

ALERT

Federal Circuit Patent Bulletin: *In re Cuozzo Speed Techs., LLC*

February 4, 2015

"[For purposes of claim construction in an inter partes review,] the broadest reasonable interpretation standard is appropriate."

On February 4, 2015, in *In re Cuozzo Speed Techs., LLC*, the U.S. Court of Appeals for the Federal Circuit (Newman, Clevenger, Dyk*) affirmed the U.S. Patent & Trademark Office (PTO) Patent Trial & Appeal Board decision from an inter partes review (IPR) of U.S. Patent No. 6,778,074, which related to an interface displaying a vehicle's current speed as well as the speed limit, that the '074 claims are invalid for obviousness under 35 U.S.C. § 103(a). The Federal Circuit stated:

IPRs proceed in two phases. In the first phase, the PTO determines whether to institute IPR. In the second phase, the Board conducts the IPR proceeding and issues a final decision. Cuozzo argues that the PTO improperly instituted IPR on claims 10 and 14 because the PTO relied on prior art that Garmin did not identify in its petition as grounds for IPR as to those two claims (though the prior art in question was identified with respect to claim 17). . . . We have previously addressed § 314(d) and have held that it precludes interlocutory review of decisions whether to institute IPR. . . . We conclude that § 314(d) prohibits review of the decision to institute IPR even after a final decision. On its face, the provision is not directed to precluding review only before a final decision. It is written to exclude all review of the decision whether to institute review. Section 314(d) provides that the decision is both "nonappealable" and "final," i.e., not subject to further review. A declaration that the decision to institute is "final" cannot reasonably be interpreted as postponing review until after issuance of a final decision on patentability. Moreover, given that § 319 and § 141(c) already limit appeals to appeals from final decisions, § 314(d) would have been unnecessary to preclude non-final review of institution decisions. Because § 314(d) is unnecessary to limit interlocutory appeals, it must be read to bar review of all institution decisions, even after the Board issues a final decision. Nor does the IPR statute expressly limit the Board's authority at the final decision stage to the grounds alleged in the IPR petition. It simply authorizes the Board to issue "a final written decision with respect to the patentability of any patent claim challenged by the petitioner and any new claim added under section 316(d)." . . .

Here, Cuozzo has not filed a mandamus petition, but even if we were to treat its appeal as a request for mandamus, the situation here is far from satisfying the clear-and-indisputable requirement for mandamus. It is not clear that IPR is strictly limited to the grounds asserted in the petition. The PTO urges that instituting IPR of claims 10 and 14 based on the grounds for claim 17 was proper because claim 17 depends from claim 14, which depends from claim 10. Any grounds which would invalidate claim 17 would by necessary implication also invalidate claims 10 and 14. The PTO argues that Garmin implicitly asserted that claims 10 and 14 were unpatentable when it asserted that claim 17 was unpatentable. Whether or not the PTO is correct in these aspects, it is at least beyond dispute there is no clear and indisputable right that precludes institution of the IPR proceeding. We need not decide whether mandamus to review institution of IPR after a final decision is available in other circumstances. . . .

The America Invents Act (“AIA”) created IPR, but the statute on its face does not resolve the issue of whether the broadest reasonable interpretation standard is appropriate in IPRs; it is silent on that issue. . . . There is no indication that the AIA was designed to change the claim construction standard that the PTO has applied for more than 100 years. . . . Here, Congress in enacting the AIA was well aware that the broadest reasonable interpretation standard was the prevailing rule. . . . We conclude that Congress implicitly adopted the broadest reasonable interpretation standard in enacting the AIA. . . . Even if the broadest reasonable interpretation standard were not incorporated into the IPR provisions of the statute, the standard was properly adopted by PTO regulation. . . .

It is a “long-established rule that ‘claims which are broad enough to read on obvious subject matter are unpatentable even though they also read on nonobvious subject matter.’” The Board determined that the mechanical embodiment was obvious over [the prior art references] Aumayer, Evans, and Wendt. We see no error in that determination. . . . Claim 10 would have been obvious over Aumayer, Evans, and Wendt because it encompasses the analog embodiment of the invention discussed in the specification. We need not address whether claim 10 is also obvious over Tegethoff, Awada, Evans, and Wendt, as the Board also concluded.

Finally, we consider whether the Board properly denied Cuozzo’s motion for leave to amend, finding that Cuozzo’s substitute claims would enlarge the scope of the patent. Cuozzo moved to substitute claim 10 with the following substitute claim 21 The statute and PTO regulation bar amendments which would broaden the scope of the claims. In the past, we have construed this requirement in the context of reissues and reexaminations. In both contexts, we have applied the test that a claim “is broader in scope than the original claims if it contains within its scope any conceivable apparatus or process which would not have infringed the original patent.” The same test applies in the context of IPRs. . . .

Based on the proper construction of the phrase “integrally attached,” we agree with the PTO that Cuozzo’s proposed amendment is broadening. Cuozzo itself argues that the motion to amend was denied solely because of the PTO’s interpretation of “integrally attached,” and argues only that a remand is necessary if we were to reverse the Board’s claim construction (which we have not done). Cuozzo admits that the Board’s construction of “integrally attached” “excludes the single LCD embodiment of the invention in which the speedometer includes an LCD that is the colored display.” . . . Because proposed claim 21 would encompass an embodiment not encompassed by claim 10, it is broadening, and the motion to amend was properly denied.