

An Update on BRI and Motions to Amend in PTAB AIA Proceedings

Rick Neifeld, Neifeld IP Law, PC¹

I. INTRODUCTION

The CAFC's recent *Microsoft* decision, followed by the PTAB's responsive *Masterimage* Order, reset our understanding of BRI and motions to Amend in PTAB AIA Trials.

II. RELEVANT LAW

In Microsoft, the CAFC said the following, my emphasis in red:

That is not to say, however, that the Board may construe claims during IPR so broadly that its constructions are unreasonable under general claim construction principles. As we have explained in other contexts, “[t]he protocol of giving claims their broadest reasonable interpretation . . . does not include giving claims a legally incorrect interpretation.” *In re Skvorecz*, 580 F.3d 1262, 1267 (Fed. Cir. 2009); see also *In re Suitco Surface, Inc.*, 603 F.3d 1255, 1260 (Fed. Cir. 2010) (“The broadest construction rubric coupled with the term ‘comprising’ does not give the PTO an unfettered license to interpret claims to embrace anything remotely related to the claimed invention.”). Rather, “claims should always be read in light of the specification and teachings in the underlying patent.” *Suitco*, 603 F.3d at 1260. **The PTO should also consult the patent’s prosecution history in proceedings in which the patent has been brought back to the agency for a second review. See *Tempo Lighting Inc. v. Tivoli LLC*, 742 F.3d 973, 977 (Fed. Cir. 2014). Even under the broadest reasonable interpretation, the Board’s construction “cannot be divorced from the specification and the record evidence,” *In re NTP, Inc.*, 654 F.3d 1279, 1288 (Fed. Cir. 2011), and “must be consistent with the one that those skilled in the art would reach,” *In re Cortright*, 165 F.3d 1353, 1358 (Fed. Cir. 1999). A construction that is “unreasonably broad” and which does not “reasonably reflect the plain language and disclosure” will not pass muster. *Suitco*, 603 F.3d at 1260. [Microsoft Corp. v. Proxyconn, Inc., (Fed. Cir. 6/16/2015).]**

and

Importantly, this case does not call on us to decide whether *every* requirement announced by the Board in *Idle Free* constitutes a permissible interpretation of the PTO’s regulations. The *Idle Free* decision is not itself before us, and we resolve this case only with respect to the Board’s having faulted Proxyconn for “attempt[ing] to distinguish claims [35 and 36] only from the prior art for which we instituted review of corresponding claims [1 and 3]” and, ultimately, for “fail[ing] to establish by a preponderance of evidence that [claims

35 and 36] are patentable over DRP.” *Board Decision* at 55–56. We do not address the other requirements of *Idle Free* that the Board relied upon. **Nor do we address, for example, *Idle Free*’s requirement that the patentee to show patentable distinction over all “prior art known to the patent owner.”** *Idle Free*, 2013 WL 5947697, at *4. [Microsoft Corp. v. Proxycorr, Inc., footnote 4 (Fed. Cir. 6/16/2015).]

In the Order posted to the PTAB's Representative Orders, Decisions, and Notices web page July 20, 2015, the PTAB responded as follows, my emphasis in red.

The reference to “prior art of record” in the above-quoted text [sic; text from Idle Free Systems, Inc. v. Bergstrom, Inc., IPR2012-00027 (PTAB 6/11/2013) (Paper 26), at 7], as well as everywhere else in *Idle Free*, should be understood as referring to: **a. any material art in the prosecution history of the patent; b. any material art of record in the current proceeding, including art asserted in grounds on which the Board did not institute review; and c. any material art of record in any other proceeding before the Office involving the patent.** [Masterimage 3d, Inc. v. Reald Inc., IPR2015-00040, paper 42 (PTAB 7/15/2015) (Order by APJ Lee, for an expanded panel consisting of Deputy CAPJ Kelley, Vice-Chief APJ Boalick, and APJs Lee, Arpin, Gerstenblith, and Mitchell) (Posted on the PTAB's "Representative Orders, Decisions, and Notices" web page 7/20/2015).]

and

The reference to “prior art known to the patent owner” in the above quoted text [sic; text from Idle Free Systems, Inc. v. Bergstrom, Inc., IPR2012-00027 (PTAB 6/11/2013) (Paper 26), at 7], as well as everywhere else in *Idle Free*, should be understood as **no more than the material prior art that Patent Owner makes of record in the current proceeding pursuant to its duty of candor and good faith to the Office under 37 C.F.R. § 42.11, in light of a Motion to Amend.** [Footnote 1 omitted.] Because a proposed substitute claim is considered after the corresponding patent claim is determined unpatentable, **Patent Owner’s addition of a limitation to render the claim as a whole patentable places the focus, initially, on the added limitation itself.** [Masterimage 3d, Inc. v. Reald Inc., IPR2015-00040, paper 42 (PTAB 7/15/2015) (Order by APJ Lee, for an expanded panel consisting of Deputy CAPJ Kelley, Vice-Chief APJ Boalick, and APJs Lee, Arpin, Gerstenblith, and Mitchell) (Posted on the PTAB's "Representative Orders, Decisions, and Notices" web page 7/20/2015).]

III. ANALYSIS AND CONCLUSIONS

The CAFC specified that BRI determinations in PTAB AIA proceedings is based upon record evidence. Limitations on the claims in view of the record evidence is therefore part of a

BRI construction in PTAB AIA proceedings.

Within the meaning of *Idle Free*, the PTAB contracted “prior art known to the patent owner.” This eases the burden on a patent owner's motion to amend, imposed by *Idle Free*, to show patentable distinction over the prior art "known to the patent owner."

Given these change in the law, motions to amend appear to be a more viable option in PTAB AIA proceedings than they appeared to be in the past.

1. I can be reached via the contact information on: <http://www.neifeld.com/cv.html>