

- B&B Hardware Inc. v. Hargis Industries Inc. (2015)
  - “[I]ssue preclusion is not limited to those situations in which the same issue is before two courts. Rather, where a single issue is before a court and an administrative agency, preclusion also often applies.”
- U.S. Patent & Trademark Office, Changes to the Claim Construction Standard for Interpreting Claims in Trial Proceedings Before the Patent Trial and Appeal Board, 83 FR 51355.
  - In its rule-making process, PTO noted that
    - “district courts themselves may not be bound by each other's claim construction orders. Moreover, in many cases, the PTAB will issue a final decision before the corresponding district court trial has concluded and a final judgment has been entered. Issue preclusion, collateral estoppel, and res judicata must each be premised on, among other things, a final court judgment.”
  - In the context of these proceedings, the CAFC renders final court judgements, and, once rendered, they support issue preclusion, collateral estoppel and res judicata.
  - This implies that claim construction rules from the CAFC are binding on each tribunal, regardless of the tribunal (DCT, ITC, PTAB) from which the appeal originates.
  - This is practically necessary, as a party and tribunal would be hesitant to embrace a construction that runs counter to that earlier resolved by the CAFC, knowing that appeals of decisions reliant on their aberrational construction would flow to the CAFC and be unsustainable.
- INTERTHINX, INC. v. CoreLogic Solutions, LLC, PTAB-CBM2012-00007, Paper No. 58 (Jan. 30, 2014)
  - When addressing issues such as patentability, Board has declined to apply res judicata because of a difference in evidentiary standard:
    - The District Court’s decision applied the clear and convincing evidence standard to the facts underlying its determination of law when denying Petitioner’s motion for summary judgment and motion for judgment as a matter of law that the claims of the ’201 Patent do not recite eligible subject matter. In contrast, the Board reviews the patentability of a claim, rather than its validity, and applies a preponderance of the evidence standard to the underlying factual determinations, e.g., whether the claims contain limitations that narrow or tie them to specific applications of an otherwise abstract concept. Because the Board applies to the underlying

facts an evidentiary standard that is different from the standard applied by the courts, the issue decided by the Board is not identical to the one decided or litigated in the first action and could not have been essential to the final judgment in the first action. See *In re Freeman*, 30 F.3d, 1459, 1465 (Fed. Cir. 1994). Petitioner did not have an opportunity to litigate the issue in the first action. *Id.* Therefore, we conclude that Petitioner's challenge under 35 U.S.C. § 101 is not barred by res judicata or collateral estoppel. CBM2012-00007-58 at 5.

- For claim construction, there is no difference, and PTO is one record as harmonizing the process/standard under Phillips.
  - Thus res judicata should apply
- Oticon Medical AB et al v. Cochlear Bone Anchored Solutions AB, IPR2017-01018, Paper No. 52 (Aug. 21, 2018)
  - PTAB issued FWD that Petitioner had failed to meet its burden of showing unpatentability of certain means-plus-function claims, because those claims were indefinite and could not be properly construed
    - In initial pre-SAS institution decision PTAB selectively instituted the IPR, refusing to institute as to 4 challenged claims reciting **means-plus-function** limitations because the petitioner had failed to identify corresponding structure in the specification for performing the claimed functions.
  - After SAS decision, the PTAB modified its institution decision to include the 4 means-plus-function claims in the IPR
    - PTAB received **supplemental briefing** and argument regarding these means-plus-function claims
  - In its FWD, PTAB found 5 non-means-plus-function claims to be unpatentable based on prior art
    - But it held that Petitioner failed in its burden to show that the 4 means-plus-function claims decision were unpatentable.
    - Rejected Petitioner's argument that the **likely indefiniteness** should not shield the patent from being evaluated with respect to the asserted prior art, even if the claims cannot be construed properly
  - Estoppel issues?
    - Even if 102 and 103 challenges are estopped, Petitioner could raise an indefiniteness challenge in later DC proceeding
      - **Courts have held that a PTAB decision regarding indefiniteness, while potentially persuasive, is not necessarily binding.** See, e.g., *Fortinet, Inc. v. Sophos, Inc.*, 2015 WL 6513655 (N.D. Cal.

Oct. 28, 2015) (“the PTAB’s analysis during the IPR proceedings” regarding § 112 indefiniteness of means-plus-function claims is “not binding in any way”).

- Bay, Inc. v. Global Equity Management (SA) PTY. LTD, IPR2016-01828, Paper No. 69 (Oct. 12, 2018)
  - Petitioners requested review of 4 claim
    - PTAB instituted IPR proceedings on 2 the claims and issued a final written decision finding those two claims unpatentable in view of prior art
    - PTAB declined to institute IPR proceedings as to the other two challenged claims because it could not determine the scope and meaning of certain means-plus-function limitations in these other claims.
  - After SAS, Patent Owner filed a motion seeking rehearing, arguing that it was improper for the PTAB to institute IPR as to some, but not all, of the challenged claims.
    - Argued that PTAB should have applied the asserted prior art to the challenged claims without regard to potential § 112 issues
  - PTAB modified its institution decision to institute proceedings on all of the challenged claims
    - Issued a modified final written decision including an order that the petitioners had not met their burden to show that the two additional challenged were unpatentable under § 102 or § 103
  - **Panel concurred with a district court’s findings in related litigation that limitations in the two additional challenged claims were indefinite and held that Petitioner had failed to meet its burden.**
  - Rejected Patent Owner’s argument that prior are should have been applied to claims because PTAB does not have jurisdiction of Section 112 issues
    - “Thus, while Cuozzo held that in an IPR proceeding the Board may not cancel a claim under § 112, Cuozzo does not require the Board to ignore issues arising under § 112 when determining whether a challenged claim is unpatentable under § 102 or § 103 . . . . Moreover, Patent Owner’s argument is predicated on the false premise that, if we cannot determine the scope of a claim for § 112 reasons, then we must find it unpatentable under § 112. Patent Owner ignores the possibility that we may determine that Petitioner has not met its burden with respect to such claims.”

## INDEFINITENESS

- In *Apple V. Valencell, Inc.*, after the Board instituted on all claims, the Patent Owner filed a contingent motion to substitute two new claims if the independent claims were found unpatentable. IPR2017-00315-45 at 40.
  - The Board found that the “proposed substitute claims do not pass muster under 35 U.S.C. § 112 because they are indefinite.” Id. at 44.
- *Intel Corp. v. Alacritech Inc.*, IPR2017-01393, Paper No. 70 (
  - Board, in response to SAS, modified its Decision to institute review of all claims and all grounds and authorized Patent Owner to file a Supplemental Response addressing the newly instituted claim 22 and authorized Petitioner to file a Supplemental Reply addressing issues raised by Patent Owner’s Supplemental Response
    - Had previously denied review for inability to construe means elements therein)
  - **In its supplemental response, Patent Owner cited the Institution Decision, argued that it was impossible to apply claim 22 to the asserted prior art references because doing so would require speculation as to the scope of the claimed invention. Case No. IPR2017-01393-48 at 1.**
    - It also argued that to the extent the Board can ascribe some meaning to the means-plus-function terms, Petitioner has failed to prove the existence of several limitations of challenged claim 22 in the cited reference.
  - In its reply to Patent Owner’s Supplemental Response, Petitioner argued that the claim was indefinite and, in the alternative, was obvious. Case No. IPR2017-01393-55 at 1.
  - Board ultimately held that because there was not a sufficient explanation of the disclosed structure providing the recited function, it was unable to construe this means element without resort to speculation.
    - Therefore, it could not apply claim 22 to the asserted prior art references because doing so would require speculation as to the scope of the claimed invention. PTAB-IPR2017-01393-70 at 10-11.
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## MEANS-PLUS-FUNCTION

- *Becton, Dickson and Company v. B. Braun Melsungen AG.*, IPR2017-01586, Paper No. 88 (Feb. 14, 2019)
  - The term at issue was the “needle protective device.”
  - In the institution decision, the Board did not construe this term as a means-plus-function language.

- The petitioner urged the Board to change its position because the district court construed the term as a means-plus-function phrase in a related proceeding.
    - However, the Board disagreed and maintained the position in the final written decision.
  - The Board appears to imply that the conclusion might have been different under the new rule:
    - “Given that there is a discrepancy between the District Court’s construction and the Board’s, we note that, on October 11, 2018, the USPTO revised its rules to harmonize the Board’s claim construction standard with that used in federal district court. Changes to the Claim Construction Standard for Interpreting Claims in Trial Proceedings Before the Patent Trial And Appeal Board, 83 Fed. Reg. 51,340 (Nov. 13, 2018). This rule change, however, applies to petitions filed after November 13, 2018, and therefore does not apply to this proceeding. *Id.*” *See* FWD, at pg. 8.
- OrthoPediatics v K2M, IPR2018-01548, Paper No. 9 (Mar. 1, 2019)
  - The term at issue was “grasping member configured to grasp” and “first and second elongated grasping members.”
    - In a related district court proceeding, the petitioner urged the court to construe the terms to invoke a means-plus-function, and the court agreed.
  - In this IPR proceeding, the petitioner changed its position and argued against the means-plus-function interpretation on the ground of different claim construction standards between the Board and the court.
  - In POPR, PO argued for the mean-plus-function interpretation, and asked the Board to adopt the court’s claim construction.
  - The Board denied the institution.
    - The Board seemed to use the change to the new standard as emphasizing the Board's practice to consider the court’s claim construction.
    - The Board reaffirmed the petitioner’s burden to address the court’s interpretation of the terms at issue and the petitioner’s conflicting position between the two proceedings. *See* pg. 11