No. 15-716

In the Supreme Court of the United States

INTERVAL LICENSING LLC, PETITIONER

v.

MICHELLE K. LEE, DIRECTOR, PATENT AND TRADEMARK OFFICE

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

BRIEF FOR THE RESPONDENT

DONALD B. VERRILLI, JR.
Solicitor General
Counsel of Record
BENJAMIN C. MIZER
Principal Deputy Assistant Attorney General
MARK R. FREEMAN
MELISSA N. PATTERSON
MOLLY R. SILFEN
Attorneys

Department of Justice
Washington, D.C. 20530-0001
SupremeCtBriefs@usdoj.gov
(202) 514-2217

QUESTION PRESENTED

Whether the United States Patent and Trademark Office acted lawfully in using its longstanding practice of giving patent claims their broadest reasonable interpretation during ex parte reexamination proceedings.

In the Supreme Court of the United States

No. 15-716

INTERVAL LICENSING LLC, PETITIONER

v.

MICHELLE K. LEE, DIRECTOR, PATENT AND TRADEMARK OFFICE

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

BRIEF FOR THE RESPONDENT

OPINIONS BELOW

The decision of the court of appeals (Pet. App. 1a-2a) is unreported. The opinion of the Patent Trial and Appeal Board (Pet. App. 3a-23a) is available at 2014 WL 2360446.

JURISDICTION

The judgment of the court of appeals (Pet. App. 1a-2a) was entered on April 17, 2015. A petition for rehearing was denied on July 2, 2015 (Pet. App. 24a-25a). On September 21, 2015, the Chief Justice extended the time within which to file a petition for a writ of certiorari to and including October 30, 2015. On October 23, 2015, the Chief Justice further extended the time to November 28, 2015, and the petition was filed on November 27, 2015. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

STATEMENT

1. In 1980, Congress authorized the United States Patent and Trademark Office (PTO) to conduct ex parte reexaminations of previously issued patents. See Act of Dec. 12, 1980, Pub. L. No. 96-517, 94 Stat. 3015 (35 U.S.C. Ch. 30 (1982)). Any person may request reexamination of a United States patent on the basis of qualifying prior art (*i.e.*, prior patents or printed publications). 35 U.S.C. 301, 302. If the Director of the PTO finds that such a request raises a "substantial new question of patentability affecting any claim," the patent is reexamined by a patent examiner. 35 U.S.C. 303(a), 304.

During the reexamination process, the patent owner may submit to the examiner a statement concerning the cited prior art and may propose narrowing amendments. 35 U.S.C. 305. The reexamination is then "conducted according to the procedures established for initial examination." *Ibid.* As relevant here, those procedures include the longstanding agency practice of giving patent claims "their broadest reasonable interpretation consistent with the specification," rather than using the method of claim construction used by district courts. *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir. 1984) (affirming the use of the broadest-reasonable-interpretation standard in reexamination proceeding); see *In re Prater*, 415 F.2d 1393, 1404-1405 (C.C.P.A. 1969) (affirming use of that standard in initial examination); *In re Carr*, 297 F. 542, 543-544 (D.C. Cir. 1924) (same).

2. Petitioner is the assignee of U.S. Patent No. 6,263,507 (the '507 patent). Gov't C.A. Br. 2. The '507 patent claims a process for acquiring a body of information, such as a collection of news stories, and dis-

playing two related stories or pieces of information to a user at the same time. *Id.* at 1. According to the patent, the display of the second story or piece of information is generated "in response to" the display of the first story. *Ibid.*; see Pet. App. 4a-5a.

In 2011, the PTO received two requests for ex parte reexamination of certain claims of the '507 patent. Pet. App. 4a. The agency granted the requests and merged the reexamination proceedings. *Ibid.*

The examiner rejected all of the claims at issue as unpatentable. Pet. App. 3a. The examiner determined that most of the claims were anticipated by each of two prior-art references, including the so-called "Joachims" reference. *Id.* at 6a-7a, 10a-11a; see 35 U.S.C. 102. The examiner also found that the claims at issue were obvious in light of various combinations of prior-art references. Pet. App. 7a-10a; see 35 U.S.C. 103.

3. Petitioner appealed, and the Patent Trial and Appeal Board (Board) affirmed the examiner's decision. Pet. App. 3a-23a. The Board upheld the examiner's determination that most of the claims were anticipated by the Joachims reference. *Id.* at 11a-14a. In defending its interpretation of the claim language, petitioner relied in part on a district court's construction of the phrase "in response to" as it appeared in a different patent. See *id.* at 12a-13a. The Board found petitioner's reliance on that decision to be misplaced because, *inter alia*, the district court's construction of the phrase had not been "based upon the broadest reasonable interpretation standard." *Id.* at 13a. In the alternative, the Board affirmed the examiner's conclusion that all of the claims at issue were also unpatentable as obvious in light of various combinations of prior-art references that did not implicate the

disputed construction of the phrase "in response to." *Id.* at 19a-22a.

4. The Federal Circuit affirmed in a per curiam judgment entered without opinion. Pet. App. 1a-2a.

DISCUSSION

Petitioner contends (Pet. 12-18) that, outside the context of initial examinations, the PTO should not be permitted to construe patent claims under its long-established broadest-reasonable-interpretation standard. That contention lacks merit. Petitioner acknowledges (Pet. 5) that giving patent claims their broadest reasonable interpretation "makes sense" in "initial patent examination" proceedings, which is "the context where it arose." Because Congress has directed that ex parte reexaminations shall be "conducted according to the procedures established for initial examination," 35 U.S.C. 305, the broadest-reasonable-interpretation standard applies in the reexamination context as well.

In *Cuozzo Speed Technologies, LLC* v. *Lee*, cert. granted, No. 15-446 (oral argument scheduled for Apr. 25, 2016), the Court will consider whether the broadest-reasonable-interpretation standard is appropriate in the context of *inter partes* review proceedings conducted by the PTO. Petitioner requests (Pet. 11-12) that the petition in this case be held and ultimately disposed of in light of the decision in *Cuozzo*. The government agrees that plenary review in this case would not be appropriate, and that the petition should be held pending the Court's decision in *Cuozzo*.

To be sure, the Board's decision invalidating the patent claims at issue here may ultimately be upheld even if the petitioner in *Cuozzo* prevails in its challenge to the Board's use of the broadest-reasonable-interpretation standard in that case. If the Court

invalidates the PTO's interpretive practice in the context of *inter partes* review proceedings, its reasoning may or may not extend to the ex parte reexamination at issue in this case. And even if the '507 patent's claims are construed according to the interpretive methods that a district court would apply, those claims might still be invalid in light of the particular specification or of the Board's alternative findings about obviousness, which do not depend on the broadest-reasonable-interpretation standard. See Pet. App. 19a-22a. Nevertheless, such determinations would need to be made in the first instance by the court of appeals, which did not specify the ground on which it affirmed the agency's decision to invalidate the patent's claims. *Id.* at 2a. The appropriate disposition of this case therefore could be affected by the Court's decision in *Cuozzo*.

CONCLUSION

The petition for a writ of certiorari should be held pending the decision in *Cuozzo Speed Technologies, LLC* v. *Lee*, cert. granted, No. 15-446 (oral argument scheduled for Apr. 25, 2016), and then disposed of as appropriate in light of that decision.

Respectfully submitted.

DONALD B. VERRILLI, JR.
Solicitor General
BENJAMIN C. MIZER
Principal Deputy Assistant Attorney General
MARK R. FREEMAN
MELISSA N. PATTERSON
MOLLY R. SILFEN
Attorneys

MARCH 2016