Claim Construction is the first hurdle in patent litigation to invalidate a patent. Traditionally, federal courts have interpreted claims in their plain and obvious meaning to a person skilled in the art. But a new avenue through post-grant proceedings at the patent office, such as inter-partes review, has created a worrying trend of increased patent invalidation. This comment will explore the consequences of the higher rate of invalidation, proposals suggested to solve the problem, and the actions of those who exploit it.
DUELING INTERPRETATIONS: THE CONFLICT ARISING FROM PTAB’S USE OF BROADEST REASONABLE INTERPRETATION FOR CLAIM CONSTRUCTION

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DUELING INTERPRETATIONS: THE CONFLICT ARISING FROM PTAB’S USE OF BROADEST REASONABLE INTERPRETATION FOR CLAIM CONSTRUCTION

ANDREW G. MARTIN*

I. INTRODUCTION

Imagine that a company recently won a major suit in the Court of Appeals for the Federal Circuit. The infringing party challenged the validity of the patent, but the company nonetheless survived the attack. After judgment and damages are determined, the company receives a peculiar letter in the mail. The letter congratulates the company on their victory, but then demands that the company share 10% of the judgment with the sender or the sender will file a proceeding at the Patent Trial and Appeal Board (“PTAB”). How is this possible?

To many this sounds like a clever form of extortion. This activity, however, does occur, is perfectly legal, and only one of the several consequences stemming from the Federal Circuit’s holding on the ‘PTAB’s use of Broadest Reasonable Interpretation (“BRI”) of patent claims.’

In re Cuozzo is the Federal Circuit case that upheld the PTAB’s use of the broadest reasonable interpretation standard. The holding in this case left many, including the dissent, questioning what Congress’ true intent was when it enacted the America Invents Act (“AIA”).

This comment addresses both the intent behind the creation of inter partes proceedings and Congress’ intended claim interpretation standard. Part II of this comment addresses the relevant law, the history and formation of Inter Partes proceedings, and the problems arising out of In re Cuozzo. Part III of this comment looks at the congressional intent of the AIA and post-grant proceedings, the purpose and policy behind the two claim interpretation standards, and the effects on patent litigation. Finally, Part IV addresses how either Congress or courts can fix this problem by adopting the BRI standard in all post-grant procedures.

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2 In re Cuozzo Speed Techs., LLC, 778 F.3d 1271, 1279 (Fed. Cir. 2015) (holding that Congress implicitly adopted the broadest reasonable interpretation standard for the Patent Trial and Appeals Board with the passage of the America Invents Act.)
3 Id.
4 Id. at 1287-1293 (Newman, J., dissenting) (stating that the panel majority’s ruling was contrary to the AIA. She cites to congressional records that suggest that the IPR system was initiated to provide “a quick and cost effective alternative to litigation”); see also id.(Prost, C.J., Newman, J., Moore, J., O’Malley, J., Reyna, J., dissenting) (stating that because Inter-Partes Review is a new court like proceeding, the claims should be given their “actual meaning” rather than the broadest meaning).
II. BACKGROUND

To begin our discussion, we must look at the origin of post-grant proceedings. Throughout the years, patent reform has been focused on the issue of reducing the number of “dubious” patents. Most of these reforms were based on the theory that creating additional and more rigorous procedures would improve the “quality” of patents being issued. Eventually, Congress created the first non-judicial post-issuance review in 1981. This proceeding was called ex parte reexamination (“EPX”) and essentially allowed the Patent Office to take a “second look” at any issued patent. The “second look” allowed the Patent Office to reexamine an issued patent to determine whether it did in fact meet the requirements of novelty and non-obviousness.

The EPX procedure was unfortunately not as effective as Congress hoped. Oftentimes parties abused this procedure by challenging the same patent multiple times. These recurrent challenges created a constant uncertainty of a patent holder’s rights, even though the vast majority of patents were still confirmed.

In 1999, Congress decided to reform the EPX procedure by introducing the inter partes reexamination proceeding (“IPX”). Once again, Congress believed that these changes would result in the improvement of patent quality. EPX and IPX mechanisms operated in parallel until the AIA was passed.

When Congress enacted the AIA, it eliminated the IPX proceeding and replaced it with Inter-Partes Review (“IPR”) proceeding. This new proceeding was created to offer a quasi-judicial process for reexamination of issued patents. This process was

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8 Dolin, supra note 5, at 884 (describing the history and effects of the process of ex parte reexamination).
9 35 U.S.C. § 301
13 Dolin, supra note 5, at 884 (Describing the continual justification for Congress’ attempts at patent reforms were to improve “patent quality”); Roger Shang, Inter Partes Reexamination and Improving Patent Quality, 7 NW. J. TECH. & INTELL. PROP. 185, 185 (2009) (“The inter partes reexamination procedure was created by Congress in 1999 as a means to challenge dubious patents and to improve patent quality”).
16 In re Cuozzo Speed Techs., 778 F.3d at 1287-1293 (Newman, J., dissenting) (citing H.R. Rep. No. 112-98, pt. 1, at 46) (stating that the purpose of the Inter Partes review is to “convert inter partes reexamination from an examination proceeding to an adjudicative proceeding.”); see 157 Cong. Rec.
created to form an alternative forum where the public could challenge the monopolies conferred to patent owners without having to resort to proceedings in federal court.\textsuperscript{17} It was intended to reduce litigation costs, reduce the number of “low quality” patents, and increase certainty in patent rights.\textsuperscript{18} Once again, Congress justified this change by saying it would help weed out “bad patents.”\textsuperscript{19} However, Congress has never appropriately defined what it means by “bad patent.”\textsuperscript{20} Because IPR is a descendant from IPX it is important to understand some differences between the two proceedings.

The availability of the IPR proceeding greatly differs from the availability of the previous IPX proceeding. The majority of granted patents were exempt from the IPX proceedings due to efforts to reduce the workload at the Patent Office.\textsuperscript{21} In light of this roadblock, Congress expanded the scope of IPRs to allow all issued patents to be challengeable through IPRs.\textsuperscript{22}

The AIA granted large power to IPR proceedings. An IPR can be filed by any person and can be used to challenge claims to any issued patent.\textsuperscript{23} The earliest an IPR can be requested is at any point of the patent’s grant period—nine months after the patent’s issue date.\textsuperscript{24} However, patents may only be challenged on the basis of lack of novelty under § 102 and obviousness under § 103.\textsuperscript{25} An IPR can be issued against any patent, including ones that were issued prior to the enactment of the AIA.\textsuperscript{26} The request for an IPR will be granted so long as there is a “reasonable likelihood that the petitioner would prevail with respect to at least one of the claims challenged in the petition.”\textsuperscript{27} If the Patent Office decides to order a full trial before the PTAB, it must be completed within twelve months of the initial petition to the office.\textsuperscript{28}

An IPR is accompanied by an estoppel provision to prevent petitioners from filing additional judicial or administrative challenges to the claims that were addressed in the IPR proceedings. Petitioners will be estopped from any future challenges if based


\textsuperscript{20} Dolin, \textit{supra} note 5, at 897 (describing that at no point “was any definition of what constitutes a “low quality” versus a “high quality” patent, and how to tell the two apart, offered.”); see also Dan Prud’homme, \textit{Dulling The Cutting-Edge: How Patent-Related Policies And Practices Hamper Innovation In China} 22-24 (2012), https://impra.ub.uni-muenchen.de/47617/ (describing the ambiguity of the term “bad patent”).


\textsuperscript{23} Id. § 311(a).

\textsuperscript{24} Id. § 311(c)(1).

\textsuperscript{25} Id. § 311(b).

\textsuperscript{26} 37 C.F.R. § 42.102(a)(2).

\textsuperscript{27} 35 U.S.C. § 314(a).

\textsuperscript{28} Id. § 316(a)(11) (stating that if a “good cause” can be shown, then the deadline for completion of the IPR can be extended another 6 months). Even with this extension one can see how much quicker these proceedings are in comparison to a typical federal court trial. Id.
“on the same ground that the petitioner raised” during the IPR. This may seem like this provision prevents “double-dipping,” but only novelty and obviousness challenges may be raised in IPR proceedings. This allows for challengers to bring challenges based on other grounds and include other claims, like validity.

While later proceedings may in fact only bring challenges based upon issues not discussed in any previous IPRs, tension between PTAB and the federal courts still exists. The Patent Office has a long history of using the BRI standard to interpret claims. The Patent Office applies the BRI standard to “reduce the possibility that, after the patent is granted, the claims may be interpreted as giving broader coverage than is justified.” This standard is sensible for pre-issuance examination of patent applications, but controversy arose when the Patent Office began to use this standard in its IPR proceedings.

The controversy exists due to differing standards of claim interpretation between the Patent Office and the federal courts. While the Patent Office has long utilized the BRI standard, federal courts have relied on the plain and obvious meaning standard to interpret patent claims. “Plain and obvious” is the meaning that a person of ordinary skill in the art, at the time of the invention, would place on the same ground that the petitioner raised. This forces the district courts to select the “one ‘correct’ interpretation” of the claims while the Patent Office is able to maintain a flexible analysis consistent with the

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29 35 U.S.C. § 315(e); see Dolin, supra note 5, at 920 (explaining that IPR is governed by the same estoppel provisions as PGR, which limit “the petitioner from filing additional judicial or administrative challenges to the claims which were subject to [a previous] IPR”).

30 Dolin, supra note 5, at 920 (“given that only novelty and obviousness challenges can be raised in IPR proceedings, the scope of the [IPR] estoppel is much narrower in practice”).

31 In re Cuozzo Speed Techs., 778 F.3d at 1280 (laying out list of instances in which the PTO gives claims of its broadest reasonable construction) (citing In re Yamamoto, 740 F.2d 1569, 1571-72 (Fed. Cir. 1984) (PTO used BRI for reexamination proceedings)).

32 In re Cuozzo Speed Techs., 778 F.3d at 1280 (quoting In re Prater, 415 F.2d 1393, 1404-05, 56 C.C.P.A. 1381 (CCPA 1969)).

33 See id. at 778-779 (court ruling that Patent Office was within its power to adopt the broadest reasonable interpretation standard for its inter partes review proceedings).

34 See id. at 778 (upholding the use of the Patent Office’s use of broadest reasonable interpretation standard even though the Federal Courts use the plain and obvious meaning standard).


36 See Phillips, 415 F.3d at 1313 (ruling that there has been a long and clear history of using the term “plain and ordinary” in the context of what a person having ordinary skill in the art would view it as); see also Innova/Pure Water, Inc. v. Safari Water Filtration Sys., 381 F.3d 1111, 1116 (Fed. Cir. 2004) (stating that a court should construe a patent claim in accordance with the meaning a person or ordinary skill in the art would have at “the time of the invention”); Home Diagnostics, Inc. v. LifeScan, Inc., 381 F.3d 1352, 1358 (Fed. Cir. 2004) (finding that the term “customary meaning” refers to the customary meaning to a person in the art field); Ferguson Beauregard/Logic Controls v. Mega Sys., LLC, 350 F.3d 1327, 1338 (Fed. Cir. 2003) (finding that claim terms should be examined “through the viewing glass of a person skilled in the art”).

37 David L. McCombs, Debra J. McComas, Andrew S. Ehmke, Stephanie N. Sivinski, Federal Circuit Appeals From The PTAB: A New Game Or Just The Same Old Practice?, 95 J. PAT. & TRADEMARK OFF. SOC’Y 240, 246 (proposing that the explanation for “Federal Circuit’s greater affirmation of the Board on claim construction is the wider standard of interpretation the [IPR] Board applies in the first instance).
claims. The Federal Circuit has ruled that claims cannot be interpreted only in the context of a particular claim, but must be interpreted in the context of the entire patent, including the specification. Because of these differences it is clear that the Patent Office uses a broader standard.

This difference came to light in In re Cuozzo Speed Techs. LLC, a case before the Federal Circuit. Cuozzo Speed Technologies (“Cuozzo”) owned U.S. patent number 6,788,074 entitled “Speed Limit Indicator and Method for Displaying Speed and Relevant Speed Limit.” Garmin International and Garmin USA, Inc. (“Garmin”) petitioned to the Patent Office for an IPR challenging several claims on the grounds of obviousness.

The Patent Office granted Garmin’s petition and instituted an IPR where it used the BRI standard to strike down the claims. Cuozzo appealed the decision on the grounds that the PTAB used an incorrect standard to interpret its claims.

At the Federal Circuit, Cuozzo claimed that the Patent Office should not use BRI because it does not reflect the court’s post-grant interpretation standard. It argued that due to the quasi-judicial nature of IPRs, claims should be construed using the federal court’s plain and obvious meaning standard.

39 See Phillips, 415 F.3d at 1313-1314 (claims must be viewed in light of the patent as a whole); see also Multiform Desiccants, Inc. v. Mdzam, Ltd., 133 F.3d 1473, 1477 (Fed. Cir. 1998) (ruling that “[i]t is the person of ordinary skill in the field of the invention through whose eyes the claims are construed. Such a person is deemed to read the words used in the patent documents with an understanding of their meaning in the field and to have knowledge of any special meaning and usage in the field . . . . The inventor’s lexicography must be understood . . . .’); Medrad, Inc. v. MRI Devices Corp., 401 F.3d 1313, 1319 (Fed. Cir. 2005) (ruling that claims cannot be given their ordinary terms in a “vacuum.” The context of the written description and prosecution history must be considered); Innocva/Pure Water, Inc., 381 F.3d at 1116 (Fed. Cir. 2004) (ruling that the meaning of claim terms to persons skilled in the art is not always apparent, so courts may look to other sources which include “the words of the claims themselves, the remainder of the specification, the prosecution history, and extrinsic evidence concerning relevant scientific principles, the meaning of technical terms, and the state of the art”).
41 In re Cuozzo Speed Techs., 778 F.3d at 1271 (this case ended up in the Federal Circuit because it was appealed from the USPTO’s Patent Trial and Appeal board).
42 Id. at 1274.
43 Id. at 1283 (The IPR in its subsequent decision explained “an appropriate construction of the term ‘integally attached’ in independent claim 10 is central to the patentability analysis”).
44 Id. at 1283 (The Patent Trial and Appeal Board applied a broadest reasonable interpretation to the term ‘integally attached’ and construed the claim to mean discrete parts physically joined together as a unit without each part losing its own separate identity).
45 Id. at 1282.
46 Id. at 1276.
47 In re Cuozzo Speed Techs., 778 F.3d 1289 (arguing that the IPR is not simply a reexamination of a patent because of the heavy legislative emphasis place on the new procedures) (citing H.R. Rep. no. 112-98, pt. 1, at 46 (2011) (explaining “[u]nlike reexamination proceedings, which provide only a limited basis on which to consider whether a patent should have issued, the post-grant review proceeding permits a challenge on any ground related to invalidity under section 282. The intent of the post-grant review process is to enable early challenges to patents . . . . The Committee believes that this new, early-stage process for challenging patent validity . . . will make the patent system more efficient and improve the quality of patents and the patent system”).
The majority opinion, however, upheld the Patent Office’s use of BRI while interpreting patent claims.\textsuperscript{48} The majority cited to the Patent Office’s long history of using the BRI standard and reasoned that because the “AIA showed no indication to change the claim construction standard [that] the PTO has applied for more than 100 years” there is no reason to assume a change would take place.\textsuperscript{49}

The dissent argued that upholding the Patent Office’s use of BRI creates a second standard that conflicts with the original purpose of implementing IPR.\textsuperscript{50} The BRI is treating an issued patent in the “same way as pending claims in the patent application stage.”\textsuperscript{51} The BRI standard prevents the review of patent validity in IPR to reflect that of the district courts, “where validity is determined based on the correct claim construction, not an artificially ‘broadest’ construction.”\textsuperscript{52} In the Dissent, Judge Newman believes that upholding BRI in IPR proceedings tarnishes the post-grant judiciary review process set forth in \textit{Phillips v. AWH Corp.}.\textsuperscript{53}

This decision has caused widespread effects throughout the patent field like forcing practitioners to alter litigation strategies,\textsuperscript{54} lowering confidence in patent rights among patent holders, and rising of the so-called “PTAB Trolls”.\textsuperscript{55}

\begin{footnotesize}
\begin{enumerate}
\item See \textit{id.} at 1282 (ruling that the Patent Office had the power under the AIA to set up and enforce its own claim construction rule in the new inter partes review proceedings. This ruling created a dual standard for interpreting claims between the federal courts and the PTAB).
\item See \textit{id.} at 1280 (stating that Congress is presumed “to legislate against the background law where Congress in enacting legislation is aware of the prevailing rule held at the Patent Office”).
\item See \textit{id.} at 1287-1293 (Newman, J., dissenting) (stating that although the PTAB is authorized to apply trial and evidentiary procedures, it should not be able to differ in the law that is applied in courts. Utilizing the broadest reasonable interpretation standard creates a discrepancy between an artificial standard and a correct decision based on the standards from \textit{Phillips}.) see \textit{Phillips}, 415 F.3d 1303.
\item See \textit{id.} at 1290 (dissent argues that IPR is limited to patent validity because validity is the central issue in patent litigation. To serve as an appropriate “substitute for district court validity determination, the legislation was designed to achieve the same correct decision as would be obtained in a district court on the same evidence and law”).
\item In re \textit{Cuozzo Speed Techs.} at 1291 (arguing that while “broadest reasonable interpretation” is an expedient in examination and reexamination, applicants do not get the opportunity to amend their claims in IPR. Therefore, using the artificially inflated standard is contradictory to the original purpose of the BRI standard).
\item See \textit{id.} at 1287-1293 (Newman, J., dissenting) (citing \textit{Phillips}, 415 F.3d 1303 (en banc) (demonstrating the significance in viewing claims as precisely as to what is patented); see also Merrill v. Yeomans, 94 U.S. 568, 570, 24 L.Ed. 235, 1877 Dec. Comm’r Pat. 279 (1876) (ruling that it is only just that a patent is construed in a manner that “define precisely what the invention is”); Aro Mfg. Co. v. Convertible Top Replacement Co., 365 U.S. 336, 339, 5 L. Ed. 2d 592, 81 S. Ct. 599, 1961 Dec. Comm’r Pat. 635 (1961) (Patent Claims measure the patent rights granted); White v. Dunbar, 119 U.S. 47, 52, 30 L.Ed. 303 7 s. Ct. 72, 1886 Dec. Comm’r Pat. 494 (1886).
\item Joseph Allen, \textit{It’s Time to Whack IPR Trolls}, IPWATCHDOG, http://www.ipwatchdog.com/2015/06/22/its-time-to-whack-irp-trolls/id=58902/ (last visited Sept. 8, 2016) (discussing the rise of the PTAB troll and the current legislation that is trying to fix the problem); see also Patience Haggin, \textit{Trolls Taste Own Medicine}, THE RECORDER (successful non-producing entities are being targeted with demand letters that ask for a percentage of a settlement or the sender will initiate IPR proceedings.); Scott A. Mckeown, \textit{The Rise of the PTAB Troll}, PATENTS POST-GRANT (author lays out the business strategy of the PTAB Troll. Step 1: Identify a high value damage award with strong prior art. Step 2: Institute an IPR proceeding with the same prior art and approach the patent holder for a quick settlement. Step 3: Repeat with the next case).
\end{enumerate}
\end{footnotesize}
With the above mentioned consequences stemming from IPR’s use of the BRI standard, courts should consider whether Congress had intended that the PTAB use BRI.

III. ANALYSIS

This section will discuss the problems associated with the Supreme Court’s decision to affirm the Federal Circuit’s decision that upheld the BRI standard. The Supreme Court has now ruled on this issue and held that the decision to institute an IPR proceeding is non-appealable and that the Patent Office’s decision to use BRI as its claim construction standard was a reasonable exercise of the Patent Office’s rulemaking authority granted to it by Congress. While this ruling may seem like the end of the discussion, Justice Breyer referred to the policy arguments made by the petitioners and ruled that the Patent Office is “legally free to accept or reject such policy arguments on the basis of its own reasoned analysis.” Justice Breyer pointed out that the Court’s ruling on BRI merely reflected that the Patent Office’s use of BRI was “reasonable in light of the rationales described . . . we do not decide whether there is a better alternative as a policy matter.” This comment will focus on the application of BRI and the Federal Circuit provided a much more in-depth discussion of the appropriateness of the BRI standard. Therefore, this comment will examine the logic of the Federal Circuit. The Federal Circuit’s decision created a proceeding that is potentially just as costly as litigation, not efficient or expeditious, and creates uncertainty in current patent holder’s rights.

One of the arguments the majority made in In re Cuozzo was that Congress “conveyed rulemaking authority to the PTO to prescribe regulations.” The majority based this argument in the phrasing of the U.S.C. § 316(a)(2) saying that the Patent and Trademark Office (“PTO”) was given authority in “establishing and governing inter partes review.” Based on this authority, the PTO adopted the BRI standard for IPR proceedings.

The dissenting judges responded to this argument by stating that the PTO was only given the authority to enact regulation and that the very same statute states that the PTO is not granted the power to erect “substantive statutory patentability standards.” Yet, the majority insisted that the regulatory authority would give the

57 See id. at 444.
58 See id.
60 In re Cuozzo Speed Techs., 778 F.3d at 1279 (holding that due to the America Invents act being silent on the issue of whether the broadest reasonable interpretation standard is appropriate for IPRs, the PTO has the authority to determine which standard for claim construction should be used).
61 35 U.S.C. § 316(a)(4) (“The director shall prescribe regulations setting forth the standards for showing of sufficient grounds to institute . . . review,” and “establishing and governing inter partes review . . . and the relationship of such review to other proceedings”).
62 See id.
63 In re Cuozzo Speed Techs., 778 F.3d at 1273.
PTO the ability to enact regulation setting forth standards by which claims would be construed.\(^{64}\) This would necessarily affect the scope and validity of patents.

The dissent further argued that this is not a scenario in which the Court should defer to the PTO’s action.\(^{65}\) In the dissent’s view, subsections (2) and (4) of \(\S\) 316 are consistent with Congress’s previous grants of authority to prescribe only procedural regulations.\(^{66}\) Subsection (2) provides regulations for the PTO to follow when determining if petitioners have met the burden to institute a review.\(^{67}\) Subsection (4) provides regulations that establish and govern inter partes review.\(^{68}\) Congress felt so strongly on instructing the PTO on this new proceeding that these regulations fully provide for IPR’s existence and control how the proceeding will be conducted.\(^{69}\)

The majority stated that subsections (2) and (4) cover the claim construction standard because it “affects both the PTO’s determination of whether to institute IPR proceedings and the proceedings after the institution.”\(^{70}\) Because the majority believed Congress authorized the PTO to prescribe these regulations, it uses the *Chevron* framework to analyze the validity of the regulation.\(^{71}\) *Chevron* is a two-step inquiry that first asks whether Congress directly spoke to the question at issue.\(^{72}\) If it is found that the congressional intent is unclear, the next question is “whether the agency’s interpretation is based on a permissible construction of the statutory language.”\(^{73}\)

The majority began the analysis by finding that Congress’s silence on claim construction means that step one of *Chevron* is satisfied.\(^{74}\) Moving on to the second step of the analysis, the majority asserted that the PTO’s use of BRI is consistent with the PTO’s long-standing practice of interpreting claims that way.\(^{75}\) In light of this

\(\text{\cite{64} See id.}\)
\(\text{\cite{65} See id. at 1288 (Newman, J., dissenting) citing Cooper Techs. Co. V. Dudas, 536 F.3d 1330, 1336 (Fed. Cir. 2008) (interpreting 35 U.S.C. \S 2 to mean that the PTO is granted the authority to specify standards to institute a review).}\)
\(\text{\cite{66} See id.}\)
\(\text{\cite{67} See id. at 1289 (Newman, J., dissenting); 35 U.S.C. \S 316(2).}\)
\(\text{\cite{68} See id. at 1289 (citing Direct Mkts. Ass’n v. Brohl, 135 S. Ct. 1124, 1132 (2015) (finding that the scope of subsections (2) and (4) can be determined to be procedural by looking at the other 11 sections which are clearly procedural)).}\)
\(\text{\cite{69} In re Cuozzo Speed Techs., 778 F.3d at 1289.}\)
\(\text{\cite{70} See id. at 1282.}\)
\(\text{\cite{71} See id. at 1282 (citing United States v. Mead Corp., 533 U.S. 218, 226-27, 121 S. Ct. 2164, 150 L. Ed. 2d 292 (2011); see Wilder v. Merit Ss. Prot. Bd., 675 F. 3d 1319, 1322 (Fed. Cir. 2012).}\)
\(\text{\cite{72} Chevron, U.S.A. v. Natural Res. Def. Council, Inc., 467 U.S. 837, 842, 104 S. Ct. 2778, 81 L. Ed. 2d 694 (1984) (laying out the foundation for the two-step *Chevron* rule, first step is to determine congressional intent, if unknown, determine whether agency’s interpretation is permissible within the meaning of the statute); see Cooper Techs. Co. v. Dudas, 536 F.3d 1330, 1337 (Fed. Cir. 2008).}\)
\(\text{\cite{73} Cooper, 536 F.3d at 1338 (quoting Hawkins v. United States, 469 F.3d 993, 1000 (Fed. Cir. 2006)).}\)
\(\text{\cite{74} In re Cuozzo Speed Techs., 778 F.3d at 1287-1293.}\)
\(\text{\cite{75} See id. at 1279 (citing Podelesak v. McInerney, 1906 Dec. Comm’r Pat. 265, 268 (demonstrating a very early use of broadest reasonable interpretation and stating that “no better method of construing claims is perceived than to give them in each case the broadest interpretation which they will support without straining the language in which they are couched”); see also Miel v. Young, 29 app. D.C 481, 484, 1907 Dec. Comm’r Pat. 561 (D.C. Circ. 1907) (demonstrating another case from over 100 years ago that applied the broadest reasonable interpretation standard); In re Rambus, In., 753 F.3d 1253, 1255 (Fed. Cir. 2014) (ruling that during reexamination claims are given their broadest reasonable interpretation that is consistent with the specification.); In re Am. Acad. Of Sci. Tech Ctr., 367 F.3d 1359, 1364 (Fed. Cir. 2004) (stating that broadest reasonable interpretations}
history, the court found that the PTO’s implementation of BRI standard is appropriate in IPRs.\textsuperscript{76}

The dissent, however, asserted that the majority failed to understand that § 316 does not provide such substantial authority to the Patent Office.\textsuperscript{77} The Patent Office was never given authority to prescribe such regulations on any issue that “affects” decisions to institute IPR’s or the results of later proceedings.\textsuperscript{78} As the dissent points out, the PTO’s “authority to prescribe a regulation must first be rooted in the statute.”\textsuperscript{79}

Another argument against upholding BRI is based on the PTO’s authority that even if the regulation using BRI is classified as procedural, deference to the Patent Office’s decision is inappropriate when the regulation “is contrary to the intent of congress as divined from the statute and its legislative history.”\textsuperscript{80} The dissent argued that the use of BRI in IPR creates a departure from the purpose of the AIA and should not be given any deference.\textsuperscript{81} In fact, throughout the legislative history there is mention that the creation of IPR’s was meant to give a reliable and efficient substitution of district court litigation.\textsuperscript{82} Administrative regulations must implement the purpose of the statute they serve, not contradict it.\textsuperscript{83} With pending legislation\textsuperscript{84} serves the public interest because it reduces the possibility that claims will be given broader scope than is justified; In re Morris, 127 F.3d 1048, 1054 (Fed. Cir. 1997) (ruling that it is improper for the Patent Office to interpret claims in the same manner as district court judges do in post-issuance proceedings); In re Kebrich, 201 F.2d 951, 954, 40 C.C.P.A. 780, 1953 Dec. Comm’r Pat. 94 (CCPA 1953) (stating that it is well established that tribunals at the PTO and reviewing courts “in the initial consideration of patentability will give claims the broadest interpretation which, with in reason may be applied”).

\textsuperscript{76} In re Cuozzo Speed Techs., 778 F.3d at 1280 (stating that because the court has approved of BRI in “a variety of proceedings” including in every unexpired patent proceeding, BRI is acceptable).

\textsuperscript{77} See id. at 1281 (stating that § 316 provides the PTO only the authority to adopt the BRI standard in a regulation); 35 U.S.C. § 316.

\textsuperscript{78} See id. at 1281 (stating that § 316 does not grant the PTO “the power to erect substantive statutory patentability standards”).


\textsuperscript{80} See id. at 1291 (Newman, J., dissenting) (quoting Teamsters v. Daniel, 439 U.S. 551, 566 n. 20, 99 S. Ct. 790, 58 L. Ed. 2d 808 (1979)); see also Muwwakkil v. Office of Pers. Mgmt., 18 F.3d 921, 925 (Fed. Cir. 1994) (ruling that if an agency’s interpretation of a statute was granted to administer is contrary to the intent of Congress, the courts owe it no deference).

\textsuperscript{81} See id. at 1291 (Newman, J., dissenting) (stating that “in promulgating 37 C.F.R. § 42.300(b), the PTO departed from the purpose of the America Invents Act to create a reliable substitute for district court litigation”).

\textsuperscript{82} See H.R. Rep. No. 112-98, pt. 1, at 46 (2011) (describing IPR as adjudicative the report explains that “Unlike reexamination proceedings, which provide only a limited basis on which to consider whether a patent should have issued, the post-grant review proceeding permits a challenge on any ground related to invalidity . . . The intent of post grant review process is to enable early challenges to patents . . . challenging patent validity . . . will make the patent system more efficient and improve the quality of patents and the patent system”); see also 157 Con. Rec. S1111 (Mar. 2, 2011) (Sen. Leahy stating that the purpose of the establishment of the inter partes review proceeding is to “decrease the likelihood of expensive litigation because it creates a less costly, in-house administrative alternative to review patent validity claims”).

\textsuperscript{83} Ernst & Ernst v. Hochfelder, 425 U.S. 185, 213-214, 96 S. Ct. 1375, 47 L. Ed. 2d 668 (1976) (holding that rulemaking power granted to administrative agencies implementing federal statutes is not the power to make law. The power lies in the administrative agency’s ability to adopt regulations that carry into effect Congress’s statutory intent).

\textsuperscript{84} H.R. Rep. No. 113-279, at 13-14 (2013) (The House has passed a resolution amending section 316(a) to state that when the PTO is interpreting claims in inter partes review proceedings, “each
that indicates that IPR should apply the exact opposite outcome reached by the majority, it is the obligation of the courts to interpret the statute in accordance with its explicit legislative purpose.\textsuperscript{85}

The Supreme Court has weighed in on judicial branch and administrative agencies conflict by stating that, “although an agency’s interpretation of a statute . . . is entitled to some deference, this deference is constrained by our obligation to honor the clear meaning of a statute, as revealed by its language, purpose and history.”\textsuperscript{86}

The next major attack against the use of BRI in IPRs is that the “give-and-take” of claim amendments with the Patent Office is not readily available to patentees in an IPR proceeding. Claim amendments have been described as merely an illusory feature.\textsuperscript{87} The issue is that claims require permission from the PTAB to be amended.\textsuperscript{88} As of June 30th, 2015 only 27 claims of the total 442 motions to amend were granted.\textsuperscript{89} This means that PTAB has only granted permission to about 6% of these motions.\textsuperscript{90} This stark contrast with the “give-and-take” procedure of examination and reexamination defeats the purpose of BRI anyway.\textsuperscript{91}

The BRI standard was formulated as a protocol to address the patentability of applications argued to the PTO.\textsuperscript{92} It is true that the BRI has a long history of use in

\textsuperscript{85} In re Cuozzo Speed Techs., 778 F.3d at 1291 (Newman, J., dissenting).
\textsuperscript{87} In re Cuozzo Speed Techs., 778 F.3d at 1291 (Newman, J., dissenting) (stating that the “ability to amend claims in Inter Partes Review proceedings as administered by the PTO, is almost entirely illusory”).
\textsuperscript{88} 37 C.F.R. § 42.221(a) (The Patent and Trademark Office regulations provide that a patent owner can file a singular motion to amend a patent but only after the patentee confers with the board and is granted the motion.).
\textsuperscript{90} Scott A. Meckown, PTAB Grants First Motion to Amend in IPR, PATENTS POST GRANT, (May 22, 2015), http://www.patentspostgrant.com/ptab-grants-first-motion-to-amend-in-ipr.
\textsuperscript{91} Dolin, supra note 5, at 929 (“it appears that at least so far [amendments are] purely ephemeral”).
\textsuperscript{92} In re Cuozzo Speed Techs., 778 F.3d at 1289 (Newman, J., dissenting) (quoting In re Yamamoto, 740 F.2d 1569, 1571 (Fed. Cir. 1984); see also MPEP § 2258 (stating that during reexamination
Patent Office proceedings, however, these proceedings utilized BRI for expediency and ensured that allowed claims were not given a broader scope than justified.\textsuperscript{93} The BRI worked so well because claims were readily amendable in these settings.\textsuperscript{94} The Patent Office used BRI to provide a framework in which claims are clarified with an applicant and, if necessary, amended to ensure proper scope.\textsuperscript{95} The BRI standard was never intended to operate as a method to determine the “correct” meaning and scope of claims.\textsuperscript{96} It was used as a prophylactic to prevent patentees rights from over-reaching into prior art or materials outside the specification disclosure.

The majority refutes this by referencing the same string of cases affirming the use of BRI in Patent Office proceedings for the last 100 years.\textsuperscript{97} Over the years, the court has upheld cases that used BRI in examination proceedings, reexamination proceedings, interferences, and tribunals at the PTO.\textsuperscript{98} Every case reiterates the merit BRI possesses to prevent overly broad claims and needless litigation in the court systems. The majority found that there was no indication that the AIA was designed to change the standard the PTO has used in the vast majority of its proceedings, including all instances involving unexpired patents.\textsuperscript{99}

However, the glaring difference between all the proceedings described by the majority and nter partes review is the availability to amend claims.\textsuperscript{100} Motions to amend claims are readily available in every single case to which the majority in In re Cuozzo cited; however, these motions are not so easily available to patentees in inter partes review.\textsuperscript{101} As stated above, only 6% of motions to amend have been granted by the PTAB.\textsuperscript{102} However, the majority asserted that IPR proceedings are not “materially different” in respect to the litany of other PTO proceedings.\textsuperscript{103} Referencing 35 U.S.C. § 316(d)(1), the majority was satisfied that patentee might file one motion to amend a claim that must be conferred with PTAB.\textsuperscript{104}

The majority stated that even though this may be an additional burden placed upon the patentee, the ability to amend still exists.\textsuperscript{105} The majority added that the “fact that a patent owner may be limited to a single amendment, may not broaden the

\textsuperscript{93} In re Yamamoto, 740 F.2d at 1571 (ruling that BRI protects the public interest).
\textsuperscript{94} In re Etter, 756 F.2d 852, 857 (Fed. Cir. 1985) (stating that reexamination is conducted according to procedures established in initial examination of applications according to § 132 and § 133).
\textsuperscript{95} MPEP § 2258.
\textsuperscript{96} In re Yamamoto, 740 F.2d at 1571.
\textsuperscript{97} In re Cuozzo Speed Techs., 778 F.3d at 1282.
\textsuperscript{98} See id.
\textsuperscript{99} See id.
\textsuperscript{100} 37 C.F.R. § 42.221(a).
\textsuperscript{101} See id.
\textsuperscript{102} See id.
\textsuperscript{103} In re Cuozzo Speed Techs., 778 F.3d at 1280.
\textsuperscript{104} See id. at 1282.
\textsuperscript{105} See id.
claims, and must address the ground of unpatentability is not a material difference.”

It also stated that even though IPR may be adjudicatory in nature, interference proceedings were also adjudicatory and the patent office still applied the BRI standard.

One confusing aspect of the majority’s opinion is that it admits that the single exception to the BRI standard in Patent Office proceedings is due solely to the patentee being unable to amend its claims. Furthermore, the majority cited cases that stress the importance of claim amendments when using BRI during examination. However, as the dissent argued, the majority decided to ignore the concepts that the cases were trying to teach and ruled based on the “technically possible” ability to amend claims.

The next issue the dissent addressed was that IPR is limited solely to patent validity because “validity is a central issue in patent litigation and often is dispositive of the entire litigation.” It relied on the conclusion that if IPR were to be an effective substitute for validity determinations procured in the district courts, then the same correct decision must be reached in both the district courts and inter partes review. If both proceedings were to obtain the same decision, then they must apply the same standards to each procedure; the same methods to determine validity as a matter of fact and law must correspond with each other. The dissent argued that if the PTAB were able to apply differing rules of law and evidence from the district court, then it would not sufficiently “serve its purpose as a district court surrogate.”

The dissent pointed out that the BRI of claims would differ from the ultimately correct decision based on the Phillips standard used in the federal courts. The use of BRI creates claim definitions that may be no more than legal fiction. It is clear from House Reports that IPR was intended to be adjudicatory. Therefore, the dissenting judges argued that the only way to fulfill the legislative plan set forth by Congress, is to apply the correct construction of plain and obvious meaning to a person of ordinary skill in the art.

Turning to the Supreme Court decision, Justice Breyer emphasizes that the question of the best claim construction standard is specifically left to the particular expertise of the patent office. While the BRI standard in PTAB is still current law,
the Supreme Court left a path of correction for the most knowledgeable in the field.119 In other words, the Patent Office should listen to feedback from its colleagues and correct the standard.

The PTO should hear the feedback loud and clear, as it is no secret that many knowledgeable organizations filed amicus briefs in support of Petitioner.120 The common thread among these briefs is that they focused on the BRI standard, which was incorrectly applied.121 For example, The Biotechnology Industry Organization (“BIO”) argues that the PTAB’s use of BRI is a “fundamentally incorrect standard of claim construction.”122 This emphasized that the PTAB has construed claims in broader terms than what the patentee alleges—essentially granting patentees rights then stripping them away later.123

The New York Intellectual Property Law Association (“NYIPLA”) argued that the purpose of BRI is not to determine the “actual meaning” of the claim, but rather determine the outer bounds of the claim and prevent post-grant claims from being interpreted broader than justified.124 The NYIPLA further argued that negligible opportunities to amend, created uncertainty in patent holder’s rights and has rippled throughout the industry.125

The Pharmaceutical Researchers and Manufacturers of America (“PhRMA”) argues that the continued use of BRI will “introduce considerable uncertainty in the construction of patent claims, increase the risk of conflicting invalidity decisions, and undercut a central reform that Congress enacted to strengthen the U.S. patent system.”126 The PhRMA further argues that PTAB’s use of BRI threatens the predictability and strength of protection that the patent system provides to innovators and the public.127

Turning our attention back to the Supreme Court, it is clear that the Court ruled that the PTAB has the authority to establish a claim standard in IPR, and that BRI is a reasonable standard.128 It is now time for the Patent Office to focus on what is the best standard. The arguments brought forth in the amici reflect many of the same points the dissent highlighted back in the Federal Circuit.129

119 See id.
121 Id.
122 Id.
123 Id.
124 Brief for American Intellectual Property Law Association as Amicus Curiae, Cuozzo Speed Techs., LLC v. Lee, 195 L.Ed.2d 423 (2016) (arguing that the Patent Office may grant a different ruling than district courts and that a chance to amend is simply illusory and most often denied).
125 Id.
126 Brief for Biotechnology Industry Organization as Amicus Curiae, Cuozzo Speed Techs., LLC v. Lee, 195 L.Ed.2d 423 (2016) (citing In re Reuter, 670 F.2d 1015, 1015 (CCPA 1981)).
127 Id.
128 Brief for Pharmaceutical Researchers and Manufacturers of America as Amicus Curiae, Cuozzo Speed Techs., LLC v. Lee, 195 L.Ed.2d 423 (2016).
129 Id.
127 In re Cuozzo Speed Techs.,778 F.3d at 1291 (Newman, J., dissenting).
Many of the problems with applying the BRI standard are still present today. For example, the PTO has issued a New Rule on May 2nd 2016, in which it will be using the Phillips standard for patents that will likely expire during the proceeding. Thus, these new rules make the Phillips standard applicable to patents with no ability to amend and the BRI standard applicable to patents that have the ability to amend. The new Rule, however, did not make any changes to the amendment process. The PTO merely noted that it would “further consider ways to promote uniformity in the requirements for a motion to amend, such as by designating opinions precedential, issuing a standing order setting forth what requirements govern a proceeding for motions to amend, or other means.”

While this new rule does take a step in the right direction by allowing Phillips in select cases, it fails to remedy the problem. Many of the cases in front of the PTAB will still be subject to the BRI standard. In addition, the Patent Office failed to offer any solution to the high rate of denied amendments during IPR. The Patent Office continues to justify its discrepancy with the federal courts by claiming that this is how they have always done it. However, continuing to apply an incorrect standard just because “this is always how it has been done”, is hardly a justification for continuing to be incorrect moving forward.

The problems that existed when the case entered the Federal Circuit have yet to be corrected. But, the Supreme Court has left open an avenue and presented the task of fixing this problem to the Patent Office. Hopefully, the Patent Office will follow the advice of numerous organizations, professors, and practitioners who have voiced their opinion that Phillips is the correct standard to use in IPR proceedings.

IV. PROPOSAL

After analyzing the issues arising from the Federal Circuit’s ruling in In re Cuozzo, upholding the BRI standard in IPR, and the Supreme Court’s ruling upholding this decision, I propose that the plain and obvious meaning standard be used in IPR proceedings. This solution will be the most appropriate course of action due to

131 Id.
132 Id.
133 Id.
134 Quinn Gene, Supreme Court Accepts Cuozzo Speed Technologies IPR Appeal, IPWATCHDOG, (January 15, 2016) http://www.ipwatchdog.com/2016/01/15/supreme-court-accepts-cuozzo-speed-technologies-ipr-appeal/id=65076/ (Author criticizes the shortcomings of the PTO’s argument to maintain BRI stating “[s]imply stated, use of BRI and providing no presumption strips the already issued patent of key protections the patent, a property right, would enjoy in federal district court. Why? Disparate treatment in what was supposed to be a district court alternative is impossible to justify in any fair way”).
135 The Supreme Court recently upheld the Federal Circuit’s ruling, however, the same proposed solution is still applicable.
the adjudicative nature of IPR, the insufficient ability to amend claims, and the uncertainty thrust upon the rights of patent holders. It is easy to see the problems that arise from the adjudicative elements of the IPR. It is somewhat ironic that the same court put in place to discourage forum shopping in patent litigation, has delivered a decision that makes forum shopping an inherent strategic consideration for both infringers and rights holders. The Federal Circuit affords substantial deference to the PTAB’s interpretations unless they are plainly erroneous. This includes the PTO’s prior art considerations and now the PTO’s claim construction.

This deference has forced practitioners to heavily analyze the strategies between bringing a petition in IPR or bringing suit in district court. This highlights that a practitioner may now forum shop between filing in a certain district court, bringing a petition before the IPR, or even proceeding in parallel with both.

These strategy considerations will hinge on the fact that if a favorable result can be achieved in IPR, then great deference will be given to that decision on appeal. However, if an unexpected or unfavorable decision is delivered in an IPR proceeding, it will be much more difficult on appeal to get a reversal.

These decisions become even more complicated for the practitioner when he or she must consider preclusive effects of differing rulings in the IPR and the Federal Circuit. While it is well established that invalidity in the Federal Circuit will create a preclusive effect in later proceedings in both IPR and federal court, claim construction and findings of no invalidity may not inherit the same preclusive effect in IPR. The PTAB considers parties’ claim construction positions in the district court

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136 In re Cuozzo Speed Techs., 778 F.3d at 1281.
137 37 C.F.R. § 42.221.
138 See Irina D. Manta, Privatizing Trademarks, 51 ARIZ. L. REV. 381, 383 (2009) (This is an analogous situation of the current uncertainty in Patents to the uncertainty felt in trademark context. “This period is one of uncertainty for a trademark applicant. He can choose to launch his product or service with an unregistered mark, but doing so could mean losing any investments in advertising and marketing associated with a potential registration refusal and a subsequent change in marks”).
140 David L. McCombs, Debra J. McComas, Andrew S. Ehmkke, & Stephanie N. Sivinski, Federal Circuit Appeals From The PTab: A New Game Or Just The Same Old Practice?, 95 J. PAT. & TRADEMARK OFF. SOC’Y 240, 247 (citing Belkin Int’l, Inc. v. Kappos, 696 F.3d 1379 (Fed. Cir. 2012)).
141 Id.
142 David L. McCombs, Debra J. McComas, Andrew S. Ehmkke, & Stephanie N. Sivinski, supra note 140 (Author makes note of the strategy considerations of the certain limitations on a party’s ability to bring parallel proceedings in the Patent office and the District Court); see 35. U.S.C. § 315.
143 David L. McCombs, Debra J. McComas, Andrew S. Ehmkke, & Stephanie N. Sivinski, supra note 140 (noting the pros and cons that currently exist for parties considering filing a petition for an IPR).
144 David L. McCombs, Debra J. McComas, Andrew S. Ehmkke, & Stephanie N. Sivinski, supra at note 140, at 4.
145 MPEP § 2286(IV) (discussing effect of final court decision of invalidity on ex parte reexamination proceeding).
146 Translogic Tech., Inc. v. Hitachi, Ltd., 250 Fed. App’x. 988,994 (Fed. Cir. 2007) (demonstrating Federal Circuit having the ability to hear cases from the Patent Office and having a preclusive effect on later proceedings such as district court suits); see also David L. McCombs, Debra J. McComas, Andrew S. Ehmkke, & Stephanie N. Sivinski, Federal Circuit Appeals From The PTab: A New Game
“unreliable” and thus, irrelevant to the PTAB’s own claim construction during IPR. This means that prior arguments made in the district courts tailored toward the plain and obvious meaning, must be reformed to the much broader standard of BRI at the PTAB. In several decisions, the Federal Circuit has upheld that judgments of no invalidity will not preclude subsequent finding of invalidity in IPR. However, any rulings of infringement will still be binding to all parties. This landscape creates the possibility that an unsuccessful defendant may have binding judgment against him, yet later have the very same claims ruled invalid.

These procedures have created a so-called “race to the Federal Circuit.” Essentially, whoever is able to receive a favorable final judgment from the Federal Circuit may finally step out of the coliseum of litigation and rest easy behind the protective shield of preclusion.

The BRI standard creates even further problems by adding a “stigma of uncertainty regarding entitlement to the patent” Due to the deference given to the PTAB and its determination to resist preclusive effects of claim construction determinations from the district courts, patent holders will constantly be forced to endure this patent purgatory until the Federal Circuit decides to open its gates to their appeal. These actions from the Patent Office may also implicate constitutional issues. Judge Newman’s dissent in In re Baxter Int’l proposed that permitting the PTO to reexamine these patents and apply a different claim may be unconstitutional. A government agency actively “ignoring” decisions from a federal court would violate the principles of res judicata.

A new pattern has risen in response to the PTAB “ignoring” validity decisions in district courts: district courts have opted to stay litigation until the conclusion of any

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147 Translogic Tech., 250 Fed. App’x. at 994.
148 In re Baxter Int’l, Inc., 678 F.3d 1357, 1360 (Fed. Cir. 2012); see In re Constr. Equip. Co., 665 F.3d 1254 (Fed. Cir. 2011); In re Swanson, 540 F.3d 1360 (Fed. Cir. 2008).
149 David L. McCombs, Debra J. McComas, Andrew S. Ehmkke, & Stephanie N. Sivinski, supra note 140, at 248.
150 David L. McCombs, Debra J. McComas, Andrew S. Ehmkke, & Stephanie N. Sivinski, supra note 140, at 247.
151 Id. (stating that practitioners are essentially trying to get to the Federal Circuit to receive a final judgement that will be preclusive on the district courts and the Patent Office).
152 In re Baxter Int’l, 678 F.3d at 1360 (Judge Newman explains her reasons for dissenting, “My concern is not with the principle of patent reexamination and the useful purposes for which it was designed; my concern is that reexamination is inappropriate for redetermination of issues that have been finally determined in judicial proceedings. Since only valuable patents on successful inventions are litigated, the court has created an additional burden and disincentive to inventors for reexamination after a patent has been sustained in court is a multiplier of cost, delay and uncertainty in direct negation of the principles of res judicata”).
153 See id.
parallel IPR proceedings.\textsuperscript{155} This will only cause further delay in obtaining a final judgment and will force another layer of litigation onto parties.

A short term solution to this particular problem would be the Patent Office following the lead of district courts and precluding any claims or issues that had been brought in the district court proceedings. This will give district court judges assurance that their decisions on validity will not be quickly contradicted in IPR’s. To achieve a long-term solution, however, the Patent Office must apply the plain and obvious standard of claim construction. Without this final resolution, forum shopping will still exist between rights holders who would prefer the narrower standard in the district courts, and the alleged infringers who would want the broader standard in IPR.

Returning to another major factor complicating the PTAB’s use of BRI is the lack of a patent holder’s ability to amend claims in the IPR process.\textsuperscript{156} With only 6\% of motions to amend being granted, it is hard to imagine this process being sufficiently similar to prosecution.\textsuperscript{157} Much of the value from use of the BRI standard is removed when claims cannot be amended.\textsuperscript{158} Unfortunately, the solution requires more than just granting more motions to amend. If the PTAB raised their grant rates to a level similar to prosecution, about 85\%,\textsuperscript{159} the teeth congress intended to give the IPR will be removed.\textsuperscript{160} Instead of instituting a binding adjudicative proceeding between two parties, the patent holder would simply be involved in another round of prosecution. The patent holder and the public would be consistently uncertain about the scope of rights to which a patent holder is entitled to. If a patent is continually subjected to such proceedings where it must progressively amend and narrow its claims, the patent’s worth, and patents in general, will consistently depreciate over their grant

\textsuperscript{155} Motions to Stay District Court Cases Pending Post-Grant Proceedings, Docket Report, http://docketreport.blogspot.com/2015/08/motions-to-stay-district-court-cases.html, (Aug. 24, 2015) (“The number of motions for stays is on a steady upward trend. A motion filed after the PTAB has instituted IPR is more likely to succeed than one where the petition has only been filed. But a post-filing motion to stay still has a good chance of being granted. The likelihood of getting an entire case stayed is very high, as is the likelihood of having a case stayed until the IPR has concluded”); see Scott B. Poteet, David B. Cochran, John A. Marlott, Peter G. Thurlow, Stay or Go! Tracking District Court Stays Pending Parallel USPTO Post-Grant Review Proceedings, JONES DAY PUBLICATIONS, http://www.jonesday.com/istay-or-go-tracking-district-court-stays-pending-parallel-uspto-post-grant-review-proceedings-07-14-2014/, (July 14, 2014) (“Recent data from the U.S. Patent and Trademark Office’s (“USPTO”) Patent Trial and Appeal Board (“PTAB”) indicates that 80 percent of inter partes review (“IPR”) and 90 percent of covered business method (“CBM”) review proceedings are directed to patents involved in parallel litigation in U.S. district courts. With these parallel proceedings, it is common for a petitioner to file a motion to stay the district court litigation until the IPR or CBM review proceedings have been completed”).

\textsuperscript{156} 37 C.F.R. § 42.221; see also Andrew W. Williams, Ph.D., Amending Claims Before the PTAB: What Have We Learned From the Board?, MCDONNEL BOEHNEIL HULBERT & BERGHOFF LLP INTELLECTUAL PROPERTY LAW, http://www.mbhb.com/pubs/xpqPublicationDetail.aspx?xpST=PubDetail&pub=294, Winter 2015 (“Perhaps in an attempt to even the playing field, Congress also statutorily provided patent owners with a chance to amend their claims...In practice, however, this ability has proven all but illusory. As of the end of 2014, only two sets of motions to substitute claims have been granted... As a result, patent owners without such a home-court advantage have been asking: ‘just what does it take to amend claims before the PTAB?’”).

\textsuperscript{157} Id.\textsuperscript{112}

\textsuperscript{158} In re Cuozzo Speed Techs., 778 F.3d at 1282.

\textsuperscript{159} See id. at 1281.

\textsuperscript{160} H.R. Rep. No. 112-98, pt. 1 at 46.
periods. It is clear that the PTAB cannot merely grant more motions to amend and attempt to cling to the BRI. If the PTAB intends to assert the power that was intended for IPR, then they must use the plain and obvious meaning.

Finally, the PTAB has a duty to apply the plain and obvious meaning in claim construction during IPR because the congressional intent is clear. The congressional intent in the AIA is clear, as well as, the congressional reaction from the implementation of the BRI standard.

V. CONCLUSION

It is clear from the proposed legislation that Congress intended for IPRs to construe claims using the plain and obvious standard. While the legislation has not passed, the PTAB is essentially covering its eyes and ears from the voice and messages of Congress’ hints and nudges. While we wait for Congressional action, the PTO can use its regulatory powers to simply change the standard to plain and obvious meaning. The Patent Office has been granted an excellent opportunity to expedite patent litigation and solidify the strength of patent rights. Hopefully, the correct interpretation will ultimately prevail.

161 Pedram Sameni, Patent Quality: Is PTAB up to the Challenge?, IPWATCHDOG, (Mar. 9th, 2015) http://www.ipwatchdog.com/2015/03/09/patent-quality-is-ptab-up-to-the-challenge/id=55344/am; Joseph Lavele, The impact of inter partes review on patent litigation, INTELLECTUAL PROPERTY AND TECHNOLOGY NEWS, (Sep. 4th, 2013) https://www.dlapiper.com/en/us/insights/publications/2013/09/the-impact-of-inter-partes-review-on-patent-liti_/ (The author describes the uncertainty existing from cases being tried in parallel in IPR and district court by stating “More than 60 percent of IPR requests filed in the first six months related to patents already being litigated.” The author further states “It is not yet clear how amenable courts will be to stay pending litigation while a defendant pursues IPR proceedings. The few decisions to date tend to grant such stays, though the treatment is far from uniform and in several cases the parties agreed to the stay.”).

162 Sameni, supra note 161; see also Inter Partes Review-Parties Favor Settlements Over Board Decisions, PHARMAPATENTS, (Sept. 25, 2014) https://www.foley.com/inter-partes-review---parties-favor-settlement-over-board-decisions-09-25-2014/ (Author describes that data shows most IPR proceedings settle before PTAB’s decision stating that “Both patent owners and petitioners may be opting for early settlement to avoid the uncertainty that surrounds any IPR proceeding. Moreover, the Federal Circuit and Supreme Court have yet to decide whether the PTAB’s interpretations and applications of the governing statutes are correct. Thus, even following PTAB precedent is an uncertain prospect.”).


164 In re Cuozzo Speed Techs., 778 F.3d at 1280.