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The *Markman* Process: Practical Guidance
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legal advice and does not reflect the opinions
of Quinn Emanuel Urquhart & Sullivan, LLP.

Claim construction is the first step of the two-step process for proving patent infringement. *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995) (*en banc*), *aff'd*, 517 U.S. 370 (1996). The claims of a patent legally define the right to exclude others from practicing the claimed invention and, thus, claim construction is central to determining whether a claim is infringed and whether the claim is valid. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005) (*en banc*) (“It is a ‘bedrock principle’ of patent law that ‘the claims of a patent define the invention to which the patentee is entitled the right to exclude.’”); *Clare v. Chrysler Group LLC*, 819 F.3d 1323 (Fed. Cir. 2016) (“The language of the claims determines what the patentee regards as the invention and defines what the patentee is entitled to exclude.”) As such, the proper interpretation of the claims is a fundamental stage of litigation that lays the groundwork for subsequent case development and controls case themes that will be presented to the court and jury.

MARKMAN AND ITS PROGENY

Since the decision by the Supreme Court in *Markman*, claim construction has been decided as a matter of law. 517 U.S. 372; *Rembrandt Patent Innovations LLC v. Apple Inc.*, No. 2016-2324, 2017 WL 5632684, *4 (Fed. Cir. Nov. 22, 2017). The *Markman* decision held that “construction of a patent, including terms of art within its claim, is exclusively within the province of the court.” 517 U.S. at 372. The Supreme Court also noted that uniformity “would be ill served by submitting issues of document construction to juries.” *Id.* at 391. Consequently, because claim construction is a matter of law, the court is charged with construing the asserted claims and, in a jury trial, instructing the jury in the meaning of the claims. The claim construction process normally culminates in a hearing that is often referred to as a “Markman hearing” after the seminal case.

In *Phillips v. AWH Corp.*, the Federal Circuit clarified that proper claim construction requires review of the intrinsic evidence – *i.e.*, the claims, specification, and prosecution history—and, if appropriate, extrinsic evidence. 415 F.3d 1303 (Fed. Cir. 2005) (*en banc*). The analysis starts with the plain claim language, and the specification “is always highly relevant.” *Id.* at 1312, 1315; *Aptalis Pharmatech, Inc. v. Apotex Inc.*, No. 2017-1344, 2018 WL 286123, *3-*4 (Fed. Cir. Jan. 4, 2018). And, “[a]lthough the prosecution history may lack the clarity imbued by the specification, it ‘can often inform the meaning of the claim language by demonstrating how the inventor understood the invention and whether the inventor limited the invention in the course of prosecution, making

the claim scope narrower than it would otherwise be.” *Aptalis Pharmatech*, 2018 WL 286123, *5 (quoting *Phillips*, 415 F.3d at 1317). Extrinsic evidence includes expert testimony, relevant texts and treatises, prior art patents, and both technical and non-technical dictionaries. *See Phillips*, 415 F.3d at 1314.

While the ultimate question of proper construction remains a legal question, different standards of review may be applied as part of appellate review. *Teva Pharms. USA, Inc. v. Sandoz, Inc.*, 135 S. Ct. 831, 842 (2015). When a district court only relies upon intrinsic evidence the resulting claim construction is reviewed *de novo*. 135 S. Ct. at 849; *see also, e.g., Aptalis Pharmatech*, 2018 WL 286123, at *3; *Interdigital Communications v. ZTE Corp.*, No. 2016-2362, 2017 WL 5041458, *3 (Fed. Cir. Nov. 3, 2017). However, if the district court relies upon extrinsic to understand the meaning of term in the relevant art or to understand the background science, and those subsidiary facts are disputed, then the court must make subsidiary factual findings. This subsidiary fact finding is reviewed for clear error. *Teva Pharms.*, 135 S.Ct. at 841; *see also, e.g., Icon Health & Fitness, Inc. v. Polar Electro Oy*, 656 Fed. App’x. 1008, 1015 (Fed. Cir. 2016); *Cephalon, Inc. v. Abraxis Bioscience, LLC*, 618 Fed. App’x. 663, 665 (Fed. Cir. 2015).

THE PURPOSE OF CLAIM CONSTRUCTION

There are several reasons why the district court must determine the proper meaning of a patent’s claims. First, the court must review the evidence to give the asserted claims the meaning they would have to one of ordinary skill in the art at the time of the invention. *Phillips*, 415 F.3d at 1313; *Aptalis Pharmatech*, 2018 WL 286123, at *3; *Innova/Pure Water, Inc. v. Safari Water Filtration Systems, Inc.*, 381 F.3d 1111 (Fed. Cir. 2004). Proper construction also ensures that the claims cover what was actually invented and what was intended to be claimed by the inventor. 415 F.3d at 1316; *see also* 35 U.S.C. § 112(b) (“The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the inventor or a joint inventor regards as the invention”). If the inventor has acted as his own lexicographer, or there is an intentional disclaimer or disavowal of claim scope, then “the inventor has dictated the correct claim scope.” 415 F.3d at 1316. In addition, a court is charged with preserving the validity of an asserted claim unless the invalidating construction is dictated by the claim and specification. 415 F.3d at 1327; *Rhine v. Casio, Inc.*, 183 F.3d 1342, 1345 (Fed. Cir. 1999) (“if the only claim construction that is consistent with the claim’s language

and the written description renders the claim invalid, then the axiom does not apply and the claim is simply invalid.”)

TIMING OF CLAIM CONSTRUCTION

At the district court level claim construction procedures and scheduling is court and judge specific. However, generally speaking, the process includes a briefing period followed by the *Markman* hearing itself. Because claim construction is a matter of law, a court may perform a *Markman* hearing at any time before charging the jury, may construe claims in a piecemeal fashion, or revisit earlier construction rulings before the case is submitted to the jury. Once a claim term is disputed, however, it is error for a court to refuse to construe the term for the jury even if the term has a common meaning. *O2 Micro Intern. Ltd. v. Beyond Innovations Tech. Co., Ltd.*, 521 F.3d 1351, 1361 (Fed. Cir. 2008) (parties agreed that “only if” has a common meaning, but disputed the scope of the term); *NobelBiz, Inc. v. Global Connect, LLC*, 701 Fed. App’x. 994, 997 (Fed. Cir. July 19, 2017) (“Allowing the experts to make arguments to the jury about claim scope was erroneous.”), *reh’g denied*, 876 F.3d 1326 (Fed. Cir. Dec. 8, 2017). But see *Kinetic Concepts, Inc. v. Blue Sky Medical Group, Inc.*, 554 F.3d 1010, 1019 & fn.4 (Fed. Cir. 2009) (court’s failure to construe “wound” for the jury was harmless error).

Some jurisdictions and judges offer more flexibility with the scheduling for claim construction and the *Markman* hearing considering input from the parties as part of scheduling or case management conferences. However, with the recent focus by the judiciary to streamline patent cases and reduce costs, other jurisdictions and judges have implemented procedures that require *Markman* hearings to be conducted early in the litigation, often while fact discovery has just begun.

For example, the District Court of New Jersey, enacted patent rules that set forth regimented claim construction procedures for utility patents that generally are keyed off of the initial scheduling conference and the exchange of infringement and invalidity contentions. D. N.J. L. Pat. R. 4 (2017). These rules set forth the timing, meet and confer procedures, submissions required, and recognize a specific period for claim construction discovery to occur, including related depositions. Accordingly, a party may find themselves at the claim construction phase relatively soon after the initial scheduling conference. *See* D. N.J. L. Pat. R. 3.6 and 4.1-4.6.

Other courts including the Northern District of California, Northern District of Illinois, Eastern District of North Carolina, Eastern District of Texas, and the Southern District of New York, likewise, have enacted

local rules governing claim construction procedure. Some of these rules also provide for the scheduling of the *Markman* hearing. For example, the Northern District of California calls for the *Markman* hearing be held two weeks after submission of claim construction reply briefs subject to the convenience of the court's calendar, while the Northern District of Illinois requires the *Markman* hearing to be completed within 28 days after submission of claim construction reply briefs absent court order. *Compare* N.D. Cal. Patent L.R 4-6 (2017) *with* N.D. Ill. LPR 4.3 (2009).

In addition, some courts require that the parties identify the terms likely to be most significant to resolving the parties' dispute and/or the terms that may be case dispositive, and other courts require that the parties reduce the number of asserted claims and number of prior art references relied upon for proving invalidity as part of the claim construction process. *See, e.g.*, N.D. Cal. Patent L.R. 4-1(b), 4-3(b); General Order No. 13-20, ¶ 2 (E.D. Tex. Oct. 29, 2013).

Because of these fundamental differences in approaches to claim construction, a patentee should consider the timing and procedures implemented by the various jurisdictions where it is considering filing an action. Likewise, if a defendant has grounds for transferring venue, it too should evaluate the claim construction timing and procedures in evaluating potential transfer venues.

Indeed, the timing of claim construction may be an advantage or a disadvantage depending on the facts of the case and the procedural timing. For example, if claim construction is completed before the close of fact discovery, the parties generally will learn the court's construction earlier depending on when the court actually issues its ruling. An early decision can be advantageous because it may focus the issues remaining in the case and, in turn, cut litigation expenses. Early claim construction likewise may lead to more productive settlement discussions. On the other hand, if the court construes claims broadly it may increase discovery and associated costs, for example, if additional prior art references then support invalidity defenses based on that broader construction.

If claim construction takes place after the close of fact discovery, the parties will have been given the opportunity to fully develop the relevant facts, case theories, and defenses. But, this also may lead to increased litigation costs and complexity where experts have to submit reports based on alternative claim constructions or risk being precluded from offering opinions under Fed. R. Civ. P. 26(a)(2)(B).

MARKMAN BRIEFING AND APPROPRIATE EVIDENCE

As part of claim construction, the local rules or case scheduling order normally set forth a meet and confer process between the parties before briefing the proper construction of any disputed claim terms. *See, e.g.*, D. N.J. L. Pat. R. 4.1(b), 4.2(d); E.D. Tex. L. Pat. R. 4.1(b) 4.2(b); N.D. Ill. LPR 4.1(b); N.D. Cal. Patent L.R 4-1(b). Regardless of the court and judge-specific rules regarding the *Markman* procedure litigants should keep in mind several general issues.

First, as a preliminary matter, the parties should determine if claim construction is even necessary. For example, if a patent claims a simple invention and the asserted claims are drafted in straightforward language rather than technical jargon, the parties may determine that no special construction is even necessary. Likewise, depending on the technology and claims, for a bench trial in a patent savvy court a formal construction may not be necessary. In those instances, the parties may be able to file with the court a stipulation or a letter to explaining that that the claims shall have their plain and ordinary meaning. *Phillips*, 415 F.3d at 1314 (“In some cases, the ordinary meaning of claim language as understood by a person of skill in the art may be readily apparent even to lay judges, and claim construction in such cases involves little more than the application of the widely accepted meaning of commonly understood words.”).

Another issue to consider is the number of terms actually in dispute between the parties. Some courts limit the number of terms that will be construed, thus, forcing litigants to narrow the focus of the case and determine which differences in construction may be dispositive in determining either infringement or validity. *See, e.g.*, N.D. Cal. Patent L.R 4-3(c); N.D. Ill. LPR 4.1(b). However, even if a court does not limit the number of terms it is willing to construe, practical considerations should be addressed to determine if it is worth pursuing formal construction of numerous claim terms. For example, a litigant is constrained by page limits in briefing and presentation time during the *Markman* hearing. In addition, if a party disputes unnecessary claim terms or presents questionable constructions for terms that likely will not be dispositive of infringement or validity issues, the credibility of arguments presented with respect to important claim terms may suffer. In certain jurisdictions failure to make a good faith effort to narrow the disputed claim terms may lead to sanctions. *See* N.D. Cal. Patent L.R. 4-7.

In determining which disputed terms to raise with the court, a party should fully consider its infringement and validity arguments, and determine the relative strengths and weaknesses of its positions with its

technical consultants and experts (always keeping in mind issues of privilege). The party should also carefully consider its claim construction strategy: for example, whether to pursue a broad construction in an attempt to prove infringement more easily or to push for a narrow interpretation to avoid potential prior art. Another example is whether a party can assert that there can be no construction of a disputed term because the claim is indefinite. *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120, 2124 (2014) (a claim must inform one of skill in the art about the scope of the invention with reasonably certainty); *Twin Peaks Software Inc. v. IBM Corp.*, 690 Fed. App'x. 656 (Fed. Cir. 2017) (claims properly held indefinite as part of claim construction); *Trusted Knight Corp. v. IBM Corp.*, 681 Fed. App'x 898 (Fed. Cir. 2017) (same).

With respect to the briefing of the disputed terms remaining after the meet and confer process between the parties, courts may order independent briefing to be filed either simultaneously or sequentially, or order joint briefing. Some courts require that the parties merely exchange briefs until all briefing is completed and, only then, file a full briefing package to the court. Other courts require that each brief be filed with the court at the same time it is served upon the opposing party.

In any event, briefing should include a background discussion of the technology, the patent-in-suit, the asserted claims, and the disputed terms. The argument should include the relevant law regarding claim construction, the definition of the ordinary person of skill in the art, expressly set forth the proposed claim construction for each disputed term (even if a party contends that a term should be given its plain and ordinary meaning), identify the relevant intrinsic and extrinsic evidence, and apply that evidence to the proposed construction. Declarations from technical experts – which are generally similar to expert reports – are particularly useful to introduce evidence and qualified opinions concerning the level of skill of the person of ordinary skill in the art, the background of the technology and patented invention, and explaining how one of ordinary skill in the art would interpret the disputed terms based on the intrinsic and extrinsic evidence. The court is not required to consider extrinsic evidence but, rather, may use extrinsic evidence it believes would assist it in the proper construction of disputed claim terms. The court, however, may not rely on extrinsic evidence to vary or contradict the intrinsic evidence. *Vitronics Corp. v. Conceptoronic, Inc.*, 90 F.3d 1576, 1583 (Fed. Cir. 1996); *Phillips*, 415 F.3d at 1314; *Rembrandt Patent Innovations*, 2017 WL 5632684, at *4.

Responsive briefs should clearly address why the opponents' proffered constructions are incorrect, again relying on the proper intrinsic and

extrinsic evidence. And all supporting evidence should be submitted to the court concurrently with any briefing unless otherwise ordered.

THE *MARKMAN* HEARING

A general concern during the claim construction process, particularly with respect to complex technologies, is educating the court with respect to the background of the technology prior to its construction of disputed terms. This aspect is particularly important given the basic principle that the claims are generally given their “ordinary and customary meaning” as understood by a person of ordinary skill in the art at the time of the invention. *Phillips*, 415 F.3d at 1312-13.

Consequently, the *Markman* hearing usually also includes some type of technology tutorial. Some judges have standing orders that the parties may submit technology tutorials to the court for independent review, while others schedule live court presentations either prior to or during the *Markman* hearing. A party will want to ensure that its tutorial explains the underlying technology in an accurate, simple, and straightforward manner using demonstratives and animations where necessary. For some claimed inventions it may be helpful to use an actual physical sample during the tutorial. If the court decides not to schedule a tutorial session before the *Markman* hearing, then the party will want to incorporate such background information into the hearing presentation itself.

Another way to ensure that the court is presented with sufficient information regarding the patent and underlying technology is the use of live witness testimony at the hearing to the extent permitted. For example, the court may allow testimony from qualified experts regarding how the person of ordinary skill in the art would interpret the claims in light of both the intrinsic and extrinsic evidence of record. A patentee may also consider proffering the inventor to provide testimony regarding the claimed invention. However, such testimony may be given little weight or even precluded. *Bell & Howell Document Management v. Altek Sys.*, 132 F.3d 701, 706 (Fed. Cir. 1997) (“The testimony of an inventor and his attorney concerning claim construction is thus entitled to little or no consideration. The testimony of an inventor is often a self-serving, after-the-fact attempt to state what should have been part of his or her patent application. . . .”).

In any event, it is important for a litigator to be intimately familiar with the technology at-issue as well as the intrinsic and extrinsic evidence relied upon by both parties in order to answer any questions from the court that may arise. Similarly, even if the court will not entertain expert

testimony at the *Markman* hearing, a party may consider having its expert attend for immediate consultation if any question arises.

WHAT NEXT?

As previously stated, the court's claim construction ruling necessarily affects the subsequent events in a litigation. Accordingly, after a *Markman* ruling is issued a party should consider potential strategies and procedures. For example:

- Deciding whether to file a motion for reconsideration regarding claim terms that have been construed against the party's litigation position
- Determining whether the district court's construction places other claim terms into dispute thus requiring those additional terms to be construed
- Determining whether new precedent issued from the Federal Circuit or Supreme Court that conflicts with the court's decision
- Deciding as a patentee whether to reduce the number of asserted claims to eliminate claims with weaker infringement arguments
- Deciding as a defendant whether to drop prior art references that arguably no longer disclose a claim limitation under the court's construction
- Determining whether infringement contentions or invalidity contentions need to be amended in light of the claim construction
- Deciding whether to file summary judgment motions based on either clear infringement/non-infringement positions or strong validity/invalidity arguments
- Revisiting possible settlement if the claim construction has provided additional leverage against the opposing party

Finally, because a claim construction ruling is an interlocutory order, the parties may consider stipulating to issues of infringement or validity to hasten a final order so that the ruling may be appealed to the Federal Circuit sooner. *See, e.g., Trusted Knight Corp.*, 681 Fed. App'x at 902. Otherwise, appellate review of the court's claim construction will be deferred until after a final judgment is otherwise entered by the trial court.

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