

No. 11-____

IN THE
Supreme Court of the United States

RETRACTABLE TECHNOLOGIES, INC.

AND THOMAS J. SHAW,

Petitioners,

v.

BECTON, DICKINSON & CO.,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

ROY W. HARDIN
CYNTHIA K. TIMMS
MARK R. BACKOFEN
LOCKE LORD LLP
2200 Ross Ave.
Suite 2200
Dallas, TX 75201-6776
(214) 740-8000

ROBERT A. LONG, JR.
Counsel of Record
RANGANATH SUDARSHAN
ROSS B. GOLDMAN
COVINGTON & BURLING LLP
1201 Pennsylvania Ave. N.W.
Washington, D.C. 20004
(202) 662-6000
rlong@cov.com

Counsel for Petitioners

March 2012

QUESTIONS PRESENTED

In this case, two district judges construed the term “body” in a patent claim to include multi-piece bodies as well as one-piece bodies. On appeal, a sharply divided panel of the Federal Circuit reviewed the district court’s claim construction de novo and construed the term “body” to mean “one-piece body,” based upon language in the patent specification.

The Questions Presented are:

1. Whether a court may depart from the plain and ordinary meaning of a term in a patent claim based on language in the patent specification, where the patentee has neither expressly disavowed the plain meaning of the claim term nor expressly defined the term in a way that differs from its plain meaning.
2. Whether claim construction, including underlying factual issues that are integral to claim construction, is a purely legal question subject to de novo review on appeal.

**PARTIES TO THE PROCEEDING
AND RULE 29.6 STATEMENT**

Petitioners Retractable Technologies, Inc. and Thomas J. Shaw were the plaintiffs in the district court and the appellees in the court of appeals. Respondent Becton, Dickinson & Company was the defendant in the district court and the appellant in the court of appeals.

Petitioner Retractable Technologies, Inc. is a publicly-traded company. It has no parent corporation, and no publicly-held company owns 10 percent or more of Retractable Technologies stock.

TABLE OF CONTENTS

	Page
QUESTIONS PRESENTED	i
PARTIES TO THE PROCEEDING AND RULE 29.6 STATEMENT	ii
TABLE OF CONTENTS	iii
TABLE OF AUTHORITIES.....	vi
OPINIONS BELOW	1
JURISDICTION	1
STATUTORY PROVISION INVOLVED.....	1
INTRODUCTION.....	2
STATEMENT	4
REASONS FOR GRANTING THE PETITION	8
I. This Court Should Resolve The Persistent Disagreement In The Federal Circuit Over The Extent To Which A Patent Specification Can Alter The Scope Of Clear Terms In Patent Claims.	8
A. The Federal Circuit Is Split Over When The Plain Meaning Of Patent Claim Terms Can Be Limited Based On The Specification.	8
B. A Consistent Claim Construction Methodology Is Critical To A Well-Functioning Patent System.	16

C.	The Panel’s Approach To Claim Construction Contravenes This Court’s Precedents.	18
D.	This Case Is An Ideal Vehicle For Review Of The Question Presented.....	20
II.	Certiorari Should Be Granted To Consider The Federal Circuit’s Refusal To Defer To District Courts On Issues Of Claim Construction.....	22
A.	De Novo Review Of Claim Construction Increases Unpredictability And The Cost Of Patent Litigation.....	23
B.	The Federal Circuit’s Refusal To Defer To District Court Claim Construction Rulings Is Incorrect.	26
1.	Claim Interpretation Involves Questions Of Fact.	26
2.	The Court of Appeals Should Defer To The District Court’s Claim Construction.	29
3.	This Court’s Decision in <i>Markman</i> Does Not Support De Novo Review Of Claim Construction.	32

4.	<i>Cybor</i> Is In Tension With Decisions Deferring To District Courts In Similar Contexts.....	34
	CONCLUSION	37
	APPENDIX A: Court of Appeals Opinion <i>Retractable Techs., Inc. v. Becton, Dickinson & Co.</i> , 653 F.3d 1296 (Fed. Cir. 2011)	1a
	APPENDIX B: District Court Claim Construction Order <i>Retractable Techs., Inc. v. Becton, Dickinson & Co.</i> , No. 07-250, 2009 WL 837887 (E.D. Tex. Jan. 20, 2009)	37a
	APPENDIX C: Order Denying Petition for Rehearing, with Dissenting Opinions <i>Retractable Techs., Inc. v. Becton, Dickinson & Co.</i> , 659 F.3d 1369 (Fed. Cir. 2011)	89a
	APPENDIX D: Statutory Provisions	106a

TABLE OF AUTHORITIES

	Page(s)
CASES	
<i>Al-Site Corp. v. VSI Int’l, Inc.</i> , 174 F.3d 1308 (Fed. Cir. 1999)	28
<i>Alloc, Inc. v. Int’l Trade Comm’n</i> , 342 F.3d 1361 (Fed. Cir. 2003)	13, 14
<i>Amgen, Inc. v. Hoechst Mario Roussel, Inc.</i> , 469 F.3d 1039 (Fed. Cir. 2006)	22
<i>Amgen Inc. v. Hoechst Marion Roussel</i> , 314 F.3d 1313 (Fed. Cir. 2003)	34
<i>Ariad Pharms., Inc. v. Eli Lilly & Co.</i> , 598 F.3d 1336 (Fed. Cir. 2010) (en banc)	29
<i>Arlington Indus., Inc. v. Bridgeport Fittings, Inc.</i> , 632 F.3d 1246 (Fed. Cir. 2011)	12, 15
<i>Aro Mfg. Co. v. Convertible Top Replacement Co.</i> , 365 U.S. 336 (1961)	9, 18
<i>Brown v. Smith</i> , 551 F.3d 424 (6th Cir. 2008)	23
<i>C.R. Bard, Inc. v. U.S. Surgical Corp.</i> , 388 F.3d 858 (Fed. Cir. 2004)	31
<i>Cimiotti Unhairing Co. v. American Fur Ref. Co.</i> , 198 U.S. 399 (1905)	18
<i>Cont’l Paper Bag Co. v. E. Paper Bag Co.</i> , 210 U.S. 405 (1908)	18
<i>Cunningham v. Laser Golf Corp.</i> , 222 F.3d 943 (Fed. Cir. 2000)	36
<i>Cybor Corp. v. FAS Techs., Inc.</i> , 138 F.3d 1448 (Fed. Cir. 1998)	<i>passim</i>
<i>Decisioning.com, Inc. v. Federated Dep’t Stores, Inc.</i> , 527 F.3d 1300 (Fed. Cir. 2008)	14, 15

<i>Dennison Mfg. Co. v. Panduit Corp.</i> , 475 U.S. 809 (1986).....	34
<i>Epistar Corp. v. Int’l Trade Comm’n</i> , 566 F.3d 1321 (Fed. Cir. 2009).....	10
<i>Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.</i> , 535 U.S. 722 (2002).....	8
<i>First Options of Chi., Inc. v. Kaplan</i> , 514 U.S. 938 (1995).....	29
<i>G.J. Leasing Co., Inc. v. Union Elec. Co.</i> , 54 F.3d 379 (7th Cir. 1995).....	35
<i>Gasperini v. Ctr. for Humanities, Inc.</i> , 518 U.S. 415 (1996).....	33
<i>Gillette Co. v. Energizer Holdings, Inc.</i> , 405 F.3d 1367 (Fed. Cir. 2005).....	10
<i>Graham v. John Deere Co.</i> , 383 U.S. 1 (1966).....	28, 34
<i>Harper & Row Publishers, Inc. v. Nation Enters.</i> , 471 U.S. 539 (1985).....	36
<i>Helmsderfer v. Bobrick Washroom Equip., Inc.</i> , 527 F.3d 1379 (Fed. Cir. 2008).....	10
<i>Holland v. United States</i> , 621 F.3d 1366 (Fed. Cir. 2010).....	36
<i>Home Diagnostics, Inc. v. LifeScan, Inc.</i> , 381 F.3d 1352 (Fed. Cir. 2004).....	10
<i>Honeywell Int’l, Inc. v. ITT Indus., Inc.</i> , 452 F.3d 1312 (Fed. Cir. 2006).....	12
<i>In re Hiniker Co.</i> , 150 F.3d 1362 (Fed. Cir. 1998).....	16
<i>In re Omega SA</i> , 494 F.3d 1362 (Fed. Cir. 2007).....	36
<i>In re Wands</i> , 858 F.2d 731 (Fed. Cir. 1988).....	35
<i>K-2 Corp. v. Salomon S.A.</i> , 191 F.3d 1356 (Fed. Cir. 1999).....	10

<i>Keystone Bridge Co. v. Phoenix Iron Co.</i> , 95 U.S. 274 (1877).....	16
<i>Markman v. Westview Instruments, Inc.</i> , 517 U.S. 370 (1996).....	<i>passim</i>
<i>McCarty v. Lehigh Valley R. Co.</i> , 160 U.S. 110 (1895).....	19
<i>Metaullics Sys. Co. v. Cooper</i> , 100 F.3d 938 (Fed. Cir. 1996)	32
<i>Microsoft Corp. v. Multi-Tech Sys., Inc.</i> , 357 F.3d 1340 (Fed. Cir. 2004)	14
<i>Miller v. Fenton</i> , 474 U.S. 104 (1985).....	30
<i>Morton Int'l, Inc. v. Cardinal Chem. Co.</i> , 959 F.2d 948 (Fed. Cir. 1992)	32
<i>Motion Picture Patents Co. v. Universal Film Mfg. Co.</i> , 243 U.S. 502 (1917).....	18
<i>Nystrom v. TREX Co.</i> , 424 F.3d 1136 (Fed. Cir. 2005)	12
<i>Ormco Corp. v. Align Tech., Inc.</i> , 498 F.3d 1307 (Fed. Cir. 2007)	16
<i>Ornelas v. United States</i> , 517 U.S. 690 (1996).....	35
<i>Perini Am., Inc. v. Paper Converting Mach. Co.</i> , 832 F.2d 581 (Fed. Cir. 1987)	32
<i>Phillips v. AWH Corp.</i> , 415 F.3d 1303 (Fed. Cir. 2005)	<i>passim</i>
<i>Pierce v. Underwood</i> , 487 U.S. 552 (1988).....	31
<i>Renishaw PLC v. Marposs Societa' per Azioni</i> , 158 F.3d 1243 (Fed. Cir. 1998)	11
<i>Retractable Techs., Inc. v. Becton Dickinson & Co.</i> , No. 07-250, Doc. No. 118 (E.D. Tex. Dec. 4, 2008)	5

<i>RTI v. New Med. Techs.</i> , No. 02-34, 2004 WL 435054 (E.D. Tex. Mar. 3, 2004)	5
<i>Salve Regina Coll. v. Russell</i> , 499 U.S. 225 (1991)	30
<i>SciMed Life Sys., Inc. v. Advanced Cardiovascular Sys., Inc.</i> , 242 F.3d 1337 (Fed. Cir. 2001)	11
<i>Sjolund v. Musland</i> , 847 F.2d 1573 (Fed. Cir. 1988)	10
<i>Smith v. Snow</i> , 294 U.S. 1 (1935)	19, 20
<i>SRI Int'l v. Matsushita Elec. Corp. of Am.</i> , 775 F.2d 1107 (Fed. Cir. 1985)	15
<i>Texas Instruments, Inc. v. U.S. Int'l Trade Comm'n</i> , 805 F.2d 1558 (Fed. Cir. 1986)	11
<i>Thorner v. Sony Computer Ent. Am. LLC</i> , --- F.3d ---, 2012 WL 280657 (Fed. Cir. Feb. 1, 2012)	10
<i>United States v. Bajakajian</i> , 524 U.S. 321 (1998)	35
<i>United States v. Vonsteen</i> , 950 F.2d 1086 (5th Cir. 1992) (en banc)	23
<i>Verhoeven v. Brunswick Sch. Comm.</i> , 207 F.3d 1 (1st Cir. 1999)	35
<i>Wang Labs., Inc. v. America Online, Inc.</i> , 197 F.3d 1377 (Fed. Cir. 1999)	12
<i>Westinghouse Elec. & Mfg. Co. v. Formica Insulation Co.</i> , 266 U.S. 342 (1924)	26
<i>White v. Dunbar</i> , 119 U.S. 47 (1886)	18
<i>Worth v. Tyer</i> , 276 F.3d 249 (7th Cir. 2001)	23

STATUTES AND RULES

28 U.S.C. § 1254(1).....	1
35 U.S.C. § 103	34
35 U.S.C. § 112	<i>passim</i>
Act of July 8, 1870, § 26, 16 Stat. 198, 201	17
Federal Rule of Civil Procedure 52(a)(6)	32
E.D. Tex. L. Patent R. 4-3(b).....	27

OTHER AUTHORITIES

<i>A Panel Discussion: Claim Construction from the Perspective of the District Judge</i> , 54 Case W. Reserve L. Rev. 671 (2004).....	24
ABA Section of Intellectual Property Law, <i>A Section White Paper: Agenda for 21st Century Patent Reform</i> , revised Sept. 2010 (http://www.americanbar.org/content/dam/aba/administrative/intellectual_property_law/advocacy/white_paper_sept_2010_revision.authcheckdam.pdf)	24
1 Steven Alan Childress & Martha S. Davis, <i>Federal Standards of Review</i> § 2.28 (4th ed. 2010)	35
Andrew B. Dzeguze, <i>Did Markman and Phillips Answer the Right Question? A Review of the Fractured State of Claim Construction Law and the Potential Use of Equity to Unify It</i> , 15 Tex. Intell. Prop. L. J. 457 (2007)	13
Antigone Peyton, <i>Patent Lawyers are Waiting for Godot</i> , Tech Cocktail (Nov. 27, 2011) (http://techcocktail.com/patent-lawyers-are-waiting-for-godot-2011-11#.T0fTXYeqDgc)	21

Charles Alan Wright, <i>The Doubtful Omniscience of Appellate Courts</i> , 41 Minn. L. Rev. 751 (1957)	31
Dan L. Burk and Mark A. Lemley, <i>Fence Posts or Sign Posts? Rethinking Patent Claim Construction?</i> , 157 U. Pa. L. Rev. 1743 (2009)	13, 17
David M. Beckwith and Paul Devinsky, <i>This (Retractable) Needle is Going to Sting a Bit: Next Chapter in the Adventures of Post-Phillips Claim Construction</i> , National Law Forum (July 31, 2011) (http://nationallawforum.com/2011/08/02)	21
David Potashnik, <i>Phillips v. AWH: Changing the Name of the Game</i> , 39 Akron L. Rev. 863 (2006)	17
Eileen M. Herlihy, <i>Appellate Review of Patent Claim Construction: Should the Federal Circuit Be Its Own Lexicographer in Matters Related to the Seventh Amendment?</i> , 15 Mich. Telecomm. & Tech. L. Rev. 469 (2009)	23
Harry T. Edwards & Linda Elliott, <i>Federal Courts Standards of Review</i> (2007)	30
Homer J. Schneider, <i>Claims to Fame</i> , 71 J. Pat. & Trademark Off. Soc'y 143 (1989)	17
Intellectual Property Law, <i>A Section White Paper: Agenda for 21st Century Patent Reform</i> (http://www.americanbar.org/content/dam/aba/administrative/intellectual_property_law/advocacy/white_paper_sept_2010_revision.authcheckdam.pdf)	25

Jeffrey A. Lefstin, <i>Claim Construction, Appeal, and the Predictability of Interpretive Regimes</i> , 61 U. Miami L. Rev. 1033 (2007)	23
Karl B. Lutz, <i>Evolution of the Claims of U.S. Patents</i> , 20 J. Pat. Off. Soc'y 457 (1938).....	17
Kimberly A. Moore, <i>Markman Eight Years Later: Is Claim Construction More Predictable?</i> , 9 Lewis & Clark L. Rev. 231 (2005)	24, 26
Lauren Maida, Note, <i>Patent Claim Construction: It's Not a Pure Matter of Law, so Why Isn't the Federal Circuit Giving the District Courts the Deference They Deserve?</i> , 30 Cardozo L. Rev. 1773 (2009).....	24, 30, 32
R. Polk Wagner & Lee Petherbridge, <i>Is the Federal Circuit Succeeding? An Empirical Assessment of Judicial Performance</i> , 152 U. Pa. L. Rev. 1105 (2004)	17
R. Polk Wagner, <i>The Two Federal Circuits</i> , 43 Loy. L.A. L. Rev. 785 (2010)	12
Timothy J. Malloy & Patrick V. Bradley, <i>Claim Construction: A Plea for Deference</i> , 7 Sedona Conf. J. 191 (2006)	23
William H. Burgess, Comment, <i>Simplicity at the Cost of Clarity: Appellate Review of Claim Construction and the Failed Promise of Cybor</i> , 153 U. Pa. L. Rev. 763 (2004)	24

PETITION FOR A WRIT OF CERTIORARI

Petitioners Retractable Technologies, Inc. and Thomas J. Shaw respectfully petition for a writ of certiorari to the United States Court of Appeals for the Federal Circuit.

OPINIONS BELOW

The opinion of the court of appeals is reported at 653 F.3d 1296. App. 1a-36a. The order of the court of appeals denying the petition for rehearing en banc, and the opinions dissenting from the denial of rehearing en banc, are reported at 659 F.3d 1369. App. 89a-105a.

JURISDICTION

The judgment of the court of appeals was entered on July 8, 2011. App. 1a. Petitioners filed a timely petition for rehearing and rehearing en banc, which was denied on October 31, 2011. App. 89a-91a. On January 19, 2012, Chief Justice Roberts extended the time to file a petition for a writ of certiorari to and including March 26, 2012. This Court has jurisdiction under 28 U.S.C. § 1254(1).

STATUTORY PROVISION INVOLVED

Section 112 of Title 25, U.S. Code, is set out in an appendix to this petition. App. 106a-107a.

INTRODUCTION

This case presents two fundamental questions of patent law on which the judges of the Federal Circuit are deeply divided. Both questions concern claim construction, which is often “the single most important event in the course of a patent litigation.” App. 92a (Moore, J., dissenting from the denial of rehearing en banc). The Federal Circuit’s approach to both claim construction issues has created a situation in which district courts, as well as litigants, do not know how claims in a patent will be construed until the case is appealed to the Federal Circuit.

The first question presented is whether courts are permitted to depart from the plain meaning of terms in a patent claim based on language in the patent specification, even if the patentee has not expressly adopted a specialized definition of the claim term or clearly disavowed its plain meaning. In this case, a divided panel of the Federal Circuit held that the claim term “body” means a “one-piece body.” The panel majority did not conclude that the patentee had clearly disavowed the plain meaning of “body” or expressly adopted a special definition of that term. Instead, the panel departed from the plain and ordinary meaning of the claim term “body” based on language in the patent specification. App. 15a-18a.

Other panels of the Federal Circuit have refused to alter the meaning of clear terms in a patent claim based on the specification. Indeed, judges of the Federal Circuit have taken strikingly inconsistent approaches to reviewing patent claim construction

decisions. As a result, judges and commentators have recognized that claim construction in the Federal Circuit has become “panel dependent.” App. 92a (Moore, J., dissenting from the denial of rehearing en banc) (collecting citations).

The second question concerns the degree of deference that the Federal Circuit should accord to district courts’ claim construction decisions. Although claim construction is a fact-intensive endeavor, the Federal Circuit refuses to accord any deference to the district court’s construction of patent claims. See *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1454-56 (Fed. Cir. 1998) (en banc). Commentators have criticized this approach for years, and no fewer than six judges of the Federal Circuit have urged that it be reconsidered. Despite these calls for reform, the Federal Circuit has steadfastly refused to reconsider its decision in *Cybor*.

There is a unifying thread that connects the two questions presented. The Federal Circuit’s approach to both questions increases uncertainty over how patent claims will be construed. By looking to patent specifications to alter the clear meaning of terms in patent claims, and by refusing to defer to the district court’s claim construction, the Federal Circuit makes patent litigation less predictable. This unpredictability drives up the cost of patent litigation, which is already extremely expensive.

Congress created the Federal Circuit, and gave it exclusive jurisdiction over patent appeals, in large part to promote consistency and predictability in patent litigation. The Federal Circuit’s willingness

to depart from the plain language of patent claims, and its unwillingness to defer to district courts on any aspect of claim construction, is undermining this basic purpose. This Court's review is warranted to resolve these important and recurring questions.

STATEMENT

1. Petitioners Retractable Technologies, Inc. and Thomas J. Shaw own three patents relating to the manufacture of retractable syringes. App. 2a-3a. The retractable syringes made and sold by Petitioners feature a needle that automatically retracts into the body of the syringe after injection, thereby reducing the risk that someone will be accidentally stuck by a used needle. App. 3a.

Respondent Becton, Dickinson & Co. also designs and sells retractable syringes. On June 15, 2007, Petitioners sued Respondent for patent infringement in the United States District Court for the Eastern District of Texas. App. 8a.

As relevant here, Petitioners contended that Respondent's 3mL retractable syringe infringed the claims of Petitioners' patents. Respondent argued that Petitioners' patents cover only syringes with *one-piece* bodies. Respondent's 3mL syringe has a two-piece body. App. 8a. The litigation thus turned on the proper construction of the claim term "body" in Petitioners' patents.

2. Two district courts construed the claim term "body" to include multi-piece bodies. After reviewing

the evidence submitted by the parties and holding a claim construction hearing,¹ the district court “[fou]nd[]” that the claim term “body” applied to bodies composed of one *or* multiple pieces. App. 50a-52a. The court noted that a different district judge had construed the same term in Petitioners’ patents and reached the same result.² App. 51a-52a. In the earlier ruling, the court determined that a person having ordinary skill in the art “would not limit ‘body’s’ meaning to a one piece structure based on the word’s own definition.”³

At the conclusion of a jury trial, the jury determined that Petitioners’ patents are not invalid, and that Respondent’s 3mL syringe infringed the patents. App. 10a.

3. A divided panel of the Federal Circuit reversed in part, holding that “the district court erred when it construed ‘body’ as encompassing bodies composed of multiple pieces.” App. 18a. The panel majority did not determine that the term “body,” as understood by a person skilled in the art, means a “one-piece body.” In addition, the majority acknowledged that Petitioners’ patents contain dependent claims limited to a “one-piece body” as well as independent claims that omit the “one-piece” limitation. App. 16a. The

¹ See *Markman* Hearing & Motion to Clarify, *Retractable Techs., Inc. v. Becton Dickinson & Co.*, No. 07-250, Doc. No. 118 (E.D. Tex. Dec. 4, 2008).

² App. 51a (citing *RTI v. New Med. Techs.*, No. 02-34, 2004 WL 435054, at *4-5 (E.D. Tex. Mar. 3, 2004)).

³ *New Med. Techs.*, 2004 WL 435054, at *5.

majority nevertheless held that the claim term “body” must be limited to “a one-piece body” in order to, in its view, “tether the claims to what the specifications indicate the inventor actually invented.” App. 18a.

Chief Judge Rader dissented. He noted that Petitioners did not act as their own lexicographer by adopting a special, non-standard definition of “body.” App. 32a. Nor did Petitioners evince a clear intent to limit the scope of the claim term “body.” App. 32a. As a result, the court was bound to give “body” its plain and ordinary meaning, which encompasses both single-piece and multi-piece bodies. App. 35a. Chief Judge Rader faulted the panel majority for “confining claims to specific embodiments of the invention set forth in the specification.” App. 35a.

4. The Federal Circuit denied rehearing and rehearing en banc, over the dissents of three judges.

Judge Moore, joined by Chief Judge Rader, observed that “[d]espite the crucial role that claim construction plays in patent litigation, [the Federal Circuit’s] rules are still ill-defined and inconsistently applied, even by us.” App. 92a. As a result, “claim construction appeals are ‘panel dependent’ which leads to frustrating and unpredictable results for both the litigants and the trial court.” App. 92a. Nowhere is this conflict more apparent than on the precise issue presented by this case: “the use of the specification in the interpretation of claim language.” App. 92a-93a. Judge Moore commented that if this “were an isolated case, en banc review might not be warranted, but it is not.” App. 98a (citing cases). Judge Moore would have granted en banc review “to

resolve the clear intra-circuit split on the claim construction process.” App. 98a.

Judge Moore would also have granted en banc review to reconsider the standard of review that the Federal Circuit applies to district court claim construction decisions. In *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 378 (1996), this Court explained that claim construction includes both factual and legal components. Even though a district court’s findings of fact generally are reviewed only for clear error, and mixed questions of law and fact often receive deferential review, the Federal Circuit has relied on *Markman* to require de novo review of all aspects of claim construction. See *Cybor*, 138 F.3d at 1455–56. Judge Moore noted that six active judges of the Federal Circuit have “claimed a willingness to review *Cybor*” and that this case presents a “perfect vehicle” to do so. App. 98a.

Judge O’Malley also dissented on the deference issue, arguing that *Cybor* is inconsistent with “th[e] seemingly clear guidance from the Supreme Court” in *Markman*. App. 101a. *Cybor* was “ill considered” and “has not proven beneficial to patent jurisprudence.” App. 101a (internal quotation marks omitted).

In Judge O’Malley’s view, the de novo standard of review, which allowed the panel majority to overturn *two* district court opinions and “upend[]” a jury verdict, does “not promote the consistency and uniformity in patent law that *Cybor* was intended to foster; the decision here accomplished the opposite.” App. 103a. Like Judge Moore, Judge O’Malley noted that several judges have “expressed a desire to

revisit *Cybor*.” App. 105a. Judge O’Malley concluded: “It is time we stop talking about whether we should reconsider the standard of review we employ when reviewing claim construction decisions from district courts; it is time we do so.” App. 105a.

REASONS FOR GRANTING THE PETITION

I. This Court Should Resolve The Persistent Disagreement In The Federal Circuit Over The Extent To Which A Patent Specification Can Alter The Scope Of Clear Terms In Patent Claims.

A. The Federal Circuit Is Split Over When The Plain Meaning Of Patent Claim Terms Can Be Limited Based On The Specification.

Patent claims are concise statements that “particularly point[] out and distinctly claim[] the subject matter which the applicant regards as his invention.” 35 U.S.C. § 112. Patents also contain a “specification,” which provides a written description showing how the invention works, how it is made, and how it is used. *See id.* The specification includes embodiments, which display particular implementations of the invention and demonstrate what the inventor believes is the best method of making the invention. *See Festo Corp. v. Shoketsu*

Kinzoku Kogyo Kabushiki Co., Ltd., 535 U.S. 722, 736 (2002).⁴

“[T]he claims made in the patent are the *sole measure* of the grant.” *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 365 U.S. 336, 339 (1961) (emphasis added). Although patent claims are construed in light of the specification, “reading a limitation from the written description into the claims” is “one of the cardinal sins of patent law.” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1320 (Fed. Cir. 2005) (en banc) (internal quotation marks omitted).

Unfortunately for patent litigants, different panels of the Federal Circuit take conflicting approaches to a critical issue of claim construction. Some panels adhere to the principle that language in the specification cannot be used to alter the meaning of clear terms in the patent claim unless there is a plain indication that the patentee did not intend to give the term its plain and ordinary meaning. Other panels, however, have narrowed the meaning of clear terms in patent claims in order to conform the claims to the panel’s understanding of the invention disclosed in the specification. The majority and dissenting opinions in this case epitomize the conflict.

⁴ Strictly speaking, the specification includes both the written description and the patent claims. *See* 35 U.S.C. § 112. In practice, however, the term “specification” commonly is used to describe the written description, not including the claims. That is how the term is used in this petition.

Under one line of Federal Circuit precedent, which is reflected in the dissenting opinions in this case, an inventor is entitled to the plain and ordinary meaning of a claim term unless: (i) the inventor “acts as his own lexicographer” by redefining the claim term in the specification, or (ii) the specification expressly disavows a broad meaning. *See, e.g., Thorner v. Sony Computer Ent. Am. LLC*, --- F.3d ----, 2012 WL 280657, *2 (Fed. Cir. Feb. 1, 2012) (“The words of a claim are generally given their ordinary and customary meaning as understood by a person of ordinary skill in the art when read in the context of the specification and prosecution history. There are only two exceptions to this general rule: 1) when a patentee sets out a definition and acts as his own lexicographer, or 2) when the patentee disavows the full scope of a claim term either in the specification or during prosecution.”) (internal citation omitted).⁵

⁵ *See also Epistar Corp. v. Int’l Trade Comm’n*, 566 F.3d 1321, 1334 (Fed. Cir. 2009) (requiring “expressions of manifest exclusion or restriction, representing a clear disavowal of claim scope” in order to limit claims based on language in the specification); *Helmsderfer v. Bobrick Washroom Equip., Inc.*, 527 F.3d 1379, 1381 (Fed. Cir. 2008) (patentee may “assign to a term a unique definition that is different from its ordinary and customary meaning; however, a patentee must clearly express that intent in the written description”); *Gillette Co. v. Energizer Holdings, Inc.*, 405 F.3d 1367, 1374 (Fed. Cir. 2005) (“[W]ords or expressions of manifest exclusion or explicit disclaimers in the specification are necessary to disavow claim scope.”) (internal quotation marks omitted); *Home Diagnostics, Inc. v. LifeScan, Inc.*, 381 F.3d 1352, 1358 (Fed. Cir. 2004) (“Absent a clear disavowal or contrary definition in the specification or the prosecution history, the patentee is entitled to the full scope of its claim language.”); *K-2 Corp. v. Salomon S.A.*, 191 F.3d 1356, 1364 (Fed. Cir. 1999); *Sjolund v. Musland*, 847 F.2d 1573, 1581 (continued...)

Under this line of precedent, “the specification cannot be used to narrow a claim term—to deviate from the plain and ordinary meaning—unless the inventor acted as his own lexicographer or intentionally disclaimed or disavowed claim scope.” App. 94a (Moore, J., dissenting from the denial of rehearing en banc).

Under an opposing line of Federal Circuit precedent, reflected in the majority opinion in this case, judges may limit clear language in a patent claim even though there is no explicit re-definition or disclaimer in the specification. The judges adhering to this approach invoke the specification to depart from the ordinary meaning of a patent’s claim language. *See, e.g., SciMed Life Sys., Inc. v. Advanced Cardiovascular Sys., Inc.*, 242 F.3d 1337, 1344 (Fed. Cir. 2001) (“[T]he written description can provide guidance as to the meaning of the claims, thereby dictating the manner in which the claims are to be construed, even if the guidance is not provided in explicit definitional format.”); *Renishaw PLC v. Marposs Societa’ per Azioni*, 158 F.3d 1243, 1250 (Fed. Cir. 1998) (“Ultimately, the interpretation to be given a term can only be determined and confirmed with a full understanding of what the inventors actually invented and intended to envelop with the claim.”). Under this line of precedent, the judge’s view of the “actual invention” reflected in the specification—rather than the language of the

(Fed. Cir. 1988); *Texas Instruments, Inc. v. U.S. Int’l Trade Comm’n*, 805 F.2d 1558, 1563 (Fed. Cir. 1986).

claims—is the ultimate determinant of an inventor’s exclusionary right.⁶

The Federal Circuit made an unsuccessful attempt to address this split in *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc). In the words of a Federal Circuit judge, “after proposing no fewer than seven questions, receiving more than thirty *amici curiae* briefs, and whipping the bar into a frenzy of expectation, we say nothing new, but merely restate what has become the practice over the last ten years—that we will decide cases according to whatever mode or method results in the outcome we desire” *Id.* at 1330 (Mayer, J., dissenting). See also R. Polk Wagner, *The Two Federal Circuits*, 43 Loy. L.A. L. Rev. 785, 793-94 (2010) (describing *Phillips* as “a masterful example of contradictory

⁶ See, e.g., *Honeywell Int’l, Inc. v. ITT Indus., Inc.*, 452 F.3d 1312, 1317-19 (Fed. Cir. 2006) (limiting “fuel injection system component” to a “fuel filter” in the absence of explicit disclaimers or lexicography, because “[n]o other fuel injection system component with the claimed limitations is disclosed or suggested”); *Nystrom v. TREX Co.*, 424 F.3d 1136, 1145 (Fed. Cir. 2005) (“Although there was no clear disavowal of claim scope, there was nothing in the intrinsic record to support the conclusion that a skilled artisan would have construed the term ‘board’ more broadly than a piece of construction material made from wood cut from a log.”); *Wang Labs., Inc. v. America Online, Inc.*, 197 F.3d 1377, 1382 (Fed. Cir. 1999) (limiting “frame” to “character-based systems” because the “only system that is described and enabled” in the patent specification “uses a character-based protocol”); *Arlington Indus., Inc. v. Bridgeport Fittings, Inc.*, 632 F.3d 1246, 1258 (Fed. Cir. 2011) (Lourie, J., concurring in part and dissenting in part) (“The bottom line of claim construction should be that the claims should not mean more than what the specification indicates, in one way or another, the inventors invented.”).

rules hedged by multiple disclaimers that the rules do not really matter”).

Disturbingly, “the rate of dissents in claim construction appeals *tripled* after *Phillips* was decided, and the overall reversal rate remain[s] high.” Dan L. Burk and Mark A. Lemley, *Fence Posts or Sign Posts? Rethinking Patent Claim Construction?*, 157 U. Pa. L. Rev. 1743, 1752 (2009) (emphasis added); *see also* Andrew B. Dzeguze, *Did Markman and Phillips Answer the Right Question? A Review of the Fractured State of Claim Construction Law and the Potential Use of Equity to Unify It*, 15 Tex. Intell. Prop. L. J. 457, 482 (2007) (“The cases applying *Phillips* have proven every bit as fractured as the prior jurisprudence.”).

The friction between the competing views of the role of the specification in limiting claim language appears in case after case, both before and after *Phillips*. For example:

- In *Alloc, Inc. v. International Trade Commission*, 342 F.3d 1361, 1369 (Fed. Cir. 2003), the majority interpreted claim language reciting that floor boards be “displace[d]” as requiring flooring systems with “play,” i.e., a space between locking grooves on adjacent floor panels. The specification did not redefine “displace” in this way, and did not explicitly disavow the ordinary meaning of “displace.” *Id.* at 1377 (Schall, J., dissenting). Nonetheless, based on statements in the specification the majority imported a “play” limitation into the claim. The dissenting judge noted that “the specification does not

include any expressions of manifest restriction requiring us to limit the claims.” *Id.* at 1377-78.

- In *Microsoft Corp. v. Multi-Tech Sys., Inc.*, 357 F.3d 1340, 1346 (Fed. Cir. 2004), the patentee argued for a broad construction of “transmitting” including all types of data transmissions, while the defendant argued that the claim was limited to transmission of data packets excluding Internet transmissions. The panel majority recognized that the plain language of this claim was “broad” and “standing alone does not exclude data transmission over a packet-switched network [like the Internet].” *Id.* at 1347. The majority nevertheless construed the claims narrowly because the “specification . . . repeatedly and consistently describes the local and remote systems of the claimed inventions as communicating directly over a telephone line.” *Id.* at 1348. The dissent observed that neither the claim language nor the specification ruled out the use of Internet transmissions. *Id.* at 1354-55 (Rader, J., dissenting) (reliance on specification requires a “leap in logic . . . akin to Evil Knievel jumping the Snake River Gorge on a motorcycle”).
- In *Decisioning.com, Inc. v. Federated Department Stores, Inc.*, 527 F.3d 1300, 1308-11 (Fed. Cir. 2008), the majority relied on language in the specification to conclude that

the “admittedly broad” claim term “remote interface” excludes consumer-owned personal computers. The dissenting judge observed that “[t]he majority does not point to words or expressions of manifest exclusion or restriction evidencing a clear intention to limit the claim scope.” *Id.* at 1317 (Linn, J., dissenting) (internal quotation marks omitted).

- In *Arlington Industries, Inc. v. Bridgeport Fittings, Inc.*, 632 F.3d 1246, 1256 (Fed. Cir. 2011), the majority construed the claim term “spring metal adaptor” in accordance with its ordinary meaning, declining the defendant’s invitation to impose a narrowing limitation, because “nothing in the specification implicitly requires a split adaptor.” Despite the lack of a special definition or clear disavowal of non-split adaptors in the specification, the dissenting judge concluded that “the inventors made clear in the specification . . . that the spring metal adapters in their invention have an opening that prevents the adaptors from forming a complete circle.” *Id.* at 1258 (Lourie, J., concurring in part and dissenting in part).

The panel’s inability to agree on the meaning of the claim term “body” is thus an example of a recurring dispute. The Federal Circuit cannot agree on the circumstances in which the language of the specification should narrow the plain meaning of a claim term. Is clear language in the claim determinative? *See, e.g., SRI Int’l v. Matsushita*

Elec. Corp. of Am., 775 F.2d 1107, 1121 n.14 (Fed. Cir. 1985) (en banc) (“Specifications teach. Claims claim.”); *In re Hiniker Co.*, 150 F.3d 1362, 1369 (Fed. Cir. 1998) (“[T]he name of the game is the claim.”). Or should judges give primary importance to the specification? See, e.g., *Ormco Corp. v. Align Tech., Inc.*, 498 F.3d 1307, 1313-14 (Fed. Cir. 2007) (limiting claim terms where doing so “most naturally aligns with the patent’s description of the invention”). The issue has been thoroughly developed in multiple majority and dissenting opinions from the Federal Circuit, including the opinions in this case, and there is no reason to think it will be resolved without this Court’s intervention.

B. A Consistent Claim Construction Methodology Is Critical To A Well-Functioning Patent System.

Patent claims are intended to provide clear notice of the scope of the patent. When courts rely on the specification to alter the plain meaning of claim terms, they undermine the basic function of patent claims. See *Keystone Bridge Co. v. Phœnix Iron Co.*, 95 U.S. 274, 278 (1877) (“This provision was inserted in the law for the purpose of relieving the courts from the duty of ascertaining the exact invention of the patentee by inference and conjecture, derived from a laborious examination of previous inventions, and a comparison thereof with that claimed by him.”). “When a claim is so explicit, the courts cannot alter or enlarge it.” *Id.*

The early Patent Acts did not require “claims,” instead requiring only that patent applicants provide

a full explanation of the invention. See Homer J. Schneider, *Claims to Fame*, 71 J. Pat. & Trademark Off. Soc’y 143, 144 (1989). In 1870, Congress required patent applicants to “particularly point out and distinctly claim” the invention. Act of July 8, 1870, c. 230, § 26, 16 Stat. 198, 201. This requirement grew out of the courts’ insistence that patents definitively establish metes and bounds placing the public on notice of the inventor’s right to exclude. Karl B. Lutz, *Evolution of the Claims of U.S. Patents*, 20 J. Pat. Off. Soc’y 457, 468-71 (1938).

“[I]n patent law, there is no issue more important than claim construction. The fortunes of industry rise and fall on such rulings.” See David Potashnik, *Phillips v. AWH: Changing the Name of the Game*, 39 Akron L. Rev. 863, 867 (2006). Once the claims have been construed, the scope of the patent is known, which in turn determines whether it covers the defendant’s product, meets the statutory disclosure requirements, and/or runs afoul of the prior art.

Unfortunately, the persistent split among the Federal Circuit judges is undermining the purpose of patent claims. “Despite repeated efforts to set out the rules for construing patent claims . . . [p]atent law has provided none of the certainty associated with the definition of boundaries in real property law.” Burk & Lemley, 157 U. Pa. L. Rev. at 1744. See also R. Polk Wagner & Lee Petherbridge, *Is the Federal Circuit Succeeding? An Empirical Assessment of Judicial Performance*, 152 U. Pa. L. Rev. 1105, 1163 (2004) (“[W]e find ample evidence of panel dependency in claim construction at the Federal Circuit.”).

Under the Federal Circuit's panel-dependent approach, inventors and their competitors are unable to rely on unambiguous claim language to assess the exclusive scope of patented inventions, to the detriment of the patent system.

C. The Panel's Approach To Claim Construction Contravenes This Court's Precedents.

This Court has recognized the primacy of the claim language in claim construction. *See, e.g., Aro Mfg.*, 365 U.S. at 339 (“the claims made in the patent are the sole measure of the grant”); *Motion Picture Patents Co. v. Universal Film Mfg. Co.*, 243 U.S. 502, 510 (1917) (“It is to the claims of every patent, therefore, that we must turn when we are seeking to determine what the invention is . . .”). More specifically, the Court has warned against altering the ordinary meaning of claim terms to reflect a judge's view of the invention described in the specification. *See, e.g., Cont'l Paper Bag Co. v. E. Paper Bag Co.*, 210 U.S. 405, 419 (1908) (“The invention, of course, must be described and the mode of putting it to practical use, but the claims measure the invention.”); *Cimiotti Unhairing Co. v. American Fur Ref. Co.*, 198 U.S. 399, 410 (1905) (“In making his claim the inventor is at liberty to choose his own form of expression, and while the courts may construe the same in view of the specifications and the state of the art, they may not add to or detract from the claim.”); *White v. Dunbar*, 119 U.S. 47, 52 (1886) (“The claim is a statutory requirement, prescribed for the very purpose of making the patentee define precisely what his invention is; and

it is unjust to the public, as well as an evasion of the law, to construe it in a manner different from the plain import of its terms.”).

In *McCarty v. Lehigh Valley R. Co.*, 160 U.S. 110 (1895), this Court considered a claim to a “bolster” used in freight cars. The patentee argued that, in view of the specification, the term “bolster” should be limited to bolsters that rest upon springs in side trusses between wheels. *Id.* at 116. The Court rejected the argument: “[W]e know of no principle of law which would authorize us to read into a claim an element which is not present, for the purpose of making out a case of novelty or infringement. The difficulty is that, if we once begin to include elements not mentioned in the claim, in order to limit such claim, and avoid a defense of anticipation, we should never know where to stop.” *Id.*⁷

Similarly, in *Smith v. Snow*, 294 U.S. 1, 7 (1935), the Court considered a patent claiming a method of artificially incubating eggs. The defendant, relying on language in the specification, argued that the asserted claim required an arrangement of eggs “in such order with respect to the direction of the propelled current of heated air that it will first come in contact with the more advanced eggs.” *Id.* at 8. The claim, however, required only an arrangement of eggs at “different levels.” The Court refused to limit

⁷ In *McCarty*, the argument for narrowing the plain meaning of the claim terms was made by the patentee in an effort to avoid a determination of invalidity. As *McCarty* demonstrates, construing patent claims according to their plain terms does not always favor patent owners.

the ordinary meaning of this broad claim to match the specification's disclosure:

We may take it that, as the statute requires, the specifications just detailed show a way of using the inventor's method, and that he conceived that particular way described was the best one. But he is not confined to that particular mode of use, since the claims of the patent, not its specifications, measure the invention.

Id. at 11.

D. This Case Is An Ideal Vehicle For Review Of The Question Presented.

This case presents an ideal vehicle for the Court to address the extent to which the specification can limit the plain meaning of terms in a patent claim. First, the parties' proposed constructions, and the majority and dissenting opinions in the Federal Circuit, accurately reflect the two competing strains of Federal Circuit precedent. As commentators have noted, the decision in this case "reflects a fundamental division within the Federal Circuit on the importance of the written description as a limitation on claim scope, as compared to the view that the claim language itself should be of paramount importance in construction. Until there is either some post-*Phillips* en banc clarification or Supreme Court consideration of the issue, the outcome of contested constructions in such a circumstance may depend on the panel hearing the appeal." David M. Beckwith and Paul Devinsky,

This (Retractable) Needle is Going to Sting a Bit: Next Chapter in the Adventures of Post-Phillips Claim Construction, National Law Forum (July 31, 2011), available at <http://nationallawforum.com/2011/08/02>; see also Antigone Peyton, *Patent Lawyers are Waiting for Godot*, Tech Cocktail (Nov. 27, 2011), available at <http://techcocktail.com/patent-lawyers-are-waiting-for-godot-2011-11#.T0fTXYeqDgc> (“The *Retractable Technologies* case illustrates a split within the court relating to the . . . proper approach to claim interpretation. . . . So here we are, still waiting for our friend Godot, whom we barely know. Perhaps the Supreme Court will end this excruciating waiting game?”).

In addition, the retractable syringe technology at issue in this case is readily understandable, and the claim construction issue was dispositive of liability. Moreover, neither party disputed that the plain meaning of the term “body” includes both one-piece and multi-piece bodies. App. 96a (Moore, J., dissenting from denial of rehearing en banc). For all these reasons, this case provides the Court with an excellent opportunity to review the claim construction issue. This Court should grant review to clarify that the patent claims alone, absent the inventor’s explicit disavowal or a specialized definition, determine the scope of the patent.

II. Certiorari Should Be Granted To Consider The Federal Circuit's Refusal To Defer To District Courts On Issues Of Claim Construction.

The panel majority was free to reject the district court's interpretation of the claim term "body" because the Federal Circuit accords no deference whatsoever to district court rulings on claim construction. *See Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1456 (Fed. Cir. 1998) (en banc) ("[A]s a purely legal question, we review claim construction *de novo* on appeal including any allegedly fact-based questions relating to claim construction."). Since the day *Cybor* was decided, multiple judges of the Federal Circuit have expressed their disagreement with this standard of review. *See, e.g., Cybor*, 138 F.3d at 1474 (Rader, J., dissenting); *Phillips*, 415 F.3d at 1330-31 (Mayer, J., dissenting); *Amgen, Inc. v. Hoechst Mario Roussel, Inc.*, 469 F.3d 1039, 1043 (Fed. Cir. 2006) (Newman, J., dissenting from denial of rehearing en banc). Indeed, no fewer than six active judges of the Federal Circuit have expressed an interest in revisiting *Cybor*. *See App. 105a* (O'Malley, J., dissenting from denial of rehearing en banc). Nevertheless, the Federal Circuit has declined to reconsider its holding.

This case provides an opportunity for the Court to resolve a critical issue that has lingered for too long. *App. 93a* (Moore, J. dissenting from denial of rehearing en banc) ("This case is a good vehicle to address . . . whether deference should be given to the district court in the claim construction process."). As Judge O'Malley observed, "It is time we stop talking

about whether we should reconsider the standard of review we employ when reviewing claim construction decisions from district courts; it is time we do so.” App. 105a (O’Malley, J., dissenting from denial of rehearing en banc).⁸

A. De Novo Review Of Claim Construction Increases Unpredictability And The Cost Of Patent Litigation.

Commentators have subjected *Cybor* to a barrage of criticism.⁹ De novo review of claim construction

⁸ Although Petitioners did not expressly ask the Federal Circuit to reconsider *Cybor*, such a request was unnecessary. The standard of appellate review is not a waivable issue. See *Brown v. Smith*, 551 F.3d 424, 428 n.2 (6th Cir. 2008) (“[A] party cannot ‘waive’ the proper standard of review by failing to argue it.”); *Worth v. Tyer*, 276 F.3d 249, 262 n.4 (7th Cir. 2001) (“[T]he court, not the parties, must determine the standard of review, and therefore, it cannot be waived.”) *United States v. Vonsteen*, 950 F.2d 1086, 1091 (5th Cir. 1992) (en banc) (Even “[i]f neither party suggests the appropriate standard, the reviewing court must determine the proper standard on its own . . .”).

⁹ See, e.g., Eileen M. Herlihy, *Appellate Review of Patent Claim Construction: Should the Federal Circuit Be Its Own Lexicographer in Matters Related to the Seventh Amendment?*, 15 Mich. Telecomm. & Tech. L. Rev. 469, 515 (2009); Jeffrey A. Lefstin, *Claim Construction, Appeal, and the Predictability of Interpretive Regimes*, 61 U. Miami L. Rev. 1033, 1033 (2007); Timothy J. Malloy & Patrick V. Bradley, *Claim Construction: A Plea for Deference*, 7 Sedona Conf. J. 191, 191 (2006) (claim construction “remains as unpredictable as ever”); William H. Burgess, Comment, *Simplicity at the Cost of Clarity: Appellate Review of Claim Construction and the Failed Promise of Cybor*, 153 U. Pa. L. Rev. 763, 763-64 (2004) (criticizing *Cybor* for its doctrinal inconsistency and unintended practical effects).

has contributed to an alarmingly high reversal rate of district court claim construction decisions. See, e.g., Kimberly A. Moore, *Markman Eight Years Later: Is Claim Construction More Predictable?*, 9 Lewis & Clark L. Rev. 231, 232 (2005) (reporting a 34.5% reversal rate for 1996-2003); *Cybor*, 138 F.3d at 1476 (Rader, J., dissenting) (38.3% reversal rate for 1997); Lauren Maida, Note, *Patent Claim Construction: It's Not a Pure Matter of Law, so Why Isn't the Federal Circuit Giving the District Courts the Deference They Deserve?*, 30 Cardozo L. Rev. 1773, 1773 (2009) (“The rate of Federal Circuit reversals of district court claim constructions is as high as fifty percent.”). A district judge has lamented, “[S]ometimes [district judges] think that the only thing that really is predictable in this area of the law is that we district judges will likely get it wrong, or at least that the Federal Circuit will say that we got it wrong.”). *A Panel Discussion: Claim Construction from the Perspective of the District Judge*, 54 Case W. Reserve L. Rev. 671, 672 (2004).

De novo review of claim construction “often causes patent cases to cost substantially more to litigate, because a trial or portions of the litigation must be relitigated after a claim construction reversal, or because parties at the very least must put in proof and make arguments in the alternative because they are uncertain of the final claim construction until the Federal Circuit has spoken.” ABA Section of Intellectual Property Law, *A Section White Paper: Agenda for 21st Century Patent Reform*, revised Sept. 2010 (http://www.americanbar.org/content/dam/aba/administrative/intellectual_property_law/advocacy/

white_paper_sept_2010_revision.authcheckdam.pdf)
at 33.

“Once the parties know the meaning of the claims, they can predict with some reliability the likelihood of a favorable judgment, factor in the economics of the infringement, and arrive at a settlement to save the costs of litigation.” *Cybor*, 138 F.3d at 1475 (Rader, J., dissenting). But when every claim construction is reviewed de novo by the Federal Circuit, such predictions are not possible based on the district court’s ruling. Instead, “the current . . . regime means that the trial court’s early claim interpretation provides no early certainty at all, but only opens the bidding. The meaning of a claim is not certain (and the parties are not prepared to settle) until nearly the last step in the process—decision by the Court of Appeals for the Federal Circuit.” *Id.* at 1476.

This case illustrates the high costs, in terms of both judicial and party resources, of de novo review of claim construction decisions. As Judge O’Malley observed, “[w]hen the panel reversed Judge Folsom’s claim construction, it upended the jury verdict and set aside the product of years of litigation before two judicial officers. In other words, the decision here did not promote the consistency and uniformity in patent law that *Cybor* was intended to foster; the decision here accomplished the opposite.” App. 103a.

Despite repeated statements by Federal Circuit judges and commentators that *Cybor* should be reconsidered, the Federal Circuit has taken no action. The arguments have been thoroughly developed, and no purpose would be served by

continuing to incur the high costs of the *Cybor* rule. Accordingly, this Court should grant review to consider the standard of appellate review that applies to claim construction decisions.

B. The Federal Circuit’s Refusal To Defer To District Court Claim Construction Rulings Is Incorrect.

1. Claim Interpretation Involves Questions Of Fact.

Patent claims are not construed in a vacuum. The central issue is what the patent claim means to “one of ordinary skill in the art.” *Phillips*, 415 F.3d at 1313. As a result, the claim construction question cannot be answered without assessing (i) what one of ordinary skill in the art knew at the time of the invention and (ii) how such a person would have interpreted the claim language in question. See *Westinghouse Elec. & Mfg. Co. v. Formica Insulation Co.*, 266 U.S. 342, 349 (1924) (“[T]he scope of the right of exclusion granted is to be determined in the light of the state of the art at the time of the invention.”). These are factual, not legal questions. See Kimberly A. Moore, *Markman Eight Years Later: Is Claim Construction More Predictable?*, 9 Lewis & Clark L. Rev. 231, 246 (2005) (determining “what the ordinary and customary meaning of the term would be to one of skill in the art” is “clearly a factual inquiry”).

To answer these questions, courts consider both “intrinsic evidence” (the patent’s specification and prosecution history) and “extrinsic evidence” (such as expert testimony and dictionary definitions). See

Phillips, 415 F.3d at 1314. In the wake of *Markman*, district courts have held evidentiary “*Markman* hearings” in which evidence is presented regarding the meaning of disputed claim terms. Typically, the parties exchange not only proposed definitions for disputed terms but factual evidence in support of their proposed constructions. In this case, the parties were required to submit, in advance of the *Markman* hearing:

Each party’s proposed construction of each disputed claim term, phrase, or clause, together with *an identification of all references from the specification or prosecution history that support that construction, and an identification of any extrinsic evidence known to the party on which it intends to rely either to support its proposed construction of the claim or to oppose any other party’s proposed construction of the claim, including, but not limited to, as permitted by law, dictionary definitions, citations to learned treatises and prior art, and testimony of percipient and expert witnesses.*

E.D. Texas Local Patent Rule 4-3(b) (http://www.txed.uscourts.gov/cgi-bin/view_document.cgi?document=1179&download=true) (emphasis added). As Judge O’Malley noted, the district judge “had the benefit of a live claim construction hearing and extensive briefing from the parties before he construed the claim term.” App. 102a-103a.

In construing patent claims, district courts consider and decide a series of factual issues:

- *What is the state of the art for one of ordinary skill in the art?* Claim construction requires the court to examine the scope and content of the prior art. *Graham v. John Deere Co.*, 383 U.S. 1, 33 (1966). The Court has held that this is a “basic factual inquir[y].” *Id.* at 17.
- *What is the level of ordinary skill in the art?* The court is also required to determine the level of ordinary skill in the art. *Al-Site Corp. v. VSI Int’l, Inc.*, 174 F.3d 1308, 1323-24 (Fed. Cir. 1999). When level of skill is addressed as part of an obviousness determination, it is treated as a “basic factual inquir[y],” *Graham*, 383 U.S. at 33, and reviewed only for clear error.
- *Did the patentee explicitly limit claim scope during prosecution before the Patent Office?* Claim construction also involves review of the prosecution history, which involves questions of historical fact. *See Graham*, 383 U.S. at 33. This also involves factual issues.
- *How would the understanding of a person of ordinary skill in the art have been influenced by factors such as dictionary definitions?* The district court, being more familiar with the record and the state of the art, is in a better position than an appellate court to answer questions of this kind.

By refusing to recognize the factual elements of claim construction, *Cybor* “sub silentio redefined the claim construction inquiry as ‘how a lawyer or judge would interpret the term,’” rather than how one of ordinary skill in the art would understand it. *Cybor*, 138 F.3d at 1475 (Rader, J., dissenting).¹⁰

2. The Court of Appeals Should Defer To The District Court’s Claim Construction.

The standard of appellate review “should depend upon the respective institutional advantages of trial and appellate courts.” *First Options of Chi., Inc. v. Kaplan*, 514 U.S. 938, 948 (1995) (internal quotation marks omitted). Deferential review is appropriate “when it appears that the district court is ‘better positioned’ than the appellate court to decide the issue in question or that probing appellate scrutiny

¹⁰ As Judge Moore noted, analyzing a patent’s technical disclosure to determine the meaning of a claim term is “virtually identical to the analysis performed under [35 U.S.C.] § 112’s written description requirement, which is an *entirely factual analysis*.” App. 99a (emphasis added); *see also Ariad Pharms., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc) (the written description inquiry “is a question of fact”). There is no principled basis for treating analysis of the sufficiency of the specification’s disclosure under § 112 as a purely factual issue while refusing to acknowledge that there are factual components to claim construction. In this case, the jury considered and rejected Respondent’s defense that the patent claims were invalid under § 112, and Respondents did not appeal this factual determination. Yet the Federal Circuit effectively undercut the jury’s verdict through its construction of the patent claims.

will not contribute to the clarity of legal doctrine.” *Salve Regina Coll. v. Russell*, 499 U.S. 225, 233 (1991), citing *Miller v. Fenton*, 474 U.S. 104, 114 (1985); see also Harry T. Edwards & Linda Elliott, *Federal Courts Standards of Review* 16 (2007) (“[A] reviewing court may have to consider the nature of the decisional process implicated in light of the respective institutional strengths of the trial and appellate courts in order to determine . . . whether de novo or deferential review would better serve the fair administration of justice.”).

The district court, not the court of appeals, is in the best position to decide the factual questions that underlie claim construction. “Trial judges can spend hundreds of hours reading and rereading all kinds of source material, receiving tutorials on technology from leading scientists, formally questioning technical experts and testing their understanding against that of various experts, examining on site the operation of the principles of the claimed invention, and deliberating over the meaning of the claim language.” *Cybor*, 138 F.3d at 1477 (Rader, J., dissenting); see also *Phillips*, 415 F.3d at 1332 (Mayer, J., dissenting) (“In order to reconcile the parties’ inconsistent submissions and arrive at a sound interpretation, the district court is required to sift through and weigh volumes of evidence.”). The court of appeals, in contrast, is exposed only to briefs and a relatively short oral argument, and “cannot properly construe the full context of the words used in claims” Lauren Maida, Note, *Patent Claim Construction: It’s Not a Pure Matter of Law, so Why Isn’t the Federal Circuit Giving the District Courts*

the Deference They Deserve?, 30 Cardozo L. Rev. 1773, 1796 n.149 (2009).

Deference to district courts is also appropriate for “a multifarious and novel question, little susceptible, for the time being at least, of useful generalization.” *Pierce v. Underwood*, 487 U.S. 552, 562 (1988). The underlying factual components in a claim construction analysis are case-specific and not generalizable across patents. See, e.g., *C.R. Bard, Inc. v. U.S. Surgical Corp.*, 388 F.3d 858, 864 (Fed. Cir. 2004) (“[W]hat import to give language from the specification must, of course, be determined on a case-by-case basis.”). This factor also supports deference to the district court’s claim construction.

Decades ago, Professor Wright identified appellate courts’ “refusal to be bound by findings of fact of the trial judge based on documentary evidence” as one of the “[s]ubtle rules” devised by appellate courts to usurp the trial courts’ traditional role. Charles Alan Wright, *The Doubtful Omniscience of Appellate Courts*, 41 Minn. L. Rev. 751, 751 (1957). Professor Wright’s analysis is particularly germane in the claim construction context: “[E]ven where the question is what finding of fact should be made on the basis of documentary evidence, the trial judge has the advantage of having made the initial sifting of the entire record and of having put it into logical sequence, while the appellate court has lawyers before it picking out bits and pieces of the record to attack or defend a particular finding.” *Id.* at 782.

Indeed, the Federal Circuit’s refusal to defer to any aspect of district court rulings on claim construction, even on underlying factual matters, is

contrary to Federal Rule of Civil Procedure 52(a)(6), which provides that findings of fact “must not be set aside unless clearly erroneous.” *See also* Maida, *supra*, at 1802-03. Prior to *Cybor*, the Federal Circuit regularly applied the “clearly erroneous” standard to findings of fact made as part of the claim construction process. *See, e.g., Metallics Sys. Co. v. Cooper*, 100 F.3d 938, 939 (Fed. Cir. 1996); *Morton Int’l, Inc. v. Cardinal Chem. Co.*, 959 F.2d 948, 950 (Fed. Cir. 1992) (“Although claim interpretation is a question of law, subject to *de novo* review on appeal, the district court’s . . . findings relating to proper claim construction, are issues of fact, reviewed under a clearly erroneous standard.”); *Perini Am., Inc. v. Paper Converting Mach. Co.*, 832 F.2d 581, 584 (Fed. Cir. 1987) (“A trial court’s conclusions on the scope of the claims are reviewable as matters of law, but findings on disputed meanings of terms in the claims . . . must be shown to have been clearly erroneous.”). Thus, a decision rejecting *Cybor*’s *de novo* standard of review would represent a return to the pre-*Cybor* status quo.

3. This Court’s Decision in *Markman* Does Not Support De Novo Review Of Claim Construction.

In *Cybor*, the Federal Circuit relied on this Court’s decision in *Markman* to adopt a *de novo* standard of review for claim construction rulings. As several Federal Circuit judges recognized, *Markman* does not support this result. *See, e.g., Cybor*, 138 F.3d at 1463 (Mayer, C.J., concurring) (majority opinion “profoundly misapprehends” *Markman*); *id.* at 1473 (Rader, J., dissenting) (*Markman* “repeatedly

intimated that claim construction was not a purely legal matter.”).

In *Markman*, this Court held that, for purposes of the Seventh Amendment, the task of construing patent claims falls to trial judges rather than juries. *See Markman*, 517 U.S. at 388 (“[J]udges, not juries, are the better suited to find the acquired meaning of patent terms.”). *Markman* did not decide the standard of review that an appellate court should apply to a district court’s claim construction. The Court noted, however, that the process of construing a claim is a “mongrel practice,” *id.* at 378, that “falls somewhere between a pristine legal standard and a simple historical fact,” *id.* at 388. In holding that trial judges are “better suited” for this task than juries, the Court recognized that claim construction requires trial judges to exercise a “trained ability to evaluate the testimony in relation to the overall structure of the patent.” *Id.* at 390. Accordingly, the Court held that “there is sufficient reason to treat construction of terms of art like many other responsibilities that we cede to a judge in the normal course of trial, notwithstanding its evidentiary underpinnings.” *Id.* Thus, *Markman* recognized that claim construction involves underlying factual questions, and said nothing to indicate that the Federal Circuit should displace the district court’s resolution of those questions. *See also Gasperini v. Ctr. for Humanities, Inc.*, 518 U.S. 415, 443 (1996) (citing *Markman* for the proposition that claim construction is a “mixed question[] of law and fact” rather than a pure question of law).

4. ***Cybor* Is In Tension With Decisions Deferring To District Courts In Similar Contexts.**

Cybor's de novo standard of review is in sharp tension with more deferential standards of review that apply in a variety of similar contexts. In the patent context, for example, “the ultimate question” of whether a patent is invalid as “obvious” under 35 U.S.C. § 103 is a question of law, but “the § 103 condition . . . lends itself to several basic factual inquiries.” *Graham*, 383 U.S. at 17. These factual inquiries—“the scope and content of the prior art . . . differences between the prior art and the claims at issue . . . and the level of ordinary skill in the pertinent art,” *id.*—closely resemble the inquiries made during claim construction. The district court’s resolution of these factual issues is subject to deferential review. *See Dennison Mfg. Co. v. Panduit Corp.*, 475 U.S. 809, 811 (1986) (vacating and remanding to the Federal Circuit with instructions to “explicitly apply the clearly-erroneous standard to any of the District Court’s findings on obviousness”).

Similarly, enablement under 35 U.S.C. § 112 is ultimately a legal question, but the court defers to the district court’s underlying factual findings. *See Amgen Inc. v. Hoechst Marion Roussel*, 314 F.3d 1313, 1334 (Fed. Cir. 2003) (“[W]e . . . review the trial court’s determination de novo, deferring to its assessment of subsidiary facts underlying the legal question unless clearly erroneous.”). Once again, the underlying factual issues—including: “the nature of the invention,” “the state of the prior art,” “the relative skill of those in the art,” and “the breadth of

the claims,” *In re Wands*, 858 F.2d 731, 737 (Fed. Cir. 1988)—are similar to those that arise in the context of claim construction.

Outside the patent context, appellate courts defer to district courts on a wide range of mixed questions of law and fact. Some courts hold that mixed questions of law should be reviewed for clear error. *See, e.g., G.J. Leasing Co., Inc. v. Union Elec. Co.*, 54 F.3d 379, 382 (7th Cir. 1995) (“[A] district judge’s determinations of mixed questions of fact and law, as of questions purely of fact, can be set aside on appeal only if clearly erroneous.”); *Verhoeven v. Brunswick Sch. Comm.*, 207 F.3d 1, 5 (1st Cir. 1999) (“[W]e must accept the district court’s resolution of mixed questions so long as the court’s conclusions are not clearly erroneous on the record as a whole.”). For example, “[t]reating negligence as fact [reviewed only for clear error] is the usual course even among courts that call it a mixed law-fact issue apparently recognizing that whatever the policies supporting deference, negligence presents a classic example of applying a legal standard, normally reasonableness, to established facts.” 1 Steven Alan Childress & Martha S. Davis, *Federal Standards of Review* § 2.28 (4th ed. 2010).

In other situations, appellate courts defer to factual determinations by district courts, even though the ultimate issue is one of law. *See, e.g., Ornelas v. United States*, 517 U.S. 690, 699 (1996) (facts underlying probable cause determinations reviewed for clear error); *United States v. Bajakajian*, 524 U.S. 321, 337 n.10 (1998) (same for factual findings underlying determination of whether

a fine was excessive); *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 560 (1985) (factual underpinnings of “fair use” question under the Copyright Act reviewed for clear error).¹¹ These examples cast further doubt on the correctness of *Cybor*.

¹¹ The Federal Circuit itself has taken this approach in a variety of contexts. *See, e.g. Holland v. United States*, 621 F.3d 1366, 1374 (Fed. Cir. 2010) (“Whether a contract exists is a mixed question of law and fact. We review the Court of Federal Claims’ legal conclusions de novo and review its findings of fact for clear error.”); *In re Omega SA*, 494 F.3d 1362, 1363 (Fed. Cir. 2007) (“The definition of goods in a trademark registration is a mixed question of law and fact, wherein the decision [below] receives plenary review, with underlying factual findings reviewed for support by substantial evidence”); *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 945 (Fed. Cir. 2000) (reviewing determination of likelihood of confusion in a trademark case as “a legal conclusion based on underlying facts. This court reviews the legal conclusion without deference and the underlying factual findings for substantial evidence.”) (internal citation omitted).

CONCLUSION

The petition for a writ of certiorari should be granted.

Respectfully submitted,

ROY W. HARDIN
CYNTHIA K. TIMMS
MARK R. BACKOFEN
LOCKE LORD LLP
2200 Ross Ave.
Suite 2200
Dallas, TX 75201-6776
(214) 740-8000

ROBERT A. LONG, JR.
Counsel of Record
RANGANATH SUDARSHAN
ROSS B. GOLDMAN
COVINGTON & BURLING LLP
1201 Pennsylvania Ave. N.W.
Washington, D.C. 20004
(202) 662-6000
rlong@cov.com

March 2012