

The University of Texas School of Law

12th ANNUAL ADVANCED PATENT LAW INSTITUTE

RECENT
DEVELOPMENTS IN
CLAIM CONSTRUCTION

March 9-10, 2017
U.S. Patent and Trademark Office
Alexandria, VA

Kenneth R. Adamo*

Kirkland & Ellis LLP
300 N. LaSalle
Chicago, IL 60654
(312) 862-2671

E-mail: kradamo@kirkland.com

*Member, Illinois, New York, Ohio and Texas Bars. This paper reflects only the present considerations and views of the author, which should not be attributed to Kirkland & Ellis LLP or to any of his or its former or present clients. © 2017 Kenneth R. Adamo. All Rights Reserved.

TABLE OF CONTENTS

	Page
I. GENERAL CONSTRUCTION.....	1
1. What Must Be Construed.....	3
2. A Construction Giving All Limitations in a Claim Meaning is Preferred Over One That Does Not Do So.	4
3. Constructions Rendering Portions of Claim Language Superfluous Are Generally Disfavored.	4
4. Inoperability Disfavors An Argued - For Claim Construction.	4
5. Failures to Construe as An <i>02 Micro</i> Violation.....	5
II. LIMITING NUMBER OF CLAIMS/CLAIM LIMITATIONS TO BE CONSTRUED	9
III. TIMING OF CLAIM CONSTRUCTION.....	12
1. Claim Construction Relating to 35 U.S.C. §101 Motions	12
2. Claim Construction Relating to Summary Judgment.	13
3. Claim Construction Relating to Request for PTAB Rehearing	14
4. Late Challenge to Claim Construction.....	15
IV. PLAIN MEANING	16
V. USE OF SPECIFICATION RE CLAIM CONSTRUCTION.....	30
VI. DESIGN PATENT CLAIM CONSTRUCTION	45
VII. PREAMBLES.....	48
VIII. MEANS PLUS FUNCTION LIMITATIONS/FUNCTIONAL CLAIMING.....	52
IX. OPTIONAL CLAIM LIMITATIONS; CONDITIONAL CLAIM ELEMENTS	66
X. NEGATIVE LIMITATIONS	69
XI. MARKUSH GROUP LIMITATIONS.....	74
XII. MEANING OF MISCELLANEOUS TERMS	79

1.	“A”	79
2.	“And” Does Not Mean “Or”	80
3.	“At least partially filling”	80
4.	“Being provided to”	80
5.	“Central Processing Unit”	81
6.	“Communication Path”	81
7.	“Connected to the computer network”	83
8.	“Controller”	83
9.	“Essentially Midway”	84
10.	“Human”	84
11.	“Is”	85
12.	“Mountable”	86
13.	“On”	87
14.	“Or”	87
15.	“Oxidizing”	88
16.	“Seal”	89
17.	“Similar”	89
18.	“Tagging”	89
19.	“Three-dimensional” scaffold	90
XIII.	CLAIM DIFFERENTIATION	90
XIV.	FILE HISTORY AND CLAIM CONSTRUCTION	94
XV.	TERMS OF DEGREE	97
XVI.	TRANSITIONAL TERMS (“COMPRISING”, “CONSISTING ESSENTIALLY OF”) AND “WHEREIN/WHEREBY” CLAUSES	98
1.	“Comprising”	98
2.	“Consisting Essentially Of”	101

3.	“Wherein/Whereby”	102
XVII.	EXTRINSIC EVIDENCE / DICTIONARIES	105
1.	Expert Testimony/Declarations re Claim Construction.....	111
2.	Expert Testimony in Conflict with <i>Markman</i> Construction	114
XVIII.	PROSECUTION DISCLAIMER	117
1.	“The Present Invention” Usually, But Does Not Always, Disclaims Scope.....	117
2.	Effect of Disparaging Remarks.....	119
3.	Effect of Distinguishing Remarks.....	121
XIX.	IPR/CBMR/PGR PTAB CLAIM CONSTRUCTION	131
1.	Mandatory Application of <i>Phillips v. AWH</i> Standard.....	131
2.	Broadest Reasonable Interpretation Basics.....	136
XX.	CLAIM CONSTRUCTION, PROCEDURAL.....	149
1.	Discovery Re Claim Construction	149
2.	Early Claim Construction	149
3.	<i>Markman</i> - Amending Infringement / Invalidity Contentions Post- Construction.....	151
XXI.	<i>MARKMAN</i> - ITC PRACTICE.....	153
XXII.	<i>MARKMAN</i> - PTAB PROCEDURAL PRACTICE	154
XXIII.	POST-VERDICT/JMOL CLAIM CONSTRUCTION	156
XXIV.	NEW CLAIM CONSTRUCTION	159
1.	Motion for Reconsideration, District Court.....	159
2.	Motion for Reconsideration, PTAB.....	162
XXV.	DISTRICT COURT / DISTRICT COURT, PTAB/DISTRICT COURT AND DISTRICT COURT/PTAB CROSS-EFFECTS OF CLAIM CONSTRUCTION.....	162
1.	District Court to District Court	162

2.	District Court to PTAB	167
3.	PTAB to District Court	168
XXVI.	SANCTIONS.....	172
1.	Effect of Claim Construction re Continuing Case	172
2.	Procedural Issues re Conduct of <i>Markman</i> Proceedings	174
3.	An IPR Win Does Not <i>Per Se</i> Carry A Fees Win.....	175
XXVII.	VACATING CLAIM CONSTRUCTION ON SETTLEMENT/ RESOLUTION.....	175
XXVIII.	APPEAL & INTERLOCUTORY REVIEW.....	177
1.	Preservation of Error.....	177
2.	You Can't Appeal Claim Construction When You Win Before PTAB	178
3.	Interlocutory Appeal of Claim Construction	179
XXIX.	CONCLUSION	180

Claim construction continues as the bedrock providing essential foundation to the two principal considerations in every litigation/contested matter involving U.S. patents: the infringement and the validity of the claims in issue. Claim construction is also part and parcel of every USPTO proceeding under its “broadest reasonable construction in view of the specification to one of ordinary skill in the art,” claim construction rubric, particularly in the new USPTO post grant IPR/PGR/CBMR procedures, where the petitioner is required to provide (at least a limited) claim construction as part of its petition seeking PTAB review. *See* 37 C.F.R. § 42.104(b).

Yet again, the latest jurisprudence of the United States Court of Appeals for the Federal Circuit (“Federal Circuit”) and its overseeing court, the United States Supreme Court has, while - possibly surprisingly - maintaining the *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005) (*en banc*), over-arching methodology intact (even insofar as the PTAB is usually concerned), has made major and minor changes and classifications in the rules of the road.¹

I. GENERAL CONSTRUCTION

Takhistova et al. published a helpful digest of *Cardsoft, LLC v. VeriFone*, 769 F.3d 1114 (Fed. Cir. 2015), to wit:

In a previous appeal in this case, the Federal Circuit reversed the trial court’s construction of a disputed claim term and the infringement verdict based on that construction. The Supreme Court vacated and remanded after deciding *Teva Pharm. USA, Inc. v. Sandoz, Inc.*, 135 S. Ct. 831 (2015), which held that factual findings of a trial court underlying claim construction are owed deference on appeal. The Federal Circuit again reversed the trial court’s claim construction and granted defendants judgment of no infringement as a matter of law.

- **Claim construction--standard of review:** Because the trial court did not make any factual findings based on extrinsic evidence, the Federal Circuit reviews the trial court’s claim construction *de novo*.
- **Claim construction:** A claim term is properly construed “in the context of the entire patent,” including its specification and prosecution history. The trial court construed “virtual machine” to mean “a computer programmed to emulate a hypothetical computer for applications relating to transport of data.” This construction is correct but incomplete, because it improperly conflates the claimed virtual machine with applications that run on the machine. **The trial court erroneously rejected the requirement that the machine run applications that process instructions independently of any specific underlying operating system or hardware, a limitation advanced by the defendants and supported by the patent specification and prosecution history.**

¹ USITC, District Court and PTAB materials, not otherwise attributed, were physically sourced / excerpted from Author - reviewed *Docket Report* daily published documents, in accordance with License and Permitted Uses for Docket Report, <http://home.docketnavigator.com/terms-of-use> (5/22/13 rev.).

- **Claim construction--claim differentiation:** Where the ordinary meaning of a term is clear in light of the specification and prosecution history, the presumption of claim differentiation cannot change its meaning.
- **Waiver:** By failing to respond to defendants' argument that they do not infringe as a matter of law under their proposed claim construction, the patentee conceded that the accused devices do not infringe under the correct construction. As a result, the Federal Circuit granted JMOL of no infringement to defendants.

Takhistova et al., "Federal Circuit Reverses Claim Construction Rulings On Remand Following *Teva*," Lexology, <http://www.lexology.com/library> (12/2/15).

The *Cardsoft, LLC* Court reiterated its view that under *Teva*, "it is not enough that the trial court may have heard extrinsic evidence during a claim construction proceeding--rather, the trial court must have actually made a factual finding in order to trigger *Teva*'s deferential review." In this case, the trial court made no factual findings based on the extrinsic evidence. Accordingly, the trial court's decision was subject to *de novo* review.

Further, **the Court rejected the patentee's argument that reliance on precedent defining a "virtual machine" was extrinsic evidence contradicting the trial court's factual findings. Although the Court's previous opinion had imprecisely referred to its prior precedents as "extrinsic evidence," reliance on precedents is not improper when those precedents are consistent with the intrinsic record. Here, the precedents were entirely consistent with the intrinsic record's meaning of a "virtual machine."** The Court then held that patentee waived any arguments that the alleged infringer infringed under the correct construction of that term: "VeriFone contend[ed] that, applying the correct construction, it [was] entitled to judgment of no infringement as a matter of law." **The Court noted that "CardSoft did not respond to this argument...It instead argued that '[b]ecause [VeriFone's] construction of "virtual machine" is wrong' the jury's verdict should be affirmed."** Citing *SmithKline Beecham Corp. v. Apotex Corp.*, the Court stated that "[a]rguments that are not appropriately developed in a party's briefing may be deemed waived." As a result, the Court held that, "[b]y failing to respond to VeriFone's argument in the briefing, Cardsoft has effectively conceded that the accused devices [infringe]. **Consequently, we find that Cardsoft has waived this argument, and we grant Appellants judgment of no infringement as a matter of law.**"

Winston & Strawn "*Cardsoft LLC v. VeriFone, Inc.*" Lexology, <http://www.lexology.com/library> (1/14/16); Farley, "*Cardsoft LLC v. VeriFone, Inc.*," Lexology, <http://www.lexology.com/library> (1/20/16).

In *The Chamberlain Group (CGI) v. Techtronic Industries.*, Appeal No. 2016-2713, 2017-1220, slip op. (Fed. Cir. Jan. 25, 2017), the court reversed a trial court's entry of a preliminary injunction, finding a claim construction error had led to an incorrect conclusion that CGI was likely to prevail on the merits.

Dennis Crouch, in his Patently-O blog post of January 26, 2017, [Federal Circuit Closes the Door on CGI Preliminary Injunction](#), noted what he called a "sideline" issue in the case:

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: Recent Developments in Claim Construction

Also available as part of the eCourse

[2017 Advanced Patent Law \(USPTO\) eConference](#)

First appeared as part of the conference materials for the

12th Annual Advanced Patent Law Institute session

"Claims Construction"