

No. 11-1154

IN THE
Supreme Court of the United States

RETRACTABLE TECHNOLOGIES, INC.

AND THOMAS J. SHAW,

Petitioners,

v.

BECTON, DICKINSON & CO.,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

**SUPPLEMENTAL BRIEF FOR PETITIONERS
IN RESPONSE TO BRIEF FOR THE UNITED
STATES AS *AMICUS CURIAE***

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The government does not dispute that patent claim construction decisions in the Federal Circuit are unpredictable and panel-dependent. The government contends that this unpredictability results from applying settled principles of claim construction to particular patent claims, but that is incorrect. The Federal Circuit is deeply divided over whether a court may depart from the clear meaning of terms in a patent claim only in a few narrow and specific circumstances or more broadly, to align patent claims with the details of the invention described in the specification. This is a disagreement over an important principle of claim construction, and this case is an ideal vehicle for resolving it.

On the second question presented, the government agrees with petitioner that claim construction involves subsidiary factual questions, that the Federal Circuit has identified no reason why these factual issues should not be reviewed for clear error under Federal Rule of Civil Procedure 52(a), and that this question is appropriate for Supreme Court review. Contrary to the government's view, this case is an appropriate vehicle for deciding that question. Claim construction cases, including this one, generally involve factual issues, and a bifurcated standard of review (clear error when expert witnesses testify and *de novo* in other cases) is unworkable. Moreover, because the Federal Circuit has held that claim interpretation is a pure issue of law, district courts rarely if ever make formal factual findings on claim interpretation

issues. There is no need to wait (potentially forever) for such a case, because the standard of review issue has been thoroughly analyzed in numerous Federal Circuit decisions and scholarly articles. Accordingly, the petition should be granted.

I. The Court Should Resolve The Persistent Conflict Over When Clear Terms In A Patent Claim Can Be Limited By The Patent Specification.

1. The government does not dispute that patent claim construction decisions by the Federal Circuit are uncertain and panel dependent, as shown by the high reversal rate and large number of dissents in such cases. *See* Pet. 13; Michael Saunders, *A Survey of Post-Phillips Claim Construction Cases*, 22 Berkeley Tech. L. J. 215, 236 (2007) (finding a claim construction reversal rate of 39.5% post-2005). Indeed, the government barely even acknowledges this serious problem, except to note that current principles of patent claim interpretation “seldom provide an answer, but instead merely frame the question.” U.S. Br. 14 (internal quotation and citation omitted).

The government nevertheless recommends against review because, it asserts, there is “broad agreement among the judges on the Federal Circuit about the principles of law that govern” claim construction, and the uncertainty and panel-dependency arises from nothing more than the “application of those settled principles to particular patent claims.” U.S. Br. 7,8. Judges of the Federal Circuit, as well as commentators, have reached

exactly the opposite conclusion: the persistent split in the Federal Circuit concerns an unresolved issue of claim construction, not simply the application of settled principles to particular cases. *See* Pet. App. 92a-93a & 98a (dissenting opinion of Moore, J., joined by Rader, C.J.) (noting the “fundamental split within the court as to the meaning of *Phillips* and *Markman* as well as the proper approach to claim interpretation.”); Pet. 12-13, 17-18 (discussing commentators’ views); Indiana Univ. Ctr. for Intell. Prop. Res. Amicus Br. at 4-5; R. Polk Wagner, *The Two Federal Circuits*, 43 Loy. L.A. L. Rev. 785, 793 (2010) (noting “methodological split in claim construction in the Federal Circuit”).

The views of these judges and commentators are correct. General interpretive principles (such as the principle that the specification should be considered when construing claim language) do not answer the specific interpretive question presented in this case: in what circumstances can language in the patent specification be used to limit the meaning of clear terms in a patent claim? The Federal Circuit is deeply and persistently split on this question. Some judges conclude that specification-based limitation is proper only in two narrow circumstances: “[T]he specification cannot be used to narrow a claim term – to deviate from the plain and ordinary meaning – unless the inventor acted as his own lexicographer or intentionally disclaimed or disavowed claim scope.” Pet. App. 94a. Others apply an expansive approach that requires an inquiry into what the inventor described in the specification: “[T]he basic mandate is for claims to be interpreted in light of the

specification of which they are a part because the specification describes what the inventors invented. The specification is the heart of the patent. In colloquial terms, ‘you should get what you disclose.’” Pet. App. 30a (Plager, J.), quoting *Arlington Indus., Inc. v. Bridgeport Fittings, Inc.*, 632 F.3d 1246, 1252 (Fed. Cir. 2011). Choosing between these two approaches requires the court to decide a *legal* issue. In the absence of guidance from this Court, different panels will continue to flip between the different approaches, continuing exactly the type of uncertainty the Federal Circuit was created to avoid.

In arguing to the contrary, the government identifies principles of patent claim construction on which there is broad agreement: the claim measures the grant to the patentee; the claim is interpreted in light of the written specification; the specification may not be used to alter the meaning of a claim. U.S. Br. 8-12. But showing that the Federal Circuit judges agree on certain broad principles of claim interpretation does not establish that they agree on the specific interpretive principle at issue in this case.

The government also argues that there is no split on an issue of claim interpretation because the Federal Circuit’s en banc decision in *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005), was “essentially unanimous.” U.S. Br. 12. But *Phillips* decided a different issue – the relative importance of “intrinsic evidence” (the claims, specification, and prosecution history) versus “extrinsic evidence” – and resolved that issue in favor of intrinsic evidence. *Id.*

at 1319; Thomas Chen, *Patent Claim Construction: An Appeal for Chevron Deference*, 94 Va. L. Rev. 1165, 1173 (2008) (“[T]he Phillips court largely restricted its en banc opinion to an endorsement of the intrinsic record as the preferred source of claim meaning . . .”). As commentators have recognized, *Phillips* did not decide the relative importance of the claims versus the specification in claim construction.¹

Tellingly, Judge Lourie, the author of the panel majority opinion in this case, dissented from the result in *Phillips*. 415 F.3d at 1328. Although Judge Lourie agreed with the majority’s general principles of claim construction, he nevertheless dissented from the holding that “baffles” as used in the claim was a broad term, concluding that the specification should have been used to limit the claim term “baffles” to “angled baffles.” *Id.* at 1329. Judge Lourie’s opinion confirms that *Phillips* did not decide when the

¹ See, e.g., Harold C. Wegner, *Arlington Indus. v. Bridgeport Fittings: The 20-Year Claim Construction Debate*, IP Frontline (Jan. 24, 2011), <http://www.ipfrontline.com/depts/article.aspx?id=24829&deptid=7> (noting “fundamental debate” over “the role of the specification in the interpretation of the scope of protection” and concluding that “[u]ntil there is a final resolution of this debate there will never be clarity in claim construction at the Federal Circuit.”); David L. Schwartz, *Practice Makes Perfect? An Empirical Study of Claim Construction Reversal Rates in Patent Cases*, 107 Mich. L. Rev. 223, 266 (2008) (“In response to current inconsistencies, the Federal Circuit needs to set forth a more coherent and clear doctrine. Its decisions, including its en banc ruling in *Phillips*, have not provided sufficient clarity in the area of claim construction.”).

specification can be used to limit the meaning of clear patent claim terms.

2. The government asserts that the term “body,” considered in isolation, “does not necessarily imply anything about whether the object in question consists of one piece or many.” U.S. Br. 15. That is precisely the point. The term “body” implies nothing about whether a particular body consists of one piece or multiple pieces because the meaning of “body” is not limited to one-piece bodies. The same is true of other terms without modifiers: “triangle” is broader than “right triangle”; “suit” is broader than “three-piece suit”; “cheese” is broader than “Swiss cheese.”²

None of the Federal Circuit judges disagreed that “‘body,’ has a plain meaning that includes both single and multi-piece bodies.” Pet. App. 96a. Indeed, not even the parties themselves disputed this. *Id.* Accordingly, this case provides an ideal vehicle to resolve the persistent conflict at the Federal Circuit over the circumstances in which the specification can be used to limit the plain meaning of patent claim terms.

3. The government argues that “claim drafters should not be permitted to broaden claims beyond

² In this case, the patent uses the phrase “one-piece body” in certain dependent claims, while using the unqualified word “body” in the independent claims. As the government acknowledges, “[u]nder the interpretive doctrine of claim differentiation, courts generally construe different claims in the same patent to have different scope.” U.S. Br. 15.

their correct scope under 35 U.S.C. 112 merely by using different (but essentially synonymous) terms in different claims.” U.S. Br. 15-16. As noted above, “body” and “one-piece body” are not “essentially synonymous.” More fundamentally, claim construction and determining “correct scope” under § 112 are distinct issues. Claims are invalid under Section 112 if the specification does not sufficiently describe the “full scope of the invention.” See *LizardTech, Inc. v. Earth Res. Mapping, Inc.*, 424 F.3d 1336, 1345 (Fed. Cir. 2005). Thus, Section 112 exists to invalidate claims that overshoot the disclosure of the specification. See *Indiana Univ. Ctr. for Intell. Prop. Res. Am. Br.* at 6 (“[W]ritten description doctrine is predicated on the possibility of claim constructions that are broader than what is disclosed in the specification.”). Respondent did not appeal the jury’s factual determination that the claims are not invalid under Section 112, but the panel majority’s approach to claim interpretation nevertheless enabled the Federal Circuit to reverse the jury’s unchallenged determination under a de novo standard.

In sum, this case presents a legal question of patent claim interpretation on which the Federal Circuit is persistently split. This Court’s review is warranted, and would significantly reduce the level of uncertainty and panel-dependency in claim construction cases.³

³ Since the petition in this case was filed, at least two additional Federal Circuit panels have split regarding the role of the (continued...)

II. This Case Is An Appropriate Vehicle For Determining The Standard Of Appellate Review That Applies To Claim Construction.

On the second question presented, the government agrees with most of the points made by petitioner and the judges who dissented from the denial of rehearing en banc. The government agrees – indeed, regards it as “clear” – that claim-construction decisions may “depend on a district court’s resolution of subsidiary factual questions.” U.S. Br. 20. The government also agrees that the Federal Circuit’s decision in *Cybor Corp. v. FAS Technologies, Inc.*, 138 F.3d 1448 (Fed. Cir. 1998) (en banc), “does not identify any reason that such factual findings should not be given the deference ordinarily required by Federal Rule of Civil Procedure 52(a).” U.S. Br. 20-21 (citing *Pullman-Standard v. Swint*,

specification in claim construction. *See Interdigital Commc’ns, LLC v. Int’l Trade Comm’n*, 690 F.3d 1318, 1324-26 (Fed. Cir. 2012) (refusing to construe “code” to mean “spreading code” because “[t]he plain meaning of claim language ordinarily controls unless the patentee acts as his own lexicographer and provides a special definition for a particular claim term or the patentee disavows the ordinary scope of a claim term”); *but see id.* at 1331 (dissenting judge’s view that “[a] technical term in a patent claim is construed in accordance with its description and enablement in the patent; it cannot be construed more broadly in a claim, than its description in the specification.”); *Toshiba Corp. v. Imation Corp.*, 681 F.3d 1358, 1369 (Fed. Cir. 2012) (“Absent disclaimer or lexicography [in the specification], the plain meaning of the claim controls.”); *but see id.* at 1372 (dissenting judge’s view that “broadly written” claim language should be construed narrowly because of “consistent references” to a narrower meaning in the specification.).

456 U.S. 273, 287 (1982) (Rule 52(a) “does not make exceptions or purport to exclude certain categories of factual findings from the obligation of a court of appeals to accept a district court’s findings unless clearly erroneous.”)). Thus, the government agrees, this Court’s review “might be warranted” to determine the appropriate standard of appellate review of factual determinations that bear on the interpretation of disputed patent claims. U.S. Br. 17.

The government’s sole reason for recommending against review is that this case is not a good vehicle for deciding the question because the district court did not “make any factual findings consider any expert testimony, make any credibility determinations, or receive any documentary evidence” concerning the meaning of the claim term “body.” U.S. Br. 21. Once again, the dissenting judges of the Federal Circuit disagree, and for good reason. *See* Pet. App. 93a (Moore, J.) (“This case is a good vehicle to address . . . whether deference should be given to the district court in the claim construction process.”). The judges’ view is persuasive for multiple reasons.

First, the government errs in arguing that because the district court did not hear live testimony from experts, “the district court’s claim construction ruling did not depend on the resolution of *any* questions of fact.” U.S. Br. 22. In this case, as in every case that requires the court to interpret a patent claim, the issue before the district court was what the relevant claim language meant to a person of ordinary skill in the art at a particular time (the

time of the invention). *See Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d 1473, 1477 (Fed. Cir. 1998). This inquiry inherently includes factual elements, including the state of the art at the relevant time and what the claim language meant to persons of ordinary skill. Whether or not these underlying factual issues are disputed through the testimony of expert witnesses, they are nevertheless *factual* issues, and thus the district court's determinations on those issues should be subject to deferential review under Federal Rule of Civil Procedure 52(a).

In this case, Judge Davis found that “an expert in the relevant field would not limit ‘body’s’ meaning to a one-piece structure.” *RTI v. New Med. Techs.*, No. 110, Civ. 4:02-CV-34, slip op. at 8 (E.D. Tex. Mar. 8, 2004). Judge Folsom agreed with Judge Davis. Pet. App. 79a. These were factual, not legal, determinations.

Second, a district court's superior ability to make credibility determinations is not the only reason to defer to the court's interpretation of patent claims. District courts “can spend hundreds of hours reading and rereading all kinds of source material,” *Cybor*, 138 F.3d at 1477 (Rader, J., dissenting), and are better able to “sift through and weigh volumes of evidence.” *Phillips*, 415 F.3d at 1332 (Mayer, J., dissenting).

Third, a bifurcated standard of review – deferential review for cases in which expert witnesses testify and de novo review for other cases – is unworkable. A bifurcated approach would allow

litigants to change the standard of review by presenting (or withholding) expert testimony on claim interpretation. As noted above, the underlying issues are factual in nature whether or not an expert testifies.

Fourth, district courts rarely, if ever, make express findings of fact on claim construction issues because the Federal Circuit has held that claim construction is a pure question of law. *See Cybor*, 138 F.3d at 1451. Thus, as commentators have noted, the government’s approach “nearly guarantees that there will never be ‘an appropriate vehicle’ for considering this issue.” Peter S. Menell & Jonas Anderson, *Guest Post: Claim Construction Catch-22: Why the Supreme Court Should Grant Certiorari in Retractable Technologies*, PatentlyO (Dec. 5, 2012), <http://www.patentlyo.com/patent/2012/12/guest-post-claim-construction-catch-22-why-the-supreme-court-should-grant-certiorari-in-retractable-t.html>.

Finally, there is no need to wait for a case with expert testimony because the standard of review issue has been exhaustively analyzed in numerous decisions of the Federal Circuit, as well as by commentators, ever since *Cybor* was decided in 1998. As a result, there is no reason for the Court to wait for a case with different facts or a different procedural setting.

The government does not dispute that *Cybor* has resulted in serious practical problems, including “a steadily high reversal rate,” “lack of predictability about appellate outcomes,” and “loss of the comparative advantage often enjoyed by the district

judges who heard or read all of the evidence and may have spent more time on the claim constructions than [the Federal Circuit] ever could on appeal.” *Amgen Inc. v. Hoechst Marion Rouseel, Inc.*, 469 F.3d 1039, 1040 (Fed. Cir. 2006) (Michel, C.J., dissenting). No fewer than six active judges of the Federal Circuit have expressed an interest in reconsidering *Cybor*, but the Federal Circuit has repeatedly declined to do so.⁴ As Judge O’Malley noted, “It is time we stop talking about whether we should reconsider the standard of review we employ when reviewing claim construction decisions from district courts; it is time we do so.” *Id.* at 105a.

⁴ The Federal Circuit recently denied another rehearing petition over the dissents of five judges who again criticized the court’s continued adherence to *Cybor*, which “usurp[s] the province of the fact finder with our manufactured de novo review” and thereby “undermine[s] the uniformity and predictability goals this court was designed to advance.” *Highmark, Inc. v. Allcare Health Management Sys., Inc.*, 2012 U.S. App. LEXIS 25054, *32 (Fed. Cir. Dec. 6, 2012) (Moore, J., dissenting from denial of rehearing en banc).

CONCLUSION

The petition for a writ of certiorari should be granted.

Respectfully submitted,

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