *E.g.*, Damon C. Andrews, Promoting the Progress: *Three Decades of Patent Jurisprudence in the Court of Appeals for the Federal Circuit*, 76 Mo. L. Rev. 839, 841 (2011); Elizabeth I. Rogers, *The Phoenix Precedents: The Unexpected Rebirth of Regional Circuit Jurisdiction Over Patent Appeals and the Need for a Considered Congressional Response*, 16 Harv. J.L. & Tech. 411, 421 (2003)

revive the U.S. patent system, Congress in 1982 passed the Federal Courts Improvement Act—the legislation that created the Federal Circuit. *See* 96 Stat. 25 (enacted April 2, 1982). As Congress made plain, it formed the Federal Circuit for a specific (if not sole) purpose; namely, to place exclusive jurisdiction over the patent laws in a single court and, in that way, to have the Federal Circuit reconcile those decisions such that they would provide greater uniformity and predictability.⁵ With such consistency and predictability, the patent law could better define the scope of those patent rights; better serve the public-notice function; and thus better protect patent owners and competitors alike. And it would promote greater confidence in the patent system itself and spur greater efforts at investment and innovation—all of which in turn would help enhance economic performance.

C. Claim Construction Affects Virtually Every Issue in Patent Litigation.

Having uniform canons of claim construction is crucial for still another reason: Claim construction affects virtually every merits issue in patent litigation.⁶ Indeed, interpreting a claim is a prerequisite

(“[S]tudies exposed particularly egregious problems of a lack of uniformity in patent cases and the forum shopping that this lack of uniformity created.”).

⁵ *E.g.*, H.R. Rep. No. 312, 97th Cong., 1st Sess. 20-23; *Phillips*, 415 F.3d at 1330.

⁶ *E.g.*, Mark A. Lemley, *The Changing Meaning of Patent Claim Terms*, 104 Mich. L. Rev. 101, 105 (2005) (“The claims of a patent are central to virtually every aspect of patent law. The claims define

for assessing, *inter alia*, infringement; anticipation; obviousness; indefiniteness; written description; enablement; and remedies such as damages.⁷ Thus, when the claim-construction principles themselves are uncertain and unstable, the analysis on these merits issues in patent litigation (*e.g.*, for infringement, anticipation, obviousness, enablement, written description) are likewise unpredictable. Courts and litigants alike thus often cannot reach a consensus that would facilitate (for example) a more-efficient resolution or settlement.

II. THE FEDERAL CIRCUIT REMAINS SPLIT ON FUNDAMENTAL CANONS OF CLAIM CONSTRUCTION.

Despite the overarching need for consistency and predictability, the law on claim construction—arguably the most important issue of all—is riven with Federal Circuit precedents that are starkly inconsistent and unpredictable. Since the late 1990s, the Federal Circuit’s precedents have reached claim constructions that have accorded a “heavy-presumption” primacy to the claim text and its “ordinary meaning” on the one hand—but on the other, have minimized that text and restricted its scope based on the specification.⁸ In short,

the scope of the invention, and their meaning therefore determines both whether a defendant’s product infringes a patent and whether the patent is valid.”).

⁷ See, *e.g.*, *id.*

⁸ See, *e.g.*, *Markman Eight Years Later: Is Claim Construction More Predictable?*” by Kimberly A. Moore, 9 *Lewis & Clark L. Rev.* 231, 246-47 (2005) (recounting Federal Circuit’s split on claim construction as falling into either a “procedural” set of precedents (*i.e.*, the “heavy-presumption” set), or a “holistic” set that will limit claim

the court is split and its rulings on claim-construction issues often turn on the composition of the panel randomly assigned to handle the appeal. As described below, these rulings or cases break into two divergent sets.

A. *Some Federal Circuit Precedents Apply a “Heavy Presumption” That a Claim Term Carries its Ordinary Meaning, and Consider the Specification “Only” to Assess the “Exacting” Lexicography and Disclaimer Exceptions.*

In one set of cases, the court has emphasized that it will “indulge a heavy presumption that a claim term carries its customary and ordinary meaning,” as understood by a person of ordinary skill in the relevant field or art. *E.g.*, *Starhome*, 743 F.3d at 857 (quoting *Teleflex*, 299 F.3d at 1325). In this set, the court will “depart from the plain and ordinary meaning of claim terms based on the specification in *only two instances: lexicography and disavowal.*” *E.g.*, *Hill-Rom*, 755 F.3d at 1371 (emphasis added). Further, these precedents have underscored the rigor of these “two instances” or “exceptions,” saying they are “exacting” and not readily met. *Id.*

In *Hill-Rom*, for example, the Federal Circuit reversed the district court’s judgment for the accused infringer based on the construction of the term “*datalink.*” 755 F.3d at 1372-73. The district court there had limited that term to the physical cable disclosed in the specification. *Id.* According to the dissent

terms based on the specification even though it does not evince disclaimer or lexicography).

on appeal, the district court had good reason to do so. After all, went the reasoning, the specification had “consistently” disclosed this “physical cable” as the “sole” embodiment for this claimed “datalink” feature. *Id.* at 1383 (Reyna, J., dissenting). Further, allowing a wireless connection (rather than a physical cable) to constitute a “datalink” would render these patent claims invalid as non-enabled, urged the defendant. *Id.* at 1374. On appeal, however, the majority applied the court’s “heavy presumption” precedents and focused on the two exceptions thereto, finding neither applicable:

There is no such disclaimer or lexicography here. * * * The patents-in-suit do not describe the invention as limited to a wired datalink. There is no disclosure [in the specification] that, for example, the present invention “is,” “includes,” or “refers to” a wired datalink and there is nothing expressing the advantages, importance, or essentiality of using a wired as opposed to wireless datalink. * * * Nothing in the specification or prosecution history makes clear that the invention is limited to use of a cable as a datalink. Absent such language, we do not import limitations from the specification into the claims.

Id. at 1372-73. Moreover, explained the majority, its precedents have rejected the notion that having a specification that disclosed only a “single embodiment”—like the physical cable disclosed in *Hill-Rom*—could constitute lexicography or a disclaimer. *Id.* at 1371-72. And it rejected the notion that invalidity concerns, such as the “enablement” concern cited by the district court, could change a term’s construction when its

meaning was otherwise clear. *Id.* at 1374. As noted, the court has on-and-off applied these interpretive principles since at least the late 1990s.⁹

B. Other Federal Circuit Precedents Restrict a Claim Term’s Meaning Based on the Specification—Regardless of Any “Heavy Presumption” or “Exacting” Exceptions.

Other Federal Circuit panels, by contrast, have restricted a claim term based on the specification—without regard to any “heavy presumption” of ordinary meaning or showing of a clear disclaimer or lexicography. In *Nystrom*, for example, the court limited the claim term “*board*” to boards made of “wood,” even though the claim text itself and the specification said nothing about requiring wooden boards. 424 F.3d at 1142-44. Rather, reasoned the panel, the specification “consistently used the term ‘board’ to describe” flooring in the context of wooden boards for a deck. *Id.* at 1144. In so doing, the *Nystrom* court effectively applied an opposite test, saying it could *not* construe a claim term as broad enough to cover a definition otherwise found

⁹ See, e.g., *Thorner*, 669 F.3d at 1365-68 (construing term “*attached*,” as used in patent directed to tactile feedback systems, as broad enough to cover both external and internal attachments, given the term’s plain meaning and that nothing in specification evinced clear lexicography or disavowal); *Plantronics*, 724 F.3d at 1350; *Omega*, 334 F.3d at 1323; *Teleflex*, 299 F.3d at 1325-28 (applying “heavy presumption” and rejecting argument that a “single embodiment” of the claimed “clips” feature limited that term to the example disclosed in the specification); *CCS Fitness*, 288 F.3d at 1366-67 (applying heavy presumption and construing “reciprocating member” as not restricted by the lone embodiment of an exercise bar depicted in specification); *Johnson Worldwide*, 175 F.3d at 989-90 (applying same methodology).

in a dictionary or other potential source—not unless “*something* in the [specification] and/or prosecution history” explicitly or implicitly illustrated or justified that broad construction. *Id.* at 1145. As with other “holistic” cases, the *Nystrom* court also necessarily relied on the oft-stated principle that a patentee cannot claim more broadly than what the specification “has described as the invention.” *E.g.*, *Abbott v. Sandoz*, 566 F.3d at 1288 (citation omitted). The court has taken this holistic approach in numerous cases.¹⁰

C. The Questions Created by the Federal Circuit’s Divided Case Law

Taken together, these and other “holistic” precedents from the Federal Circuit are necessarily at odds with its “heavy presumption” precedents on

¹⁰ *See, e.g.*, *Kinetic Concepts*, 554 F.3d at 1017-19 (restricting claim term “*wound*” to exclude wounds with “pus pockets” or “fistulae” when specification repeatedly illustrated a single embodiment of “skin” wounds only, even though it did not demonstrate clear lexicography or disclaimer); *Abbott v. Sandoz*, 566 F.3d at 1288-89 (restricting term “*crystalline*” to the “Crystal A” example described in specification); *On Demand*, 442 F.3d at 1338-39 (confining term “*sales information*” to the “promotional sales text and color graphics” in specification even though it did not show disclaimer or lexicography); *AquaTex*, 419 F.3d at 1380 (construing term “*fiberfill*” as excluding “natural materials” when specification “consistently used th[at] term . . . to refer to synthetic materials”); *SciMed*, 242 F.3d at 1341; *Watts*, 232 F.3d at 882-83; *Toro Co. v. White Consol. Indus., Inc.*, 199 F.3d 1295, 1301 (Fed. Cir. 1999) (limiting term based in part on specification statements describing a particular structure as “important to the invention”); *Wang Labs*, 197 F.3d at 1382-83 (limiting claims to the only “protocol” disclosed in specification); *O.I. Corp.*, 115 F.3d at 1581.

several claim-construction principles. These interpretive conflicts include:

- whether courts must apply a “heavy presumption,” or any presumption at all, about a claim term carrying its ordinary meaning;
- whether the “only” two “exceptions” to this ordinary-meaning rule are lexicography and disclaimer, or if the specification or file history can limit claim terms based on something less or different, as illustrated by the Federal Circuit’s holistic cases;
- whether these two exceptions require that a proponent meet an “exacting” standard;
- whether the specification’s “consistent” or repeated description of only a “single embodiment” for a claim term is reason alone to restrict the scope of that term;
- the role that the presumption of validity plays in claim construction.

Given the precedential split over these principles, other courts and stakeholders in the patent system cannot reasonably know the scope and meaning of the patent claims that they are otherwise charged with knowing. As described below, consistency and predictability, two of the driving purposes underlying the patent system, are sacrificed. And with the lack of such consistency and predictability, businesses, investors, researchers, and other stakeholders will have little or no reason to invest or devote energies to innovation.

D. The Harm Caused by the Federal Circuit’s Divided Precedents Is Substantial.

To elaborate, consider how the court’s divided case law specifically undermines the patent system and the stakeholders described earlier:

- Predictability is compromised. Given such fundamentally different canons of interpretation, stakeholders often cannot know the boundaries of a patent’s claims—and thus cannot make reasonable judgments about, e.g., whether these claims necessarily cover certain products or processes; or conversely, whether the prior art likewise meets all the requirements of the patent claim-at-issue and thus renders it invalid.
- The value of a patent is disputed. Depending on which of the two competing sets of claim-construction canons may be applied (the “heavy presumption” set vs. the “holistic” set), the scope of the patent may be broad—and thus may cover a wide range of products, increasing its potential damages for infringement and overall value (but also, to be sure, making it more susceptible to a broader range of prior art that could invalidate it). *Or* it may be narrow and thus may cover fewer products, decreasing the patent’s damages reach and hence its value. Accordingly, those stakeholders interested in acquiring patents also cannot make well-informed determinations, given the confusion these conflicting precedents create as to claim scope.
- For the same reason, patent litigants and lawyers cannot reliably assess, predict, and

advise on the strengths or weaknesses of the claims and defenses in a patent case, be it for infringement, invalidity, or nearly any merits issue in the case. Thus, parties often cannot determine whether they should settle, or at what price or other terms.

In sum, the harm caused by the court's divided case law is not theoretical, but specific and wide-ranging, with significant consequences for every stakeholder in the patent system.

E. Scholarly Commentary Has Repeatedly Recognized the Inconsistency and Unpredictability with the Federal Circuit's "Feuding" Approaches to Claim Construction.

For decades now as well, the scholarly and even book-length commentary on this claim-construction issue—and its corresponding lack of controlling principles and predictability—have likewise highlighted the need for this Court's intervention.

For example, in their influential 2008 book, *Patent Failure: How Judges, Bureaucrats, and Lawyers Put Innovators at Risk*, Professors James Bessen and Michael Meurer conclude that the lack of public notice—and what a patent's claims do and do not cover—have been the main culprit in undermining the U.S. patent system. *E.g., id.* at 9. As they (among others) have explained, unclear interpretive rules and poor public notice “subject[] technology investors to an unavoidable risk of disputes and litigation” and have thus undercut the value of patents and the patent system's incentives to invest and invent. *E.g., id.* As one

of their chapter titles puts it, “If you can’t tell the [patent claim’s] boundaries, it ain’t property.” *Id.* at 8. And that lack of clarity and predictability with a patent’s claims—with its boundaries—is a result of the “*members of the Federal Circuit feuding over appropriate methods of claim construction,*” *id.* at 58:

- “One camp [of Federal Circuit] judges takes a very formal approach to interpretation, and the other is more willing to rely on contextual clues to aid interpretation,” *id.* at 60;
- “Some ambiguity [in the claim language] would not be that harmful if the public could rely on a predictable method of claim interpretation. Unfortunately, the Federal Circuit has not formulated such a method,” *id.* at 58;
- “[T]he law governing claim construction has long been in flux as courts have searched for satisfactory methods” of providing clear rules of interpretation, *id.* at 58;
- “[C]hanges made during the 1990s in the legal methods used to determine the *boundaries of patent claims appear to have made the uncertainty [with claim construction] even greater,*” *id.* at 681;
- As the Federal Circuit’s “feuding” and “in flux” approaches have caused confusion and high rates of reversal with the lower courts, “[c]ertainly, it follows that lawyers will have difficulty counseling potential infringers how an ambiguous claim term will be interpreted,” *see, e.g., id.* at 58.

(Emphases added.) Since at least the early 2000s, other commentators and judges have also routinely lamented the Federal Circuit’s failure to provide predictable principles of claim interpretation—and that this unpredictability in turn has undermined the cause of innovation itself.¹¹

¹¹ *E.g.*, *Of Fences and Definite Patent Boundaries*, by Deepa Varadarán, 18 Vand. J. Ent. & Tech. L. 564, 573 (2015-2016); *Unpredictability in Patent Law and Its Effect on Pharmaceutical Innovation*, by Christopher M. Holman, 76 Mo. L. Rev. 645, 663-64 (summer 2011) (recognizing that, “[i]n recent years, major innovative pharmaceutical companies have experienced two pronounced and significant trends: a decreasing output of innovative new drugs and cutbacks in research and development (R&D) investment”; the “high level of unpredictability in today’s patent law [including claim construction] is a significant impediment to the development of new medicines”); *Fence Posts or Sign Posts: Rethinking Patent Claim Construction*, by Dan L. Burk & Mark A. Lemley, 157 U. Pa. L. Rev. 1736, 1744 (2009) (arguing the modern claiming system “isn’t working”); *Markman Eight Years Later*,” by Moore, 9 Lewis & Clark L. Rev. at 246-47 (stating the “high reversal rate evidences confusion among the lower courts” on claim construction, examining the Federal Circuit’s “morass of confused and contradictory claim construction canons,” and concluding that the Federal Circuit “undoubtedly” is “at fault” because it is “not providing sufficient guidance on claim construction” or “any clear canons of claim construction”) (internal citations and quotes omitted); *Scimed*, 242 F.3d at 1347 (“[O]ur decisions provide inadequate guidance as to when it is appropriate to look to the specification to narrow the claim by interpretation and when it is not appropriate”) (Dyk, J., concurring); *Uncertainty and Unpredictability in Patent Litigation: The Time is Ripe for a Consistent Claim Construction Methodology*, Gretchen Ann Bender, 8 J. Intellectual Property Law 175, 176 (Spring 2001) (stating the “Federal Circuit has not articulated or followed a consistent claim construction” and that, among others, “lawyers need certainty and predictability to advise their clients of the risks and potential outcomes”).

F. Applying the “Heavy Presumption” Set of Canons Likely Made the Difference in *This Case*.

This case illustrates the consequences that result from having these two conflicting sets of claim-construction case law. As held by the Federal Circuit panel here, the “category I” claim terms for Continental’s patents-in-suit were *not* subject to a “clear-and-unmistakable” disclaimer and thus did not require a particular manufacturing process (a “double” or “repeated desemer process”) for the microchip “teeth” structures recited in the claims. Op. at 12-13. Reversing the district court, the panel determined that the specification’s discussion of that manufacturing process was merely describing an “example” of the invention, rather than the invention itself. *Id.* at 13-14. As Judge Lourie explained, the specification thus described the “double desemer process” as merely “*a way*” or “*one technique*” that “*can be*” used for forming the patents’ inventive “teeth.” *Id.* at 13. In the panel’s view, the specification fell short of meeting the “exacting” standard required to clearly disavow claim scope. *Id.* at 15.

Quite arguably, however, under the Federal Circuit’s holistic precedents, the specification here would have restricted the scope of the asserted claims. For one thing, the patents’ specification appears to repeatedly describe that “double desemer process” as applicable to the claimed “teeth” invention (even it does not uniformly do so at every point of the patent document).¹² And the specification explicitly touts and “stark[ly]

¹² Compare, e.g., Op. at 3 with precedents summarized at 15, n.10, *supra*, restricting claim term to specification.

contrasts” that repeated desemer process, and its results, as superior to or “greater than” the other prior-art manufacturing processes. *E.g.*, Op. at 3. Under the “holistic” approach, such specification statements have proven sufficient to affect a claim term’s scope.¹³ That the Federal Circuit here otherwise relied on the “exacting standard” from its heavy-presumption precedents further highlights the outcome-oriented difference in its conflicting case law.

III. NEITHER FEDERAL CIRCUIT PANEL DECISIONS, NOR ITS EN BANC *PHILLIPS* DECISION, HAVE RESOLVED THE COURT’S INTERNAL SPLIT.

Despite the long-existing divide over these fundamental claim-construction principles, the Federal Circuit has declined to resolve it. That the court created this split and allowed the resulting confusion to spread—on an issue of such vital importance—are reasons enough to grant *certiorari*. That it has perpetuated this split and confusion for some 20-plus years is all the reason more. And notably enough, most of its cases in these two conflicting sets appear to have simply ignored each other, with little or no effort to harmonize their conflicting tenets.¹⁴

¹³ *See, e.g.*, precedents summarized at 15, n.10, *supra*; *CCS Fitness*, 288 F.3d at 1366-67 (“[A] claim term will not carry its ordinary meaning if the intrinsic evidence shows that the patentee distinguished that term from prior art on the basis of a particular embodiment, . . . or described a particular embodiment as important to the invention.”).

¹⁴ *See, e.g.*, *Thorner*, 669 F.3d at 1365-68 (reciting claim-construction principles and cases on “heavy presumption,” disavowal, and disclaimer, without mentioning “holistic” principles or cases except insofar as it categorized *Scimed*, *supra*, as a case illustrating the

Nor did the Federal Circuit’s 2005 en banc decision in *Phillips v. AWH Corp.* resolve this dispute, thus allowing this intra-court split to grow even more pronounced over the following 14-plus years. *See* 415 F.3d 1303, 1312-16 (Fed. Cir. 2005) (en banc).

Foremost, even while framing it as the “principle question” for review, *Phillips* did not purport to resolve the intra-court split about the specification’s role in claim construction. *Id.* Instead, the court emphasized the “primary importance” of the claims and surrounding claim language, *id.* at 1312; emphasized the specification as the “primary basis for construing the claims,” *id.* at 1315; and recited the oft-stated refrain that “claims are to be read in light of the specification, of which they are a part”—without addressing what it means to construe claims “*in light of the specification.*” *See* 415 U.S. at 1323.

Phillips did not say, for example, that this means examining the specification for a clear disclaimer or lexicography “*only.*” Nor, on the other hand, did it explicitly endorse a holistic view that would allow the specification to more freely restrict a claim’s construction. As with other precedents, *Phillips* ultimately avoided the fundamental issue presented by this case, saying there exists “no magic formula or catechism” for discerning when one is reading the claims in light of the specification, which is proper, versus when one is importing a limitation from the specification, which

“exacting” standard for a disclaimer); *Kinetic Concepts*, 554 F.3d at 1017-19 (reciting claim-construction principles and cases that emphasize the specification and supported the panel’s “holistic” outcome, without mentioning any “heavy” presumption or “exacting” exceptions thereto).

is not. *Id.* at 1324. The panel here noted this same “no magic formula” view, leaving it to choose whether it would apply the court’s “heavy presumption” set of cases, or its “holistic” set.



CONCLUSION

Accordingly, Amicus respectfully submits that the Court should now intervene and resolve the above-described conflicts created by the Federal Circuit’s two sets of claim-construction cases. Doing so would not only unravel these conflicts on a critical issue (claim construction) in every patent case; but would also promote the uniformity and predictability that patent rights need in order to promote ongoing investment and innovation. And that, after all, was the main point in creating the Federal Circuit in the first place—and of having a constitutionally enshrined patent system.

Respectfully submitted,

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