

**FEDERAL CIRCUIT SUMMARY FOR WEEK ENDING AUGUST 23, 2019****Grecis v. Samsung Electronics America, Nos. 2019-1019 (August 20, 2019) (non-precedential); Patent No. 8,533,860****Key points:**

- For a computer-implemented means-plus-function term, the corresponding structure is typically the algorithm disclosed in the specification for performing the claimed function.

**Facts/Background:** The '860 patent relates to digital rights management (DRM) technology, which generally refers to access control technologies used to impose limitations on the usage of digital content across devices. The claim at issue of the '860 patent refers to a "customization module" which the district court found invoked § 112, ¶ 6, but was indefinite under § 112, ¶ 2 because the specification failed to disclose any structure corresponding to the "customization module". This appeal followed.

**Holding:** Affirmed. The Federal Circuit held that "module" is a well-known nonce word that can operate as a substitute for "means." A "customization module" is functional and the claims do not describe any structure for the customization module. The Federal Circuit held that the claims at issue do not describe how the customization module operates and nothing in the claims or specification suggests that "customization module" would have been understood by persons of skill in the art to have a sufficiently definite meaning as the name for structure. Therefore, the Federal Circuit held that the term "customization module" is a means-plus-function term, and therefore, must be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof. The Federal Circuit indicated that for a computer-implemented means-plus-function term, the corresponding structure is typically the algorithm disclosed in the specification for performing the claimed function. However, the specification only describes the results of customization without any algorithm for configuring the claimed module to obtain those results. Therefore, the Federal Circuit agreed with the district court that the specification fails to disclose the corresponding structure required under § 112, ¶ 6, rendering the claim at issue indefinite under § 112, ¶ 2.

**Arthrex, Inc. v. Smith & Nephew, Inc., No. 2018-1584 (August 21, 2019) (precedential) (3-0); Patent No. 8,821,541****Key point:**

- Even if the issuance of a patent pre-dates the AIA, the application of IPR to the patent does not violate the patent owner's procedural rights.
- The mere fact that the Board did not use the exact language of the petition for IPR in the final written decision of the IPR does not mean that the Board changed theories in a manner that violated the patent owner's procedural rights.

**Facts/Background:** In an inter partes review, the Board ruled claims of the '541 patent invalid. The Board determined that one of ordinary skill would have found the claimed invention obvious over prior art references Gordon and West. Arthrex appealed the Board's ruling to the district court under 35 U.S.C. § 145, claiming that the Board employed different language than Smith & Nephew, Inc.'s petition to explain why a person of ordinary skill in the art would have been motivated to combine the teachings of the references. Arthrex asserted that this warrants reversal since the Board violated Arthrex's procedural rights. The district court disagreed and affirmed the Board's decision. This appeal followed.

**Holding:** Affirmed. The '541 patent describes a surgical suture anchor used to reattach soft tissue to bone. The claim at issue recites a "rigid support integral with the anchor body to define a single-piece component." Smith & Nephew acknowledged that Gordon did not expressly disclose a single-piece component, but relied on a casting process as taught by West for teaching this feature. Smith & Nephew asserted that the casting process of West was "a well-known and accepted technique for creating medical implants" and "would have been a simple design choice." Arthrex argued that the Board described West's casting method as "preferred," a characterization not found in Smith & Nephew's petition, and therefore, the Board crafted a new reason for combining Gordon and West and violated its procedural rights. The Federal Circuit disagreed and held that the mere fact that the Board did not use the exact language of the petition in the final written decision does not mean it changed theories in a manner that violated Arthrex's procedural rights. Arthrex also challenged the constitutionality of the IPR since the '541 patent was issued prior to the America Invents Act (AIA), which created IPRs. The Federal Circuit held that the fact that Arthrex filed its patent applications prior to passage of the AIA is immaterial. The legal regime governing a particular patent depends on the law as it stood at the emanation of the patent, together with such changes as have since been made. The Federal Circuit also indicated that even if the issuance of Arthrex's patent pre-dated the AIA, application of IPR to the '541 patent would not create a constitutional challenge because it is beyond dispute that patent owners expect that the patent office could reconsider the validity of issued patents.

**Chamberlain Group, Inc. v. Techtronic Industries Co., No. 2018-2103, 2018-2228 (August 21, 2019) (precedential) (3-0); Patent No. 7,224,275, 7,635,966**

**Key point:**

- When a prior art reference discloses separate embodiments, the relevant question for whether the embodiments may be combined for anticipation is whether the reference is sufficiently clear in disclosing the combinability of those embodiments.

**Facts/Background:** The '275 patent relates to wirelessly communicating information about the status of a movable barrier. Techtronic Industries Co. (TTI) moved for JMOL that the asserted claims of the '275 patent are directed to patent-ineligible subject matter under § 101. The district court denied TTI's motion. The '966 patent relates to a rechargeable battery backup system for a barrier movement operator. The Jury found that the '966 patent is not anticipated by U.S. Patent No. 6,484,784 (Weik). TTI moved for JMOL and argued that a particular combination of two embodiments of Weik anticipates the asserted claims of the '966 patent. However, the district court stated that a combination of separate embodiments may not be considered for anticipation, and concluded that any testimony by TTI's expert explaining an anticipation theory relying on the combination of the two embodiments was improper. This appeal followed.

**Holding:** Reversed in part, affirmed in part, and vacated and remanded in part. The Federal Circuit indicated that the only difference between prior art movable barrier operator systems and the claimed movable barrier operator system of the '275 patent is that the status information about the system is communicated wirelessly. The Federal Circuit held that the asserted claims are not limited to a specific implementation of a technological improvement to communication systems, nor do the asserted claims focus on a specific means or method that improves the relevant technology. Moreover, the specification describes each individual element of the asserted claims as well understood in the art. The Federal Circuit found that the asserted claims are drawn to the abstract idea of wirelessly communicating status information about a system. The Federal Circuit then looked to whether, beyond the idea of wirelessly communicating status information, any elements in the claim may be regarded as the inventive concept. However, CGI did not point to any inventive concept beyond the act of wireless communication. Therefore, the Federal Circuit held that the '275 was not patent-eligible under § 101. With regard to the '966 patent, the Federal Circuit held that to the extent the district court suggested a blanket rule that two embodiments disclosed in a reference can never be considered in combination to make a finding of anticipation, this was incorrect. The Federal Circuit indicated that even when a reference discloses elements in different locations in the disclosure, the relevant question is whether the reference is sufficiently clear in disclosing the combinability of those elements. However, since TTI did not appeal any jury instructions containing the court's language, the Federal Circuit found any error by the district court to be harmless under the circumstances at hand.