

SUPREME COURT ADOPTS “REASONABLE CERTAINTY” STANDARD FOR EVALUATING INDEFINITENESS CHALLENGES TO PATENT CLAIMS

By Andrew Chou

On June 2, 2014, the Supreme Court rejected the Federal Circuit’s standard for determining whether a patent claim is invalid for indefiniteness under 35 U.S.C. §112(b), adopting instead a standard requiring greater clarity in patent claims. This result should have a significant impact, most notably on patent litigation, as the new standard could be a boon for alleged infringers by potentially making it easier to challenge imprecise or overbroad patent claims in an infringement suit.

Section 112(b) of the Patent Act requires that a patent “conclude with one or more claims particularly pointing out and distinctly claiming the subject matter,” which the applicant regards as his invention. This requirement’s primary function is to ensure that the language of a patent’s claims is sufficiently “definite” to inform the public of the boundaries of the protected invention. A lack of definiteness renders a patent claim invalid. Under the Federal Circuit’s standard, a claim was held indefinite only if the claim was “not amenable to construction” or “insolubly ambiguous.”

In *Nautilus, Inc. v. Biosig Instruments, Inc.*, 572 U.S. ____ (2014), *Nautilus* challenged the Federal Circuit’s indefiniteness standard, arguing that the standard failed to fulfill the statutory requirement by being overly permissive—allowing ambiguous or vague patent claim language, so long as the language was not insolubly ambiguous. *Nautilus* further challenged the commonly held notion that a permissive indefiniteness standard was justified, indeed required, by the strong presumption of validity attached to a patent under 35 U.S.C. §282. As a replacement, *Nautilus* proposed a much tougher standard: a claim is indefinite as long as it is susceptible to more than one reasonable interpretation.

Justice Ginsberg delivered the unanimous decision, in which the Court largely agreed with *Nautilus*’s arguments. The Court rejected the Federal Circuit’s “insolubly ambiguous” standard, holding that the standard failed to satisfy the degree of clarity that §112(b) demands. Instead, the Court articulated a new standard: a patent’s claim is invalid for indefiniteness if, viewed in light of the specification and prosecution history, the claim fails to inform, with reasonable certainty, those skilled in the art about the scope of the invention.

The Court recognized that a proper indefiniteness standard must adequately reconcile competing concerns: the need to account for the inherent limitations of language and the need for providing the public with clear and precise notice of protected subject matter. However, the Court emphasized the demand for greater clarity, citing the patent drafter’s natural incentive, under the existing framework, to inject ambiguity into the claims to obtain as broad a scope as possible. In view of those concerns, the Court found the Federal Circuit’s “insolubly ambiguous” standard fatally imprecise. Not only was the standard overly permissive, allowing ambiguity to the point of insolubility, but it was also evidently confusing to apply—many courts struggled with articulating the point at which an ambiguity became “insoluble.”

The Court rejected the argument that the statutory presumption of patent validity necessitates such a permissive standard. The Court observed that the presumption of patent validity created in §282 does not detract from the statutory requirement of definiteness, and in fact incorporates the requirement by reference.

(continued on page 2)

(continued from page 1)

Although the Court rejected the Federal Circuit's standard, it also refused to adopt Nautilus's proposed standard, which would have invalidated any patent claim susceptible of more than one reasonable interpretation. Noting that the Court has never interpreted patent laws to require more than reasonable certainty, the Court adopted a less stringent standard, one that "mandates clarity, while recognizing that absolute precision is unattainable." Because the Court found that the Federal Circuit had applied the wrong standard to the facts at hand, it remanded the case to the Federal Circuit for a proper application of the new standard.

This case is likely to impact the entire patent landscape. Patent drafters should be cognizant of the heightened clarity requirement, and the increased risk of definiteness invalidations in future litigation. Patent holders should recognize that many existing patents could be more vulnerable to challenge under the new standard. They may have to consider appropriate measures to strengthen patent claims through post-grant procedures. Accused infringers should closely examine asserted patents for indefiniteness defenses. All should nonetheless stay tuned as, on remand, the Federal Circuit will apply the new standard, and that eventual decision, and others, should provide yet more guidance. ♦

This summary of legal issues is published for informational purposes only. It does not dispense legal advice or create an attorney-client relationship with

those who read it. Readers should obtain professional legal advice before taking any legal action.

For more information about Schnader's Intellectual Property Practice Groups, or to request to speak with a member of the group at a particular Schnader office location, please contact:

*Michael M. Carlson
Chair, Intellectual Property Litigation
415-364-6715
mcarlson@schnader.com*

*Ronald E. Karam
Co-Chair, Intellectual Property
215-751-2364
rkaram@schnader.com*

*Joan T. Kluger
Co-Chair, Intellectual Property
215-751-2357
jkluger@schnader.com*

*Ronald J. Ventola II
215-751-2358
rventola@schnader.com*

*Andrew Chou
215-751-2392
achou@schnader.com*

www.schnader.com
©2014 Schnader Harrison Segal & Lewis LLP