## Kratz, Quintos & Hanson, LLP – IP Newsletter

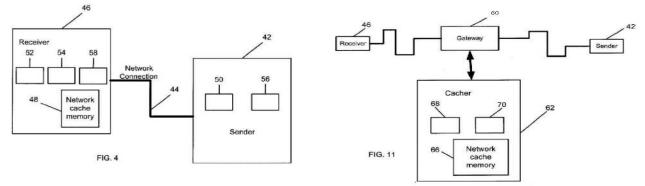
**RECENT FEDERAL CIRCUIT CASES: ALL ABOUT CLAIM CONSTRUCTION By: Mel R. Quintos** 

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e present to you the following recent cases decided by the U.S. Court of Appeals for the Federal Circuit (hereinafter, "Federal Circuit") to show that when utmost care is taken in the preparation and prosecution of a patent application, claim construction (or interpretation) favors the patentee.

*First*, in *Microsoft Corporation v. Proxyconn, Inc.*, decided on June 16, 2015, the Federal Circuit dealt with an appeal from the inter partes review, by the U.S. PTO Patent Trial and Appeal Board, of U.S. Patent No. 6,757,717 ("717 patent") owned by Proxyconn.

The Board interpreted the terms "sender/computer" to mean a computer that sends data and "receiver/machine" to mean a computer that receives data, and <u>that both terms broadly mean to also include</u> <u>intermediary devices</u>. Proxyconn disagreed and appealed to the Federal Circuit. Shown below are the basic embodiment shown in Figure 4 and another embodiment shown in Figure 11.



The '717 patent is directed to a system for increasing the speed of data access in a packet-switched network by making use of "digital digests" that act as short digital "fingerprints" for the data or content of their corresponding documents, the digital fingerprints being communicated to reduce the redundant transmission of data throughout the network. In Figure 4, above, direct communication occurs between the sender/computer (42) and the receiver/computer (46) with the use of the digital digests. In Figure 11, above, instead of a direct communication between the sender/computer (42) and the receiver/computer (46), the digital digests are further processed in a gateway (60) and a caching computer (62).

Independent claims 1, 19, and 22 recite the "sender/computer" and the "receiver/computer," representative claim 1 reciting the "sender/computer" as "further including means for creating digital digests on data," and the "receiver/computer" as "further including a network cache memory."

In citing the U.S. Supreme Court case of *Teva Pharmaceuticals U.S.A., Inc. v. Sandoz, Inc.*, the Federal Circuit stated that because the intrinsic evidence (patent claims, specification, and prosecution history) in the *Microsoft* case is clear, the Board's claim construction is reviewed de novo.

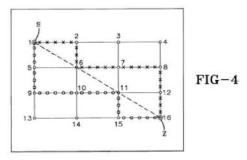
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Based on the intrinsic evidence, the Federal Circuit found that the Board <u>erred</u> in concluding that the terms "sender/computer" and "receiver/computer" were broad enough to include the intermediary gateway and caching computer because: (1) "the specification consistently refers to the sender/computer, receiver/computer, gateway, and caching computers as separate and independent components of an overall system;" (2) "[t]he figures of the '717 patent separately identify and number each component of the system;" and (3) "nowhere does the '717 patent indicate that the gateway and caching computer are the same as, or can be subsumed within, the sender/computer and receiver/computer." <u>Conclusion</u>: Claim interpretation favors patent owner, Proxyconn, Inc.

The *second* Federal Circuit case (*TomTom, Inc. v. Michael Adolph*), decided on June 19, 2015, is an appeal by Dr. Michael Adolph (owner of U.S. Patent No. 6,356,836; hereinafter, "836 patent") from the district court's decision that the '836 patent was invalid as obvious and anticipated, and that TomTom did not infringe.

The only independent claim recites "a method for generating and updating data for use in a destination tracking system of at least one mobile unit." The invention is used to provide a mobile unit (e.g., an automobile) with current, and continuously updated, accurate road network, route, and traffic information.

In order for TomTom to avoid infringement, it must show that the terms "individual points" and "route nodes" are separate. In doing so, TomTom refers to the patent's Figure 4 below to argue that "points 1-16 are nodes, because they are starting points, end points, intersections, or places where the vehicle changes directions," while "each 'x' along the route is a point . . ., but those points are not nodes, as they are not characteristic of road segments."



The Federal Circuit held in favor of Dr. Adolph's argument that "individual points" and "route nodes' are the same because: (1) "[t]his construction is consistent with the specification, which associates nodes with various geographical locations, including origins and destinations, and intersections;" (2) "the terms 'points' and 'nodes' are used in the specification to refer to the same data- *'individual points P<sub>i</sub>*' and *'route nodes P<sub>i</sub>*;" and (3) "[w]hen 'node' appears in the patent and in its claims, the mathematical expression '*P<sub>i</sub>*' appears in the patent, the phrase comprising (or containing) 'geographical coordinates  $x_i$ ,  $y_i$ ' is often present." <u>Conclusion</u>: Claim interpretation favors patent owner, Dr. Adolph.

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