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# PTAB HIGHLIGHTS

New developments in post-issuance proceedings

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## Patent Applicants: Want to Avoid Broadest Reasonable Interpretation in *Inter Partes* Review? That's Right - Use Means Clauses

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August 3, 2016 — Everyone speaking for patent owners and applicants is crying out over broadest reasonable interpretation (BRI) in *inter partes* reviews (IPR) of patents. Trying as *amicus* to fend off the *Cuozzo* decision from the Supreme Court, the Licensing Executive Society (LES) likened the death of patents to BRI in IPRs as the equivalent in real estate of “an administrative system that allowed challenges” to deeds and interpreted them “for maximum invalidation” instead of interpreting them “as landowners understood and asserted them to exist, and as they would be interpreted in courts. ... The landowners would have their deeds canceled, solely on the technicality that their deeds could be hyper-inflated to cover bits of property never claimed to be owned. A taking would occur ... of land ... never claimed [and] all of the land actually owned. ... The system could be understood to make no sense.” The Federal Circuit called out the same effect of BRI in IPRs on patents, holding in *PPC Broadband, Inc. v. Corning Optical Communications RF, LLC*, 815 F.3d 734 (Fed.Cir. 2016) that it was forced to affirm the IPR invalidation of a patent that would have been valid if the Court could have used the *Phillips* claim interpretation standard used in district courts: “The case hinges on the claim construction standard applied – a situation likely to arise with frequency. ... the claim construction standard is outcome determinative.” Result: patent invalid, solely because of BRI in an IPR.

How, then, can patent applicants shed BRI in the IPR that looms in the future if the applicants’ patent is ever asserted, or even if the invention just has value to a savvy competitor? One answer, ironically, lies in “means clauses” — clauses of patent claims written in “means plus function” format.

Of course, the answer could lie in new legislation passed by Congress, but that is highly unlikely at present. Congress passed the legislation that created IPRs in part specifically to kill “bad patents,” and would no doubt consider the legislation successful in that it is killing 71 percent of patent claims that are tested in IPRs. With *Cuozzo* over, help is highly unlikely to come from the courts, although there are pending constitutional challenges to IPRs. An answer also comes from non-BRI PTAB interpretation when the patent in an IPR will expire before the IPR final decision, but that’s a small sliver of patents.

No, the only known answer lies in means clauses. BRI has no effect on the interpretation of means clauses. Whether BRI will be used in an IPR or in original patent prosecution, the BRI of a means clause and the *Phillips* interpretation of the means clause are exactly the same. Voila, bad BRI eliminated.

The authority in support of this view is old, and venerated: *In re Donaldson Co., Inc.*, 16 F.3d 1189 (Fed.Cir. 1989). By virtue of *Donaldson*, means plus function terms even in patent prosecution are given the same interpretation as in courts. Consistently, means plus function terms cover linked corresponding structures and their equivalents, “regardless of the context in which the interpretation of the means-plus-function language arises.” *Donaldson* at 1193. See also *Medtronic, Inc. v. Advanced Cardiovascular Sys., Inc.*, 248 F.3d 1303, 1312 (Fed. Cir. 2001); *Ex Parte Lakkala*, Appeal 2011-001526 (PTAB November 19, 2008)(informative opinion); and *Flotek Ind’s., Inc. v. Nat’l. Oil Well DHT, L.P.*, IPR2015-01210 Paper 11 at 8 (PTAB Nov. 6, 2015)(citing *Donaldson* at 9).

The best part for patent owners as to means clauses is that an IPR patent challenger must prove that the corresponding linked structure associated with the means clauses is in the prior art, or at least prove that an equivalent structure is in the prior art. E.g., *Spaceco Business Sol’ns., Inc. v. J. Moscovitch*, IPR2015-00127 Paper 16 at 25 (PTAB May 14, 2015). As in *Spaceco*, if the IPR challenger fails to prove that the linked corresponding structure or its equivalent is in the prior art, then the challenger does not even prove a reasonable likelihood of success in IPR, and cannot get the IPR underway. The Moscovitch patent in *Spaceco* was on a base for dual computer monitors, i.e., “displays.” The claims had a limitation to “mounting means,” i.e., “mounting means for mounting the displays to an arm assembly.” *Id.* at 12. The patent linked corresponding structure including a ball, shaft, flange, tabs, socket, rear of the display, hole, or in another embodiment, ball, shaft, plug, socket, rear of the display, shell, screws, socket, bolt, and equivalents. *Id.* at 24. The petitioner failed to demonstrate that either version of the linked structure, or an equivalent, were in the prior art. The PTAB faulted the petitioner as well for failing to submit evidence of interchangeability to support equivalency of structure. *Id.* at 26. The IPR did not proceed; it ended before it was initiated. *Id.* at 27.

The irony for patent owners is that after a burst of use of means clauses as soon as they were allowed, means clauses came to be little used once the Federal Circuit interpreted them as it did in *Donaldson*, i.e., limited to linked corresponding structure and equivalents. Means clauses were

thought to be too limiting of the scope of patent claims. Patent applicants and owners were thought to be better off without means clauses, since non-means clauses were not limited to linked structures and equivalents, and instead encompassed the full range of scope of the meanings of their terms.

But here we are, in the present, a present in which BRI can invalidate patents that would not be invalid under *Phillips*, and arguably should not be invalid, because as groups like LES say, invalidating them “make[s] no sense.” And ironically, in the see-saw world that is patent law over the years and decades, means clauses now stand out as perhaps the only safe harbor that patent applicants and owners can have against the killer effects of BRI on patent claim interpretation and invalidation at the PTAB.

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