

ALERT

Federal Circuit Patent Bulletin: *Tempo Lighting, Inc. v. Tivoli, LLC*

February 10, 2014

"[W]here a prevailing party seeks to enlarge its own rights under the judgment or to lessen the rights of its adversary, a cross-appeal generally is needed. But where claims have already been adjudicated invalid, a cross-appeal regarding additional invalidity arguments is generally improper."

On February 10, 2014, the U.S. Court of Appeals for the Federal Circuit (Rader,* Moore, Wallach) affirmed-in-part, vacated-in-part and remanded the USPTO Patent Trial and Appeal Board decision that reversed the examiner's rejection of claims 1-3 and 6-13 of U.S. Patent No. 6,554,446, which related to a stair-step lighting apparatus with a reflective strip of material to alert users to the edge of a step in darkened or low-light environments. The Federal Circuit stated:

In claim construction, this court gives primacy to the language of the claims, followed by the specification. Additionally, the prosecution history, while not literally within the patent document, serves as intrinsic evidence for purposes of claim construction. This remains true in construing patent claims before the PTO. Here, the prosecution history shows that Tivoli meant for material that is "inert to light" to be "non-photoluminescent and not activated to glow by absorbing ambient light." This intrinsic evidence supports the Board's decision. . . .

This court also reads the Board's claim construction with an eye to its consistency and support in the specification. When read in context, the specification and claims as construed by the Board do not present significant concerns that the claims might be invalid under 35 U.S.C. § 112 for lack of written description support (as Tempo contends). Specifically, when read in context, the specification's isolated reference to "capturing" low level light is not reasonably viewed as referring to photoluminescence. And Tempo has not identified any materials in the '446 patent that are photoluminescent. Thus, nothing in the specification is inconsistent with the Board's construction.

Moreover, the Board properly avoided the circularity inherent in any attempt to construe claims with an eye to preserving their validity, a doctrine of "limited utility." Thus, even in the unlikely event that it adopted a construction for "inert to light" that might render the claims invalid under § 112, the Board did not err in

reaching that meaning based on the intrinsic evidence. In any event, if the stayed litigation proceeds anew before the District Court, Tempo will have an opportunity to challenge the claims under § 112 at that time. . . .

Third-party requester cross-appeals are governed by 37 C.F.R. § 41.61(b). That regulation states, in relevant part, that “a requester who has not filed a notice of appeal may file a notice of cross appeal with respect to any final decision favorable to the patentability, including any final determination not to make a proposed rejection, of any original, proposed amended, or new claim of the patent.” Thus, one of the threshold conditions for a cross-appeal is a final decision favorable to patentability. In this case, the examiner rejected all the claims. Thus, the record presented no decision favorable to patentability for Tempo to appeal. . . .

Finally, where a prevailing party seeks to enlarge its own rights under the judgment or to lessen the rights of its adversary, a cross-appeal generally is needed. But where claims have already been adjudicated invalid, a cross-appeal regarding additional invalidity arguments is generally improper. In this case, Tempo has the right to defend the examiner’s final decision on any ground supported by the record. Throughout the reexamination, Tempo argued that the primary references anticipate the claims under Tivoli’s construction. While Tempo argued in favor of the examiner’s construction and rejections, this did not foreclose Tempo from also advancing arguments under the construction proposed by Tivoli. Contrary to the Board’s decision, and Tivoli’s arguments, Tempo’s conduct does not rise to the level of waiver or invoke judicial estoppel. Accordingly, the Board erred by not considering Tempo’s additional arguments.