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Patent Decision Clarifies That Dictionaries Are Extrinsic Evidence To Be Subordinate To The Patent Specification In Construing Claims

In *Phillips v. AWH Corporation*, 415 F.3d 1303 (Fed. Cir. 2005) the en banc Federal Circuit ruled that the patent specification - not dictionaries - should be the primary source of evidence in construing the claims of a patent. This decision is extremely important in the context of preparing patent applications and patent litigation, as the proper claim construction, i.e. the interpretation of the meaning of patent claim terms has become the initial battleground for determining patent infringement. The *Phillips* court held that proper methodology requires claims to be construed based on the patent specification, as viewed by a person of ordinary skill in the art at the time the patent application was filed. The opinion, joined by 9 of the 12 judges, stated that its 2002 holding in *Texas Digital Systems, Inc. v. Telegenics, Inc.*, cite improperly elevated the dictionary to a prominence that focused the inquiry on the abstract meaning of words, rather than on the meaning of the claim terms within the context of the patent itself.

The Court explained that *Texas Digital's* focus on dictionary definitions improperly limited the role of the specification in claim construction to serving merely as a check on the dictionary meaning of a claim term. The *Phillips* opinion stated that the *Texas Digital* approach "is inconsistent with our rulings that the specification is 'the single best guide to the meaning of a disputed term,' and that the specification 'acts as a dictionary when it expressly defines terms used in the claims or when it defines terms by implication.'" Id at 1321; citing *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996). The Court stated that the *Texas Digital* line of cases has been improperly relied upon to condone the adoption of a dictionary definition entirely divorced from the context of the written description.

Although the *Phillips* decision rolls back the ruling in *Texas Digital* regarding the prominence of dictionaries, the Court emphasized that it still supported rationale underlying the *Texas Digital* decision to avoid reading of limitations from the specification into the claims. In

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attempting to draw a line between the proper use of the specification to construe the claim terms and the improper use of reading limitations from the specification into the claims, the Court stated:

> [U]pon reading the specification…it will become clear whether the patentee is setting out specific examples of the invention to accomplish those goals, or whether the patentee instead intends for the claims and the embodiments in the specification to be strictly coextensive. [citation omitted] The manner in which the patentee uses a term within the specification and claims usually will make the distinction apparent. [citation omitted].

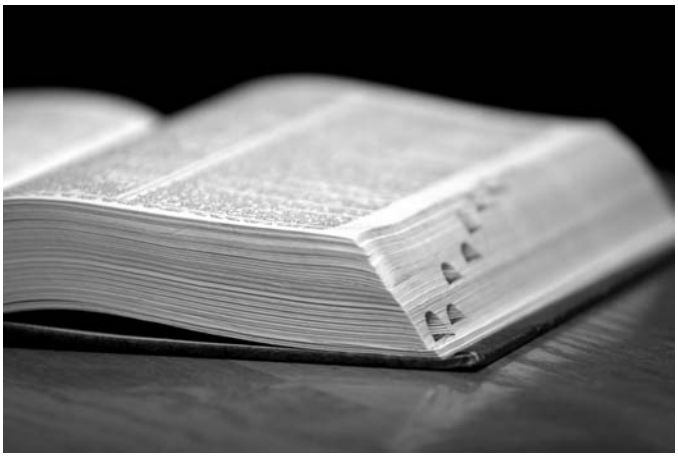
The Federal Circuit reaffirmed its approach in *Vitronics*, which held that the specification "is always highly relevant to the claim construction analysis. Usually, it is dispositive; it is the single best guide to the meaning of a disputed term." The *Phillips* decision emphasized that the sequence of steps used by a judge in consulting various sources is not important; what matters is for the court to attach the appropriate weight to be assigned to those sources in light of the statutes and policies that inform patent law. The decision stated that it may be appropriate to consult extrinsic evidence, such as a general purpose or specialized dictionary as the beginning step in understanding the meaning of the term, as long as such extrinsic sources are not used to contradict claim meaning that is unambiguous in light of the intrinsic evidence. "We have viewed extrinsic evidence in general as less reliable than the patent and its prosecution history in determining how to read claim terms[.]" Id. at 1318.

Along with *Vitronics*, the *Phillips* decision also reaffirmed the holdings of *Markman v. Westview Instruments* 52 F.3d 967 (Fed. Cir. 1995) and *Innova/Pure Water, Inc. v. Safari Water Filtration Systems, Inc.*, 381 F.3d 1111 (Fed. Cir. 2004). In refocusing the claim construction primacy on the specification, the court stated that the inquiry into how a person of ordinary skill in the art understands a claim term provides an objective baseline from which to begin claim interpretation. "Importantly, the person of ordinary skill in the art is deemed to read the claim term not only in the context of the particular claim in which the disputed terms appears, but in the context of the entire patent, including the specification." *Id.* at 1313. Thus, the court refocused the emphasis on intrinsic sources, including the specification and emphasized that too much reliance should not be placed on extrinsic sources, such as dictionaries, treatises and encyclopedias.

Although the *Phillips* decision attempts to clarify the important area of claim construction, it is unlikely to have a strong impact on reducing the high rate of reversals that occur by the Federal Circuit when reviewing the claim construction rulings of district courts. The decision leaves much discretion to the district court judge in construing the specification and weighing the intrinsic and extrinsic sources of evidence in order to determine the meaning of the claim terms. Such discretion leads to difference of opinion and the potential for reversal. The *Phillips* decision underscores the importance of drafting patent applications with clear explanations and descriptions that should be applied to terms. A heavy burden is placed on patent attorneys to carefully draft patent applications that clearly delineate descriptions that define the scope of the claimed invention from descriptions meant only to provide illustrative examples.

In rejecting AWH's arguments in favor of a restrictive definition of the term "baffles," the Federal Circuit reversed the summary judgment of noninfringement and remanded to the district court for further proceedings consistent with its decision on claim construction. Judges Newman and Lourie dissented on the grounds that the trial judge had relied upon the correct legal standard in construing the claims.

David L. Newman (Chicago)



Google Tests The Limits Of Copyright's Fair Use Defense

In a case generating considerable debate over the scope of copyright's fair use defense, publishers recently filed a copyright infringement action against Google, challenging Google's ambitious plan to scan the collections of five major research libraries, (the "Library Project"). *(McGraw-Hill Companies, Inc. v. Google, Inc.*, S.D.N.Y., No. 05 CV 8881, *filed* 10/19/2005.)

The Library Project, announced in December, 2004, is part of a larger project called "Google Print." Google launched Google Print "to create a comprehensive, searchable, virtual card catalog of all books in all languages that helps users discover new books and publishers find new readers."[1] Google plans to collect data for the Google Print database through a series of projects including the Library Project. As Eric Schmidt, Google's CEO, explained to the Wall Street Journal:

> Only by physically scanning and indexing every word of the extraordinary collections of our partner libraries at Michigan, Stanford, Oxford, the New York Public Library and Harvard can we make all these lost titles discoverable with the level of comprehensiveness that will make Google Print a world-changing resource.[2]

Google is currently scanning at the University of Michigan. Whether Google started scanning at the remaining libraries is unclear.

Once a book has been added to the Google Print database, the book's content is available for search at <http://print.google.com/>, the Google Print homepage. Unlike a traditional online library catalog, which searches based on author, title or subject, as designated by the Library of Congress, Google Print searches the actual text of a book. For example, if a user searches the term "whale," Google Print can find a match in any book having the term "whale" appear within its text. If matches are found, Google Print displays each match as a series of links. By selecting a link, a user can view any non-copyrighted book in its entirety. On the other hand, if a book has copyrighted content, Google Print limits a user to viewing only bibliographic data and "brief snippets," according to Google, for example only a few paragraphs. Google Print also displays a list of online book dealers if the book is available for sale.

Joined in the complaint are five major publishing companies including McGraw-Hill Companies, Inc., (the "Publishers"). The complaint alleges that the Library Project "infringes one or more of each Publisher's exclusive rights under the Copyright Act, 17 U.S.C. § 106." In that regard, the Library Project, "requires, among other things, massive, wholesale and systematic copying of entire books still protected by copyright for public distribution and public display."

While this case and similar cases challenging the Library Project have only reached their initial stages, the Library Project has already generated considerable debate over the scope of copyright's fair use defense.[3] Fair use is an affirmative defense to copyright infringement codified at 17 U.S.C. § 107. Under it, a party may use limited portions of copyrighted content depending on several factors, including "whether such use is of a commercial nature or is for nonprofit educational purposes" and whether such use adversely impacts the "potential market for or value of the copyrighted work."[4]

The Publishers argue that fair use does not apply. In discussing the commerciality of the Library Project, the Publishers argued that "[n]otwithstanding the participation of non-profit libraries, there should be no mistaking that Google's involvement in the Google Library

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1 http://print.google.com/intl/en/googleprint/about.html

2 *The Wall Street Journal* (October 18, 2005); http://googleblog.blogspot.com/2005/10/point-of-google-print.html

3 *Author's Guild Assn v. Google, Inc.*, S.D.N.Y., No. 05 CV 8136, *filed* 9/20/2005 (filing a similar complaint)

4 Google will most likely fail in asserting copyright's Library Exception, a defense separate from fair use. 17 U.S.C. § 108. The Library Exception exempts libraries from copyright liability so long as a single copy is made "without any purpose of direct or indirect commercial advantage."

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Project is a wholly commercial undertaking." Even Google admits that the Library Project involves some commerciality. Aside from the advertising revenue Google receives from posting advertisements, Google shares revenue with publishers when buyers purchase books found using Google Print.[5] The Publishers also argued that the Library Project will adversely affect the market for their copyrighted books. According to the complaint, "Google's continuing and future infringements are likely to usurp Publishers' present and future business relationships and opportunities for the digital copying, archiving, searching and public display of their works."

While Google has not yet articulated a fair use argument for this particular case, Google addressed its fair use position in general through its own blogs and websites. For example, the Google Print website explains that "[t]he use Google makes is fully consistent with both the history of fair use under copyright law, and also all the principles underlying copyright law itself." Supporting this position, Google asserts that the Library Project will, in fact, positively impact the market for copyrighted works "[b]y making books easier to find, buy, and borrow from libraries."

In addition, Google has cited legal articles supporting its fair use argument. For example, Google's Vice President of Product Management posted an entry on Google's Blog, citing to an article, which explained that Google can find support for its fair use argument in *Kelly v. Arriba Soft*, 336 F.3d 811 (9th Cir. 2003).[6] In *Arriba Soft*, the Ninth Circuit found fair use for a defendant that created a searchable database of copyrighted pictures. In response to a user submitting a search, the defendant's website displayed a list of thumbnail size pictures copied from other websites without authorization. In discussing fair use factor related to impact on the market, the court pointed out that the "search engine would guide users to [plaintiff's] web site rather than away from it." Google will most likely use cases such as *Arriba Soft* to support its fair use argument as the litigation proceeds.

In summary, this and similar cases challenging the Library Project will continue to generate debate among copyright experts. But despite the debate, most experts agree that the outcome of these cases will significantly impact the standard for fair use and the future of copyright law.

Matthew A. Werber (Chicago)

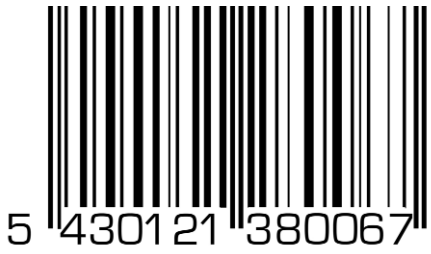
5 http://print.google.com/googleprint/publisher_library.html ("This revenue is shared with publishers").

6 Article by Jonathan Band at http://www.policybandwidth.com/doc/googleprint.pdf

Symbol IV: Federal Circuit Affirms Unenforceability Holding Of Several Key Bar Code Technology Patents Under Doctrine Of Prosecution Laches

In a decision which must be considered a great blow to the prodigious litigation and licensing legacy of Jerome H. Lemelson, the U.S. Court of Appeals, Federal Circuit, affirmed a District Court ruling which found several Lemelson patents[1] to be unenforceable under the doctrine of prosecution laches. In *Symbol Technologies, Inc. v. Lemelson Medical, Education & Research Foundation, LP.*, (422 F.3d 1378 (Fed. Cir. 2005)) the Federal Circuit found no abuse of discretion by the lower Nevada court which wrote "[i]f the defense of prosecution laches does not apply under the totality of circumstances here, the Court can envision very few circumstances under which it would." *Symbol Techs., Inc. v. Lemelson Med., Educ. & Research Found.*, 301 F.Supp.2d 1147, 1156 (D. Nev. 2004).

Jerome Lemelson is considered by many to be the second most prolific inventor in U.S. history, behind Thomas A. Edison. Now deceased, Lemelson's foundation holds over 500 patents in his name, with an unknown number of pending applications still on file. It may have been Lemelson's unique patent prosecution methods which led the U.S. to adopt a 20 year patent term measured from application date over the previous term of 17 years from patent issuance.[2] It was also that unique prosecution style which the district court found to amount to "culpable neglect," leading up to the decision in this case. One tactic typically used would be to file a continuation application on claims which had already been allowed in a previous case.



In the first of a series of decisions *(Symbol I-IV)*, the district court originally dismissed Symbol's defense of prosecution laches in *Symbol I (Symbol Techs., Inc. v. Lemelson Med., Educ. & Research Found.*, No. 99-CV-0397, 2000 WL 33709453 (D.Nev. Mar. 21, 2000)), a case which was brought as a result of a declaratory judgment action filed by Symbol and several co-plaintiffs. However, on interlocutory appeal, the Federal Circuit started the ball rolling in Symbol's favor. The Federal Circuit held in *Symbol II (Symbol Tech., Inc. v. Lemelson Med., Educ. & Research Found.*, 277 F.3d 1361 (Fed. Cir. 2002)) that, as a matter of law, the doctrine of prosecution laches could be used as a defense when a patent was obtained after "an unreasonable and unexpected delay in prosecution" even in the absence of intent to delay by the applicant. In its instructions to the lower court, the Federal Circuit wrote that the doctrine of prosecution laches is an equitable defense, but gave no firm guidelines as to when such laches exist. Instead, citing to two Supreme Court cases where the doctrine of prosecution laches was applied to patents procured after at least eight year delays, the Federal Circuit stated, "there is no strict time limitations for determining whether continued refiling of patent applications is a legitimate utilization of statutory provisions or an abuse of those provisions."

On remand from the Federal Circuit, the district court was instructed to look into the prosecution details of the relevant Lemelson patents to determine whether the laches defense was warranted. It found the history of the patents began with the filing of a couple patent applications in 1954 and 1956. These two patent applications were directed to methods and apparatus for performing inspection and measurement of objects. About seven years later, in 1963, a continuation-in-part (CIP) application was filed off the '54 and '56 applications. After nine more years of dormancy in the Patent Office, another CIP application was filed in 1972, which in turn led to the filing of sixteen additional applications between the years 1977 and 1993. The 14 patents involved had issued from this lineage and had prosecution delays of anywhere from 18 to 39 years.

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1 Fourteen patents were at issue, including U.S. Patent Nos. 4,338,626; 4,511,918; 4,969,038; 4,979,029; 4,984,073; 5,023,714; 5,067,012; 5,119,190; 5,119,205; 5,128,753; 5,144,421; 5,249,045; 5,283,641; and 5,351,078.

2 In *Symbol III* the district court noted that Lemelson patents occupied the top thirteen positions for the longest prosecution since 1914.

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Though the Court in *Symbol III* admitted Symbol was unable to provide evidence that Lemelson intentionally delayed issuance of any of the 14 patents, there were many other factors it considered. Other than the extensive time lapse, the Court weighed other factors such as (1) the prosecution histories of the subject patents, (2) Lemelson's conduct before the Patent Office, (3) progress made by other innovators in the relevant technology, and (4) the potential prejudice to the public from the delay. Further, the Court stated that Symbol presented "strong evidence . . . of intervening private and public rights." *Symbol III* at 1157. Even without a showing that Lemelson had intended to gain some advantage by his delay, the Court found "unreasonable delay alone is sufficient to apply prosecution laches. *Id*. at 1156.

Ultimately, the Federal Circuit affirmed the ruling of the Nevada Court, finding all fourteen Lemelson patents unenforceable under the doctrine of prosecution laches.[3] A time period of 18 to 39 years "is not what is contemplated by the patent statute when it provides for continuations and continuation-in-part applications," wrote the Court. Accordingly, there are sure to be more Lemelson patents brought down as a result of this defense.

Robert W. Diehl (Chicago)

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[3] The District Court also found the fourteen patents invalid for lack of enablement and not infringed by Symbol. The Federal Circuit deemed these issues moot in light of the finding of unenforceability.

United States Patent Office Kicks Off Pilot Program To Help Bring Cost And Time Of Patent Appeals To Board Under Control

Effective July 12, 2005, the United States Patent and Trademark Office (PTO) initiated a new pilot program designed to reduce the number of appeals reaching the Board of Patent Appeals and Interferences (BPAI). The program has been entitled *Pre-Appeal Brief Conference* (see Official Gazette Notices: July 12, 2005) and it allows the patent applicant to file for a panel review of an examiner's rejection before incurring the expense of preparing and filing a full appeal brief. This new program will be most effective where there is a clear legal or factual deficiency in the prima facie case supporting a rejection.

The current patent application appeal process requires an applicant to file a *Notice of Appeal* (the "Notice") with a requisite fee, typically within three months of a final rejection. Within two months of the date the Notice is received by the PTO, the applicant must then file an appeal brief, the content and format of which are dictated somewhat by 37 C.F.R. 1.192, including another requisite fee. The attorney fees for preparing the appeal brief can be substantial, even in a case where the error is clear.

Under the pilot program, applicants would be permitted to file a *Request for Review* ("Request") with the *Notice of Appeal* using form PTO/SB/33. This program is not intended to replace or be an alternative to filing an appeal brief. The requirements for appeal to the BPAI as set forth under 37 C.F.R. 1.191(a) still apply. That is, at least one claim of the subject application must be twice or finally rejected in order to appeal.

The Request may be filed with up to five (5) additional pages of arguments against the examiner's rejections. The arguments should provide a succinct, concise and focused set of arguments for which the review is being requested. Further, applicants are encouraged to refer to previous arguments of record by page and paper number, rather than repeating such arguments in the five page limit.

Once a proper Request is received by the PTO it is assigned by a Technology Center Art Unit supervisor to a panel of examiners, including at least one supervisor and the examiner of record, for consideration. The goal of the panel is to identify the presence or absence of (1)

*(Cont'd from **page 6**)*

clearly improper rejections based on error(s) in facts, and (2) essential elements required to establish a prima facie rejection. The panel will not make interpretations of claims or interpretations as to the teachings of prior art references. Applicants will not be permitted to attend the panel review and no interviews will be granted prior to a panel decision.

When the panel completes its review, the panel findings are set forth in a written decision. The decision, which should be mailed to the applicant within 45 days of receipt of the Request, will convey the status of the application by stating one of the following four findings according to the PTO website:

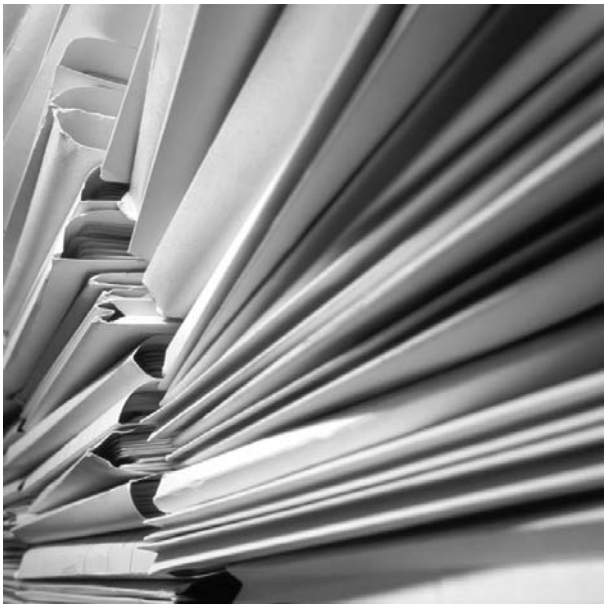
- **Finding 1:** The application remains under appeal.
- **Finding 2:** Prosecution on the merits is reopened and an appropriate Office communication will follow. A proposed amendment may accompany the decision with proposed amendments for allowability of the contested claims.
- **Finding 3:** The application is allowed on the existing claims.
- **Finding 4:** The request is dismissed for failure to comply with the submission requirements.

The decision will also summarize the status of each pending claim as being "still rejected," "withdrawn rejection," "objected to," or "allowed." The decision will never contain any additional grounds for rejection of claims.

If the decision is adverse to the applicant, the filing of an appeal brief to the BPAI is still available. In such a case, the appeal brief, prepared in accordance with 37 C.F.R. 1.192, is due within one month after the mailing date of the panel decision or within the balance remaining of the two-month deadline for filing the appeal brief, whichever is greater.

One final note on the pilot program is that a favorable decision by the panel is not to be confused with a decision by a panel of the BPAI for purposes of patent term adjustments under 35 U.S.C. 154(b). However, under circumstances as previously explained, the expected cost in time and money for a favorable decision should be far less under the pilot program then under the standard appeal process, making it a valuable tool for patent practitioners.

Robert W. Diehl (Chicago)



Recent Additions

William L. Prickett is a partner in the Boston office of Seyfarth Shaw LLP. Mr. Prickett has extensive experience counseling and defending clients in securities litigation and SEC investigations and representing clients in shareholder derivative actions, merger and acquisition disputes, and other complex commercial disputes. He also has extensive experience in patent infringement litigation, where he has successfully litigated patents involving, among others, recycling technology, dental products, laser angioplasty and encoded pay-per-view television technology.

Robert W. Diehl joined the Intellectual Property group as an associate in the Chicago office of Seyfarth Shaw LLP in April of 2005. Bob focuses his practice mostly in the area of patent preparation and prosecution, but has experience counseling clients in other areas of IP law. His patent prosecution experience extends into several fields of the mechanical arts and chemical arts, including hydrocarbon fuel reforming, thermoforming, thin film casting, automated packaging systems, bypass filtering systems, exercise equipment, home safety devices, computer tape back-up devices, molded plastic connectors, vapor deposition processes, sputtering technology, anti-erosion devices and many others. Bob has also developed experience in other procedural matters before the U.S. Patent Office, including reexamination, appeal, and patent interference.

Christopher S. Hermanson joined the Intellectual Property group as an associate in the Chicago office of Seyfarth Shaw LLP. He is registered to practice before the U.S. Patent and Trademark Office and has extensive patent prosecution experience in mechanical, electro-mechanical, business method, communication- and Internet-related technologies across a variety of industrial areas. Christopher has drafted several agreements and licenses and has conducted patent infringement and product clearance studies. In addition, he has organized transactions involving the sale and transfer of intellectual property, and has drafted briefs for an appeal to the Court of Appeals for the Federal Circuit.

Matthew Werber is an associate in the Chicago office of Seyfarth Shaw LLP. He concentrates his practice in intellectual property law, and has experience in the litigation of cases involving patent, trademark, copyright, trade secret, employment contract, technology license and e-commerce issues. Prior to the practice of law, Matthew worked as a software engineer, working with the installation of customer service software applications at several major public utility companies throughout the country.

The editor of this newsletter is Robert W. Diehl of the Chicago office of Seyfarth Shaw LLP.

ATLANTA
One Peachtree Pointe
1545 Peachtree Street, N.E., Suite 700
Atlanta, Georgia 30309-2401
404-885-1500
404-892-7056 fax

BOSTON
World Trade Center East
Two Seaport Lane, Suite 300
Boston, Massachusetts 02110-2028
617-946-4800
617-946-4801 fax

CHICAGO
55 East Monroe Street, Suite 4200
Chicago, Illinois 60603-5803
312-346-8000
312-269-8869 fax

HOUSTON
700 Louisiana Street, Suite 3700
Houston, Texas 77002-2731
713-225-2300
713-225-2340 fax

LOS ANGELES
One Century Plaza
2029 Century Park East, Suite 3300
Los Angeles, California 90067-3063
310-277-7200
310-201-5219 fax

NEW YORK
1270 Avenue of the Americas, Suite 2500
New York, New York 10020-1801
212-218-5500
212-218-5526 fax

SACRAMENTO
400 Capitol Mall, Suite 2350
Sacramento, California 95814-4428
916-448-0159
916-558-4839 fax

SAN FRANCISCO
560 Mission Street, Suite 3100
San Francisco, California 94105
415-397-2823
415-397-8549 fax

WASHINGTON, D.C.
815 Connecticut Avenue, N.W., Suite 500
Washington, D.C. 20006-4004
202-463-2400
202-828-5393 fax

BRUSSELS
Boulevard du Souverain 280
1160 Brussels, Belgium
011-32-2-647-60-25
011-32-2-640-70-71 fax