

COMMENT

Constructive Criticism: *Phillips v. AWH Corp.* and the Continuing Ambiguity of Patent Claim Construction Principles*

I. INTRODUCTION

The United States Court of Appeals for the Federal Circuit decided to rehear *Phillips v. AWH Corp.*¹ en banc to reconcile its intracircuit split, clarify the proper principles of claim construction in a patent infringement or invalidity lawsuit, and provide litigants with some level of predictability in the appeals process.² In anticipation of this decision, numerous commentators hypothesized, advocated, and opined about how the Federal Circuit would or should settle the law of claim construction.³ Although few agreed on a particular solution, nearly everyone agreed that one was needed to alleviate the instability and uncertainty plaguing the federal appellate process for claim construction appeals, and most were optimistic that the Federal Circuit's decision in *Phillips* would provide the answer.⁴

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1. 363 F.3d 1207 (Fed. Cir. 2004), *vacated*, 376 F.3d 1382 (Fed. Cir. 2004), *rev'd*, 415 F.3d 1303 (Fed. Cir. 2005), *cert. denied*, 126 S. Ct. 1332 (2006).

2. John Josef Molenda, *Understanding the Federal Circuit's Internal Debate and Its Decision to Rehear Phillips v. AWH Corp. En Banc*, 86 J. PAT. & TRADEMARK OFF. SOC'Y 911, 929 (2004); Jessica C. Kaiser, Note, *What's That Mean? A Proposed Claim Construction Methodology for Phillips v. AWH Corp.*, 80 CHI.-KENT L. REV. 1009, 1010 (2005).

3. See, e.g., Jennifer R. Johnson, *Out of Context: Texas Digital, The Indefiniteness of Language, and the Search for Ordinary Meaning*, 44 IDEA 521, 542 (2003–2004) (concluding that the Federal Circuit should “recognize the elusiveness of ordinary meaning and return to the established line of claim construction precedent”); Daniel S. Matthews, Recent Development, *Baffled: Phillips v. AWH Corp. and the Reexamination of Dictionary Use in Patent Claim Interpretation*, 6 N.C.J.L. & TECH. 153, 163 (2004) (concluding that the Federal Circuit should “redirect the focus [of claim instruction] to the patent's specification and intensive evidence”); Kaiser, *supra* note 2, at 1010 (arguing for a “bright-line rule that first looks to dictionaries to provide the ordinary meaning of terms contained in patent claims”).

4. See *SciMed Life Sys., Inc. v. Advanced Cardiovascular Sys., Inc.*, 242 F.3d 1337, 1347 (Fed. Cir. 2001) (Dyk, J., concurring) (“The problem is that our decisions provide inadequate

Unfortunately, the Federal Circuit's *Phillips* opinion failed to reconcile its intracircuit split, and in a disillusioning analysis, the en banc court blurred the lines between two competing claim construction authorities without providing any firm guidance to the district courts on how a judge should approach claim construction. The law of claim construction prior to *Phillips* failed to provide the desired uniformity and predictability mandated by the Supreme Court of the United States in 1996 in *Markman v. Westview Instruments, Inc. (Markman II)*.⁵ In *Phillips*, however, the Federal Circuit saw no need to revise its previous claim construction decisions and merely restated a variation of the same principles it believed it had been applying all along.⁶ Moreover, the Federal Circuit ultimately applied the same basic principles of claim construction to the Phillips patent as the now-vacated panel and district court decisions below, yet reached a different conclusion as to the definition of the disputed term and accordingly reversed the lower court's judgment of noninfringement.

Despite the Federal Circuit's intentions in *Phillips*, the law of claim construction remains just as ambiguous, uncertain, and subject to reversal as before. The *Phillips* opinion exemplifies the inherent flaws in the law of claim construction created by the Federal Circuit's numerous en banc and panel opinions since its landmark decision in *Markman v. Westview Instruments, Inc. (Markman I)*.⁷ In addition, the Federal

guidance as to when it is appropriate to look to the specification to narrow the claim by interpretation and when it is not appropriate to do so. Until we provide better guidance, I fear that the lower courts and litigants will remain confused."); see also Karen Hagberg & Marc J. Pernick, *Outside Counsel: 'Phillips': Resolving (Most) Issues on Construing Patent Claims*, 234 N.Y.L.J. 4, 4 (2005) ("The United States Court of Appeals for the Federal Circuit's recent en banc decision in *Phillips v. AWH Corp.* was one of the most eagerly anticipated in its history.") (citations omitted); Douglas McCollam, *Patently Offensive?*, THE DEAL, Mar. 1, 2004, at 27, available at 2004 WLNR 17771947 ("It's a truism within the appellate bar that the outcome of your appeal usually has a lot more to do with who's on your panel than what's in your brief."). University of Pennsylvania Law Professor R. Polk Wagner even has a calculator that can tell you how your case will come out depending upon the names of the judges on your panel. Claim Construction.com, The Claim Construction Project (Nov. 1, 2002), <http://predictor.claimconstruction.com>. See generally Jay Dratler, Jr., *Alice in Wonderland Meets the U.S. Patent System*, 38 AKRON L. REV. 299 (2005) (criticizing the current system).

5. 517 U.S. 370, 388 (1996). According to the Supreme Court in *Markman II*, this desired uniformity and predictability was precisely the reason it decided that claim construction was an issue of law. See David B. Pieper, *The Appropriate Judicial Actor for Patent Interpretation: A Commentary on the Supreme Court's Decision in Markman v. Westview Instruments, Inc.*, 51 ARK. L. REV. 159, 176-79 (1998) (criticizing the *Markman* decision). Between 1998 to 2000 the Federal Circuit reversed approximately one-third of the claim construction cases heard on appeal. Christian A. Chu, *Empirical Analysis of the Federal Circuit's Claim Construction Trends*, 16 BERKELEY TECH. L.J. 1075, 1142 (2001).

6. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1319 (Fed. Cir. 2005), cert. denied, 126 S. Ct. 1332 (2006).

7. 52 F.3d 967 (Fed. Cir. 1995) (en banc).

Circuit's continued adherence to *Cybor Corp. v. FAS Technologies, Inc.*,⁸ by reviewing the district court's claim construction rulings entirely de novo, only increases the ambiguity of the appeals process in a patent infringement or invalidity lawsuit.

The problem with a de novo standard of review, in the context of claim construction, is that even if a district court applies the correct claim construction principles, the Federal Circuit remains free to analyze the claims anew without any deference to the lower court's findings. This practice may result in the term ultimately being defined more accurately. However, it also created enormous unpredictability for litigants because the Federal Circuit is not bound to merely accept or reject the lower court's claim construction, but can generate an entirely new definition for the disputed term.⁹ Overruling *Cybor*, and redesignating claim construction as an issue of fact or at least subject to some degree of deference, has been the most popular solution offered to ease this unpredictability.¹⁰ In fact, this is the position taken by AWH Corporation in its petition for writ of certiorari to the Supreme Court after its judgment of noninfringement was reversed by the Federal Circuit in *Phillips*.¹¹ However, even under a deferential standard of review, actually determining whether the district court's claim construction is "clearly erroneous" will remain equally unpredictable until the Federal Circuit provides clearer guidelines on claim construction to the lower courts.

The least drastic and most practical way to provide uniformity and predictability to claim construction without sacrificing accuracy is for the Federal Circuit to set forth a distinct rubric of rules, including a specific sequence of analysis and consideration of evidence, and then apply these

8. 138 F.3d 1448 (Fed. Cir. 1998).

9. Theoretically, if one applies the correct legal standard, one reaches the correct result and accurately defines the term. Arguably, however, one could apply the correct legal standard, but still incorrectly construe the disputed term. Reviewing appeals for clear error and remanding inaccurate claims constructions should sufficiently correct these mistakes, making an entirely de novo review excessive.

10. See, e.g., William H. Burgess, *Simplicity at the Cost of Clarity: Appellate Review of Claim Construction and the Failed Promise of Cybor*, 153 U. PA. L. REV. 763, 764 (2004); Lawrence M. Sung, *Echoes of Scientific Truth in the Halls of Justice: The Standard of Review Applied by the United States Court of Appeals for the Federal Circuit in Patent-Related Matters*, 48 AM. U. L. REV. 1233, 1277-78 (1999); Chelsea McGinity Bonini, Note, *Claim Construction Must Be Reexamined—As a Matter of Fact*, Pitney Bowes *Undermines* Markman, 23 HASTINGS COMM. & ENT. L.J. 477, 483-87 (2001). Several amicus curiae briefs called for some deference. See *infra* note 266 (listing groups that advocated for deference).

11. Petition for Writ of Certiorari at 12-21, *AWH Corp. v. Phillips*, 126 S. Ct. 1332 (2006) (No. 05-602). The Supreme Court denied AWH's petition on February 21, 2006. *AWH Corp.*, 126 S. Ct. at 1332.

rules consistently in its *own* opinions. The Federal Circuit must limit the flexibility of district court judges and of itself in construing claims—regardless of whether it decides to revisit *Cybor*. Further, those Federal Circuit judges who disagree with the current standard of review and fact/law distinction—and who can typically be counted on to dissent—must also agree to follow precedent in their respective panel decisions, and address their differences on these issues separately from the task of construing disputed claim terms.¹² Otherwise, litigants and their attorneys can never hope to have the predictability and certainty the Supreme Court sought to provide in *Markman II*.¹³

II. BACKGROUND

A. *General Principles of Patent Law*¹⁴

The United States Constitution vests in Congress the authority “[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.”¹⁵ The constitutional purpose for granting patents is to encourage innovation by protecting the rights of inventors while ultimately increasing the public storehouse of knowledge.¹⁶ A patent grants the patentee the exclusive “right to exclude others from making, using, offering for sale, [selling], . . . or importing” a patented invention in the United States during the patent term.¹⁷ In exchange for this limited monopoly, inventors are required to provide a full disclosure of the invention:

12. Circuit Judges Newman and Mayer have strongly and consistently opposed *de novo* review, and the classification of claim construction as purely a matter of law, since *Markman I*. *E.g.*, *Serrano v. Telular Corp.*, 111 F.3d 1578, 1586 (Fed. Cir. 1997) (Mayer, J., concurring) (noting that the court of appeals should give deference to the trial court’s factual findings in claim interpretation where material facts are disputed).

13. *See supra* note 5 and accompanying text (discussing the Court’s mandate of uniformity and predictability).

14. For further background reading on patent law, see DONALD S. CHISUM ET AL., *PRINCIPLES OF PATENT LAW* 72–115 (3d ed. 2004).

15. U.S. CONST. art. I, § 8, cl. 8. Congress has prescribed specific rules and guidelines regarding the requirements for obtaining a U.S. patent. 35 U.S.C. §§ 100–250 (2000). Title 37 of the *Code of Federal Regulations* also prescribes rules for patent drafting and prosecution. 37 C.F.R. §§ 1.01–.997 (2005).

16. *See* ROBERT P. MERGES ET AL., *INTELLECTUAL PROPERTY IN THE NEW TECHNOLOGICAL AGE* 119 (3d ed. 2003) (explaining the central theory behind patent law).

17. 35 U.S.C. § 154. The patent term is twenty years from the filing date of the utility application or from the filing date of an earlier-filed utility application to which the patent at issue claims priority. *Id.* § 154(a)(2).

The [patent] specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art¹⁸ . . . to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention. The [patent] shall conclude with one or more claims particularly pointing out and distinctly claiming¹⁹ the subject matter which the applicant regards as his invention.

The claims of a patent describe the metes and bounds of a patentee's right to exclude others from making, using, offering to sell, selling, or importing a patented invention within the United States.²⁰ In general, the patent claims broadly define the claimed invention, whereas the patent specification sets forth the invention in more exacting terms.²¹ This is because the specification must include a detailed description and set forth the "best mode" of the invention, whereas the patent claims often employ broad, open-ended language and "may vary in scope or method of description or expression" as long as they are supported by the specification.²² However, the scope of a patentee's rights are defined by the scope of the broadest claims and not by the scope of the specification. Thus, patent drafters generally write claims in a reverse pyramid fashion with the first claim being in independent form (i.e., self-contained) and broadest in scope and subsequent claims depending from this claim and becoming increasingly narrower in scope. These subsequent dependent claims refer back to and incorporate by reference the subject matter of the independent claim, while adding further limitations to the scope of that independent claim.²³ From the broadest to the most particularized

18. See 35 U.S.C. § 103 (stating that to be patentable an invention must not be "obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains"). "Person skilled in the art" is a legal fiction, similar to the "reasonable man" concept. It is used in patent law to refer to a hypothetical person considered to have average expertise and knowledge with regard to the technical field of a particular invention (also referred to as "persons of ordinary skill in the art"). CHISUM ET AL., *supra* note 14, at 536 n.25 (citing Giles S. Rich, *Laying the Ghost of the "Invention" Requirement*, in NONOBVIOUSNESS—THE ULTIMATE CONDITION OF PATENTABILITY 1:508 (John Witherspoon ed., 1980)).

19. § 112 (footnote added). Patentable subject matter must also be novel, *id.* § 102, and nonobvious, *id.* § 103.

20. 35 U.S.C. § 271(a) (2000). A common misconception about patents is that they grant the patent holder the right to make, use, or sell the patented invention; when in fact, all a patent confers is the right to prevent *others* from doing so. It is, in essence, a negative right. CHISUM ET AL., *supra* note 14, at 90.

21. See § 112 (explaining the requirements for specifications and claims).

22. CHISUM ET AL., *supra* note 14, at 91.

23. § 112 ("A claim may be written in independent or, if the nature of the case admits, in dependent or multiple dependent form. Subject to the following paragraph, a claim in dependent form shall contain a reference to a claim previously set forth and then specify a further limitation of

and narrow versions of the invention, this practice allows patentees to claim their invention in varying capacities and alternative forms in an attempt to expand their patent rights as far as legitimately possible.²⁴ The doctrine of claim differentiation gives rise to the presumption during claim construction that a patentee did not intend for broader independent claims to contain the limitations added by subsequent dependent claims.²⁵ The doctrine thus precludes a court from reading those limitations into the independent claims, because doing so would unduly limit the scope of those claims and, consequently, the scope of the patentee's invention and rights.²⁶

In addition to defining the scope of a patentee's rights, patent claims also serve to provide public notice of the scope of these rights and of the invention in general.²⁷ However, patents are not directed toward the general public, but toward persons of ordinary skill in the relevant technical field of the invention.²⁸ Accordingly, the claims must be construed from the perspective of those persons of ordinary skill in the art and not from the perspective of the public generally. For example, when a court reads a patent, "[a] technical term used in [the patent] is interpreted as having the meaning that it would be given by persons experienced in the field of the invention."²⁹ Competing inventors are entitled to rely on claim language to anticipate whether a given conception or creation will infringe the patented invention and to determine the necessary steps to design around the patented invention and avoid infringement.³⁰

the subject matter claimed. A claim in dependent form shall be construed to incorporate by reference all the limitations of the claim to which it refers."). See *infra* text accompanying notes 109–10 for an example of an independent and dependent claim set.

24. Under existing law, patentees sometimes play the odds and write intentionally ambiguous claims, which increases their scope to capture other embodiments that the patentee did not envision at the time of filing.

25. 5A DONALD S. CHISUM, CHISUM ON PATENTS § 18.03[6] (2005). Construing the independent claim to include the limitations added by the dependent claim would render the dependent claim redundant. *Id.*

26. *Id.*

27. PSC Computer Prods., Inc. v. Foxconn Int'l, Inc., 355 F.3d 1353, 1358–59 (Fed. Cir. 2004).

28. Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc., 381 F.3d 1111, 1116 (Fed. Cir. 2004). Competitors need to know not only what is protected by the claims, but also which aspects of the invention have been disclosed, but not claimed, and are thus, considered to have been dedicated to the public domain.

29. Hoechst Celanese Corp. v. BP Chems., Ltd., 78 F.3d 1575, 1578 (Fed. Cir. 1996).

30. PCS Computer, 355 F.3d at 1359.

B. Claim Construction Principles

1. Claim Construction Analysis

When a patentee believes that another's device infringes the patented invention, the patentee can sue the alleged infringer in federal district court. Regardless of the district where the patentee files the case, however, the United States Court of Appeals for the Federal Circuit generally hears all patent infringement appeals.³¹ Unless the Federal Circuit chooses to hear a case en banc, it hears all appeals in three-judge panels. A patent infringement analysis is a two-step process: (1) determining the meaning of the claim terms through a process known as claim construction; and (2) comparing the allegedly infringing device, method, or composition of matter to the properly construed claims to determine whether there is literal infringement or infringement under the doctrine of equivalents.³² The "claim construction inquiry . . . begins and ends in all cases with the actual words of the claims."³³ Thus, the language of the claims determines the scope of a patentee's right to exclude others from infringing his patented invention.³⁴ Claim construction is, therefore, a crucial step in patent infringement litigation

31. In 1982, Congress created the United States Court of Appeals for the Federal Circuit to hear all patent infringement appeals. Federal Courts Improvement Act of 1982, Pub. L. No. 97-164, 96 Stat. 25, 38 (1982) (codified as amended at 28 U.S.C. § 1295 (2000)); *see also* MERGES ET AL., *supra* note 16, at 118 (2003) (discussing practical implications of procedural rules). Related issues of subject matter jurisdiction, removal, etc., may result in a patent case being brought in a state court, but this Comment leaves that to another discussion.

32. *Renishaw PLC v. Marposs Societa' per Azioni*, 158 F.3d 1243, 1247–48 (Fed. Cir. 1998).

33. *Id.* at 1248; *see also* *Autogiro Co. of America v. United States*, 384 F.2d 391, 395–401 (Ct. Cl. 1967) (further discussing patent law, claim interpretation, and application in an infringement opinion).

34. *PCS Computer*, 355 F.3d at 1360; *see also* *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 365 U.S. 336, 339 (1961) (stating that the "claims made in the patent are the sole measure of the grant"); *Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc.*, 381 F.3d 1111, 1115 (Fed. Cir. 2004) (same). The outcome of many cases has turned on seemingly insignificant language in the patent claims. *See, e.g.,* *Kustom Signals, Inc. v. Applied Concepts, Inc.*, 264 F.3d 1326, 1329–30 (Fed. Cir. 2001) (infringement turned upon whether the allegedly infringing radar device, which searched both magnitude and frequency signals, infringed patentee's radar device, which searched magnitude "or" frequency signals); *Toro Co. v. White Consol. Indus., Inc.*, 199 F.3d 1295, 1300–01 (Fed. Cir. 1999) (infringement turned upon the meaning of the terms "cover" and "including"); *Renishaw*, 158 F.3d at 1251 (infringement turned upon whether the term "when" meant at the time of contact or meant at *or* after the time of contact); *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1458–59 (Fed. Cir. 1998) (en banc) (infringement turned upon whether the term "to" required the liquid to pass directly from one pump to another or if it could pass through intermediate components); *Sage Prods., Inc. v. Devon Indus., Inc.*, 126 F.3d 1420, 1430–31 (Fed. Cir. 1997) (infringement turned upon meaning of word "through"); *N. Am. Vaccine, Inc. v. Am. Cyanamid Co.*, 7 F.3d 1571, 1575–76 (Fed. Cir. 1993) (infringement turned upon whether the word "a" could mean more than one or was confined to its traditional singular definition).

because the definition of the term at issue will often determine whether infringement has occurred.³⁵

2. Claim Construction Is an Issue of Law That the Federal Circuit Reviews De Novo

In *Markman I*, the Federal Circuit held that claim construction was a matter of law purely within the province of the courts.³⁶ The Supreme Court affirmed, in a unanimous opinion, holding that although claim construction included a number of factual underpinnings the judge would need to consider, a patent is a legal instrument which, for policy reasons, should be construed by the judge and not the jury.³⁷ According to the Court,

[p]atent construction in particular “is a special occupation, requiring, like all others, special training and practice. The judge, from his training and discipline, is more likely to give a proper interpretation to such instruments than a jury” [A]ny credibility determinations will be subsumed within the necessarily sophisticated analysis of the whole document³⁸

The Court hoped this would create increased uniformity and predictability and strengthen the patent system.³⁹ According to the Court, “[t]reating interpretive issues as purely legal will promote . . . intrajurisdictional certainty through the application of stare decisis on those questions not yet subject to interjurisdictional uniformity under the authority of the single appeals court.”⁴⁰ Many members of the patent bar hoped that under this new system clear claim construction principles would develop, and district court claim construction inquiries would improve, lessening the need for reversal by the Federal Circuit on

35. In 2005, the Federal Circuit heard 112 patent appeals, of which 38 centered on the issue of claim construction. The next most frequently appealed issue (18 out of 112) was novelty (35 U.S.C. § 102). LAWRENCE M. SUNG & JEFF E. SCHWARTZ, PATENT LAW HANDBOOK § 14:4 (2005-2006 ed.).

36. *Markman v. Westview Instruments, Inc. (Markman I)*, 52 F.3d 967, 979 (Fed. Cir. 1995) (en banc).

37. See *Markman v. Westview Instruments, Inc. (Markman II)*, 517 U.S. 370, 388 (1996) (referring to functional considerations of judges, not juries, determining meaning). It is important to note that the Court based its holding on a policy argument only after exhaustively discussing the historical and legal aspects of the issue without resolution.

38. *Id.* at 388–89 (quoting *Parker v. Hulme*, 18 F. Cas. 1138, 1140 (C.C.E.D. Pa. 1849) (No. 10,740)).

39. *Id.* at 390 (“It was just for the sake of such desirable uniformity that Congress created the Court of Appeals for the Federal Circuit as an exclusive appellate court for patent cases . . .”).

40. *Id.* at 391.

appeal.⁴¹ In fact, empirical evidence suggests that the Federal Circuit reversal rate did decline after *Markman II*, but rose again shortly after *Cybor*.⁴²

The Supreme Court, in *Markman II*, did not explicitly address the issue of standard of review.⁴³ However, in *Cybor* the Federal Circuit decided that it would review a district court's claim construction decisions de novo on appeal, "including any allegedly fact-based questions relating to claim construction."⁴⁴ *Cybor* explicitly overruled a line of Federal Circuit cases that had recognized the claim construction inquiry as a quasi-factual undertaking or as a mixed question of law and fact.⁴⁵ This line of cases held that the district court judge was best positioned to make any findings of fact or credibility determinations regarding claim construction and, accordingly, deferred to such findings or determinations in conducting claim construction analysis on appeal.⁴⁶ After *Cybor*, the Federal Circuit began conducting its own independent claim construction inquiries on appeal, regardless of whether the district court applied the correct claim construction standard. *Cybor* marked the beginning of an ever increasing reversal rate of claim construction related appeals, which is currently at about thirty percent.⁴⁷ The Federal Circuit's en banc decision in *Phillips* exemplifies the perils of de novo review and underscores the argument that without clearer claim

41. Kimberly A. Moore, *Markman Eight Years Later: Is Claim Construction More Predictable?*, 9 LEWIS & CLARK L. REV. 231, 245–46 (2005).

42. *Id.* at 246.

43. See *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1456 (Fed. Cir. 1998) (en banc) (discussing *Markman II*).

44. *Id.*

45. *Id.*

46. E.g., *Fromson v. Anitec Printing Plates, Inc.*, 132 F.3d 1437, 1444 (Fed. Cir. 1997); *Eastman Kodak Co. v. Goodyear Tire & Rubber Co.*, 114 F.3d 1547, 1555–56 (Fed. Cir. 1997); *Wiener v. NEC Elecs., Inc.*, 102 F.3d 534, 539 (Fed. Cir. 1996); *Metallics Sys. Co. v. Cooper*, 100 F.3d 938, 939 (Fed. Cir. 1996).

47. Moore, *supra* note 41, at 239. One reason for this high reversal rate could be that the Federal Circuit is more "pro patent" than the lower courts. In seventy-six percent of the cases studied, the alleged infringer won at the district court level, whereas the Federal Circuit favored the alleged infringer only fifty-eight percent of the time. *Id.* at 240–41. However, closer inspection reveals that the Federal Circuit is just as likely to reverse a case won by the patentee as it is to reverse a case won by the alleged infringer. *Id.* at 241. Patent law does have safeguards in place to avoid this waste of judicial economy. A party can request certification of an interlocutory appeal to the Federal Circuit on the district judge's claim construction before proceeding with the rest of the trial. However, the Federal Circuit has yet to grant such a request. Craig Allen Nard, *Process Considerations in the Age of Markman and Mantras*, 2001 U. ILL. L. REV. 355, 357 (2001) ("To realize early certainty, the Federal Circuit must make a choice—either afford district court claim interpretations more deference or grant interlocutory appeals on the issue of claim interpretation. The Federal Circuit cannot have it both ways; the court may not exercise de novo review while refusing to hear interlocutory appeals.").

construction guidelines from the Federal Circuit, the unpredictability of the appeals process will continue to plague the patent system.⁴⁸

C. Divergent Case Law—Claim Construction Standards

Patent infringement often directly or indirectly hinges on the meaning of one or more claim terms as understood by a person of ordinary skill in the relevant art.⁴⁹ “Unfortunately, the nature of language [often] makes it impossible to capture the essence of a thing in a patent application The language in the patent claims may not capture every nuance of the invention or describe with complete precision the range of its novelty.”⁵⁰ Courts must therefore consult a variety of sources, other than the claim language, to understand the underlying technology and terminology of the patent’s technical field to define the disputed term from the perspective of persons of ordinary skill in that field.⁵¹ Various types of claim construction cases and conflicting decisions by different panels of Federal Circuit judges have resulted in divergent claim construction precedent and inconsistent standards for lower courts to follow.⁵²

1. Evidentiary Sources Used in Claim Construction

One line of authority arose under the *Vitronics Corp. v. Conceptronic, Inc.*⁵³ standard, which looked primarily to intrinsic evidence in determining a claim term’s meaning.⁵⁴ Intrinsic evidence includes the patent claims and specification, as well as the prosecution history.⁵⁵ A second line of authority arose under the *Texas Digital*

48. See *infra* Part III.B–D (discussing the rationale behind, and implications of, *Phillips*).

49. See *supra* notes 32–35 and accompanying text (discussing how the meaning of claim terms determines the patentee’s ability to sue for patent infringement).

50. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 731 (2002).

51. *Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc.*, 381 F.3d 1111, 1116 (Fed. Cir. 2004).

52. *Molenda*, *supra* note 2, at 911; Douglas Y’Barbo, *Is Extrinsic Evidence Necessary to Resolve: Claim Construction Disputes? Part I*, 81 J. PAT. & TRADEMARK OFF. SOC’Y 687, 727 (1999).

53. 90 F.3d 1576 (Fed. Cir. 1996).

54. *Id.* at 1583.

55. *Id.* at 1582. The prosecution history is the record of the entire process of obtaining the patent, including amendments to the claims, arguments, prior art, and correspondences between the patentee and the examiner at the United States Patent & Trademark Office (USPTO). BLACK’S LAW DICTIONARY 660 (8th ed. 2004).

*Systems v. Telegenix, Inc.*⁵⁶ standard, which placed special emphasis on dictionaries in construing claims.⁵⁷ Before *Texas Digital*, the Federal Circuit considered dictionaries as part of the extrinsic evidence, which includes anything external to the patent file such as expert testimony, technical treatises, and articles.⁵⁸ *Texas Digital*, however, categorized dictionaries as part of the intrinsic evidence for claim construction purposes.⁵⁹

a. *Vitronics* and the Intrinsic Evidence Standard

The Federal Circuit in *Vitronics* clearly enumerated the procedure to be followed in conducting claim construction analysis and set forth a clear order for considering evidence. According to the *Vitronics* panel, the claim construction analysis begins with the words of the claims, which “are generally given their ordinary and customary meaning.”⁶⁰ Second, a court should consult the specification to see if the patentee explicitly defined the disputed term therein or if the patentee used the term in a way that is inconsistent with the ordinary and customary meaning.⁶¹ A patentee may define a term to mean something other than its ordinary and customary definition as long as this special definition is clearly set forth in the specification or prosecution history.⁶² Third, a court should look to the prosecution history to see if the patentee explicitly defined or disclaimed a given definition for the disputed term or used the term in a particular context that sheds light on the intended meaning.⁶³ According to the court, patentees often limit the definition and scope of a term in order to overcome prior art,⁶⁴ and courts should use such disclaimers to limit the definition of the disputed term

56. 308 F.3d 1193 (Fed. Cir. 2002).

57. *Id.* at 1202–03.

58. *Vitronics*, 90 F.3d at 1584.

59. 308 F.3d at 1203.

60. *Vitronics*, 90 F.3d at 1582.

61. *Id.*

62. *Id.*; see also *Johnson Worldwide Assocs., Inc. v. Zebeco Corp.*, 175 F.3d 985, 990 (Fed. Cir. 1999) (noting that a patentee may choose to be his own lexicographer).

63. *Vitronics*, 90 F.3d at 1582–83. Of course, a patentee may also inadvertently limit the definition of the term by using it restrictively in the prosecution history. *Id.* at 1583.

64. “Prior art” is a term used in patent law to designate all publicly disclosed information relevant to the patent application in question. Sources of prior art include prior publications and academic articles, prior patents or published applications, and prior general knowledge. Patents commonly serve as prior art for other patent applications. In order to obtain a patent, a patentee must overcome this prior art to satisfy the novelty requirement of 35 U.S.C. § 102. The invention must be novel over what has been patented or otherwise disclosed before. See, e.g., BLACK’S LAW DICTIONARY 119 (8th ed. 2004).

accordingly in claim construction.⁶⁵ Courts should also look to the prior art cited in the prosecution history for any use of the disputed term.⁶⁶ Ultimately, a patentee should generally be held to any intended or implied definition expressed in the prosecution history.⁶⁷

The patent specification, claims, and prosecution history constitute the intrinsic evidence, which, according to the Federal Circuit in *Vitronics*, is the “most significant source of the legally operative meaning of disputed claim language.”⁶⁸ According to the *Vitronics* panel, when the specification appears clear, unambiguous, and enables the court to determine the meaning of the disputed term intended by the patentee, reliance on extrinsic evidence is improper.⁶⁹ The intrinsic record is also the only information specifically relating to the patent that becomes part of the public record and on which competitors are entitled to rely to determine the scope of the patent.⁷⁰ In contrast, extrinsic evidence is not part of the public record, and the public notice function of patents is ill-served when courts rely on this information in construing claims. For this reason, the *Vitronics* panel cautioned that courts should consult extrinsic evidence only as a last resort and should never use the extrinsic evidence to alter the meaning of the disputed term reflected in the public record.⁷¹ Based upon these principles, the three-judge panel⁷² held that the intrinsic evidence in *Vitronics* was clear and unambiguous, and therefore, it was improper for the district court judge to have afforded the extrinsic evidence any weight.⁷³ After *Vitronics*, courts applying this standard have relied heavily on the intrinsic evidence when construing claims, often to the complete exclusion of extrinsic evidence.⁷⁴

65. *Vitronics*, 90 F.3d at 1582–83.

66. *Id.* at 1582.

67. *Id.* at 1582–83.

68. *Id.* at 1582.

69. *See id.* at 1583 (stating that the inquiry should end once the court determines the meaning of the disputed term and that it would be illogical to refer to extrinsic evidence at this point).

70. *Id.*

71. *Id.*

72. Federal Circuit Judges Michel and Lourie and Senior Circuit Judge Friedman.

73. *Vitronics*, 90 F.3d at 1585.

74. *See, e.g., Intel Corp. v. VIA Techs., Inc.*, 319 F.3d 1357, 1364 (Fed. Cir. 2003) (“[R]eliance on extrinsic evidence was not and is not necessary.”); *Amgen, Inc. v. Hoechst Marion Roussel, Inc.*, 339 F. Supp. 2d 202, 247 (D. Mass. 2004) (patent documents are sufficient to construe disputed claim terms), *vacated on other grounds*, 457 F.3d 1293 (Fed. Cir. 2006); *Biagro W. Sales, Inc. v. Helena Chem. Co.*, 160 F. Supp. 2d 1112, 1120–21, 1123–28 (E.D. Cal. 2001) (not considering any extrinsic evidence).

b. *Texas Digital* and the “Dictionary First” Approach

According to the Federal Circuit in *Texas Digital*, a court should approach claim construction with the heavy presumption that disputed claim terms carry their ordinary and customary meaning as understood from the perspective of one of ordinary skill in the art.⁷⁵ Judges are generally not persons of ordinary skill in the relevant technical field of the patent or related fields.⁷⁶ Therefore, the *Texas Digital* panel reasoned “that dictionaries, encyclopedias and treatises are particularly useful resources to assist the court in determining the ordinary and customary meanings of claim terms.”⁷⁷ The three-judge panel⁷⁸ cited *Vitronics* for the proposition that a court may consult a dictionary at *any time* during the proceeding to determine the meaning of a disputed term as long as that meaning does not conflict with the patent documents.⁷⁹ Indeed, in a footnote, the *Vitronics* court had stated that dictionaries, although part of the extrinsic evidence, were “worthy of special note.”⁸⁰ However, contrary to *Vitronics*, the *Texas Digital* panel cautioned against consulting the intrinsic evidence first and instead recommended that a court consult the dictionary as a threshold step in the process of claim construction.⁸¹ According to the *Texas Digital* panel, consulting the intrinsic evidence first, before attempting to determine the plain meaning of the disputed terms, could inadvertently lead to importing limitations from the patent specification into the claims and unduly limiting their scope—a basic prohibition in patent law.⁸²

Under *Texas Digital*, once a court determines the plain meaning of the disputed term, it should then consult the intrinsic evidence to: (1)

75. *Tex. Digital Sys., Inc. v. Telegenix, Inc.*, 308 F.3d 1193, 1202 (Fed. Cir. 2002).

76. *See id.* at 1203 (stating that judges need aid in understanding patent technology and terminology commonly understood by those involved in the related technical field).

77. *Id.*

78. Federal Circuit Judges Michel, Schall, and Linn.

79. *Tex. Digital*, 308 F.3d at 1202 (citing *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1584 n.6 (Fed. Cir. 1996)). Considering that the *Texas Digital* and *Vitronics* opinions are often viewed as being at odds with each other, it is interesting that the *Texas Digital* panel referenced *Vitronics* as support for its view on dictionaries. Note also that Federal Circuit Judge Michel sat on both panels.

80. *Vitronics*, 90 F.3d at 1584 n.6.

81. *Tex. Digital*, 308 F.3d at 1204–05.

82. *Id.* at 1204 (citing *Generation II Orthotics Inc. v. Med. Tech. Inc.*, 263 F.3d 1356, 1367 (Fed. Cir. 2001) (“The district court should have construed the claim limitation ‘controlled’ according to its ordinary and accustomed meaning [as defined in a medical dictionary], rather than importing a characteristic of a disclosed or preferred embodiment into that term.”); *Loctite Corp. v. Ultraseal Ltd.*, 781 F.2d 861, 867 (Fed. Cir. 1985) (“Generally, particular limitations or embodiments appearing in the specification will not be read into the claims.”)).

identify which of the different possible dictionary definitions is most appropriate; (2) determine if all of the given definitions could be attributed to the disputed term and thus expand the scope of the definition; or (3) see if anything therein rebuts the heavy presumption in favor of this ordinary and customary definition.⁸³

The *Texas Digital* panel further opined that courts should not label dictionaries as part of the extrinsic evidence because they are publicly available to aid in interpretation at the time the patent issues, are therefore part of the public record, and thus do not undermine the public notice function of patents.⁸⁴ Accordingly, the panel reasoned, a judge should be able to consult a dictionary, encyclopedia, or technical treatise at any time while conducting a claim construction inquiry, regardless of whether the parties have offered such resources into evidence.⁸⁵ Further, the panel observed that, unlike other resources, dictionaries, encyclopedias, and treatises “are unbiased reflections of common understanding not influenced by expert testimony or events subsequent to the fixing of the intrinsic record by the grant of the patent, not colored by the motives of the parties, and not inspired by litigation.”⁸⁶ Courts, applying this standard, including other Federal Circuit panels, adopted what has been coined the “dictionary first” approach and relied heavily on dictionaries, encyclopedias, and similar sources to define disputed claim terms.⁸⁷

2. Post-*Vitronics* and *Texas Digital*: Dictionary or Specification First?

Cases arising after *Texas Digital* and *Vitronics* have struggled with these dual standards. The district courts and the Federal Circuit itself have attempted to reconcile or clarify the methodologies espoused by the

83. *Id.* at 1203–04. For example, the inventor may have expressly defined the term or disclaimed the plain meaning.

84. *Id.* at 1202–03.

85. *Id.* at 1203.

86. *Id.*

87. See generally *Kumar v. Ovonic Battery Co.*, 351 F.3d 1364 (Fed. Cir. 2003) (using a dictionary as a starting point before consulting intrinsic evidence); *Inline Connection Corp. v. AOL Time Warner, Inc.*, 302 F. Supp. 2d 307 (D. Del. 2004) (same); *Inverness Med. Switz. GmbH v. Acon Labs, Inc.*, 323 F. Supp. 2d 227 (D. Mass. 2004) (same); *AT&T Corp. v. Microsoft Corp.*, No. 01 Civ. 4872(WHP), 2003 WL 21459573 (S.D.N.Y. June 24, 2003) (same), *aff'd*, 414 F.3d 1366 (Fed. Cir. 2005), *cert. granted*, 126 S. Ct. 1901 (2006); *Gleason Works v. Oerlikon Geartec AG*, 238 F. Supp. 2d 504 (W.D.N.Y. 2002) (same). “[B]y 2002 the Federal Circuit was issuing, on average, more than two claim construction decisions a month that relied on dictionaries and similar sources to construe claim terms.” Joseph Scott Miller & James A. Hilsenteger, *The Proven Key: Roles and Rules for Dictionaries at the Patent Office and the Courts*, 54 AM. U. L. REV. 829, 908 (2005).

Federal Circuit panel decisions in *Texas Digital* and *Vitronics*.⁸⁸ However, in many cases, the courts have ultimately misinterpreted and misapplied either or both of these claim construction standards. For example, in a panel decision case decided before *Texas Digital*, but after *Vitronics*, the Federal Circuit determined that “*Vitronics* [did] not prohibit courts from examining extrinsic evidence, even when the patent document itself is clear.”⁸⁹ However, an examination of the court’s opinion reveals that *Vitronics* did in fact prohibit courts from examining extrinsic evidence when the patent document is clear.⁹⁰ Specifically, the *Vitronics* court stated “where the public record [i.e., the intrinsic evidence] unambiguously describes the scope of the patented invention, reliance on any extrinsic evidence is improper.”⁹¹ How can the Federal Circuit expect lower courts to consistently construe claims when the Federal Circuit judges themselves misinterpret and misapply their own claim construction precedent?⁹²

In theory, if the Federal Circuit was providing adequate guidance, claim construction at the district court level should have improved significantly in the ten years since *Markman II*, and the rate of reversal on appeal should be decreasing. However, this is not the case. Since *Markman II* and *Cybor*, the Federal Circuit can agree neither on the standard to be applied nor on the standard it believes it has been applying all along.⁹³ It has failed to provide adequate claim construction guidance to lower courts, and more importantly, it has failed to meet the mandate of uniformity and predictability set forth by the Supreme Court in *Markman II*.⁹⁴ The problem lies partly in the fact that the Federal Circuit judges seem to disagree amongst themselves on the appropriate claim

88. See, e.g., *Genzyme Corp. v. Transkaryotic Therapies, Inc.*, 346 F.3d 1094, 1106 (Fed. Cir. 2003) (Linn, J., dissenting) (disagreeing with majority’s treatment of dictionary definition); *Winn Inc. v. Eaton Corp.*, 272 F. Supp. 2d 968, 976 n.4 (C.D. Cal. 2003) (“[T]he Federal Circuit has offered inconsistent guidance on this question in several recent opinions.”); *Tenneco Packaging Specialty & Consumer Prods., Inc. v. S.C. Johnson & Son, Inc.*, No. 98-C-2679, 1999 WL 1044840, at *2 n.1 (N.D. Ill. Nov. 16, 1999) (“The Federal Circuit’s cases are not entirely clear on whether dictionary definitions constitute extrinsic evidence.”).

89. *Pitney Bowes, Inc. v. Hewlett-Packard Co.*, 182 F.3d 1298, 1308 (Fed. Cir. 1999). The case was argued before Federal Circuit Judges Michel, Plager, and Rader.

90. *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1583 (Fed. Cir. 1996).

91. *Id.*

92. See *supra* text accompanying notes 88–91.

93. See discussion *supra* notes 53–87 and accompanying text (discussing different approaches used by the Federal Circuit).

94. See *Markman v. Westview Instruments, Inc. (Markman II)*, 517 U.S. 370, 390 (1996) (“[W]e see the importance of uniformity in the treatment of a given patent as an independent reason to allocate all issues of construction to the court.”); see also discussion *supra* notes 39–41 and accompanying text (discussing the intrajudicial uniformity that the *Markman II* court sought to create).

construction principles. Whatever the reason, the Federal Circuit decided to rehear *Phillips* in an attempt to reconcile its case law and provide district courts, litigants, and the patent bar with clear guidelines for construing claims, so that the patent system could finally achieve the desired uniformity, predictability, and certainty.

D. Events Leading to Phillips v. AWH Corp. Patent Infringement Suit

1. U.S. Patent 4,677,798—Steel Shell Modules for Prisoner Detention Facilities

Edward Phillips invented interchangeable steel modular panels that can be easily welded together to create extra detention areas for jails or other similar facilities when the main facility overflows with occupants.⁹⁵ These modules consist of inner and outer steel walls and provide the needed load bearing and structural support to withstand jailbreak efforts, vandalism, riot, fire, impact, explosion, or gunfire.⁹⁶ “Internally directed” steel baffles are positioned between the inner and outer walls to increase the module’s strength and provide the requisite impact resistance (i.e., bullet-deflecting capabilities).⁹⁷ On July 7, 1987, the United States Patent and Trademark Office (USPTO) granted Phillips a patent for his invention, which is embodied in U.S. Patent No. 4,677,798.⁹⁸

The alleged infringer, AWH Corporation, had previously marketed and sold the patented invention under an express agreement between AWH and Phillips.⁹⁹ After the agreement ended, Phillips alleged that AWH continued to use the patented invention without his consent.¹⁰⁰ Infringement in this case ultimately centered on the meaning of the term “baffle” in the patent claims and, in particular, the angle of orientation of the baffles relative to the steel walls as required by the patent.¹⁰¹ For example, if the patent claim required the baffles to be disposed at angles other than ninety degrees, then AWH’s modules did not infringe the

95. U.S. Patent No. 4,677,798 col.1 ll.6–16, 65–67 (filed April 14, 1986), available at <http://www.uspto.gov> (under Patents, click “search”; then follow the hyperlink for “Patent Number Search”; then enter the patent number in the box).

96. *Id.* at col.1 ll.65–68, col.2 ll.1–10, 23–30.

97. *Id.* at col.2 ll.11–22.

98. *Id.* at [11], [45].

99. *Phillips v. AWH Corp.*, 363 F.3d 1207, 1210 (Fed. Cir. 2004), vacated, 376 F.3d 1382 (Fed. Cir. 2004), rev’d, 415 F.3d 1303 (Fed. Cir. 2005), cert. denied, 126 S. Ct. 1332 (2006).

100. *Id.*

101. *Id.* at 1209, 1211–12.

patent.¹⁰² However, if the baffles could be disposed at all angles including ninety degrees, then AWH's modules were infringing Phillips's patent.¹⁰³

The description of the invention in the patent does not contain any references to baffles disposed at ninety-degree angles, and all references to baffle angles refer to either acute or obtuse angles.¹⁰⁴ In particular, the patent describes baffles that are specifically disposed at angles necessary to deflect bullets.¹⁰⁵ As a matter of physics, only baffles disposed at angles other than ninety degrees are capable of deflecting bullets, as bullets or other projectiles could easily go between baffles perpendicular to the wall face.¹⁰⁶ Therefore, on first impression, the specification seems to require baffles disposed at angles other than ninety degrees. However, there is no such limitation in the language of claim 1, the broadest claim, which requires only that the baffles extend inwardly from either wall.¹⁰⁷ In fact, claim 1 does not refer to baffle angles at all.¹⁰⁸ It reads:

Building modules adapted to fit together for construction of fire, sound and impact resistant security barriers and rooms for use in securing records and persons, comprising in combination, an outer shell of substantially parallelepiped shaped with two outer steel plate panel sections of greater surface area serving as inner and outer walls for a structure when a plurality of the modules are fitted together, sealant means spacing the two panel sections from steel to steel contact with each other by a thermal-acoustical barrier material, and further means disposed inside the shell for increasing its load bearing capacity comprising internal steel *baffles* extending inwardly from the steel shell walls.¹⁰⁹

Claim 2 contains the first mention of a requirement for baffle angles: "Modules as defined in claim 1 wherein the steel *baffles* are oriented with the panel sections disposed at *angles for deflecting projectiles such as bullets able to penetrate the steel plates.*"¹¹⁰

102. *Id.* at 1213–14.

103. *Id.*

104. '798 Patent at col.2 ll.11–15.

105. *Id.*

106. *See Phillips*, 363 F.3d at 1213 ("Baffles directed at [ninety degrees] cannot deflect projectiles as described in the '798 patent . . .").

107. '798 Patent at col.6 ll.22–34.

108. *Id.*

109. *Id.* (emphasis added).

110. *Id.* at col.6 ll.35–38 (emphasis added).

III. ANALYSIS

A. *Phillips Sues AWH Corporation For Patent Infringement*

1. District Court Proceedings

The district court judge had to determine whether the “baffles” disclosed in claim 1 could be disposed at ninety-degree angles or were required to be disposed only at acute or obtuse angles.¹¹¹ The parties originally stipulated that the term “baffle” meant a “means for obstructing, impeding or checking the flow of something.”¹¹² The parties did not, however, stipulate or define the angle of orientation of the baffles.¹¹³ The patentee invoked the doctrine of claim differentiation,¹¹⁴ and argued that because subsequent dependent claims specified an angle of orientation for the disclosed baffles, but claim 1 did not, the doctrine precluded the judge from reading a specific angle requirement into claim 1.¹¹⁵ The alleged infringer, AWH Corporation, argued that the language of claim 1 inadequately defined the term “baffle,” and therefore the judge should construe the term in light of the narrower description in the specification.¹¹⁶

The district court claim construction analysis began with the intrinsic evidence and, in particular, with the language of the claims construed in light of the specification and the diagrams.¹¹⁷ Indeed, the judge cited *Vitronics* for the proposition that the intrinsic evidence is “the most significant source of the legally operative meaning of disputed claim language.”¹¹⁸ The judge also looked at the Phillips patent prosecution history—which is also part of the intrinsic evidence.¹¹⁹ In citing *Vitronics* the judge further explained that a court should limit its use of

111. *Phillips v. AWH Corp.*, No. 97 MK 212(CBS), 2002 WL 32827996, at *11 (D. Colo. Nov. 22, 2002).

112. *Id.*

113. *Id.*

114. *See supra* notes 25–26 and accompanying text (explaining the doctrine of claim differentiation).

115. *Phillips*, 2002 WL 32827996, at *11. Otherwise, these dependent claims would be redundant.

116. *Id.*

117. *Id.* at *4.

118. *Id.* at *10 (citing *Vitronics Corp. v. Conceptronics, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996)).

119. *Id.* at *6.

extrinsic evidence to define a disputed term when the intrinsic record is unambiguous as to that term's meaning.¹²⁰

The court explained that although a judge should not use the specification to limit the scope of the claims, there are several exceptions to this general rule.¹²¹ First, when a patentee describes only one embodiment of the invention and fails to designate it as the "best mode" or "preferred embodiment," a court can view that single embodiment as the *only* patented embodiment of the invention instead of simply the best version of the invention.¹²² Second, when the specification specifically sets forth a special definition for a term and/or the intended meaning of a claim term is unclear in the context of the claims, the narrower scope and language of the specification controls construction of the term.¹²³ Third, when a patentee expresses a claim element in "means-plus-function"¹²⁴ format defining the function of the element but not its structure, a court looks to descriptions of that structure in the specification to define and limit the element in the claims.¹²⁵

After stating the relevant claim construction law, the judge turned to the Phillips patent claim language, written description, and diagrams. The judge first determined that the definition of the term "baffles" remained ambiguous in the context of the claims, despite the parties' stipulated definition.¹²⁶ Further, the judge determined that claim 1 was written as a "means-plus-function" description.¹²⁷ The judge also noted that "[a]ll of the diagrams display[ed] the internal baffles extending from an acute or oblique angle to the wall faces. No diagram show[ed] a baffle extending internally at a right angle to a face wall in a T-shaped form or connecting the two wall faces."¹²⁸ The judge concluded that because Phillips described and diagramed only baffles extending inwardly from the modular wall faces at angles *other than ninety degrees*, and did not designate these diagrams or descriptions as the "best mode," the scope of the claims was limited to baffles disposed at angles

120. *Id.* at *4.

121. *Id.* at *5.

122. *Id.*

123. *Id.*

124. 35 U.S.C. § 112 (2000) ("An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.").

125. *Phillips*, 2002 WL 32827996, at *5.

126. *Id.* at *12.

127. *Id.*

128. *Id.* at *2.

other than ninety degrees as disclosed in the specification.¹²⁹ The judge reasoned that in light of the aforementioned exceptions, she appropriately limited the definition and scope of the term “baffle” in claim 1 to the usage of the term in the specification.¹³⁰

The judge also reasoned that the narrower definition was consistent with both the parties’ stipulated definition and the prosecution history.¹³¹ For example, in order for the baffles to check, impede, or obstruct the flow of anything that may impact the module walls (per the stipulated definition), the baffles cannot be perpendicular to the surface of these walls.¹³² The judge also noted that the originally presented language of claim 1 did not contain any reference to baffles at all, but that Phillips later added this reference in response to, and in order to overcome, a prior art rejection from the patent examiner.¹³³ Upon inspection of the prior art, the judge determined that perpendicular baffles would lack novelty over the prior art and render the Phillips patent invalid.¹³⁴ Therefore, in accordance with the general principle that courts must attempt to construe patent claims so as to uphold their validity, the judge determined that Phillips’s baffles were not disposed at perpendicular angles.¹³⁵

In light of the construed definition, the district court judge granted AWH Corporation’s motion for summary judgment of noninfringement.¹³⁶ Phillips appealed to the Federal Circuit, arguing that the district court improperly read limitations from the specification into the claims.¹³⁷

129. *Id.* at *12–13.

130. *Id.* at *12.

131. *Id.* at *12–13.

132. *Id.* at *12.

133. *Id.* at *2–3. The prosecution history indicated that the term “baffle” was added in an amendment to claim 1 intended to overcome a prior art reference. The prior art reference, U.S. Patent No. 3,899,043 to Hall (filed July 29, 1974), available at <http://www.uspto.gov> (search “Patents” using Patent Number), disclosed a modular wall system designed to resist sound and fire. The modular walls disclosed in Hall were sandwiched together, linked by perpendicular steel studs and joined with a sealant.

134. *Phillips*, 2002 WL 32627540 at *13.

135. *Id.*; see also *SUNG & SCHWARTZ*, *supra* note 35, § 1:8 (explaining the principle that courts try to interpret claims to preserve their validity).

136. *Phillips v. AWH Corp.*, No. 97-MK-212(CBS), 2003 WL 23724191, at *1 (D. Colo., Jan. 22, 2003), *rev’d*, 415 F.3d 1303 (Fed. Cir. 2005), *cert. denied*, 126 S. Ct. 1332 (2006).

137. *Phillips v. AWH Corp.*, 363 F.3d 1207, 1211 (Fed. Cir. 2004), *vacated*, 376 F.3d 1382 (Fed. Cir. 2004), *rev’d*, 415 F.3d 1303, *cert. denied*, 126 S. Ct. 1332.

2. Federal Circuit Panel Review

On appeal, Federal Circuit Judges Newman and Lourie affirmed the district court's grant of summary judgment of noninfringement.¹³⁸ Although the majority disagreed with the district court's determination that claim 1 included "means-plus-function" language, the panel ultimately concluded that the district court judge properly construed the meaning of the term "baffle."¹³⁹ Federal Circuit Judge Dyk dissented from the opinion.¹⁴⁰

The panel majority began its analysis of the Phillips patent with the language of the claims in light of the specification, prosecution history, and other intrinsic evidence.¹⁴¹ It explained that the presumption in favor of the ordinary and customary meaning of a disputed term "baffle" is overcome "if the intrinsic evidence shows that the patentee distinguished that term from prior art on the basis of a particular embodiment, expressly disclaimed subject matter, or described a particular embodiment as important to the invention."¹⁴² The majority then noted Phillips's numerous references in the patent to the impact and projectile-resistant properties of the modular wall system.¹⁴³ After reading the specification, it determined that Phillips viewed impact resistance as an important or essential feature of the invention and that baffles disposed at ninety-degree angles would not have provided this feature.¹⁴⁴ The majority also agreed with the district court judge's determination that the baffles in the Phillips patent had to be orientated at angles other than ninety degrees in order to avoid the prior art.¹⁴⁵ For all of these reasons, it determined that the district court judge's claim construction did not erroneously import limitations from the specification into the claims, as argued by Phillips.¹⁴⁶ The panel majority concluded that "[i]nspection of the patent shows that baffles angled at other than ninety degrees is the

138. *Id.* at 1209.

139. *Id.* at 1212.

140. *Id.* at 1216.

141. *Id.* at 1212–13.

142. *Id.* at 1213 (citing *CCS Fitness, Inc. v. Brunswick Corp.*, 288 F.3d 1359, 1366–67 (Fed. Cir. 2002)). However, a judge may only be able to determine the ordinary and customary meaning of the term by first referencing a dictionary.

143. *Id.* at 1213–14. References to the impact resistance of the invention can be found in the abstract, the discussion of short-comings of prior art, the disclosure of the invention, and the discussion of the diagrams.

144. *Id.* at 1213.

145. *Id.*

146. *Id.* at 1214.

only embodiment disclosed in the patent; it is the invention [and] [i]t is impossible to derive anything else from the specification.”¹⁴⁷

Federal Circuit Judge Dyk, dissenting, argued that the majority improperly limited the scope of the claims to the preferred embodiment in the specification, and construed the disputed term “baffle” in a manner contrary to the plain meaning stipulated by the parties and supported by the *dictionary*.¹⁴⁸ He also did not think that the majority should have departed from the plain meaning of the term “baffle” because of prior art concerns.¹⁴⁹ In his view, the single embodiment disclosed in the patent was merely the preferred embodiment.¹⁵⁰ He rejected the notion that claims *must* be construed in light of this embodiment when it is the only embodiment disclosed.¹⁵¹ He also did not view impact resistance as an essential feature of the invention, but merely one of a number of objectives achieved by the invention.¹⁵² Judge Dyk disagreed with the majority’s interpretation that the specification clearly limited the invention to baffles disposed at angles *other than* ninety degrees, because although the specification did not reference any baffles orientated at ninety degrees, it also did not disclaim baffles orientated at ninety degrees.¹⁵³ Accordingly, he concluded that the plain meaning of the term “baffle,” and thus the dictionary definition, represented the correct construction of the term.¹⁵⁴

Phillips appealed to the Federal Circuit for an en banc rehearing of the case.

B. The United States Court of Appeals for the Federal Circuit Grants En Banc Review of Phillips

1. The Federal Circuit Posed Seven Questions for Consideration En Banc

The Federal Circuit granted Phillips’s petition to rehear the appeal en banc “in order to resolve issues concerning the construction of patent

147. *Id.* (emphasis added).

148. *Id.* at 1216–17 (Dyk, J., dissenting).

149. *Id.* at 1218.

150. *Id.* at 1217.

151. *Id.* (citing *Liebel-Flarsheim Co. v. Medrad, Inc.*, 358 F.3d 898 (Fed. Cir. 2004)).

152. *Id.*

153. *Id.*

154. *Id.* at 1218–19 (citing *Tex. Digital Sys., Inc. v. Telegenix, Inc.*, 308 F.3d 1193, 1203–04 (Fed. Cir. 2002)).

claims raised by the now-vacated panel majority and dissenting opinions.¹⁵⁵ The Federal Circuit posed seven questions to the parties for en banc consideration. The Federal Circuit directed its first questions toward the appropriate sources of evidence for claim construction analysis:

1. Is the public notice function of patent claims better served by referencing primarily to technical and general purpose dictionaries and similar sources to interpret a claim term or by looking primarily to the patentee's use of the term in the specification? If both sources are to be consulted, in what order?¹⁵⁶

The court narrowed its subsequent questions to specific alternative circumstances where either the dictionary or the specification was regarded as the primary source for claim construction.¹⁵⁷ The Federal Circuit posed its final question regarding its standard of review:

7. Consistent with the Supreme Court's decision in *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 116 S. Ct. 1384, 134 L. Ed. 2d 577 (1996), and our *en banc* decision in *Cybor Corp. v. FAS Technologies, Inc.*, 138 F.3d 1448 (Fed. Cir. 1998), is it appropriate for

155. Phillips v. AWH Corp., 376 F.3d 1382, 1382 (Fed. Cir. 2004).

156. *Id.* at 1383.

157. *Id.* The other questions asked:

2. If dictionaries should serve as the primary source for claim interpretation, should the specification limit the full scope of claim language (as defined by the dictionaries) only when the patentee has acted as his own lexicographer or when the specification reflects a clear disclaimer of claim scope? If so, what language in the specification will satisfy those conditions? What use should be made of general as opposed to technical dictionaries? How does the concept of ordinary meaning apply if there are multiple dictionary definitions of the same term? If the dictionary provides multiple potentially applicable definitions for a term, is it appropriate to look to the specification to determine what definition or definitions should apply?

3. If the primary source for claim construction should be the specification, what use should be made of dictionaries? Should the range of the ordinary meaning of claim language be limited to the scope of the invention disclosed in the specification, for example, when only a single embodiment is disclosed and no other indications of breadth are disclosed?

4. Instead of viewing the claim construction methodologies in the majority and dissent of the now-vacated panel decision as alternative, conflicting approaches, should the two approaches be treated as complementary methodologies such that there is a dual restriction on claim scope, and a patentee must satisfy both limiting methodologies in order to establish the claim coverage it seeks?

5. When, if ever, should claim language be narrowly construed for the sole purpose of avoiding invalidity under, e.g., 35 U.S.C. §§ 102, 103 and 112?

6. What role should prosecution history and expert testimony by one of ordinary skill in the art play in determining the meaning of the disputed claim terms?

Id.

this court to accord any deference to any aspect of trial court claim construction rulings? If so, on what aspects, in what circumstances, and to what extent?¹⁵⁸

The court also invited the submission of amicus curiae briefs on any or all of these questions by any interested parties and specifically addressed an invitation to the USPTO to submit a brief.¹⁵⁹ Circuit Judge Rader concurred in the opinion and added an additional—and perhaps more poignant—question to be considered by the parties and amicus curiae briefs:

Is claim construction amenable to resolution by resort to strictly algorithmic rules, e.g., specification first, dictionaries first, etc.? Or is claim construction better achieved by using the order or tools relevant in each case to discern the meaning of terms according to the understanding of one of ordinary skill in the art at the time of the invention, thus entrusting trial courts to interpret claims as a contract or statute?¹⁶⁰

In posing these questions, the court indicated it planned not only to address the claim construction analyses at issue, but planned also to settle the broader issue of its intracircuit split arising out of the *Vitronics* and *Texas Digital* line of cases.¹⁶¹

2. The Patent Bar's Response

In anticipation of the en banc rehearing patent commentators wrote numerous articles. In response to the seven questions posed to the parties and patent bar generally, the Federal Circuit received over thirty-five amicus curiae briefs. Many of these called for the court to advocate a specific set of rules for conducting claim construction.¹⁶²

158. *Id.*

159. *Id.* at 1383–84.

160. *Id.* at 1384 (Rader, J., concurring). Chief Judge Mayer did not believe any of these questions could reasonably be answered until the court revisits *Markman* and *Cybor*:

[A]ny attempt to refine the process is futile. Nearly a decade of confusion has resulted from the fiction that claim construction is a matter of law, when it is obvious that it depends on underlying factual determinations which, like all factual questions if disputed, are the province of the trial court, reviewable on appeal for clear error. To pretend otherwise inspires cynicism. Therefore, and because I am convinced that shuffling our current precedent merely continues a charade, I dissent from the *en banc* order.

Id. (Mayer, J., dissenting).

161. Johnson, *supra* note 3, at 521; Molenda, *supra* note 2, at 911.

162. See Phillips v. AWH Corp., 415 F.3d 1303, 1306–08 (Fed. Cir. 2005), *cert. denied* 126 S. Ct. 1332 (2006) (listing the amicus curiae briefs filed); see also Patently-O: Patent Law Blog,

Some commentators argued that the “dictionary first” approach would eventually promote uniformity by formalizing the claim construction process.¹⁶³ They contended that by relying on dictionary definitions to construe claim terms, courts would eventually force inventors to formalize the language used in patent drafting, which, in turn, would lead to a more formalized and standardized system of patent claim drafting.¹⁶⁴ Further, this practice would encourage patent drafters to specify a preferred dictionary during prosecution or include a glossary of definitions in the patent itself.¹⁶⁵

However, other commentators pointed out the practical difficulties with the “dictionary first” method, particularly when dealing with existing (instead of future) patents.¹⁶⁶ For example, determining which dictionaries were publicly available at the time of issue or application of the patent and subsequently locating those dictionaries may be an impossible task in some cases.¹⁶⁷ Some commentators also argued that dictionaries and other extrinsic evidence are too subjective and do not focus the claim construction inquiry on the meaning of the claims in the context of the entire patent.¹⁶⁸ “[I]f a court does need to look to a dictionary or treatise to find the meaning of a word, it follows that the word for which they search has a meaning that is not ‘ordinary’ or ‘customary’ at all,”¹⁶⁹ or at least not to the court. Accordingly, these commentators insisted, courts should limit the use of dictionaries to only those introduced into evidence by the parties during litigation and only at the district court stage.¹⁷⁰ The USPTO argued that courts should not use

http://www.patentlyobviousblog.com/2004/09/phillips_.html (Sept. 23, 2004) (providing most of the amicus curiae briefs filed). Of course, the real question is whether or not any of these proffered methodologies are worth adopting.

163. See, e.g., Ruoyu Roy Wang, *Texas Digital Systems v. Telegenix, Inc.: Toward a More Formalistic Patent Claim Construction Model*, 19 BERKELEY TECH. L.J. 153, 165–69 (2004).

164. *Id.* This argument assumes that all dictionaries agree on a given term’s meaning, when in fact, there are often discrepancies among dictionary definitions.

165. Miller & Hilsenteger, *supra* note 87, at 891–93.

166. Matthews, *supra* note 3, at 159–64; Brief for Amici Curiae Intel Corp. et al. at 7–11, *Phillips*, 415 F.3d 1303 (Nos. 03-1269, -1286), available at <http://patentlaw.typepad.com/patent/files/IBM.pdf>.

167. Brief for Amici Curiae Intel Corp. et al., *supra* note 166, at 7–8.

168. Johnson, *supra* note 3, at 529–31. Dictionaries are perhaps more objective than the intrinsic evidence, though, because the patentee in drafting the patent documents could have chosen any meaning *ex ante*, whereas the dictionary provides a limited selection of meanings.

169. *Id.* at 532–34 (emphasis omitted); see also Brief for Amicus Curiae American Intellectual Property Law Ass’n in Support of Neither Party at 12, *Phillips*, 415 F.3d 1303 (Nos. 03-1269, -1286), available at <http://patentlaw.typepad.com/patent/files/AIPLA.pdf> (stating that a dictionary may not provide the ordinary meaning that is relevant to the case).

170. Johnson, *supra* note 3, at 541–42. This suggestion, by implication, severely limits the Federal Circuit’s discretion on appeal and as a practical matter does not square with *de novo* review or claim construction as a matter of law.

dictionaries as primary reference tools because the Office does not generally use them when prosecuting patents.¹⁷¹

The amicus curiae briefs espoused a number of different claim construction approaches, most of which advocated very specific claim construction methodologies. Law Professors R. Polk Wagner and Joseph Scott Miller advocated that the specification should control only if it is unambiguous and specific; otherwise, courts should use the plain dictionary meaning of the term.¹⁷² This approach would encourage patentees to further remove any ambiguity from their patents, or risk having their claims construed according to unintended dictionary definitions, which may, or may not, fall in their favor.¹⁷³ The International Trade Commission Trial Lawyers Association contended that the prosecution history and specification should control over other types of evidence, but that if a court uses dictionaries or other similar reference materials, technical dictionaries and treatises should have a rebuttable preference over other, nontechnical, sources.¹⁷⁴

3. The Federal Circuit's Analysis of Available Evidentiary Sources for Claim Construction

The Federal Circuit phrased the central question it hoped to answer in *Phillips* as “the extent to which [judges] should resort to and rely on a patent’s specification in seeking to ascertain the proper scope of its claims.”¹⁷⁵ The court began analyzing the Phillips patent by reaffirming the general rules of patent claim construction, namely, that courts should define claim terms according to their ordinary and customary meaning as would be understood by a person of ordinary skill in the art, in the context of the entire patent.¹⁷⁶ The court also stated that if the plain meaning of the term is commonly understood or readily apparent,

171. Brief for the United States as Amicus Curiae at 9, *Phillips*, 415 F.3d 1303 (Nos. 03-1269, -1286), available at http://patentlaw.typepad.com/patent/files/govt_phillips_brief.pdf.

172. Brief of Amicus Curiae Patent Law Professors R. Polk Wagner & Joseph Scott Miller at 2–3, 13, *Phillips*, 415 F.3d 1303 (Nos. 03-1269, -1286), available at http://patentlaw.typepad.com/patent/files/Phillips_Amicus_Wagner_Miller.pdf.

173. *Id.* at 9–10. Of course, the existing law already mandates that patentees remove ambiguity from their patent documents.

174. Brief of Amicus Curiae International Trade Commission Trial Lawyers Ass’n in Support of Neither Party and Supporting Neither Reversal nor Affirmance at 2, 6, *Phillips*, 415 F.3d 1303 (Nos. 03-1269, -1286), available at http://patentlaw.typepad.com/patent/files/itctla_amicus_br.PDF.

175. *Phillips*, 415 F.3d at 1312. The en banc court consisted of Federal Circuit Judges Michel, Newman, Mayer, Lourie, Clevenger, Rader, Schall, Bryson, Gajarsa, Linn, Dyk, and Prost. *Id.* at 1308–09.

176. *Id.* at 1312–13.

“general purpose dictionaries may be helpful” to the court’s understanding of how a person of ordinary skill in the art would understand it.¹⁷⁷ However, the court recognized that in many cases that give rise to litigation, the meaning of a disputed term is often more obscure and each party legitimately believes its definition is the “correct” one. It stated that the

meaning of a claim term as understood by persons of skill in the art is often not immediately apparent, and because patentees frequently use terms idiosyncratically, the court looks to “those sources available to the public that show what a person of skill in the art would have understood disputed claim language to mean.”¹⁷⁸

“Those sources” include both intrinsic and extrinsic evidence.¹⁷⁹ The court then proceeded to analyze the relative importance of these various sources.

a. Intrinsic Evidence

The claim construction analysis began with the language of the disputed claim itself, the context and usage of the disputed term within that claim, and the other claims of the patent.¹⁸⁰ The court referred to the patent claims, both asserted and unasserted, as “valuable sources” providing “substantial guidance as to the meaning of particular claim terms.”¹⁸¹ According to the court, differences and similarities among the usage of the same, similar, or different claim terms can usually illuminate the meaning of the term in question.¹⁸² Next, the court instructed that the claims must, however, be read in the context of the specification and cannot be construed in a vacuum. According to the court, “[t]he claims are directed to the invention that is described in the specification; they do not have meaning removed from the context from

177. *Id.* at 1314. The court later defines ordinary meaning differently during its discussion of the *Texas Digital* method. “Properly viewed, the ‘ordinary meaning’ of a claim term is its meaning to the ordinary artisan after reading the entire patent.” *Id.* at 1321. This second definition suggests that courts should not look to the dictionary to determine the plain meaning of a term, but perhaps hear expert testimony from persons of ordinary skill in the art as to their understanding of the patent.

178. *Id.* at 1314 (quoting *Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc.*, 381 F.3d 1111, 1116 (Fed. Cir. 2004)).

179. *Id.*

180. *Id.*

181. *Id.*

182. *Id.* at 1314–15.

which they arose.”¹⁸³ The specification is particularly useful when an inventor has defined or disclaimed a definition for the disputed term.¹⁸⁴

The Federal Circuit concluded its analysis of intrinsic evidence sources by fully endorsing heavy reliance on the specification in construing claim terms.¹⁸⁵ As an afterthought, the court added that a judge should also consult the prosecution history, when the parties have offered it into evidence, because it can provide objective insight into how the inventor and USPTO perceived the invention at the time of filing and how that perception changed during ongoing prosecution of the claims.¹⁸⁶ For example, the inventor may have specially defined or disclaimed a given meaning for a claim term in a correspondence with the USPTO. However, the court cautioned that the prosecution history is a less relevant intrinsic source, often lacking requisite clarity, because it represents an ongoing communication between the patentee and the patent examiner and not the final coherent product.¹⁸⁷ Therefore, it may not add significantly to the understanding of a judge when the meaning of the disputed term is already ambiguous.¹⁸⁸

Although its analysis began with the particular language of the claims, the Federal Circuit seemed to emphasize the probative value of the specification over all other sources.¹⁸⁹ General principles of patent law, however, support this position. The *Code of Federal Regulations* requires that “terms and phrases used in the claims must find clear support or antecedent basis in the [specification] so that the meaning of the terms in the claims may be ascertainable by reference to the [specification].”¹⁹⁰ Thus, the regulations clearly contemplate that one reads the claims in the context of the specification, not divorced from it.

b. Extrinsic Evidence

Although courts are authorized to consider extrinsic evidence in construing a disputed term, the Federal Circuit finds this evidence “less significant than the intrinsic record in determining ‘the legally operative

183. *Id.* at 1316 (citing *Netword, L.L.C. v. Centraal Corp.*, 242 F.3d 1347, 1352 (Fed. Cir. 2001)).

184. *Id.* at 1315.

185. *Id.* at 1317.

186. *Id.*

187. *Id.*

188. *Id.*

189. *Id.*

190. 37 C.F.R. § 1.75(d)(1) (2000).

meaning of claim language.”¹⁹¹ According to the court, a judge may find dictionaries, encyclopedias, and treatises useful in claim construction. In particular, such sources help judges become familiar with the technical terminology and understand the underlying technology of a patented invention.¹⁹² These sources also give judges insight into the perspective of a person of ordinary skill in the relevant art.¹⁹³ Expert testimony can similarly provide a judge with useful background information, explain how an invention works, and help ensure that a judge’s understanding of the technical aspects of the patent is consistent with the state of the relevant art.¹⁹⁴

The Federal Circuit, however, cautioned against relying too heavily on the extrinsic evidence when construing claim terms. Extrinsic evidence, the court explained, is not part of the public record, and unlike the specification, was not created specifically to describe the scope and meaning of the patented invention. Extrinsic evidence also may not accurately reflect the perspective of a person of ordinary skill in the relevant art.¹⁹⁵ The court also pointed out that unlike intrinsic evidence, extrinsic evidence is “generated at the time of and for the purpose of litigation. . . . [E]ach party will naturally choose the pieces of extrinsic evidence most favorable to its cause, leaving the court the considerable task of filtering the useful extrinsic evidence from the fluff.”¹⁹⁶ Accordingly, the Federal Circuit concluded that although both sources of evidence are admissible, as a matter of judicial discretion, extrinsic evidence is less reliable than intrinsic evidence for the purpose of construing patent claims.¹⁹⁷ However, according to the court many of these assumptions regarding extrinsic evidence do not necessarily apply to dictionaries and other similar reference sources, which is why the Federal Circuit next needed to explain what it meant in *Texas Digital*.

191. *Phillips*, 415 F.3d at 1317 (quoting *C.R. Bard, Inc. v. U.S. Surgical Corp.*, 388 F.3d 858, 862 (Fed. Cir. 2004)).

192. *Id.* at 1318. The court later addresses the *Texas Digital* categorization of dictionaries as part of the intrinsic evidence. See *infra* notes 200–01 and accompanying text.

193. *Id.*

194. *Id.* (citing *Pitney Bowes, Inc. v. Hewlett-Packard Co.*, 182 F.3d 1298, 1308–09 (Fed. Cir. 1999)).

195. *Id.*

196. *Id.* One can argue, however, that the patent documents are similarly generated for the purpose of litigation. Shrewd patent attorneys necessarily draft patent documents with an eye toward possible litigation anticipating any issues that may arise.

197. *Id.* at 1319.

c. *Texas Digital* Explained

The Federal Circuit, in addressing its intracircuit split, stated that the principles already outlined were the same general claim construction principles that the court had clearly articulated on “numerous occasions,” but that a recent line of cases arising after *Texas Digital* placed greater emphasis on dictionary definitions and “assigned a less prominent role to the specification and the prosecution history” in construing disputed terms.¹⁹⁸ The court then attempted to clarify and explain its panel decision in *Texas Digital*.¹⁹⁹

The Federal Circuit agreed with the *Texas Digital* panel’s concern regarding improperly importing limitations into the claims from the specification.²⁰⁰ However, the court believed that the remedy chosen by the *Texas Digital* panel—the “dictionary first” approach—placed too much emphasis on the extrinsic evidence and inappropriately de-emphasized the importance of the intrinsic evidence.²⁰¹ According to the court, consulting the dictionary as the threshold step (and only consulting the specification as a “check on the dictionary meaning of the term”) “improperly restricts the role of the specification in claim construction . . . [and] focuses the inquiry on the abstract meaning of words rather than on the meaning of claim terms within the context of the patent.”²⁰²

The Federal Circuit further explained that because dictionaries can contain expansive lists of definitions for a single term, consulting the dictionary before reading the patent would cause courts to define disputed terms too broadly.²⁰³ In addition, even though under *Texas Digital* courts may narrow these broad definitions using the specification, if a court fails to “appreciate how the specification implicitly limits that definition, the error will systematically cause the construction of the claim to be unduly expansive.”²⁰⁴ To avoid this, the Federal Circuit advocated that claim construction analyses should begin with the intrinsic evidence “rather than starting with a broad definition and whittling it down.”²⁰⁵ The Federal Circuit also pointed to various

198. *Id.*

199. *Id.* The Circuit Judges on the *Texas Digital* panel were Michel, Schall, and Linn. *Tex. Digital Sys. v. Telegenix, Inc.*, 308 F.3d 1193, 1197 (Fed. Cir. 2002). All three were a part of the *Phillips* en banc rehearing. *Phillips*, 415 F.3d at 1308.

200. *Phillips*, 415 F.3d at 1319–20.

201. *Id.* at 1320.

202. *Id.* at 1320–21.

203. *Id.* at 1321.

204. *Id.*

205. *Id.*

practical considerations that arise when using dictionaries to define terms.²⁰⁶ For example, patents intrinsically relate to previously unknown subject matter, whereas dictionaries relate to existing information and known terms and, therefore, cannot be expected to account for new subject matter that may be disclosed in a patent.²⁰⁷ Consulting dictionaries and other similar sources as the primary type of evidence is problematic because of discrepancies that can occur between the subject matter of the patent, which inherently must be novel, and the subject matter of the dictionary definitions, which inherently is not.²⁰⁸

d. *Texas Digital* Unexplained

If the Federal Circuit had ended its analysis here, district courts, litigants, inventors, and patent attorneys would have had a relatively workable standard for drafting claims at the outset and conducting claim construction in the event of litigation. The analysis thus far, while stating nothing new, provided a reasonably clear hierarchy of evidence and a suggested order for consulting such evidence when interpreting claims. The Federal Circuit, however, seemed uncomfortable with these specific and moderately fixed rules and therefore began qualifying many of the previous statements it had made. In doing so, however, it only complicated matters and effectively ruined any sense of guidance provided by the initial analysis.

The Federal Circuit began by saying it “[did] not intend to preclude the appropriate use of dictionaries”²⁰⁹ and that “[a] dictionary definition has the value of being an unbiased source ‘accessible to the public in advance of litigation.’”²¹⁰ Further, “judges are free to consult dictionaries and technical treatises ‘at *any time* in order to better to understand the underlying technology and may also rely on dictionary definitions when construing claim terms.”²¹¹ Contradicting its earlier

206. *Id.* The court stated:

Dictionaries, by their nature, provide an expansive array of definitions. General dictionaries, in particular, strive to collect all uses of particular words, from the common to the obscure. By design, general dictionaries collect the definitions of a term as used not only in a particular art field, but in many different settings.

Id.

207. *Id.* at 1321–22.

208. *Id.* at 1322.

209. *Id.*

210. *Id.* (citing *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1585 (Fed. Cir. 1996)). *But see supra* notes 195–96 and accompanying text (describing how the court chastised the use of extrinsic evidence because it is not part of the public record).

211. *Phillips*, 415 F.3d at 1322 (emphasis added). Reliance is proper as long as it does not

criticism of the *Texas Digital* threshold step, the court stated that while reading a patent a judge may even consult this type of evidence “before reviewing the remainder of the patent to determine how the patentee has used the term.”²¹² Finally, the en banc court concluded (or conceded) that there is “no magic formula or catechism for conducting claim construction” and that case-by-case adjudication will ultimately be necessary because the particular facts of the patent will determine the most appropriate manner for construing the claims.²¹³ Moreover, the Federal Circuit expressly approved the *Vitronics* analysis,²¹⁴ which it believed to be consistent with this flexible approach to claim construction.²¹⁵ However, upon review of the *Vitronics* panel decision, it seems to set forth a distinct set of claim construction rules and a particular order of analysis which, in fact, do not appear consistent with the flexible approach adopted by the Federal Circuit in *Phillips*.²¹⁶

e. The Federal Circuit’s Construction of the *Phillips* Patent Claims

The Federal Circuit began analyzing the patent with the usage of the disputed term in the claim itself. According to the court, claim 1 imposed only three requirements on the baffles: (1) the baffles must be made of steel; (2) they must have load-bearing capacity; and (3) they must extend inward from the surface of the walls.²¹⁷ The court found these requirements consistent with the parties’ stipulated dictionary definition of the term as a “means for obstructing, impeding or checking the flow of something.”²¹⁸ The court looked next to use of the term in the context of the other claims and concluded that the other claims “specify [more] particular functions to be served by the baffles.”²¹⁹ Using the doctrine of claim differentiation, the court concluded that Phillips did not intend to impose these specific restrictions on the more

contradict “any definition found in or ascertained by a reading of the patent documents.” *Id.* at 1323 (quoting *Vitronics*, 90 F.3d at 1584 n.6).

212. *Id.* at 1324 (emphasis added); see also *supra* notes 203–07 and accompanying text (discussing the reasons for using intrinsic evidence first).

213. *Phillips*, 415 F.3d at 1324.

214. See *supra* notes 60–74 and accompanying text (discussing *Vitronics* and the intrinsic evidence standard).

215. *Phillips*, 415 F.3d at 1324.

216. See *supra* notes 60–74 and accompanying text (discussing *Vitronics* and the intrinsic evidence standard).

217. *Phillips*, 415 F.3d at 1324. See *supra* text accompanying note 109 for the text of claim 1.

218. *Id.*; see also *supra* note 112 and accompanying text.

219. *Phillips*, 415 F.3d at 1324.

general functions of the baffles in claim 1.²²⁰ The court then turned to the specification and concluded that it did not require all baffles in the invention to be disposed at angles other than ninety degrees.²²¹ The court further concluded that in light of the claims and the specification, a person of ordinary skill in the art would understand the term “baffle,” as used in claim 1, to refer to its plain meaning because Phillips did not specially define the term and would not understand the term to mean only baffles orientated at an angle other than ninety degrees.²²²

The district court and *Phillips* panel had both determined that in light of the prosecution history and prior art references cited therein, construing the term to include ninety-degree angles would invalidate the claim over the existing prior art.²²³ The Federal Circuit, however, clarified that the general rule of construing claims in order to preserve their validity only applies if “the court concludes, after applying all the available tools of claim construction, that the claim is still ambiguous.”²²⁴ The court cited an 1873 case where the Supreme Court applied the doctrine of construing claims to uphold their validity to an ambiguous set of claims.²²⁵ However, unlike that case, the Federal Circuit determined that “the claim term at issue [in *Phillips* was] not ambiguous” and therefore, the doctrine did not apply.²²⁶ Accordingly, the Federal Circuit rejected the restrictive definition of the term “baffle,” reversed and remanded the district court’s grant of summary judgment of noninfringement, and vacated the *Phillips* panel decision.²²⁷

f. The Federal Circuit Declines to Address De Novo Review

In a short paragraph at the end of the opinion, the Federal Circuit acknowledged that it had posed the question of de novo review for consideration en banc. However, after considering the issue, it stated it

220. *See id.* at 1325 (“If the baffles recited in claim 1 were inherently placed at specific angles, or interlocked to form an intermediate barrier, claim 6 would be redundant.”).

221. *Id.* at 1327.

222. *Id.* at 1325.

223. *Id.*

224. *Id.* at 1327 (quoting *Liebel-Flarsheim Co. v. Medrad, Inc.*, 358 F.3d 898, 911 (Fed. Cir. 2004)).

225. *Klein v. Russell*, 86 U.S. 433, 466–67 (1873).

226. *Phillips*, 415 F.3d at 1328. This conclusion is not very persuasive considering the district court and Federal Circuit panel both had difficulty defining the term.

227. *Id.*

would not address the matter at this time. It also declined to discuss or reevaluate *Cybor*.²²⁸

C. *The Claim Construction Approach Adopted by the Federal Circuit in Phillips Does Not Promote Uniformity, Certainty, or Accuracy*

1. The Federal Circuit's Analysis of the Law of Claim Construction Fails to Provide Adequate Guidelines

The Federal Circuit in *Phillips* purported to clarify claim construction guidelines. In reality, however, the court did not adopt any specific rules and provided no clear-cut guidance regarding how a judge should approach claim construction. As a result, the law of claim construction is perhaps less clear now than it was before the *Phillips* decision.²²⁹ The Federal Circuit's adopted approach undoubtedly increases a judge's flexibility in conducting claim construction analysis. However, this increased flexibility is directly correlated to an increased unpredictability in the claim construction process from the perspective of a litigant (or anyone else attempting to interpret the claims).

One only has to look at the *Phillips* decision itself, in light of the panel and district court decisions, to see evidence that the claim construction analysis adopted by the Federal Circuit does not promote certainty or predictability. For example, the district court and the original panel majority, using only *intrinsic evidence*, determined that the meaning of the term "baffle" was limited to orientations at angles other than ninety degrees.²³⁰ Both courts reached this conclusion after analyzing the language of the claims construed in light of the specification. Neither court relied on the *Texas Digital* "dictionary first" approach or extrinsic evidence in construing the meaning of the term. Thus, the claim construction principles utilized by the district court and Federal Circuit panel are the same general principles restated and expressly adopted by the en banc court in *Phillips*. Yet, the en banc court, after conducting the claim construction analysis de novo, found the

228. *Id.*

229. *See id.* at 1330 (Mayer, J., dissenting) ("[A]fter proposing no fewer than seven questions, receiving more than thirty amici curiae briefs, and whipping the bar into a frenzy of expectation, [the court] say[s] nothing new, but merely restate[s] what has become the practice over the last ten years—that [it] will decide cases according to whatever mode or method results in the outcome [the court] desire[s], or at least allows [it] a seemingly plausible way out of the case.")

230. *Phillips v. AWH Corp.*, 363 F.3d 1207, 1213 (Fed. Cir. 2004), *vacated*, 376 F.3d 1382 (Fed. Cir. 2004), *rev'd*, 415 F.3d 1303 (Fed. Cir. 2005), *cert. denied*, 126 S. Ct. 1332 (2006); *Phillips v. AWH Corp.*, No. 97 MK212(CBS), 2002 WL 32827996, at *12 (D. Colo. Nov. 22, 2002).

disputed term to have a different meaning.²³¹ Moreover, the *Phillips* dissent applied these same claim construction principles, but ultimately agreed with the district court and panel majority as to the meaning of the disputed term.²³² Whereas, the dissent in the original *Phillips* panel decision relied on *Texas Digital* and the “dictionary first” approach instead of the specification—an approach which the Federal Circuit purported to reject in *Phillips*—but reached the same conclusion as the en banc court as to the meaning of the term “baffle.”²³³ It is no wonder the patent bar is confused about the appropriate standards for claim construction.

Upon review of the district court, panel majority, and en banc opinions, one finds it difficult to distinguish the difference in the overall analyses applied by the district court, Federal Circuit panel, and en banc court.²³⁴ Specifically, the district court, panel majority, and Federal Circuit en banc decisions each construed the claims in light of the specification and considered the various types of evidence in the same order.²³⁵ Ultimately, however, the Federal Circuit reversed the district court and original panel decisions. Thus, there is a distinction to be made between applying the correct legal standard—which both lower court decisions did—and reaching the correct claim construction result—which both lower court decisions apparently did not. Under the current claim construction “guidelines,” one can apply the correct legal standard, but reach the incorrect result, and apply the incorrect legal standard, but still reach the correct result. This much is evidenced by the various majority and dissenting opinions. The result in *Phillips* emphasizes the uncertainty of the appeals process and suggests to litigants that they cannot predict the outcome of their appeal based on whether or not the lower court applies the “right” or “wrong” claim construction principles.

Part of the problem stems from the numerous pitfalls a court may get stuck in during the process of claim construction, pitfalls that the Federal Circuit may or may not catch on appeal. It also stems from the fact that the Federal Circuit has failed to provide adequate and uniform claim

231. *Phillips*, 415 F.3d at 1328.

232. *Id.* at 1329 (Lourie, J., concurring in part and dissenting in part).

233. *See supra* notes 148–52 and accompanying text (stating that the district court erroneously construed the term “baffles”).

234. The one thing that does stand out among these three opinions is the Federal Circuit’s determination that the disputed term “baffle” is *not* ambiguous. *Phillips*, 415 F.3d at 1328. If the meaning of the disputed term was straightforward, it is unlikely the case would have made it so far in litigation.

235. *Id.* at 1324. Note though, the Federal Circuit specifically stated in *Phillips* that there is no required order of analysis.

construction guidelines throughout its numerous panel and en banc decisions since *Markman II*. The Federal Circuit should have addressed not only the district court's analysis of the disputed terms, but also the law on which the district court relied and applied to the disputed terms.

The district court had supported its construction of the disputed term, which was ultimately held to be incorrect, with Federal Circuit precedent.²³⁶ Perhaps if the Federal Circuit had addressed, clarified, or corrected the district court's use of this precedent instead of merely stating alternative case law to support its position on appeal, distinguishing these cases would be less complicated. It would also be easier for other district courts to avoid these same pitfalls in their claim construction inquiries. However, it would also limit the Federal Circuit's flexibility to pick and choose among various precedents for support in subsequent claim construction decisions. The unpredictability in the appeals process is directly related to the Federal Circuit's desire to retain this flexibility, at the cost of certainty and uniformity, and its seeming inability to decide on a set of clear-cut guidelines. Without distinct guidelines, lower courts will be left to wander among the conflicting standards of existing precedent, interpreting it for themselves, only to be reversed on appeal to the Federal Circuit.

2. Resolving Claim Construction by Resort to Strictly Algorithmic Rules

It seems as though nearly everyone but the Federal Circuit can decide on a specific claim construction standard. The Federal Circuit's failure to adopt a specific rubric of rules in *Phillips* was definitely not due to a shortage of methodologies to choose from.²³⁷ However, to be fair to the Federal Circuit judges, there is also no unanimous agreement among the patent bar as to the preferred analysis for claim construction. Therefore, perhaps instead of picking one of the numerous proffered methodologies, the Federal Circuit merely chose not to select one at all. However, as explained below, this decision carries with it a number of implications for the patent system that the Federal Circuit judges may not have contemplated.

The court's admission that claim construction requires case-by-case adjudication and that the particular facts of each case will determine the best manner for construing the claims underscores the argument that

236. See *supra* notes 118–20.

237. See *supra* notes 162–74 and accompanying text.

claim construction is, at least in part, an inherently fact-based endeavor and should be reviewed on appeal with some amount of deference.²³⁸ Yet, the court in *Phillips* declined to address de novo review. Moreover, even under a deferential standard of review, case-by-case adjudication will still result in inconsistent caselaw without substantially more guidance from the Federal Circuit on the proper methodology for construing claims. Because the facts of a particular case control the claim construction inquiry, but the Federal Circuit is not bound by any of the district court's findings of fact with regard to the construed claim, the Federal Circuit must adopt a distinct set of rules for claim construction if this area of law is ever to have any uniformity or predictability—features that are essential to a strong patent system.²³⁹ Patents must be predictably and uniformly construed “for the protection of the patentee, the encouragement of the inventive genius of others and the assurance that the subject of the patent will be dedicated ultimately to the public.”²⁴⁰

Instead, the Federal Circuit in *Phillips* adopted what one commentator terms the “holistic approach”—one having no set methodology.²⁴¹ The bright-line “dictionary first” rule from *Texas Digital* supplies at least an illusion of certainty.²⁴² Whereas, the “holistic approach” does not even supply this illusion—it promotes neither innovation nor certainty.²⁴³ With no set standard, inventors and patent attorneys will spend considerable time drafting patent documents in anticipation of the different judges they may encounter in the event of litigation.²⁴⁴ They must attempt to draft documents in such a way that everyone imaginable clearly understands what is being claimed. They

238. For a compelling argument that the Federal Circuit must reexamine the fact/law distinction in claim construction all together in light of recent decisions, see Bonini, *supra* note 10, at 483–87.

239. See *Markman v. Westview Instruments, Inc. (Markman II)*, 517 U.S. 370, 390 (1996) (“Finally, we see the importance of uniformity in the treatment of a given patent as an independent reason to allocate all issues of construction to the court.”).

240. *Id.* As the Supreme Court has stated:

Otherwise, a “zone of uncertainty which enterprise and experimentation may enter only at the risk of infringement claims would discourage invention only a little less than unequivocal foreclosure of the field,” and “[t]he public [would] be deprived of rights supposed to belong to it, without being clearly told what it is that limits these rights.”

Id. (quoting *United Carbon Co. v. Binney & Smith Co.*, 317 U.S. 228, 236 (1942); *Merrill v. Yeomans*, 94 U.S. 568, 573 (1877)).

241. *Kaiser*, *supra* note 2, at 1014.

242. *Id.* at 1031.

243. *Id.* at 1032.

244. In which case, over time, the problem of ambiguous patents will take care of itself, as patentees spend more time on patent drafting to ensure their patent documents are unambiguous. This, however, may not be the desired effect of the *Phillips* decision.

will indiscriminately define every detail and nuance, which may ultimately be unnecessary or redundant, and may unduly narrow the scope of the claims thereby reducing the patent's value. This wastes the monetary resources of the inventor and, in many cases, the time of the patent attorney. More work for attorneys equals more cost for patentees and, implicitly, fewer patent applications as inventors become less inclined to waste their time and money filing for a patent that costs to more than it is worth. Fewer patent applications means a decrease in inventions, or at least a reduction in the public disclosure of these inventions, and fewer inventions eventually leads to diminishing innovation. Accordingly, while the "holistic approach" allows judges more flexibility in construing claims, it also undermines the purposes of the patent system as a whole.

On the other hand, from the perspective of the patent industry (and perhaps a more cynical view), patent attorneys want plenty of work and they want to be shielded from malpractice lawsuits when a court does not decide a case as predicted. Having no set standard means that patent applications *will* have to be much more carefully drafted, and after *Phillips*, will probably all contain a glossary of term definitions at the end of the specification.²⁴⁵ This necessarily translates into more work (and more money) for patent attorneys. Further, because there is no set standard: (1) it will be impossible to always draft a "perfect" patent that avoids litigation; (2) litigation will be much less certain, so there will be more appeals which means more work for appellate lawyers; and (3) even if the attorney loses on appeal, the unpredictability of the appellate process takes the blame. Therefore, after *Phillips*, it may be harder for a patent attorney to counsel clients, but when it comes to the bottom line, no one benefits more than attorneys from the uncertainty of the system.

3. Certainty Versus Accuracy

Perhaps the Federal Circuit desires to retain flexibility in claim construction so it can ensure that disputed claim terms are ultimately construed accurately. However, does realization of the desired uniformity and certainty in claim construction require sacrificing accuracy and precision in determining the "correct" meaning of the disputed term? If so, is it worth finding the "correct" definition of a disputed term if it means sacrificing certainty and predictability? This, of course, assumes not only that there is a right and wrong way to

245. This, however, is already a fairly common practice among experienced patent attorneys.

construe a term, but also that certainty and accuracy are mutually exclusive goals of the claim construction process.

In light of the public notice function of a patent, the “right answer” or “correct meaning” seems to be defined as when persons of ordinary skill in the art can readily understand what the patentee meant by the terms used in the patent document when it was drafted. This, in some cases, is different from the definition that the patentee would later like to ascribe to the term (which likely leads to infringement) or the definition that the alleged infringer would like to ascribe to the term (which likely does not lead to infringement). On the other hand, courts seem to be bending over backwards to divine the ultimate meaning of disputed terms. Is this an efficient or legitimate use of judicial resources? One commentator thinks not and has argued that courts rarely, if ever, need extrinsic evidence to properly construe claim terms.²⁴⁶ He further argues that “claim construction should not be an unbounded search for the disputed term’s ‘meaning,’ but instead a rational process of selection from between the two” alternatives proffered by the parties.²⁴⁷ This approach would at least narrow a litigant’s chance of reversal on appeal to fifty/fifty and provide some predictability. However, this approach seems less than ideal if there is concern with the judge determining the “right definition” instead of just picking between two biased definitions, which may support a party’s position, but which might not be the truly correct meaning of the term.²⁴⁸

4. Clear Claim Construction Guidelines Will Lead to Both Certainty and Accuracy

If the Federal Circuit were to pick a distinct rubric of rules, then patentees, inventors, patent attorneys, litigators, and the courts would all be able to approach patent drafting and claim construction with a degree of conformity.²⁴⁹ A clear standard for claim construction will lead to both certainty *and* accuracy in construing claims. There would be certainty at the outset from the perspective of a patentee because a patent will not only be drafted according to these rules, it will also be construed according to these same rules. Accordingly, patentees can more clearly draft patents with these rules in mind, knowing that patent examiners,

246. Y’Barbo, *supra* note 52, at 687–88.

247. *Id.* at 688.

248. Of course, it may never be truly possible to determine the ultimate meaning of a word.

249. Regardless of whether they agree with those rules, everyone will at least be on the same page at the outset.

judges, competitors, and persons of ordinary skill in the art will use these same rules in construing the patent claims and hopefully understand their intended meaning. While drafting the patent, patentees would be able to run through a clear checklist of requirements to test the patent's "definitional correctness" and clarity. Patent examiners would use a similar checklist and know the standard to which they must hold the patent in order for it to be accurately construed by the courts in the event of litigation. Everyone would know in advance which aspects were being left up to chance and which aspects were no longer open for debate. Then, the patent will necessarily have been drafted according to its "correct meaning"—the meaning intended by the patentee and readily understood by persons of ordinary skill in the art—and thus, will be construed accurately.

Even if the Federal Circuit does not adopt a specific rubric of rules, the USPTO could impose stricter patent prosecution rules requiring patentees to define nearly everything at the outset or risk having their claims rejected as ambiguous. Although this heightened standard may require patentees to narrow the scope of their invention beyond what they would prefer, it would also prevent claim construction cases from clogging up the court system with numerous appeals.²⁵⁰ Moreover, it would remove the incentive for patentees to be intentionally vague when drafting claims.²⁵¹ However, considering that patent office examiners are already over worked, and already spend an insufficient amount of time with each patent, this course of action seems to be the less favorable (and least likely) of the two.²⁵²

In either case, placing a higher burden on the patentee at the outset with a clear set of guidelines to follow, will lead to both more certainty and more accuracy in patent drafting and in claim construction.

5. What About Dictionaries?

The Federal Circuit spent four pages in *Phillips* explaining why courts should not afford dictionaries the special treatment suggested by *Texas Digital*. However, it then qualified its position in several subsequent paragraphs explaining the value of dictionaries to a claim construction inquiry—as if to set them apart from other extrinsic

250. The judicial and monetary expense and onerous burden of conducting *Markman* hearings would be virtually eliminated.

251. See *supra* note 24 and accompanying text.

252. Review of the patent prosecution system indicates that patent examiners spend approximately eighteen hours over three years on each patent. CHISUM ET AL., *supra* note 14, at 77.

evidence in accordance with *Texas Digital*. Based on its discussion of the general principles of patent law vis-à-vis *Texas Digital*, it seems obvious that the Federal Circuit cannot decide on the appropriate use of dictionaries and, therefore, failed to answer its own question on the appropriate order for consulting the patent specification and a dictionary during claim construction.²⁵³ However, dictionaries can serve two distinct functions in the context of claim construction that the Federal Circuit has never explicitly addressed. Perhaps it is the dual nature of dictionaries that might explain the seemingly inconsistent treatment of dictionaries by the Federal Circuit in its decisions.

There are two different circumstances under which a judge might consult a dictionary while conducting a claim construction inquiry. Under one circumstance, the term at issue may be a rather ordinary word that the judge generally understands in the context of the patent, but consults a dictionary in order to ascertain the scope of that term's meaning.²⁵⁴ In that case, the dictionary provides the judge with a variety of definitions for the disputed term and tells the judge how the disputed term *should* be defined according to the inventor's intentions. This may be the use of dictionaries that the Federal Circuit cautioned against in its initial discussion of extrinsic evidence and the *Texas Digital* opinion.

Under the second circumstance, the term at issue may be an extremely technical term of art and the judge has no idea what it means during or after reading the patent. In that case, the judge consults a dictionary not because he is looking to be told what the term should mean, but rather needs to ascertain what the word means period.²⁵⁵ The dictionary is a source of information serving to educate the judge on, and introduce the judge to, the relevant technical field for the judge's own initial understanding. This is perhaps what the Federal Circuit meant by the "appropriate use of dictionaries" in claim construction.²⁵⁶ In which case, the Federal Circuit's statements regarding dictionaries are not entirely inconsistent, but represent a more practical approach to the two distinct functions dictionaries can serve in claim construction.²⁵⁷

253. See *supra* note 155 and accompanying text.

254. For example, the judge understands the generic meaning of the term, but consults the dictionary to see how else one would understand the term.

255. Much like a legal practitioner's use of *Black's Law Dictionary* to define an obscure legal term.

256. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1322 (Fed. Cir. 2005), *cert. denied*, 126 S. Ct. 1332 (2006).

257. The Federal Circuit continues to rely on dictionaries in this context, even in the wake of *Phillips*. See, e.g., *Seachange Int'l, Inc. v. C-Cor Inc.*, 413 F.3d 1361, 1368 (Fed. Cir. 2005) (deciding the case two weeks before *Phillips* and beginning the claim construction analysis by referencing THE NEW IEEE STANDARD DICTIONARY OF ELECTRICAL AND ELECTRONICS TERMS (5th

D. Implications of De Novo Review Exemplified in Phillips

Adopting a specific rubric of rules for claim construction would promote more uniformity, certainty, and accuracy. However, it still fails to address the underlying and more significant problem of the fact/law distinction and standard of review in claim construction cases. In theory, matters of law decided by a single appellate court should result in standardized precedent with regard to a given area of law. In practice, however, the Federal Circuit's claim construction precedent has failed to achieve this desired uniformity and has, in fact, resulted in inconsistent decisions and conflicting lines of authority leading to confusion and uncertainty among lower courts and within the Federal Circuit itself.²⁵⁸ De novo review after *Cybor* has only increased the unpredictability of the appeals process in infringement litigation.²⁵⁹ For example, the Federal Circuit reverses approximately one-third of all patent cases, which includes claim construction cases, heard on appeal.²⁶⁰

The high reversal rate on appeal carries with it substantial economic considerations for litigants "because there is no certainty as to the scope of [one's] claims until the Federal Circuit ultimately rules."²⁶¹ Under existing law, infringement litigation has been fraught with instability due to differing methods of claim construction applied within the Federal Circuit and, consequently, among district courts, which rely on the Federal Circuit for guidance and precedent.²⁶² Thus far, however, the Supreme Court's vision of intrajurisdictional certainty and uniformity in *Markman II* has not been realized by the courts.²⁶³ This is in part

ed. 1993)); see also *N. Am. Container, Inc. v. Plastipak Packaging, Inc.*, 415 F.3d 1335, 1342 (Fed. Cir. 2005) (deciding the case two days after *Phillips* and noting the magistrate judge defined "generally convey" with an online dictionary).

258. See Burgess, *supra* note 10, at 782–86 (arguing that the *Cybor* decision characterizing claim construction as a matter of law has resulted in inconsistent decisions and confusion in the district courts). Compare, e.g., *Vitronics Corp. v. Conception, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996) (stating claim construction entails looking to the words of the claims themselves, reviewing the specification, considering the prosecution history of the patent, and if necessary, considering extrinsic evidence), with *Tex. Digital Sys., Inc. v. Telegenix, Inc.*, 308 F.3d 1193, 1201–05 (Fed. Cir. 2002) (stating that the analytical focus must begin and remain on discerning the ordinary meaning of the claim terms through dictionaries or otherwise before resorting to the specification for certain limited purposes). The Federal Circuit was created as a solution to the inconsistent treatment of patents among the various federal circuit courts, which underscores the irony of the current intracircuit inconsistencies.

259. See Chu, *supra* note 5, at 1097–98 (stating that a litigant has virtually as much of a chance of having a patent case reversed as affirmed).

260. *Id.* at 1100.

261. *Id.* at 1079.

262. See *id.* at 1097–98 (stating that a post-*Markman I* study of all patent cases found a consistently high reversal rate).

263. See *Markman v. Westview Instruments, Inc. (Markman II)*, 517 U.S. 370, 390 (1996)

because the Federal Circuit is not consistently applying its own precedent in its claim construction decisions.²⁶⁴

Although the Federal Circuit posed the question of standard of review to the parties for consideration on appeal, it refrained from deciding the issue in its en banc opinion.²⁶⁵ The Federal Circuit's failure to address the standard of review question demonstrates an inability to convincingly rebut the nearly twenty amicus curiae briefs that advocated some type of deference to the district court's claim construction determinations.²⁶⁶ If findings of fact were reviewed for clear error, claim construction would be consistent with other areas of patent law, such as obviousness, where different standards of review are applied to the fact and law components of mixed fact and law questions.²⁶⁷ However, because claim construction is subject to absolute de novo review, the Federal Circuit remains free to conduct its own claim construction analysis regardless of whether a lower court applies the claim construction principles advocated in *Phillips*. Considering the ever increasing amount of control asserted over patent law by the Federal Circuit since the court's creation, it could at least defer to the district court's findings of fact regarding a term's meaning.²⁶⁸ This would provide more certainty and/or predictability for litigants and reduce the high reversal rate on appeal.

However, perhaps Federal Circuit Judge Rader was right, and patents are simply not amenable to any clear-cut rules.²⁶⁹ It may just be the

(recognizing the importance of uniformity in the treatment of patents as an independent reason to allocate all construction issues to judges); see also *supra* notes 239–40 (citing language from *Markman II*).

264. This could be due in part to the fact that patent law cases are easier to distinguish from each other than other types of cases, because the underlying patents have to be inherently distinguishable.

265. *Phillips*, 415 F.3d at 1328.

266. Among the groups advocating some type of deference: American Bar Association, American Intellectual Property Law Association, Association of Corporate Counsel, Biotechnology Industry Organization, Connecticut Intellectual Property Law Association, Federal Circuit Bar Association, Fédération International des Conseils en Propriété Industrielle, International Trade Commission Trial Lawyers Association, and United States Government. Conejo Valley Bar Association and Parus Holdings, Inc. both argued that deference was inappropriate. A handful of briefs did not address the issue. See *supra* note 162 (citing sources that list the amicus briefs filed).

267. Hagberg & Pernick, *supra* note 4, at 4.

268. See *Sung*, *supra* note 10, at 1250 (discussing the increasing authority over patent law the Federal Circuit keeps granting to itself). At first glance, it seems like deference to district courts in different circuits would lead to more uncertainty and less uniformity at the start of litigation because some judges are decidedly less “pro patent.” Moore, *supra* note 41, at 240–41. However, once the Federal Circuit adopts a distinct set of claim construction guidelines, district courts will no longer be free to fashion their own standards for interpreting patents and patent litigants will know right away whether the district court applied the correct rules to their patents. Therefore, they will also know their chances of a favorable ruling on appeal.

269. See *supra* note 160 and accompanying text (discussing whether it is better to approach

nature of patent claim construction that requires case-by-case adjudication and de novo review. And perhaps the problem is not as bad as it seems considering the small number of patents actually litigated compared to the number of patents granted each year.²⁷⁰ These unusual cases that get litigated might be bad proxies for determining the overall state of patent claim construction. Moreover, care should be taken when changing the rules so that in trying to fix the small number of cases that make it to litigation, the remainder of the patent system is not injured when it may be working just fine.

IV. CONCLUSION

There are clear inconsistencies within the Federal Circuit under the existing law. In *Phillips*, the court should have done more than simply reaffirm existing claim construction principles. As the forgoing discussion indicates, the Federal Circuit must adopt a specific and detailed rubric of rules for claim construction regarding not only the importance of each type of evidence, but also the order in which the judge should apply each category of evidence to the disputed terms. The Federal Circuit judges must agree to apply these adopted rules consistently and with uniformity in their own panel decisions. They should address their differences on the fact/law divergence and standard of review separately from the construction of the disputed claim terms.²⁷¹ Unless, and until, there is certainty from the outset, there will rarely be accuracy in the end.

claim construction on a case-by-case basis).

270. The Federal Circuit heard 112 patent appeals in 2005. SUNG & SCHWARTZ, *supra* note 35, § 14:4. Whereas according to the United States Patent & Trademark Office (USPTO), 409,532 patent applications were filed, and 165,485 were issued in 2005. U.S. PATENT & TRADEMARK OFFICE, PERFORMANCE AND ACCOUNTABILITY REPORT FOR FISCAL YEAR 2005 (2005), available at <http://www.uspto.gov/web/offices/com/annual/2005/2005annualreport.pdf>.

271. This may be wishful thinking considering the Federal Circuit judges seem more interested in being "right" with regard to standard of review and issues of fact/matters of law, than following precedent.