ONE FINAL WORD IN FAVOR OF THE BROADEST REASONABLE INTERPRETATION STANDARD FOR
CLAIM CONSTRUCTION IN AIA\textsuperscript{1} PROCEEDINGS

\textsuperscript{1} I refer to \textit{inter partes} review and covered business method review proceedings collectively as “AIA Proceedings” given their creation under the Leahy-Smith America Invents Act. “Post-Grant Proceedings,” on the other hand, encompasses AIA Proceedings as well as any precursors or other existing modes of review including \textit{inter partes} and \textit{ex parte} reexamination.
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I. INTRODUCTION

In the years prior to passage of the Leahy-Smith America Invents Act, commentators identified two main drivers of patent reform: (1) increasingly high costs of asserting patent rights and defending against infringement suits; and (2) the abundance of overbroad and vague patents. As to the first driver, patent infringement proceedings drew considerable attention for their complexity and their effect on firm value. Studies suggest that, in the mid-2000s through 2015, the number of infringement suits brought in the United States grew substantially, further compound the issue. Given juries’ sizeable damages awards, firms were pressured to avoid the risks of litigation entirely, opting to settle or restructure. Patent infringement suits accordingly were thought to have profound effects both on individual firms’ future operating decisions and on the technology sector as a whole.

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2 The motivations for patent reform are well-discussed by both academics and practitioners. This section provides a mere cursory overview to the extent the PTAB’s adoption of the Phillips standard fails to address these underlying concerns.


As to the second driver, a reduction in the number of overbroad and vague patents (generally, “low quality” patents) in existence was branded as another exigency. Several noted scholars once observed

[b]ad patents are everywhere: covering obvious inventions like the crustless peanut butter and jelly sandwich, ridiculous ideas like a method of exercising a cat with a laser pointer, and impossible concepts like traveling faster than the speed of light . . . .

Some bad patents, however, are more pernicious. They award legal rights that are far broader than what their relevant inventors actually invented, and they do so with respect to technologies that turn out to be economically significant.

The problem of overbroad and vague patents became frequently linked to patent trolls, a pejorative class generally referring to those who purchase patents reading broadly on a given technology and assert them against those having direct involvement in research and development. As the Patent Act confers a right to “exclude others from making, using, offering for sale, or selling [an] invention,” the Act treats patent holders the same regardless whether the holder has suffered any calculable harm or whether the holder practices the invention.

Consequently, the stakes for patent trolls and for manufacturers who try to assert their patent rights came to be seen as asymmetric—in other words, the deck is stacked in favor of those who themselves are not subject to counterclaims or other customary defenses. Presently, legal and

Litigation Explosion, 45 LOY. U. CHI. L. J. 401, 429 (2013) (concluding “the increase in patent litigation represents a growing disincentive to R&D that is not likely offset by growth in the number or value of innovations”). These scholars suggest that, regardless of size, firms facing infringement suits are likely to reduce research and development expenditures.


7 Mark Lemley, Doug Lichtman, & Bhaven Sampat, What to do About Bad Patents?, REGULATION (Winter 2005-06) at 10.


10 See Christopher A. Cotropia & Jay Kesan & David Schwartz, Unpacking Patent Assertion Entities (PAEs), 99 MINN. L. REV. 649, 650 (2014). “In a patent lawsuit when both plaintiffs and
non-legal commentators alike continue to voice vehement criticisms of these tactics, citing stifled innovation as a primary concern. The first driver may be considered a function of the second for precisely these reasons.

The last seven years have seen Congress and the USPTO take aim at both drivers, addressing mechanisms for enforcement and adjudication rather than the examination process by effecting changes to clarify claim scope—the limits of patentees’ rights to exclude. In particular, the patent community has paid close attention to the rules by which tribunals parse claim language. As one scholar notes, the interpretation of patent claims, known as claim construction, is “overwhelmingly the most critical patent issue in litigation.” In nearly every infringement suit, claim construction is a critical point of contention between the plaintiff and the accused. After the Supreme Court’s decision in Markman v. Westview Instruments, Inc., defendants are manufacturers, defendants can cross-license patents or hit back at plaintiffs with their own patent infringement lawsuit, a strategy that is unavailable with a non-manufacturing plaintiff.”


12 But see Ronald J. Mann & Marian Underweiser, A New Look at Patent Quality: Relating Patent Prosecution to Validity, 9 J. EMPIRICAL L. STUDIES 1, 22 (2012). “If the goal of patent reform is to increase the likely validity of the patents the PTO issues, then the focus of reform should be on the prosecution process, not on the procedures of post-issuance litigation that dominate existing legislative proposals.” Id. at 23.


14 Id. (noting issues of “infringement, validity, and other issues” stem from the outcome of the claim construction stage).
judges hold exclusive responsibility for construing patent claims, forcing them to grapple with
difficult technological and legal questions rather than sending them to the jury.15 Critically,
however, generalist district court judges may struggle to decide issues of claim construction with
both acuity and efficiency, much less grasp the technological foundation of a patent claim.16

In response, Congress delegated limited authority to the USPTO to assist in the
adjudicative process.17 This role of the USPTO in reevaluating patent validity across ongoing or
anticipated litigation has grown in recent years. Though trial procedures at the USPTO’s Patent
Trial and Appeal Board (PTAB) and in district courts differ substantially, the PTAB recently
adopted measures to harmonize claim construction procedures with those in district courts.
While members of the patent community largely applauded the shift, this article explains how
the change is inconsistent with a number of the Congress’ goals for creating the proceedings in
the first place and conflicts with the larger objectives of patent reform.

II. BACKGROUND

A. Post-Grant Proceedings and the Leahy-Smith America Invents Act

The Leahy-Smith America Invents Act (AIA) came into effect in 2011 and was designed,
at least in part, to remedy the issues described above.18 The AIA “arguably makes the most

15 517 U.S. 370, 372 (1996) (holding “the construction of a patent, including terms of art within
its claim, is exclusively within the province of the court”)
17 See infra notes 20-23 at accompanying text.
efficient and streamlined patent system that will improve patent quality and limit unnecessary
and counterproductive litigation costs.” Id.
substantial changes to the law since those imposed by the Patent Act of 1836 ("1836 Act"), which created the system of patent examination.\textsuperscript{19}

Among the most noteworthy revisions is an overhaul of post-grant proceedings, which Congress intends to serve as a “quick and cost effective alternative[\textsuperscript{[}20\textsuperscript{]} to validity challenges in federal district courts, and to “provide a meaningful opportunity to improve patent quality and restore confidence in the presumption of validity that comes with issued patents in court.”\textsuperscript{20} The provisions are responsive to concerns that the original proceedings (including \textit{ex parte} and \textit{inter partes} reexamination) were costly, time consuming, and afforded requestors only a limited palette of statutory challenges.\textsuperscript{21} The House of Representatives noted that, between 1999 and 2004, the PTO received only 27 requests for third party challenges under the old procedures despite anticipating approximately 600.\textsuperscript{22} Ultimately, the AIA amended \textit{ex parte} reexamination to permit PTO review on its own volition and converted \textit{inter partes} examination to an adjudicative process.\textsuperscript{23}

\textsuperscript{19} Joe Matal, \textit{A Guide to the Legislative History of The America Invents Act: Part I of II}, 21 FED. CIR. BAR J. 435, 435 (2012). While perhaps the biggest change introduced in the AIA was the switch from a “first-to-invent” patent system to a “first-to-file” system, this paper instead focuses on post-grant proceedings.


\textsuperscript{21} \textit{Id. at 45 (noting limitations in ex parte and inter partes reexamination procedures rendered them “less viable alternative[s] to litigation for evaluating patent validity than Congress intended”)).

\textsuperscript{22} \textit{Id. at 46. See also, Mark D. Janis, Inter Partes Patent Reexamination, 10 FORDHAM INTELL. PROP., MEDIA & ENT. L. J. 481, 487 (2000) (arguing, for example, that estoppel precluding third-party challengers from asserting invalidity in civil patent actions will serve to discourage participation in inter partes reexamination).}

The resulting *inter partes* review (IPR) today serves as a principal means for challenging patent validity, and as such, is of particular interest to scholars. The provisions governing IPRs include several procedural features directed towards litigants engaged in concurrent infringement proceedings. Primarily, any party who is not the patent owner may file a petition to institute an IPR, though the petitioner must establish “a reasonable likelihood” of “prevail[ing] with respect to at least [one] of the claims challenged.” A petitioner may request cancellation of one or more claims on non-novelty or obviousness grounds, but “only on the basis of prior art consisting of patents or printed publications.” A party may not petition for review more than one year after having been served with a complaint alleging infringement of the patent in question, nor may the PTAB institute an IPR if the petitioner already challenged the validity of the patent in a declaratory judgment action.

In addition, the AIA requires that the PTAB determine whether to institute an IPR within three months of receiving a preliminary response from the patent owner, or within three months of the patent owner’s deadline to file a preliminary response. The PTAB must then make a final determination on the merits within one year of institution, with a six-month extension.

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24 See Colleen Chien, Inter Partes Review and the Design of Post-Grant Reviews, Santa Clara Univ. Legal Studies Research Paper No. 10-15 at 1 (2015) (noting concerning proclivity of the PTAB to declare challenged claims unpatentable). As of 2015, the author estimates patents are partially or completely declared unpatentable in 84 percent of all instituted IPRs.


26 § 314. The new rule stands in contrast to the previous threshold for institution of *inter partes* reexamination—that petitioners merely show a “significant new question of patentability”—which the House notes was reached in approximately 95 percent of cases. See H.R. Rep. No. 112–98, pt. I at 47 (2011).

27 §§ 314(b), 313.

28 § 315(a)(1).

29 §§ 315(a)(1), 325(a). But note, §315(a)(3) provides “[a] counterclaim challenging the validity of a claim does not constitute [a declaratory judgement] for purposes of [subsection 315(a)(1)].”

30 See §§ 314(b), 313.
available only for good cause. These rules operate in concert to demarcate the PTAB’s
division of responsibility with respect to district courts’, the latter of which are left to address
questions of infringement as well as any remaining questions of validity, including challenges for
want of eligibility, enablement, or adequate description of the invention.

Should the PTAB decide to institute the IPR, a petitioner facing a parallel infringement
suit in district court may ask the court to stay the infringement proceeding pending resolution of
the IPR. In making its decision, a court may generally consider “(1) whether a stay would
unduly prejudice or present a clear tactical disadvantage to the non-moving party; (2) whether a
stay will simplify the issues for trial; and (3) whether discovery is complete and a trial date
set.”

A. Broadest Reasonable Interpretation vs. the Ordinary and Reasonable Interpretation

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31 See §§ 316(a)(11).
32 See generally Chien, supra note 24 at 1 (discussing interplay of questions of invalidity and
infringement addressed in parallel IPR and infringement proceedings).
33 While the ability to seek a stay of an infringement proceeding pending conclusion of CBM
Review is statutorily defined (see Pub. L. No. 112-29, § 18(b)(1)), the rules for seeking a stay
during IPR were developed by federal district courts.
34 See e.g., Fisher-Price, Inc. v. Dynacraft BSC, Inc., No. 17-CV3745-PJH, 2017 WL 5153588,
at *1 (N.D. Cal. Nov. 7, 2017); Armor All/STP Products Co. v. Aerospace Commc’ns Holdings
& Julie Wahlstrand, To Stay or Not to Stay Pending IPR? That Should be a Simpler Question, 17
CHI.-KENT J. INTELL. PROP. | PTAB BAR ASS’N 52, n.5 (2018). The authors argue that Congress’
intent for IPRs to serve as a substitution for certain aspects of district court litigation “is only
realized if litigation is stayed once IPR is instituted.” Id. at 58. But the “variation and
inconsistency” with which courts view the applicable factors draw deeper scrutiny of the
differences between the two processes of adjudication, as questions of when to stay infringement
proceedings are tied in with other numerous factors. For instance, “[the] question of the
congruence between IPRs and district court litigation has had implications across many contexts,
including claim construction, sovereign immunity, motions to amend, estoppel, and, of course,
the constitutionality of IPRs.” Id. at 60.
In revising post-grant proceedings under the AIA, Congress explicitly permitted the PTO to develop its own governing rules and procedures. Among the gaps in the AIA to be filled through the rulemaking process is the standard for construing patent claims. In the years following passage of the AIA, the PTAB construed unexpired claims according to their broadest reasonable interpretation (BRI)—the same standard used during routine patent examination and in pre-AIA reexamination proceedings. Courts have acknowledged and upheld the BRI standard’s use for over a century.

A claim must be given “[its] broadest reasonable interpretation in light of the specification” under the BRI standard. In the context of prosecution, “[a]n examiner must construe claim terms in the broadest manner as is reasonably allowed in an effort to establish a clear record of what applicant intends to claim.” Taken together, this means that an examiner must interpret claims to their broadest reasonable extent regardless whether such meaning

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35 See generally §§ 316(a)(4); see also Cuozzo Speed Techs, LLC v. Lee, 136 S. Ct. 2131, 2142 (2016).
36 See Cuozzo, 136 S. Ct. at 2142. In Cuozzo, the petitioner urged that Congress intended for the PTO to apply the claim construction standard used in federal court proceedings in carrying out post-grant proceedings such as IPRs. Upholding the PTO’s use of the BRI standard, Supreme Court rule the PTO exercised its rightful rulemaking authority in adopting the claim construction standard of its choice. Id. at 2144-45.
38 The PTAB’s construction of claims under the BRI standard in post-grant proceedings most recently came under attack in Cuozzo Speed Techs, LLC v. Lee, 136 S. Ct. 2131 (2016). There, the Supreme Court held the PTO exercised its rightful rulemaking authority in adopting the claim construction standard of its choice. Id. at 2144-45.
39 See, e.g., In re Zletz, 893 F.2d 319, 321 (Fed. Cir. 1989).
40 See id; see also MPEP § 2111 (9th ed. Rev. 8, Jan. 2018)
41 MPEP § 2111.
42 Id. (distinguishing claim construction standard used in prosecution from the standard employed by district courts in deciding issues of infringement and validity).
actually aligns with the invention, but may not take a broader understanding than is supported by the applicant’s detailed disclosure.43

As a result of examiners’ broad readings, the likelihood of rejecting a claim either as overbroad44 or encompassed by prior art45 should (in theory) climb, encouraging applicants to temper the scope of the claims either during drafting or examination.46 Use of the BRI standard in prosecution is, therefore, buttressed by applicants’ opportunity to clarify or narrow the claim language by amendment.47 This same reasoning has been relied upon as justification for use of the standard in IPRs as well, given § 316(d) provides at least some opportunity to amend claims.48

The BRI standard stands in contrast to the standard used by Article III judges, who interpret claims according to their “plain” meaning following the Federal Circuit’s decision in

44 See 35 U.S.C. § 112(b) (“The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the inventor or a joint inventor regards as the invention.”) (emphasis added).
45 See §§ 102(a), 103. See also Gentry Gallery, Inc. v. Berkline Corp., 134 F.3d 1473 (Fed. Cir. 1998).
47 See, e.g., In re Reuter, 670 F.2d 1015, 1018 (CCPA 1981). “It is well settled that claims before the PTO are to be given their ‘broadest reasonable interpretation consistent with the specification during the examination of a patent application since the applicant may then amend his claims, the thought being to reduce the possibility that, after the patent is granted, the claims may be interpreted as giving broader coverage than is justified.’” Id. (quoting In re Prater, 415 F.2d 1393, 1404-05 (CCPA 1969)).
48 See Cuozzo Speed Techs, LLC v. Lee, 136 S. Ct. 2131, 2145 (2016) (citing § 316(d)). “The patent holder may, at least once in the process, make a motion to do just what he would do in the examination process, namely, amend or narrow the claim. This opportunity to amend, together with the fact that the original application process may have presented several additional opportunities to amend the patent, means that use of the broadest reasonable construction standard is, as a general matter, not unfair to the patent holder in any obvious way.” Id.
Phillips v. AWH Corp.\textsuperscript{49} “[\text{t}]he ordinary and customary meaning of a claim term is the meaning that the term would have to a person of ordinary skill in the art in question at the time of the invention, i.e., as of the effective filing date of the patent application.”\textsuperscript{50} Phillips further clarified the hierarchy of evidence that judges should use to interpret claims. First and foremost, judges may look to the patentee’s intended meaning, viewing a claim in light of other claims and, more importantly, the specification.\textsuperscript{51} In cases where the patentee gives a “special definition” to a claim term that conflicts with the meaning it would otherwise be given by a PHOSITA, the patentee’s meaning governs.\textsuperscript{52} A court may also look to the prosecution history, but must exercise caution as it “represents an ongoing negotiation between the PTO and applicant, rather than the final product of that negotiation . . . .”\textsuperscript{53} As a last resort, the court may consider

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415 F.3d 1303 (Fed. Cir. 2005) (en banc).
\vspace{0.2cm}
\textit{Id.} at 1313.
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\textit{Id.} at 1314-17. The Federal Circuit appropriately refocused the process of claim construction on the specification with a nod to the PTO’s approach:

“[\text{t}]he Patent and Trademark Office (“PTO”) determines the scope of claims in patent applications not solely on the basis of the claim language, but upon giving claims their broadest reasonable construction “in light of the specification as it would be interpreted by one of ordinary skill in the art.” Indeed, the rules of the PTO require that application claims must “conform to the invention as set forth in the remainder of the specification and the terms and phrases used in the claims must find clear support or antecedent basis in the description so that the meaning of the terms in the claims may be ascertainable by reference to the description.” It is therefore entirely appropriate for a court, when conducting claim construction, to rely heavily on the written description for guidance as to the meaning of the claims.

\textit{Id.} at 1316-17.
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\textit{Id.} at 1316 (reaffirming the principle that a patentee may act as their own lexicographer or otherwise include an intentional disclaimer or disavowal of claim scope).
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\textit{Id.} at 1317.
“evidence external to the patent and prosecution history, including expert and inventor testimony, dictionaries, and learned treatises.”

Though scholars debate the extent to which the two standards differ in practice, courts accept the common-sense inference that the BRI standard is broader than the ordinary and reasonable standard. Claim construction standards applied at the PTAB and in district courts reflect the United States’ bifurcated system of addressing infringement and invalidity claims.

B. The USPTO’s Harmonization of the Claim Construction Standards

Citing substantial overlap in parallel AIA proceedings and litigation in federal courts, the PTO set out to harmonize the competing claim construction rules by replacing the BRI standard with the ordinary and reasonable standard derived from Phillips. In May 2018, the PTO received a total of 374 comments.

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54 Phillips, 415 F.3d at 1319. “[U]ndue reliance on extrinsic evidence poses the risk that it will be used to change the meaning of claims in derogation of the “indisputable public records consisting of the claims, the specification and the prosecution history,” thereby undermining the public notice function of patents.” Id.

55 See infra note 68 for further discussion of the difference in outcomes (or lack thereof) for validity on the same facts.


57 See Chien, supra note 24 at 10, 16 (distinguishing United States’ bifurcated system from those of Germany and Japan, among others).


The majority of comments voiced approval of the proposed rule, predicting enhanced uniformity, predictability, and consistency in claim construction determinations among the PTAB, district courts, and ITC judges. Some went further to suggest that “adopting the Phillips standard will potentially provide for more accurate claim constructions and reduce incentives for parallel-track litigation and increase efficiency between fora.” To these prospective benefits, the PTO agreed, and the final rule became effective on November 13, 2018.

B. DISCUSSION

For over a decade, challengers assailed the BRI standard’s use both in prosecution and in AIA proceedings; the shift in standards at the PTAB hardly comes as a surprise. Though the opinions expressed herein criticize the rule, the prospective benefits identified by the USPTO deserve recognition. For instance, the transition to the ordinary and reasonable standard indeed has the potential to streamline patent litigation and eliminate otherwise duplicative arguments made between separate fora. These advantages, if realized, are widely acknowledged—even by proponents of the BRI standard.


60 Id. at 51345.
61 Id.
63 To the extent litigants no longer need prepare multiple claim construction arguments, the obvious conclusion is that harmonization is responsive to concerns over costs and unnecessary litigation.
64 See Dreyfuss supra note 41 at 269 (advocating for harmonization of claim construction standards). “[T]he use of two standards, one for court and one for PTAB, creates considerable inefficiency. If both tribunals used the same rule, the PTAB could dispense with claim
For reasons discussed below, however, harmonization under the ordinary and reasonable standard is unlikely to bring about the results sought, absent additional changes. More importantly, regardless whether litigants suffer the inconvenience and cost of making duplicative arguments between the PTAB and federal courts, the BRI standard serves an important role in ensuring expedience because it imposes a lighter burden on the adjudicator. This part discusses several of the proffered justifications for the shift in standards and provides counterarguments as to why: (1) the BRI standard is better suited to secure the benefits sought, or (2) why implementation of the ordinary and reasonable standard will prove ineffective or otherwise retard progress toward the greater goals of the AIA.

A. Consistency & Uniformity & Fairness

A core criticism of a system having misaligned claim construction standards is that the PTAB and district court may arrive at different conclusions when presented with the same claim language and arguments. Proponents of harmonization argue that a shift in the standard would promote consistency and uniformity between parallel claim construction endeavors, citing for construction in any case in which the district court had already interpreted the claims. Conversely, construction by the technologically sophisticated experts at the PTAB would provide a wealth of information to district courts later considering the same or related claims.”

65 See infra notes 100-111 and accompanying text.
example the rule that “it is axiomatic that claims are construed the same way for both validity and infringement.”

Such arguments in favor of adoption of the Phillips standard in AIA proceedings focus solely on external inconsistency—i.e., the possibility that adjudicators in separate fora will arrive at the different interpretations. The easy response is that such situations have not been borne out in practice. As several studies have shown, the claim construction standard used by the PTAB oftentimes does not result in a different outcome as to validity. But if this is the case, then the question remains whether any advantage exists for preserving the BRI standard.

One answer proposes that efforts to further external consistency and uniformity do nothing to address (and may instead foster) internal inconsistency, or varied application of the claim construction regime within a particular adjudicatory body. This is a problem that arguably has plagued the courts for decades. One pair of authors conclude, based on an empirical analysis of district court claim constructions and appeals to the Federal Circuit between 1995 and 2002, “that the individual membership and overall composition of a three-judge panel that decides an appeal has a statistically significant effect on the methodological approach used to

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67 Source Search Techs LLC v. Lending Tree, LLC, 588 F.3d 1063, 1075 (Fed. Cir. 2009).
69 See Jeffrey A. Lefstin, The Measure of the Doubt: Dissent, Indeterminacy, and Interpretation at the Federal Circuit, 58 HASTINGS L.J. 1025, 1026-27 (2007), available at: http://repository.uchastings.edu/faculty_scholarship/364 (“Empirical studies of patent litigation have shown that a large proportion of district court claim constructions are upset by the Federal Circuit on appeal, and have identified conflicts in the methodology of claim construction among the appellate judges themselves.”).
analyze claim construction issues.” The authors propose that judges’ decisions to weigh intrinsic and extrinsic evidence differently have a profound effect on the ultimate claim construction:

The choice of methodological approach to claim construction [either a “holistic” or “procedural approach”] directly affects the results of litigation. The importance of the dichotomy was confirmed by an array of robustness analyses; for example, differences in methodological approach are present in 95 percent of claim construction disputes among Federal Circuit judges, and are present in 75 percent of that court’s reversals of district courts’ claim construction analyses.

Although the Federal Circuit addressed this very issue in its landmark 2005 ruling, “the Phillips decision has to date not had any significant measurable effect on either the jurisprudence of claim construction at the Federal Circuit, or on our (admittedly imperfect) measures of stability and predictability of the doctrine.”

At least one set of metrics supports that the PTAB fares far better under Federal Circuit scrutiny by applying the BRI standard. For example, between 2015 and 2017, the PTAB

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71 R. Polk Wagner & Lee Petherbridge, *Did Phillips Change Anything? Empirical Analysis of the Federal Circuit’s Claim Construction Jurisprudence*, in INTELLECTUAL PROPERTY & THE COMMON LAW 125, 27 (Shyamkrishna Balganesh ed., 2013) (citing earlier 2004 study). As described, a holistic approach “gives primary weight to the claim language (and the ordinary meaning thereof, often derived from dictionaries),” while a holistic approach interprets patent claims via an all-encompassing, open-ended reading of the claim language, patent disclosure, prosecution history, relevant dictionaries, and on-point expert testimony. *Id.*

72 *Id.* at 27. “In our view, the Federal Circuit’s decision in *Phillips*, and its explanation of the decision, was deeply unfortunate—likely the worst possible option available to the court—and will have ongoing negative consequences for the law of claim construction, the patent system, and the court itself.” *Id.* See also Dan. L. Burk & Mark. A. Lemley, *Fence Posts or Sign Posts? Rethinking Patent Claim Construction*, 157 U. PA. L. REV. 1743, 1744 (2009) (“Despite repeated efforts to set out the rules for construing patent claims, culminating in the Federal Circuit’s en banc *Phillips* decision in 2005, parties and courts seem unable to agree on what particular patent claims mean.”).

suffered reversal or remand for improper claim construction in less than six percent of cases.\textsuperscript{74}

Though hardly a conclusive measurement in favor of the PTAB’s former standard, this figure stands in stark contrast to estimates that the district courts face reversal for improper claim construction in thirty to forty percent of appeals at the Federal Circuit\textsuperscript{75}—a more noteworthy figure given that the Federal Circuit reviews claim constructions of both adjudicators \textit{de novo}.\textsuperscript{76}

Indeed, the BRI standard itself may offer structural advantages over the ordinary and reasonable standard:

The BRI provides a benchmark that the Federal Circuit’s current standard lacks. In an earlier era, claims were construed to preserve their validity (and in light of the claimed infringement); once the Supreme Court’s decision in \textit{Markman v. Westview Instruments, Inc.} made claim construction an issue of law and courts began to interpret claims in separate hearings held before evidence on invalidity (or infringement) was adduced, that canon became “a last resort, not a first principle.” Courts were then forced to make unguided determinations on what an ordinary artisan would understand, using a variety of tools that have changed throughout the course of the Federal Circuit’s history. In contrast, although the BRI has some wiggle room (“reasonable”), it includes an objective standard (“broadest”) while still incorporating ordinary meanings and the traditional approach of allowing the patent holder to be its own lexicographer.\textsuperscript{77}

\textsuperscript{74} Id.

\textsuperscript{75} See e.g., Burk & Lemley, supra note 72 at 1751; see also Kimberly A. Moore, \textit{Are District Court Judges Equipped to Resolve Patent Cases?}, 15 HARV. J. L. & TECH. 1, 12 fig. 2, 15 tbl. 1 (2001); Kimberly A. Moore, \textit{Markman Eight Years Later: Is Claim Construction More Predictable?}, 9 LEWIS & CLARK L. REV. 231, 246 fig. (2005).

\textsuperscript{76} See infra note 131-143 and accompanying text for discussion of the degree of deference afforded to PTAB claim constructions at the appellate level.

\textsuperscript{77} See Dreyfuss supra note 41 at 270. While Professor Dreyfuss supports adoption of a unified standard, she does so on the condition that the district courts apply the BRI standard. See Rochelle Dreyfuss, Comments on Proposed Rule “Changes to the Claim Construction Standard for Interpreting Claims in Trial Proceedings Before the Patent Trial and Appeal Board” (July 6, 2018).
As opposed to the ordinary and reasonable standard, which permits identification of more than one “correct” meaning, the BRI standard reduces the possibility for internal inconsistency by requiring the adjudicator to adopt a single, broad understanding that encompasses narrower constructions. The BRI standard also permits initial resort to extrinsic evidence in order to ascertain the understanding of a PHOSITA, an important feature given that, in many cases (even at the PTAB), the adjudicator may not possess the requisite technical know-how. Thus, a broader reading reduces overreliance on the specification and the likelihood that the adjudicator will import limitations into the claims, which is more consistent with the PHOSITA rule.

As this article later explains, the fact that adjudicators determine claim scope under the same standard does not guarantee preclusive effect nor does it speak to the reciprocal weight that

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The BRI method settles the precise question of broad versus narrow interpretation if a choice is required – adopt the broader interpretation. In fact, the BRI method actually requires that both the narrower and the broader constructions are to be adopted (particularly when embodiments of the narrower meaning are not fully encompassed within the broader meaning) whenever the claim is reasonably susceptible of either construction in light of the same evidence as applied in Phillips. Further, the terminology of “broadest reasonable interpretation” forces adjudicators who disagree about the choice of plural or singular meanings to explain and to justify why the alternative interpretation is in fact “unreasonable.” This additional discipline of justification further helps to make any differences of judicial judgment based more on factual evidence than on subjective perspective – or worse, on unstated policy preferences.

Id.

79 Id. at 4 (arguing Phillips wrongly forces the adjudicator to rely on intrinsic evidence “unless the adjudicator is willing to candidly acknowledge that he or she lacks the knowledge to evaluate the meaning of the claims [sic] terms . . . without any access to evidence from the relevant art.”)

80 See McCarty v. Lehigh Valley R. Co., 160 U.S. 110, 1156 (1895) (“if we once begin to include elements not mentioned in the claim, in order to limit such claim, and avoid a defense of anticipation, we should never know where to stop . . . This doctrine is too obviously untenable to require argument.”); see also Phillips v. AWH Corp., 415 F.3d 1303, 1323 (Fed. Cir. 2005) (“[W]e recognize that the distinction between using the specification to interpret the meaning of a claim and importing limitations from the specification can be a difficult one to apply in practice.”)
adjudicators should afford each others’ claim constructions. Few commentators, if any, have proffered support that the PTAB will be able to bring consistency to an inherently inconsistent standard. In effect, the rule trades the internal consistency of the BRI standard for the façade of external consistency through harmonization under an unguided claim construction regime.

B. Clarity & Public Notice

Supporters of the shift in standards further assert that the BRI standard, when implemented in AIA proceedings, fails to properly apprise the public of the scope of patent claims. First, the BRI standard is said to be “fatally ambiguous” because it requires adjudicators to determine both what is “broadest” and “reasonable”—inquiries thought to introduce uncertainty. As discussed above, however, the shortcomings of construction under the ordinary and reasonable standard are arguably greater than the uncertainty posed by the BRI standard. Proponents may also fail to acknowledge that attempts to interpret what an applicant actually invented is, in some circumstances, a fool’s errand. As professors Burk and Lemley note,

[t]he problem is that patent law asks different questions as of different times. It tests novelty and nonobviousness at the time that the invention was made, enablement and

81 See infra note 122-143 and accompanying text for general discussion of deference principles that fail to guide courts’ consideration of PTAB claim constructions.
83 Id. at 5.
84 See supra notes 69-81 for a discussion of the failures of the ordinary and reasonable standard.
85 But see Risch, supra note 82 at 205 n.159 (“Incentives for vagueness will prevail in some cases. For example, applicants may be incapable of drafting precise claims given search costs and the inherent difficulties of technical language.”)
written description as of the filing date, the meaning of means-plus-function patent claims as of the date the patent issues, and infringement as of the date of infringement. The knowledge of those of skill in the art evolves between those dates, which can be separated by decades. That means that, strictly speaking, patent law shouldn’t be giving claim terms one meaning, but different meanings for different purposes. This is an issue that has been almost entirely ignored in claim construction.86

Moreover, the process of claim construction itself may be inherently indeterminant.87 It may behoove an applicant to use language broader than is justified for the invention to “game” the system into granting rights that can be more readily asserted.88 This problem is likely to persist regardless whether the BRI or some other standard is used. On the other hand, the broader scope of the BRI standard’s uncertainty may prove useful in the infringement context:

if valid claims are construed more broadly, the scope for infringement liability will increase. However, the BRI standard closely matches the construction that risk-averse potential users of the invention likely employ in deciding their freedom to operate. Accordingly, it may not have a significant impact on public access. Furthermore, using this standard would have a disciplining effect. If the BRI is more likely to lead to cancellation and invalidation, then drafters may begin to claim more narrowly; if it is used in enforcement actions, it may deter some infringement.89

Indeed, Professor Dreyfuss takes the opposite position—that the BRI standard should be adopted by the district courts.90

Second, proponents of the shift in standards argue that because of the BRI standard’s foundation in the availability of claim amendments, the inability of an applicant to engage in a

86 Burk & Lemley, supra note 72 at 1757 (acknowledging claim meanings may change not only over time due to linguistic evolution, but also in different contexts of novelty, nonobviousness, and infringement determinations)
88 See Risch, supra note 82 at 180 (“Patent applicants have an incentive to keep issued patent claims vague because vagueness allows for ex post gaming.”).
89 See Dreyfuss supra note 41 at 270. This is important, since validity as determined by the PTAB virtually always matters for infringement purposes. In cases where a claim survives an invalidity challenge at the PTAB, the risk of an erroneous finding of infringement on the basis that the claim was construed more broadly should not arise.
90 See id.
back-and-forth dialogue with the PTO about claim meaning makes the BRI standard a poor fit for AIA proceedings.91 While amendments are available as of right in IPRs,92 intervening rights tend to make any claim amendment an unpalatable option for a patent holder engaged in infringement litigation:

The [AIA] extends intervening rights to inter partes and post-grant review. The bill does not allow new matter to be introduced to support claims in IPR and PGR and does not allow broadening of claims in those proceedings. The aspect of intervening rights that is relevant to IPR and PGR is section 252, first paragraph, which provides that damages accrue only from the date of the conclusion of review if claim scope has been substantively altered in the proceeding. This restriction applies even if the amendment only narrowed the scope of the claims. [For example,] Engineered Data Products, Inc. v. GBS Corp. . . . notes that “the Federal Circuit has routinely applied the intervening rights defense to narrowing amendments.”93

The argument, therefore, is that IPRs should not provide for amendment since Congress intended PTAB proceedings to exist as an alternative avenue for validity challenges in district courts, where no possibility of amendment exists.94

But this view of IPR is at odds with the Supreme Court’s. Indeed, the Court has recognized that IPR is not simply a “surrogate” for court proceedings, but rather a “hybrid proceeding” bearing many of the hallmarks of examination apart from the possibility of

91 See Professors of Law & Economics, supra note 66 at 5
94 See Professors of Law & Economics, supra note 66 at 5 (“Because BRI cannot play its intended role of shaping the claims to better communicate the defined invention, it is unsuitable for the AIA trial proceedings.”).
amendment.95 Most recently, the Court stated that IPR is “simply reconsideration of a grant of [a] patent.”96

Furthermore, as the legislative history suggests, intervening rights may not be an insurmountable roadblock to the possibility of claim amendments in AIA proceedings:

When patent-defeating prior art is discovered, it is often impossible to predict whether that prior art will be found to render the entire invention obvious, or will only require a narrowing amendment. When a challenger has discovered such prior art, and wants to practice the invention, intervening rights protect him against the risk of going forward—provided, of course, that he is correct in his judgment that the prior art at least requires a substantive narrowing of claims.97

A solution that comports with this policy while softening the doctrine is not difficult to imagine. For example, a court may require the challenger to preemptively assert the invalidating prior art in an IPR or by declaratory judgement before intervening rights attach. Alternatively, the court may require the challenger to challenge the patent within a predetermined period after locating the prior art. Doing so discourages the challenger from “sitting” on the prior art, while rewarding them for ordering a more rigorous prior art search than is traditionally performed during prosecution. At the same time, this would comport with the greater policies of public notice—that other potential infringers might observe the boundaries within which they may practice the invention. Doing so also benefits the patentee, who avoids the unpleasant surprise and wasted effort involved in attempting to assert a worthless patent.

C. Efficiency & Streamlining of Litigation

95 Cuozzo Speed Techs., LLC v. Lee, 136 S. Ct. 2131, 2143-44 (2016). For example, unlike litigation, parties need not have
97 See Matal, supra note 93 (providing background on implementation of intervening rights within AIA proceedings).
A harmonized standard may well reduce the need for duplicative arguments and diminish the possibility that parties engage in unnecessary litigation between the district courts and the PTAB.98 Supporters of the change believe that a shift to an ordinary and reasonable standard will promote fairness by eliminating the possibility that patent holders will take conflicting positions as to claim scope to avoid invalidation in an IPR proceeding while preserving sufficient breadth for claims of infringement.99

But ascertaining the “correct” meaning for each claim term could be a monumental endeavor considering the proportion of cases in which IPRs are filed100 and the new rules following SAS Institute, Inc. v. Iancu101 and PGS Geophysical AS v. Iancu,102 which struck down the PTAB’s ability to preserve resources by instituting IPRs only on certain claims and grounds. Indeed, it remains to be seen how the PTAB will manage to conserve resources, given courts are permitted to deal with the issue by restricting the number of claim terms for construction.103 The BRI standard, therefore, may serve as a means for expediency in IPRs by requiring a less rigorous interpretation of claims.104

Critics of the PTO’s use of the BRI standard in examination chalk this up as the PTO simply “skirting” tough claim interpretation issues:

98 See supra note 63 and accompanying text.
99 See Professors of Law & Economics, supra note 66 and accompanying text.
100 See supra note 58 and accompanying text.
101 138 S. Ct. 1348 (2018) (ruling the PTAB may not institute an IPR on fewer than all claims challenged).
102 891 F.3d 1354 (Fed. Cir. 2018) (holding the PTAB may not institute an IPR on fewer than all grounds asserted in a petition).
104 See Bey & Cotropia, supra note 80 at 300 (stating BRI standard avoids discussion of important issues).
[the BRI standard] explicitly does not require the examiner to determine the correct claim interpretation. Instead, examiners just need to give the claim a “reasonable” interpretation. This means that examiners never need to resolve on paper the difficult “read the claims in light of the specification, but do not read the limitations from the specification into the claims” conundrum faced in almost every claim interpretation inquiry.\textsuperscript{105}

This argument not only ignores the objectivity required in giving a claim its “broadest” meaning, but it fails when considered in the context of IPR proceedings. PTAB judges do well to avoid unnecessarily addressing these issues in IPRs because the only question at hand is one of validity against the prior art.\textsuperscript{106} In most cases, there is no requirement that the interpreter “map textual claims onto objects or processes in the real world.”\textsuperscript{107}

\textsuperscript{105} See \textit{id.} at 300 (criticizing PTO’s implementation of BRI standard during routine prosecution). The authors contend that failing to truly develop a claim construction early in the examination process deprives the public of notice of what the claims cover:

Prosecution history as to whether limitation "A" from the specification should be read into the claims is never created because the BRI standard prevents the conversation from ever happening. The public is then robbed of discussions of claim meaning that could assist in future interpretation. These discussions are tailored to the actual methodology courts will apply when interpreting the claims in litigation.

\textsuperscript{106} Cf. Burk & Lemley, \textit{supra} note 72 at 1757 (acknowledging drawbacks of implementing central claiming system).

At the PTO, the cost of central claiming is primarily in the assessment of novelty and nonobviousness. An invention is anticipated (i.e., not novel) if each and every element of the invention is present in a single piece of prior art. An invention is obvious if one of ordinary skill in the art would be motivated and able to produce the invention without undue effort. Under peripheral claiming, the PTO compares the prior art to the full range of the claims to the prior art, finding a genus claim anticipated if the prior art overlaps with it even in a small part. Put another way, if a patent claims a group of a thousand different chemicals, evidence that even one of those chemicals was already known will invalidate the patent claim. So too with obviousness.

\textsuperscript{107} \textit{Id.} at 1758 (“explaining asymmetrical treatment of patent claim and prior art references”) “It is true that we care about prior-art references for different reasons than we care about patent claims. We read a prior-art reference for everything that it teaches, while we limit patent claims to what the inventor actually possessed at the time of invention.” \textit{Id.}
Also problematic are the one-year statutory time limit that the PTAB imposes for concluding an IPR\textsuperscript{108} and the inexperience of PTAB judges in applying *Phillips*-type claim construction.\textsuperscript{109} As a corollary, the PTAB has already faced criticism for appointing inexperienced attorneys to judgeships;\textsuperscript{110} shifting the workload from district courts to the PTAB may further burden existing judges and require additional hires. Since parties have appealed district court claim constructions frequently, we may anticipate more appeals from PTAB claim constructions under the ordinary and reasonable standard.\textsuperscript{111}

Even if the PTAB construes claims under the *Phillips* methodology, there are still other requirements and differences between parallel proceedings that may, on a case-by-case basis, foreclose streamlining of litigation between the two fora. I address three of these below.

1. Collateral and Statutory Estoppel

Proponents of the shift in standards identify two principles that, when applied to a claim construction at one tribunal may be given binding effect in the another—collateral estoppel and statutory estoppel.\textsuperscript{112} For collateral estoppel to arise, four requirements must be met:

(1) the issue at stake must be identical to the one in the prior litigation;

(2) the issue must have been actually litigated in the prior suit;

\textsuperscript{108} See *supra* note 31 and accompanying text. 35 U.S.C. § 316 affords the PTAB an additional six months for good cause.

\textsuperscript{109} The only parties experienced in performing *Phillips*-type claim construction are (1) district court judges, (2) federal circuit court judges, and (3) the subset of PTAB judges who have construed expired claims under the ordinary and reasonable standard in prior cases.

\textsuperscript{110} See Gene Quinn, *PTAB Judges Shockingly Inexperienced Compared to District Court Judges*, IP WATCHDOG (March 6, 2018), http://www.ipwatchdog.com/2018/03/06/ptab-judges-shockingly-inexperienced/id=94438/ (identifying disparity between PTAB and district court judges in years of experience at time of appointment).

\textsuperscript{111} See *supra* notes 73-81 and accompanying text for a discussion of the reversal rates for each tribunal.

\textsuperscript{112} See Professors of Law & Economics, *supra* note 66 at 6.
(3) the determination of the issue in the prior litigation must have been a critical and necessary part of the judgment in that action; and

(4) the party against whom the earlier decision is asserted must have had a full and fair opportunity to litigate the issue in the earlier proceeding.\textsuperscript{113}

“A district court has discretion over whether to apply a prior claim construction of the same patent by another district court, but only if it determines that all of the ordinary elements of collateral estoppel have been met. However, these elements cannot be met in the context of claim construction until the PTAB and district court standards are aligned.”\textsuperscript{114} Harmonization is a step towards making issue preclusion a realistic possibility, but residual differences between the two fora cast doubt on consistent application becoming a reality.\textsuperscript{115}

For example, patents challenged in district courts enjoy a presumption of validity, which requires challengers to prove invalidity by “clear and convincing evidence.”\textsuperscript{116} In contrast, challengers at the PTAB need only prove invalidity by a “preponderance of the evidence.”\textsuperscript{117} In at least one case, the Federal Circuit stated that the difference in evidentiary standards justifies denying preclusive effect to one or the other claim construction.\textsuperscript{118}

In addition, the provisions of the AIA cast doubt on the notion that statutory estoppel should apply.\textsuperscript{119} § 315(e) prevents any party from reasserting “any ground that the petitioner raised or reasonably could have raised during that inter partes review.” But as scholars note:

\textsuperscript{113} See RF Del., Inc. v. Pac. Keystone Techs., Inc., 326 F.3d 1255, 1261 (Fed. Cir. 2003)
\textsuperscript{114} Professors of Law & Economics, supra note 64 at 6 (acknowledging harmonization as a prerequisite for estoppel effect to claim constructions in parallel proceedings).
\textsuperscript{115} See id.
\textsuperscript{116} See, e.g., Microsoft Corp. v. i4i Ltd. P’ship, 131 S. Ct. 2238, 2242 (2011).
\textsuperscript{117} See id.
\textsuperscript{118} See Novartis AG v. Noven Pharmaceuticals Inc., 853 F.3d 1289, 1293-94 (Fed. Cir. 2017) (holding difference in burdens of proof at PTAB and district court could lead to different findings and conclusions).
These provisions, however, are tied to the grounds raised within the proceeding. Claim construction is not such a ground, so seemingly issue preclusion could still apply in a manner distinct from the statutory estoppel provisions. Nevertheless, these estoppel provisions may provide evidence that Congress intended to displace classic collateral estoppel.120 Together, this likely means that “[i]f the PTAB does adopt the Phillips standard, the way in which issue preclusion will attach to agency claim constructions will need to be decided by the courts, perhaps on a case-by-case basis.”121

2. Application of Deference Principles

In a hypothetical122 assuming the PTAB claim construction does not have preclusive effect, the notion that PTAB claim construction decisions under the harmonized standards will still inform district court claim construction assumes district courts will find the PTAB’s claim construction or underlying factual findings persuasive. To the contrary, district courts have inconsistently taken notice of PTAB claim constructions in the past—though, no doubt attributable (at least, in part) to the difference in standards.123 Underpinning the issue is the fact that neither the Supreme Court nor the Federal Circuit have offered any assistance as to how

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120 See id. at 330; see also Professors of Law & Economics, supra note 66 at 6.
121 Professors of Law & Economics, supra note 66 at 6 (identifying conditions for full realization of streamlining effects of harmonization).
122 Here, I discuss the scenario in which (1) the patentee brings an infringement claim against a single defendant; (2) the defendant immediately petitions for IPR, and the district court grants a stay; (3) the PTAB applies the ordinary and reasonable standard, finding all claims valid; and (4) the defendant does not appeal to the Federal Circuit. The infringement proceedings resume, with the district court about to commence claim construction. This appears to be the scenario in which scholars argue the benefits of harmonization are most evident.
district courts should proceed. Indeed, district courts already need not honor claim constructions of other district courts. In the absence of appropriate direction, district courts’ embrace of PTAB determinations ranges from “wholesale adoption,” to “apparent disregard.”

Thus, full realization of the goals of increased uniformity, predictability, and consistency requires guidance as to the degree of deference district courts should give to parallel PTAB claim constructions determinations. What type of deference is warranted, however, remains an open question.

Deference under Chevron remains unlikely given the informal nature of PTAB adjudications. While PTAB proceedings such as IPRs “have many of the hallmarks” of Administrative Procedure Act (APA)-governed formal adjudications, they fail to meet the requirements of the APA for several reasons. For instance, “[t]he regulations do not expressly require that the PTAB decision be limited to bases included in the hearing record, that the parties

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124 See id. (noting absence of assistance from higher courts beyond Cuozzo Speed Techs, LLC v. Lee, 136 S. Ct. 2131 (2016) and Phillips v. AWH Corp., 415 F.3d 1303 (Fed. Cir. 2005)).
125 Phil-Insul Corp. v. Airlite Plastics Co., 854 F.3d 1344, 1357–58 (Fed. Cir. 2017) (applying collateral estoppel to bar re-litigation of claim construction in infringement contexts).
126 See id. at 335, 342.
127 See Bagley, supra note 123 at 316. “For greater consistency in district court treatment of PTAB decisions and between these two forums, district courts should analyze PTAB claim constructions using a framework based on principles of administrative law and standards for appellate review.” Id.
130 Id. at 25 (comparing APA statutory requirements to related PTAB requirements).
be provided with a transcript of the evidence from the exclusive record for decision, or that the PTAB decision provide reasons for all material findings of fact and legal conclusions.”

Moreover, the APA does not govern post-grant proceedings as no avenues exist for direct appeal to the Director of the PTO.

At least one scholar proposes giving PTAB’s “ultimate” claim constructions deference consistent with the principles of *Skidmore v. Swift & Co.* when such claim constructions occur under harmonized standards. Under *Skidmore*, informal agency determinations are entitled to respect “proportional to [their] ‘power to persuade,’” which may be based on [their] “thoroughness, logic, and expertness, [their] fit with prior interpretations, and any other sources of weight.” Here, proponents argue that the PTAB’s technical expertise renders it an inherently persuasive interpreter of patent claims. To the extent PTAB determinations evidence a “well-reasoned” view through “detailed analysis of the intrinsic and extrinsic record,” ultimate claim constructions should not be disturbed by district courts. These same commentators suggest affording underlying factual determinations deference under Federal Circuit precedent, which requires appellate review of district courts’ factual determinations based on subsidiary or extrinsic evidence for clear error.

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131 *Id.*
133 323 U.S. 134 (1944).
134 See Bagley, *supra* note 123 at 351 (noting “PTAB claim constructions made using the BRI standard . . . should not receive deferential treatment” under either *Chevron* or *Skidmore*).
136 See Bagley, *supra* note 123 at 351-52.
137 *Id.* at 351.
138 See *id.* at 343-44 (arguing “factual underpinnings” of a patent’s scope deserve deference). The author proposes extension of *Teva Pharm. USA, Inc. v. Sandoz, Inc.*, 135 S. Ct. 831 (2015), and
The main issue faced is that guidance from higher courts prescribing application of
*Skidmore* persuasive deference may provide only limited assurance of consistency in parallel
claim construction proceedings. While PTAB’s expertise in technical matters is undeniable, the
shift in claim construction standards may inject subjectivity into the process of claim
interpretation.\footnote{See Chen, *supra* note 128 at 1176-80 (suggesting assumption that claims have only one
proper meaning is misplaced). Prior to the Supreme Court’s decision in *Teva*, the Federal Circuit
reviewed district court claim construction decisions *de novo*, owing to the view that claim
construction is purely a matter of law. Reversal rates shot up as the Federal Circuit shot down
district court claim constructions as erroneous. Academics came to describe the problem of claim
indeterminacy under the ordinary and reasonable standard:

For various reasons, claim construction is an inherently indeterminate process with no
single correct answer but rather multiple reasonable interpretations . . . . [A] single claim
can support several reasonable meanings because different judges may select different
interpretive canons or may simply apply the same canons in different ways to generate
differing yet equally reasonable interpretations.  

*Id.* at 1177.}

\footnote{See J. Jonas Anderson & Peter S. Menell, *Restoring the Fact/Law Distinction in Patent Claim

\footnote{*Id.* at 6 (quoting Phillips v. AWH Corp., 376 F.3d 1382, 1383 (Fed. Cir. 2004)).}

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the claims. Further, judges may end up deferring for the wrong reasons—for instance, district court judges may simply not wish to engage at claim construction. Although PTAB claim construction decisions may, in the aggregate, bear to a greater extent on district court claim construction decisions, a system in which judges have room to take or leave PTAB decisions does little to further consistency or predictability.

3. “Deferral Mistakes”

In addition to the potential for inconsistent application of deference principles, there also exists the possibility that district courts will consider PTAB decisions “without fully accounting for the legal and factual deference regime under which that precedent was decided, thereby stripping the holding from its legal context.” Commentators describe the dueling avenues for asserting patent invalidity—post-grant proceedings at the PTAB, and infringement proceedings at district courts—as providing fertile grounds for deference mistakes. For instance, challengers need only prove invalidity by a preponderance of the evidence at the PTAB but must prove invalidity by clear and convincing evidence in district courts.

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142 See Chen, supra note 128 at 1176-80.
145 Id. at 647-48.
146 Id. (citing Microsoft Corp v i4i LP, 131 S. Ct. 2238, 2242 (2011) and In re Baxter Int’l, Inc, 678 F.3d 1357, 1364 (Fed Cir 2012)).
The issue rears its head in cases where the PTAB relies on invalidity determinations from the infringement context as well as cases in which district courts look to PTAB unpatentability findings.\textsuperscript{147} To the former, reliance on decisions from the infringement context in which patents were determined valid is problematic: “[j]ust because there is not clear and convincing evidence that a patent is invalid does not mean that a similar patent application should not be denied under the lower preponderance standard.”\textsuperscript{148} To the latter “reverse mistakes,” district court judges should exercise caution when looking to cross-contextual cases, as improper reliance risks improper adjudication of patent rights.\textsuperscript{149}

Commentators believe that deference mistakes of these types, while often harmless, occur routinely.\textsuperscript{150} And, as the PTO harmonized the claim construction standards while leaving the burden of proof intact, the problem may indeed grow because an increase in the number of cases in which district courts review PTAB claim construction gives way to greater opportunities for deference mistakes. It is believed that unaddressed deference mistakes have the potential to “contract the boundaries of patentability” in the long term.\textsuperscript{151}

III. CONCLUSION

\textsuperscript{147} \textit{Id.} at 692 (citing, e.g., Mintz v. Dietz & Watson, Inc., 679 F.3d 1372 (Fed. Cir. 2012)). \textit{Mintz} provides an example in which the claimed invention did not clear the elevated burden of proof in federal court but may very well have been upheld under a looser burden in a post-grant proceeding.

\textsuperscript{148} \textit{Id.} at 690.

\textsuperscript{149} \textit{Id.} at 693.

\textsuperscript{150} See Masur & Ouelette, supra note 145 at 665-66.

\textsuperscript{151} \textit{Id.} at 693 (noting that, out of 324 Federal Circuit decisions addressing patentability, just one “distinguished precedent based on the different evidentiary standards for validity). See, e.g., Fresnious USA v. Baxter Int’l, Inc., 721 F.3d 1330 (Fed. Cir. 2013).
The debate over claim construction, the standards by which courts interpret claims, and the methodologies for weighing evidence are far from settled. Even though the USPTO formally harmonized the claim construction standard at the PTAB with that of district courts, many lessons may be learned from the voluminous empirical data and other scholarly literature already available. For one, as is laid forth above, the Phillips approach to claim construction is imperfect, and should be accompanied by appropriate guidance as to the methodology for weighing evidence—namely, giving proper effect to the PHOSITA rule. For another, the PTAB must creatively devise new resource-saving procedures given (1) it may no longer pick and choose claims and grounds for consideration in IPRs; (2) the inexperience of PTAB judges in applying the ordinary and reasonable standard; and (3) the increased likelihood of appeals to the Federal Circuit due to the less-certain Phillips approach. These measures may be necessary to preserve the expedience of IPRs while still ensuring thoroughness in claim construction, which becomes all-the-more important if given greater weight in district courts as proponents hope.