

February 10, 2020

Patent Trial and Appeal Board Unable to Cancel Claims under §112 in Inter Partes Review

Related Practices

Intellectual Property
Patent
Post-Grant

The United States Court of Appeals for the Federal Circuit (CAFC) recently confirmed that the Patent Trial and Appeal Board (Board) does not have authority to cancel claims for indefiniteness in an *inter partes* review (IPR) proceeding, but it can rule on the patentability of those claims. *Samsung Elecs. Am., Inc. v. Prisua Eng'g Corp.*, Appeal Nos. 2019-1169, 2019-1260 (Fed. Cir. Feb. 4, 2020).

In 2016, Patent Owner (Prisua) sued Defendant (Samsung) for infringement of claims 1-4, 8 and 11 of U.S. Patent No. 8,650,591 ('591 Patent) relating to video image editing. Samsung filed a Petition for IPR, contending that the '591 Patent's claims were invalid. The Board initially instituted IPR only as to claim 11 and declined to institute review of claims 1-4 and 8 because the Board could not determine the scope of the claims. At the end of IPR briefing, however, the Supreme Court decided *SAS Institute, Inc. v. Iancu*, 138 S. Ct. 1348 (2018), holding that the Board cannot pick and choose which claims to address, but rather must address the patentability of all challenged claims.

In light of *SAS Institute*, the Board modified its institution decision to include all of Samsung's challenged claims. The Board ultimately concluded that claim 11 was unpatentable based on the prior art, but did not substantively analyze the remaining claims because it deemed them to be indefinite. On appeal, Samsung challenged the Board's decision not to cancel the claims it found to be indefinite. Specifically, Samsung argued that even though the Board is not authorized to institute IPR's based on a claim's indefiniteness, the IPR statute authorizes the Board to cancel claims for indefiniteness once review has been instituted.

The CAFC found that neither the Petitioner nor the Board has the authority to cancel claims for indefiniteness in an IPR. Under 35 U.S.C. § 311(b), Petitioners are limited to the grounds of obviousness and anticipation when petitioning for

an IPR. Additionally, the Supreme Court has concluded that “the petitioner’s contentions, not the Director’s discretion, define the scope of the litigation all the way from institution through to conclusion.” *SAS Institute*, 138 S. Ct. at 1357. Moreover, the Supreme Court has also stated the Board would be acting “outside its statutory limits” by “canceling a patent claim for indefiniteness under § 112” in an IPR. *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2141-42 (2016).

While the CAFC determined that the Board is not permitted to cancel patent claims for indefiniteness, it also held that a finding of indefiniteness does not preclude the Board from ruling on the patentability of indefinite claims under §§ 102 and 103. As a result, the CAFC remanded the case for the Board to address whether the indefinite claims were unpatentable as anticipated or obvious based on the instituted grounds.

Under *Samsung*, therefore, the Board in an IPR is unable to cancel claims for indefiniteness, but can rule on the patentability of those claims. This is true at all stages of the IPR, including the Board’s final written decision.

Related People

J. Gray

Associate

jrgray@michaelbest.com

T 984.220.8731

Kevin Moran

Partner

kpmoran@michaelbest.com

T 262.956.6510