



The American Conservative Union strongly supports the proposed rule which would align the interpretation of patent claims during post issuance review proceedings with the standard employed by all other adjudicatory bodies in any type of patent litigation (*i.e.*, the U.S. District Courts, the Court of Federal Claims, and International Trade Commission). When interpreting an issued patent, all tribunals other than the Patent Trial and Appeals Board (“PTAB”) construe each patent claim by reference to what the language of the claim means to a “person of ordinary skill in the art” of the invention. *See Phillips v. AWH Corp.*, 415 F.3d 1303, 1312–13 (Fed. Cir. 2005) (*en banc*). In contrast, the PTAB applies the “broadest reasonable interpretation” standard (“BRI”) to claims it reviews during the post issuance proceedings. *See* 37 C.F.R. §§ 42.100(b), 42.200(b), 42.300(b). Aligning claim interpretation standards across these various tribunals will help achieve the goal Congress had in mind when it enacted the Leahy–Smith America Invents Act — “assuring the kind of certainty about patent validity which is a necessary ingredient of sound investment decisions.” H.R. Rep. No. 96–1307 pt. 1, at 3 (1980), *reprinted in* 1980 U.S.C.C.A.N. 6460, 6463.

It is a bedrock principle of patent law that it is “the claims that measure the invention,” *SRI Int’l v. Matsushita Elec. Corp. of Am.*, 775 F.2d 1107, 1121 (Fed. Cir. 1985) (*en banc*) or as Judge Giles Rich (one of the drafters of the 1952 Patent Act) put it, “the name of the game is the claim.” Giles Sutherland Rich, *Extent of Protection and Interpretation of Claims--American Perspectives*, 21 *Int’l Rev. Indus. Prop. & Copyright L.* 497, 499 (1990). Claims define what the inventor has reserved for himself, and what he has dedicated to the public and serve as a boundary between



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these two spheres. See Christopher A. Cotropia, *Patent Claim Interpretation Methodologies and Their Claim Scope Paradigms*, 47 Wm. & Mary L. Rev. 49, 64–65 (2005).

Because both the infringement analysis and the validity analysis depend on the meaning of the claim at issue, a patentee will strive to draft a claim in such a way as to ensure optimal breadth of coverage. An overly broad claim is more likely to be invalid (and thus of no value to the patentee), whereas an overly narrow claim is less likely to be infringed and thus also of little value. See Stephen Yelderman, *Improving Patent Quality with Applicant Incentives*, 28 Harv. J.L. & Tech. 77, 80 (2014). For these reasons, claims must be construed identically for both analyses. Applying one standard to the infringement analysis and another to the invalidity analysis undermines inventors' ability to draft claims that would fully represent and adequately protect their inventions. If inventors have to worry that during the invalidity analysis their claims will be construed overly broadly, they will be forced to draft narrower claims, which will in turn provide an unduly restrictive coverage. To put it another way, a system where patent claims are interpreted more broadly for invalidity than for infringement analysis dissuades inventors from drafting their claims in such a way as to provide adequate coverage for the entirety of their invention. Denying patentees full reward for disclosing their invention undermines the very foundation of our patent system, because the patentee will be required to disclose more than what be given to him for his exclusive use. See *J.E.M. Ag Supply, Inc. v. Pioneer Hi-Bred Int'l, Inc.*, 534 U.S. 124, 142 (2001) (“The disclosure required by the Patent Act is ‘the quid pro quo of the right to exclude.’”) (quoting *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 484 (1974)).



Furthermore, a “patent grant is in the nature of a contract between the inventor and the public.” *Application of Bayer*, 568 F.2d 1357, 1359 (C.C.P.A. 1978). A contract is generally interpreted uniformly irrespective of which party to the agreement asserts rights under it. *See Atl., Gulf & Pac. S.S. Corp., v. United States*, 287 F. 714, 716 (D. Md. 1923) (holding that “ships cannot mean one thing when the government sold them, and another thing when the government takes them back”); *Kirschbaum v. Blair*, 34 S.E. 895, 896 (Va. 1900) (“To say that a certain set of words in a contract mean one thing when a principal is defendant, and the same words in the same contract mean another thing simply because the defendant is a surety, is absurd.”). The same reasoning applies to patents. “To say that a certain set of words in a [patent] mean one thing when” they are read in the USPTO headquarters “and the same words in the same [patent] mean another thing simply because” they are read a quarter mile away in the Federal Courthouse housing the United States District Court for the Eastern District of Virginia, “is absurd.” *Id.*

When the Patent Office adopted the BRI standard for post issuance proceedings it justified its choice by the fact that the Office has used that standard “for nearly thirty years,” and the anomaly that would result from the Board applying two different standards in different proceedings. 77 Fed. Reg. 48698 (Aug. 14, 2012). The experience since 2012 illuminates two fundamental errors with this approach.

First, when Congress created the post issuance review procedures, it was clear that the procedures were meant to “serve as an effective and efficient alternative to often costly and protracted district court litigation.” H.R. Rep. No. 112–98, at 45. As an alternative to litigation,



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the procedures in the PTAB are meant to be more streamlined, quicker, and cheaper. There is however, no indication that Congress intended that the Patent Office interpreted the bargain that the patentee struck with the public differently from every other forum. Where Congress meant for the PTO to depart from traditional District Court litigation standards, it expressly directed it to do so. Thus, Congress explicitly directed the PTAB to apply a different standard of proof for patent invalidity than that which prevails in traditional judicial proceedings. *Compare* 35 U.S.C §§ 316(e), 326(e) (requiring the PTAB to use “a preponderance of the evidence” standard) *with Microsoft Corp. v. i4i Ltd. P’ship*, 564 U.S. 91, 95 (2011) (holding that under 35 U.S.C. § 282, a patent invalidity defense raised in litigation must be proven by “clear and convincing evidence”). Furthermore, Congress limited appellate review of decisions denying institutions of review proceedings. *See id.* §§ 314(d), 324(d). In contrast, the United States Court of Appeals for the Federal Circuit maintains plenary review of lower courts’ grants of motions to dismiss. *See, e.g., Disc Disease Sols. Inc. v. VGH Sols., Inc.*, 888 F.3d 1256, 1259 (Fed. Cir. 2018). Similarly, Congress directed that, unlike courts which get to set their own schedule, once a petition for review has been filed, the PTAB must decide within three months after completion of initial briefing whether to institute review proceedings, *see* 35 U.S.C. §§ 314(b), 324(b), and if such review is instituted, one year to issue a final decision. *See id.* §§ 316(a)(11), 326(a)(11). Nothing in the language or legislative history of the America Invents Act, however, suggests that “[w]hereas one boundary of the exclusive right was bargained for, the [] Act imposed an entirely different boundary on patentees.” Gregory Dolin & Irina D. Manta, *Taking Patents*, 73 Wash. & Lee L.



Rev. 719, 779–80 (2016). The argument that because “Congress was aware of the ‘broadest reasonable interpretation’ standard and expected the Office to apply the standard” in post issuance proceedings has it exactly backwards. Congress was also aware of the standard courts apply in litigation, and yet, though it meant the post issuance proceedings to be a “alternative to often costly and protracted district court litigation,” H.R. Rep. No. 112–98, at 45, said *nothing* about departing from the familiar litigation claim construction standards.

Second, applying the “person of ordinary skills in the art” rather than the BRI standard makes more sense in light of the purposes these different standards serve. The BRI standard serves a valuable purpose in patent prosecution, but has no place in patent litigation irrespective of where it occurs. During patent examination, the Patent Office must determine the “patentability of the invention as “the applicant regards’ it.” *In re Zletz*, 893 F.2d 319, 322 (Fed. Cir. 1989) (quoting 35 U.S.C. § 112 ¶ 2). However, language has an inherently limited capacity to describe technical invention with perfect precision, especially in new and rapidly developing fields, *see Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 723 (2002); *see also Festo v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 234 F.3d 558, 621-22 (Fed. Cir. 2000) (Linn, J., concurring in part, dissenting in part); *French v. Rogers*, 9 F. Cas. 790, 792 (C.C.E.D. Pa. 1851). The role of the Patent Office is to ensure that the applicant does not exploit these inherent limitations to receive more than he is entitled to. *See In re Yamamoto*, 740 F.2d 1569, 1571 (Fed.Cir.1984); *Zletz*, 893 F.2d at 322. If, during the examination process, the Patent Office rejects the claim as too broad, the applicant always has an opportunity to either formally amend the claim or to clarify the



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potentially ambiguous meaning, disclaiming the overly broad construction. *See Yamamoto*, 740 F.2d at 1571; Kristen Osenga, *Cooperative Patent Prosecution: Viewing Patents through a Pragmatics Lens*, 85 St. John's L. Rev. 115, 136 (2011). “The point of the examination, both for the PTO and the applicant, is to narrow the claims to such parameters as not to encompass prior art within its ambit.” Dolin & Manta, *supra* at 746. In other words, patent prosecution is much like a contract negotiation where the parties draft and re-draft the language so as to remove as many ambiguities as possible and to make it clear to everyone involved what was agreed upon.

The BRI standard also makes sense in reexamination proceedings because they retain the same features of the initial examination, *i.e.* the applicant maintains an ability to amend his claims. *See* 35 U.S.C. § 305; *In re Etter*, 756 F.2d 852, 857 (Fed.Cir.1985); *In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1287 (Fed. Cir. 2015) (Newman, J. dissenting), *aff'd sub nom. Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131 (2016). In these circumstances, the BRI standard “is not unfair to applicants, because ‘before a patent is granted the claims are readily amended as part of the examination process.’” *In re Hyatt*, 211 F.3d 1367, 1372 (Fed. Cir. 2000) (quoting *Burlington Indus., Inc. v. Quigg*, 822 F.2d 1581, 1583 (Fed.Cir.1987)). But the calculus is entirely different in adjudicatory proceedings whether in the courts or before the PTAB.

In adjudicative proceedings, the goal is not to remove ambiguities from a contract, but to determine what the parties have actually agreed to. “Patent applicants know ... for whom the claims are being written and therefore ‘negotiate’ the claim language with the Patent Office with an understanding of the scope each claim will be given.” Dolin & Manta, *supra* at 749. The claims



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are a product of the negotiations between the patentee and the public (as represented by the Patent Office) and serve to satisfy “[c]ompetitors[’] need to know not only what is protected by the claims, but also which aspects of the invention have been disclosed, but not claimed, and are thus, considered to have been dedicated to the public domain,” Crissa A. Seymour Cook, *Constructive Criticism: Phillips v. AWH Corp. and the Continuing Ambiguity of Patent Claim Construction Principles*, 55 U. Kan. L. Rev. 225, 230 n.28 (2006). As a result, issued claims “are generally given their ordinary and customary meaning, [unless] a patentee ... choose[s] to be his own lexicographer.” *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996). Issued claims cannot be given “broadest reasonable interpretation” because that is not what the patentee and the public have agreed to — the examination process has forced the patentee to delimit his claim to a narrower scope and the issued patent signifies the public’s agreement to grant the inventor exclusive rights to thusly narrowed claim.

Furthermore, “[b]ecause the claims of a patent measure the invention at issue, the claims must be interpreted and given the same meaning for purposes of both validity and infringement analyses.” *Amazon.com, Inc. v. Barnesandnoble.com, Inc.*, 239 F.3d 1343, 1351 (Fed. Cir. 2001). “A patent may not, like a ‘nose of wax,’ be twisted one way to avoid anticipation and another to find infringement.” *Sterner Lighting, Inc. v. Allied Elec. Supply, Inc.*, 431 F.2d 539, 544 (5th Cir.1970). The requirement of uniformity in the construction of issued claims in both validity and infringement analyses makes sense because the function of “the claims appended to the patent [is to] provide[] notice ... to the public so that it can avoid infringement,” *Akamai Techs., Inc v.*



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Limelight Networks, Inc., 786 F.3d 899, 909 (Fed. Cir. 2015), *vacated on other grounds on reh'g en banc sub nom. Akamai Techs., Inc. v. Limelight Networks, Inc.*, 797 F.3d 1020 (Fed. Cir. 2015).

A member of the public wishing to avoid the exclusive domain of the patentee should be able to analyze the patent, understand what it means, and proceed only if his own product either does not infringe the patent or the patent is invalid. However, this evaluation would be significantly hampered if the meaning and scope of issued claims changed depending on what forum they were analyzed in.

Applying the BRI standard to *issued* claims serves no purpose because that standard does not represent what the patentee has *actually* reserved to himself (and what the public agreed to let him have), and instead asks what a patentee *might have* been reserving to himself (and what the public already refused to let him keep). This question is inappropriate to ask whether the issued claims are considered by a District Court, the International Trade Commission, the Court of Federal Claims, *or* the Patent Trial and Appeal Board.

Finally, aligning the PTAB claim construction standard with that used in all other adjudicative proceedings will help stem the significant diminution in patent values that has resulted from the uncertainty engendered by the current process. It has been well documented that at least the early stage post issuance proceedings have caused an upheaval in the patent system and allowed for a significant amount of abuse. *See generally* Gregory Dolin, *Dubious Patent Reform*, 56 B.C. L. Rev. 881, 881 (2015); A. Abbott, et al., *Crippling the Innovation Economy: Regulatory Overreach at the Patent Office*, released by the Regulatory Transparency Project of the Federalist



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Society (Aug. 14, 2017), available at <https://bit.ly/2x1b9cb>. Much of the blame for these ill-effects can be attributed to the lack of certainty that both the patentees and the public have about both the scope and the security of patent rights. Ironically, these results are precisely the opposite of what Congress was aiming for when it enacted the Leahy-Smith America Invents Act. See H.R. Rep. No. 112-98, pt. 1, at 38-40. By some estimates, the overall value of American patents has been reduced by two thirds. See Richard Baker, *Guest Post: America Invents Act Cost the US Economy over \$1 Trillion*, PatentlyO.com (June 8, 2015), available at <https://bit.ly/1Udw5wV>. The U.S. patent system that has previously been ranked as best in the world, is now tied 12th in the world. See Global Innovation Policy Center, U.S. Chamber of Commerce, *Create* at 34, available at <https://bit.ly/2o5tfn5>. While these problems cannot be exclusively attributed to the claim construction standard employed in post issuance proceedings, it is clear that the claim construction standard which diverges from that used in other adjudicatory proceedings adds to the overall uncertainty in patent rights. This uncertainty is harmful not just to the patent owners, but to the public and innovation as a whole. See Abbott, *supra* at 30-32. It reduces investment in research and development and makes competitors' ability to design around issued patents which in turn would bring new products to market and increase consumer choice. See Gregory Dolin, *Resolving the Patent-Antitrust Paradox: Promoting Consumer Welfare through Innovation* at 2-3, available at <https://bit.ly/2KFH0TI>. The adoption of the claim construction standard that has always been used for issued claims, and that is used in all other adjudicatory proceedings would



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help ease the problems that the American patent system has been struggling with over the course of the last half a decade.

In summary, the American Conservative Union strongly supports the proposed rule and believes that it will help align the PTO's practices with Congressional goals of promoting innovation by increasing the certainty of patent rights. H.R. Rep. No. 112-98, pt. 1, at 38-40. This rule will be consistent with the fundamental nature of patent claims and will better define the scope of exclusive rights for both the patentees and the public. While the BRI standard may make it easier to invalidate patents, such one-sided "benefit" was never the goal of the Leahy-Smith America Invents Act. Rather, Congress intended to "establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs [, which] will support and reward all innovators with high quality patents." *Id.* at 40. Adopting the proposed rule is a step towards that goal.

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