

No. 14-655

---

---

**In the Supreme Court of the United States**

---

THOMAS G. PACKARD, PETITIONER

*v.*

MICHELLE K. LEE, DIRECTOR, UNITED STATES  
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 IN OPPOSITION**

---

DONALD B. VERRILLI, JR.  
*Solicitor General  
Counsel of Record*

BENJAMIN C. MIZER  
*Acting Assistant Attorney  
General*

MARK R. FREEMAN  
KATHERINE TWOMEY ALLEN  
*Attorneys*

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

---

---

### **QUESTION PRESENTED**

Whether the court of appeals correctly affirmed the United States Patent and Trademark Office's decision rejecting the claims in petitioner's patent application under 35 U.S.C. 112(b) for failing to "particularly point[] out and distinctly claim[]" the subject matter he sought to patent.

**TABLE OF CONTENTS**

	Page
Opinions below .....	1
Jurisdiction .....	1
Statement.....	2
Argument.....	12
Conclusion.....	24

**TABLE OF AUTHORITIES**

Cases:

<i>Brentwood at Hobart v. NLRB</i> , 675 F.3d 999 (6th Cir. 2012).....	17
<i>Carr, In re</i> , 297 F. 542 (D.C. Cir. 1924) .....	20
<i>Cutter v. Wilkinson</i> , 544 U.S. 709 (2005).....	17
<i>Datamize, LLC v. Plumtree Software, Inc.</i> , 417 F.3d 1342 (Fed. Cir. 2005).....	9
<i>Hyatt v. Dudas</i> , 492 F.3d 1365 (Fed. Cir. 2007).....	10
<i>Johnson v. Whitehead</i> , 647 F.3d 120 (4th Cir. 2011), cert. denied, 132 S. Ct. 1005 (2012) .....	17
<i>Lorillard v. Pons</i> , 434 U.S. 575 (1978).....	22
<i>Markman v. Westview Instruments, Inc.</i> , 517 U.S. 370 (1996) .....	2
<i>McClain v. Ortmyer</i> , 141 U.S. 419 (1891).....	2
<i>Miyazaki, Ex parte</i> , No. 2007-3300, 89 U.S.P.Q.2d 1207 (B.P.A.I. Nov. 19, 2008) .....	18, 19
<i>Morris, In re</i> , 127 F.3d 1048 (Fed. Cir. 1997) .....	20
<i>Nautilus, Inc. v. Biosig Instruments, Inc.</i> , 134 S. Ct. 2120 (2014) .....	<i>passim</i>
<i>Prater, In re</i> , 415 F.2d 1393 (C.C.P.A. 1969).....	20
<i>SEC v. Chenery Corp.</i> , 332 U.S. 194 (1947).....	13
<i>United Carbon Co. v. Binney &amp; Smith Co.</i> , 317 U.S. 228 (1942) .....	24

IV

Cases—Continued:	Page
<i>Vermont Yankee Nuclear Power Corp. v. NRDC, Inc.</i> , 435 U.S. 519 (1978) .....	15
<i>Zletz, In re</i> , 893 F.2d 319 (Fed. Cir. 1989) .....	20
Statutes and regulations:	
Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284.....	2
§ 7(a)(1), 125 Stat. 313.....	3
§ 7(e), 125 Stat. 315 .....	3
Patent Act of 1952, 35 U.S.C. 1 <i>et seq.</i> .....	2
35 U.S.C. 111(a)(2) .....	2
35 U.S.C. 112.....	2, 19, 21, 23
35 U.S.C. 112(a) .....	2
35 U.S.C. 112(b).....	2, 4, 9, 11, 13, 21
35 U.S.C. 131 .....	3
35 U.S.C. 132(a) .....	3
35 U.S.C. 134(a) .....	3
35 U.S.C. 282(a) .....	21
35 U.S.C. 282, ¶ 2(3) (2006) .....	21
35 U.S.C. 282(b)(3)(A).....	21
37 C.F.R.:	
Pt. 1:	
Section 1.56(b) .....	16
Section 1.111-1.114.....	3
Pt. 41 .....	3
Miscellaneous:	
57 Fed. Reg. 2034 (Jan. 17, 1992) .....	17

Miscellaneous—Continued:	Page
<i>Supplementary Examination Guidelines for</i>	
<i>Determining Compliance With 35 U.S.C. 112</i>	
<i>and for Treatment of Related Issues in Patent</i>	
<i>Applications, 76 Fed. Reg. (Feb. 9, 2011):</i>	
p. 7163 .....	16
p. 7164 .....	3, 4, 19
p. 7169 .....	4, 16
United States Patent & Trademark Office, <i>Manual</i>	
<i>of Patent Examining Procedure:</i>	
(8th ed. Rev. 6, Sept. 2007):	
§ 2106(VII) .....	16
(9th ed. Mar. 2014):	
§ 707.07(d) .....	4, 15
§ 2103(VI) .....	4, 16
§ 2173 .....	15
§ 2173.02(III.B) .....	15
§ 2173.05(e) .....	8, 18

**In the Supreme Court of the United States**

---

No. 14-655

THOMAS G. PACKARD, PETITIONER

*v.*

MICHELLE K. LEE, DIRECTOR, UNITED STATES  
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 IN OPPOSITION**

---

**OPINIONS BELOW**

The opinion of the court of appeals (Pet. App. 1a-41a) is reported at 751 F.3d 1307. The decision of the Board of Patent Appeals and Interferences (Pet. App. 43a-55a) is not published in the *United States Patents Quarterly* but is available at 2012 WL 2930144. The decision of the Patent Trial and Appeal Board denying rehearing (Pet. App. 57a-60a) is not published in the *United States Patents Quarterly* but is available at 2012 WL 6114447.

**JURISDICTION**

The judgment of the court of appeals was entered on May 6, 2014. A petition for rehearing was denied on September 3, 2014 (Pet. App. 61a-62a). The petition for a writ of certiorari was filed on December 2, 2014. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

## STATEMENT

1. Under 35 U.S.C. 111(a)(2), a patent application must include “a specification as prescribed by section 112” of the Patent Act of 1952, 35 U.S.C. 1 *et seq.* Section 112 requires the specification to “contain a written description of the invention,” 35 U.S.C. 112(a), and to “conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the inventor or a joint inventor regards as the invention,” 35 U.S.C. 112(b).<sup>1</sup> The latter requirement is often referred to as the “definiteness” requirement. It serves the dual purposes of “secur[ing] to the patentee all to which he is entitled” and of “appris[ing] the public of what is still open to them.” *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 373 (1996) (brackets omitted) (quoting *McClain v. Ortmyer*, 141 U.S. 419, 424 (1891)). Last year, this Court explained that “a patent is invalid for indefiniteness if its claims, read in light of the specification delineating the patent, and the prosecution history, fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention.” *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120, 2124 (2014).

The “prosecution history” referred to in *Nautilus* is the record of the examination that occurs at the United States Patent and Trademark Office (PTO) before any patent issues. Congress has charged the PTO with ex-

---

<sup>1</sup> Petitioner applied for his patent before the September 16, 2012, effective date of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284, which made minor amendments to relevant provisions of the Patent Act, including renumbering the paragraphs in Section 112. Because the relevant text was materially unchanged, this brief—like the court of appeals (Pet. App. 2a n.1) and the petition (Pet. 1 n.1)—cites the current version.

amining applications and issuing patents when the statutory requirements are satisfied. 35 U.S.C. 131. During examination, when “any claim for a patent is rejected, \* \* \* the Director shall notify the applicant thereof, stating the reasons for such rejection \* \* \* and references as may be useful in judging of the propriety of continuing the prosecution of his application.” 35 U.S.C. 132(a). If, “after receiving such notice, the applicant persists in his claim for a patent, with or without amendment, the application shall be reexamined.” *Ibid.* But “[n]o amendment shall introduce new matter into the disclosure of the invention.” *Ibid.*; see generally 37 C.F.R. 1.111-1.114. After an applicant’s claims have been twice rejected, the applicant may appeal to the Patent Trial and Appeal Board (Board).<sup>2</sup> 35 U.S.C. 134(a); 37 C.F.R. Pt. 41.

To optimize the quality of issued patents, the PTO in examination proceedings gives a proposed patent claim the “broadest reasonable interpretation consistent with the specification as it would be interpreted by one of ordinary skill in the art.” *Supplementary Examination Guidelines for Determining Compliance With 35 U.S.C. 112 and for Treatment of Related Issues in Patent Applications*, 76 Fed. Reg. 7164 (Feb. 9, 2011) (*PTO Definiteness Guidelines*). That approach reflects the PTO’s judgment that, “[b]ecause the applicant has the opportunity to amend claims during prosecution, giving a claim its broadest reasonable interpretation will reduce the possibility that the claim, once issued,

---

<sup>2</sup> While petitioner’s appeal was pending, the Leahy-Smith America Invents Act changed the name of the Board of Patent Appeals and Interferences to the Patent Trial and Appeal Board. § 7(a)(1) and (e), 125 Stat. 313, 315. This brief uses the term “Board” to refer to both entities.

will be interpreted more broadly than is justified.” *Ibid.* The PTO’s approach therefore “establish[es] a clear record of what [the] applicant intends to claim.” *Ibid.* The examiner thus considers whether, when the claim language is given its broadest reasonable interpretation, the claim satisfies Section 112(b). If the examiner rejects the claim as indefinite, he must provide an explanation, thereby shifting to the applicant the responsibility “to explain or provide evidence as to why the claim language is not indefinite or amend the claim.” *Id.* at 7169. The *Manual of Patent Examining Procedure* (9th ed. Mar. 2014) (MPEP), which the PTO has prepared as a guide to patent law and practice, describes that iterative approach as requiring the PTO to reject a claim only after establishing a “prima facie case of unpatentability,” to which the applicant may then respond. *Id.* § 707.07(d), at 700-148. That procedure is used for all potential grounds of unpatentability, including indefiniteness. *Id.* § 2103(VI), at 2100-10.

2. In December 2007, petitioner, proceeding pro se, filed a patent application for a “COIN CHANGE CARD.” C.A. App. A22. The application discloses a thin plastic card that includes four horizontal channels for holding coins and uses flexible retainers to keep the coins in place and enable them to overlap. Pet. App. 2a-4a. The examiner rejected petitioner’s claims on the grounds that they lacked support in the written description, that they were indefinite, and that the invention was obvious. *Id.* at 3a. Petitioner cancelled his claims and substituted the claims now at issue. *Ibid.*

Claim 28, one of the representative claims in petitioner’s current application, states:

I claim a small, thin, flat plane, rectangular change holding card and wallet/billfold or purse construc-

tion with the front top side of the card comprising three raised, straight, parallel, double flanged separators and two raised, straight, parallel, double flanged side edges and a raised side edge end thereby forming four parallel, side by side, flanged coin holding channels or rows of the same length and of different widths, one for quarters, one for dimes, one for nickels, and one for pennies, that are similarly blocked at one side edge by the raised side end edge with the other side of the channel/rows open except for small, fixed, flexible, partially moveable, rubber or plastic retainers that are attached to the topside and ends of the double flanged separators such that coins can be retained on the card and yet slide freely above the surface of the card and obliquely overlap as necessary within the channel/rows between the separators while the bottom, back side of the card is constructed with a wallet, billfold or purse extending from it.

Pet. App. 4a.<sup>3</sup>

The examiner again rejected all of the claims on the same three grounds, including indefiniteness. Pet.

---

<sup>3</sup> Claim 34, another representative claim, states (Pet. App. 4a-5a):

I claim a small thin uniformly flat plane rectangular coin holding card [c]omprising side edge retainers, a closed side retainer, small inclined/sloped end protrusions, multiple raised parallel, straight and double flanged channel/row separators, small flexible protruding retainers on the top side ends of the channel/row separators, all of which are arranged on the upper surface of the card such that a various denomination of coins can be held and retained on the card within a respective channel/row and can slide freely within the double flanges and slightly above the flat surface of the card and can also be stored obliquely partially overlapping.

App. 5a. The examiner initially issued a final action, see C.A. App. A107-A114, but later withdrew that action and issued a non-final action, which clarified the grounds for the rejection and gave petitioner another opportunity to respond, *id.* at A141-A147. Petitioner did not amend his claims or substantively address most of the issues raised in the non-final action. Instead, he submitted “new/replacement drawings” and descriptions and stated that he had “no further arguments as the situation is pretty clear.” *Id.* at A151 (capitalization omitted). The new drawings responded to some of the deficiencies that the examiner had identified, see *id.* at A143-A144, but petitioner did not address the examiner’s determinations of indefiniteness.<sup>4</sup>

The examiner entered a final action rejecting the claims on the same three grounds as in the non-final action. C.A. App. A168-A175. With respect to indefiniteness, the examiner explained that the claims “are replete with examples of indefinite language that are too numerous to specifically point out in every instance,” and he gave eight examples of claim language that was “vague” or “not clear.” *Id.* at A172-A173. The examiner stated that “the phrase ‘wallet/billfold or purse construction’ \* \* \* is too vague to meet the requirements of the Statute” because “[a]ll of the structures encompassed by the expression can not be determined” and the “specification provides little, if any guidance on the matter.” *Id.* at A172. He also found that “it is not clear how the structural features re-

---

<sup>4</sup> Petitioner asserts that he “explained” that “the claim only requires an ‘essentially flat plane,’” but that the examiner “[n]evertheless” rejected his claims. Pet. 6 (quoting C.A. App. A193). The document that petitioner quotes, however, is his subsequent brief on appeal to the Board, not a submission to the examiner.

quired in lines 1-4 of the claim by themselves, result in the coins sliding above the flat surface of the card.” *Ibid.* He further explained that several elements “are recited in the claims without the proper antecedents, making the claims vague.” *Ibid.* For example, he noted that the claim requires that “the card have ‘two raised . . . [.] side edges’ and a raised ‘side edge end,’” but it does not define “the card sides and distinguish these from the card ends.” *Ibid.* (emphases omitted). He observed that the phrase “channel/row” similarly lacks any antecedent basis. *Id.* at A173. And he noted an internal inconsistency, because “it is not clear how a card as claimed can be described as being uniformly ‘flat’ and ‘plane’ when it also has structure such as the side edge retainers thereon.” *Id.* at A172-A173.

3. a. Petitioner appealed to the Board, which affirmed. Pet. App. 43a-55a. As relevant here, the Board affirmed the examiner’s rejection of all claims on grounds of indefiniteness. *Id.* at 50a-53a.<sup>5</sup>

After summarizing the examiner’s reasoning about indefiniteness, the Board explained that petitioner’s responses had been inadequate. Pet. App. 50a-51a. While noting petitioner’s contention on appeal that the change card could contain “relatively small projecting elements” and still be “an *essentially* flat plane surface,” *ibid.* (capitalization omitted), the Board observed

---

<sup>5</sup> The Board affirmed the examiner’s rejection of several claims for failing to satisfy the written-description requirement. Pet. App. 46a-49a. The Board reversed the rejection of all claims on grounds of obviousness, finding that the examiner’s explanation had not adequately “establish[ed] a *prima facie* case of obviousness.” *Id.* at 54a; see *id.* at 53a-55a. The Board noted, however, that the three prior patents identified by the examiner “disclose[d] structure relevant to determining the state of the art in the field of coin collectors.” *Id.* at 54a.

that petitioner had made “[n]o other comments directly on point \* \* \* with regard to the general and specific examples” of indefiniteness that the examiner had identified, *id.* at 51a.

The Board then explained that several aspects of the claims are indefinite. Pet. App. 51a-52a. The Board reasoned that a “claim is indefinite when it contains words or phrases whose meaning is unclear,” including “when a claim contains no earlier recitation or limitation of an element and where it would be unclear as to what element the claim is making reference.” *Id.* at 51a (citing MPEP § 2173.05(e)).<sup>6</sup> The Board identified several instances in which it “agree[d] with the [e]xaminer” that claim terms used in petitioner’s application are internally inconsistent, have no antecedent basis, or are otherwise unclear and confusing. *Id.* at 51a-52a. In addition to the examiner’s examples, the Board noted that the claim term “surface of the card” (above which coins are supposed to slide) is unclear because, by using a different label, it appears to define a surface different from the “front top side.” *Id.* at 52a.

b. Petitioner requested rehearing before the Board, contending in pertinent part that “the total disclosure does contain sufficient teaching/guidance for the artisan to understand, comprehend the described invention.” Pet. App. 57a-58a (capitalization omitted). The Board denied rehearing. *Id.* at 57a-60a. With respect to the indefiniteness rejection, it noted that “[n]umerous reasons why the claims are indefinite” had been set

---

<sup>6</sup> The cited portion of the MPEP explains that a “lack of clarity could arise where a claim refers to ‘said lever’ or ‘the lever,’ where the claim contains no earlier recitation or limitation of a lever and where it would be unclear as to what element the limitation was making reference.” MPEP § 2173.05(e), at 2100-305.

out in the examiner's rejection, in the examiner's answer on appeal, and in the Board's own decision. *Id.* at 60a. The Board concluded that petitioner's rehearing request did not "set forth reasons why each of the instances of indefiniteness should not stand," because petitioner had focused "on what is contained in the *disclosure*," but the indefiniteness inquiry in the second paragraph of Section 112 (now 35 U.S.C. 112(b)) pertains to "the language of the *claims*." Pet. App. 60a (emphases added).

4. The court of appeals affirmed. Pet. App. 1a-13a. Petitioner, represented by counsel for the first time, contended that the Board should have applied a test that the Federal Circuit had sometimes used for evaluating the definiteness of claims in issued patents, under which a claim would be upheld against challenge unless the claim language was found to be "insolubly ambiguous." *Id.* at 2a, 6a-7a; see, e.g., *Datamize, LLC v. Plumtree Software, Inc.*, 417 F.3d 1342, 1347 (Fed. Cir. 2005).

a. As the court of appeals recognized, petitioner's argument raised two issues: (1) whether the "insolubly ambiguous" standard was correct, an issue that was then pending before this Court in *Nautilus*; and (2) whether that standard governs a court's review not only of the validity of claims in issued patents, but also of the PTO's rejection of proposed claims during examination. Pet. App. 6a-7a. The court concluded that it could resolve the case without addressing "the broad issues" raised by petitioner. *Id.* at 7a.

The court of appeals explained that

when the [PTO] has initially issued a well-grounded rejection that identifies ways in which language in a claim is ambiguous, vague, incoherent, opaque, or otherwise unclear in describing and defining the

claimed invention, and thereafter the applicant fails to provide a satisfactory response, the [PTO] can properly reject the claim as failing to meet the statutory requirements of § 112(b).

Pet. App. 7a. That holding was based on “a combination of the [PTO’s] examination function under 35 U.S.C. § 131 *et seq.* and the substantive standard of 35 U.S.C. § 112(b).” *Ibid.* The court noted that Congress has provided for examination to be an “interactive process” that relies on patent applicants’ incentives to help the PTO “ensure compliance with statutory standards” for patentability. *Id.* at 8a.

The court of appeals observed that it had previously approved of the PTO’s use of “a procedural mechanism” to achieve that end, which the court “refer[red] to as the ‘prima facie case.’” Pet. App. 8a. Under that approach, the PTO bears the initial burden of setting forth a *prima facie* case for any rejection, which places on the applicant the burden of “rebut[ting] the prima facie case with evidence and/or argument.” *Id.* at 8a-9a (quoting *Hyatt v. Dudas*, 492 F.3d 1365, 1370 (Fed. Cir. 2007)). The court explained that the “same approach” is appropriate “for addressing the question of indefiniteness,” *id.* at 9a, because it “makes good sense \* \* \* for the [PTO] initially to reject claims based on a well-founded prima facie case of lack of clarity (in its several forms) based on the perspective of one of ordinary skill in the art in view of the entire written description and developing prosecution history,” *id.* at 9a-10a. The court further explained that, “if the applicant does not adequately respond” to such a rejection, it also makes sense to “confirm that rejection on the substantive basis of having failed to meet the requirements of § 112(b).” *Id.* at 10a.

In light of Section 112(b)'s references to "particular[ity]" and "distinct[ness]," the court of appeals explained that "claims are required to be cast in clear—as opposed to ambiguous, vague, indefinite—terms." Pet. App. 10a. The court recognized, however, that Section 112(b) "is not a demand for unreasonable precision." *Ibid.* The PTO is therefore "obliged to test the claims for reasonable precision" when it examines pending claims to ensure that they are "clear and unambiguous." *Id.* at 11a. The court determined that, given the role of the applicant in the examination process, "it is a reasonable implementation of the examination responsibility, as applied to § 112(b), for the [PTO], upon providing the applicant a well-grounded identification of clarity problems, to demand persuasive responses on pain of rejection." *Id.* at 12a.

Addressing the facts of this case, the court of appeals agreed that the examiner had "ample grounds" for rejecting the claims as indefinite, and that the examiner had "set forth a variety of ways in which he found the claims imprecise or confusing, sometimes not even understandable, considering them in light of the written description." Pet. App. 12a. The court found that petitioner "did not respond adequately" to the identified problems because he "ignored some entirely," "did not focus on the claim-language difficulties," and did not "propose clarifying changes or show why, on close scrutiny, the existing claim language really was as reasonably precise as the circumstances permitted." *Ibid.* The court explained that the Board had "relied on this failure of response to the examiner's well-grounded rejections in affirming on the merits the examiner's final rejection," and that the Board had "reviewed and agreed with the examiner's identification of

the indefiniteness problems that constituted [petitioner's] failure to adequately comply with the statutory requirements of § 112(b), and for which there had been no satisfactory response from [petitioner]." *Id.* at 12a-13a. "Because [petitioner] had an opportunity to bring clarity to his claim language" but did not do so, the court "affirm[ed] the Board's findings as to indefiniteness under the MPEP standard properly applied by the [PTO]." *Id.* at 13a.

b. Judge Plager joined the court of appeals' opinion and also filed a concurring opinion. Pet. App. 14a-41a. Judge Plager agreed with the majority that the PTO's test for applying the indefiniteness standard in the examination context reflected sound patent policy and was a permissible exercise of the agency's authority to administer the relevant statutory provisions. *Id.* at 32a-37a. He specifically addressed several of the disputed terms in petitioner's claims and concluded that they are "indefinite." *Id.* at 37a-38a. More generally, he noted that the length of the explanations about those terms in petitioner's briefing "illustrates that the claim language itself lacks the requisite minimum clarity to define the boundaries of the claims." *Id.* at 38a.

#### ARGUMENT

Petitioner contends that the decision below conflicts with principles of administrative law (Pet. 10-21) and with this Court's intervening decision in *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120 (2014) (Pet. 21-27). The court of appeals correctly affirmed the Board's determination that the examiner had properly rejected petitioner's claims as indefinite, and its decision does not conflict with any decision of this Court or another court of appeals. Petitioner urged the court of appeals to apply the "insolubly ambiguous" standard

that the Court subsequently rejected in *Nautilus*, and he identifies no reason to believe that his claims would satisfy 35 U.S.C. 112(b) under any plausible definiteness standard. Further review is not warranted.

1. Contrary to petitioner's contention (Pet. 10-21), the Federal Circuit's decision is consistent with settled rules of administrative law.

a. Petitioner contends (Pet. 11-15) that the court of appeals violated the requirements of *SEC v. Chenery Corp.*, 332 U.S. 194 (1947), by deciding the case on a ground not addressed by the Board. In fact, the court fairly summarized the Board's analysis and affirmed in accordance with that reasoning.

The court of appeals stated that the "Board relied on [petitioner's] failure of response to the examiner's well-grounded rejections in affirming on the merits the examiner's final rejection." Pet. App. 12a. More specifically, the court explained that "[t]he Board reviewed and agreed with the examiner's identification of the indefiniteness problems that constituted [petitioner's] failure to adequately comply with the statutory requirements of § 112(b), and for which there had been no satisfactory response from [petitioner]." *Id.* at 12a-13a. That summary accurately describes the Board's analysis. The Board recounted the bases for the examiner's rejection, *id.* at 50a; it recounted petitioner's failure to adequately respond, *id.* at 50a-51a; and it then "reviewed and agreed" with the examiner's reasoning in more detail, *id.* at 51a-53a. The Board thus addressed both substance (its agreement with the examiner's examples of indefinite terms) and procedure (the lack of adequate response by petitioner). In effect, petitioner seeks to penalize the Board for going beyond petitioner's failure to respond to nearly all of "the gen-

eral and specific examples [of indefiniteness] set forth by the [e]xaminer” (*id.* at 51a) and confirming that there was not only a *prima facie* case, but an actual case, of indefiniteness.<sup>7</sup>

The petition thus presents (at most) a case-specific dispute about whether the court of appeals was correct in believing that the Board’s decision was predicated at least in part on petitioner’s failure to respond to the *prima facie* case, rather than exclusively on the ultimate merits of the finding of unpatentability. Even assuming that an error in reading the Board’s opinion caused the court of appeals effectively to misapply *Chenery*, any such error would not warrant this Court’s review, given the absence of any indication that the

---

<sup>7</sup> Petitioner asserts (Pet. 11) that the PTO “expressly conceded” at oral argument in the court of appeals that the Board had not determined that petitioner’s “responses were insufficient to rebut a *prima facie* case of indefiniteness.” That assertion omits the relevant context. Judge Taranto asked whether the PTO’s decision was “separately supportable” on the ground that petitioner had failed to respond to a *prima facie* case of indefiniteness, and whether the Board was entitled to rule on that ground. C.A. Oral Arg. 31:53-32:27, <http://oralarguments.cafc.uscourts.gov/default.aspx?fl=2013-1204.mp3>. Counsel for the PTO responded that “the Board was entitled to make a decision like that.” *Id.* at 32:29-32:32. Counsel went on to say: “I think though the Board went farther than that,” and that the Board “got into the indefiniteness requirement” and “agree[d]” that the claims were indefinite; as a result, “we don’t have *simply* a waiver issue or a *prima facie* case that was un rebutted,” because the Board had “examine[d] the [Section] 112 issue itself.” *Id.* at 32:52-33:17 (emphasis added). Counsel then concluded by saying, “we think the decision was supportable under any standard.” *Id.* at 33:21-33:24. Thus, in context, counsel explained only that the Board had done more than “simply” affirm the presence of an un rebutted *prima facie* case. Counsel did not thereby disclaim any alternative procedural basis for affirming the examiner’s decision.

court of appeals misunderstood *Chenery* (as opposed to misreading the Board's opinion).

b. Petitioner further contends (Pet. 3, 10, 15-19) that, by concluding that an applicant is obliged to respond to a *prima facie* case of indefiniteness, the court of appeals effectively imposed a new procedure on the PTO, in violation of this Court's admonition that "administrative agencies should be free to fashion their own rules of procedure." *Vermont Yankee Nuclear Power Corp. v. NRDC, Inc.*, 435 U.S. 519, 543 (1978). That argument lacks merit. There is nothing novel about the *prima facie* approach described by the court of appeals, which the PTO was already using.

Both the MPEP and the *PTO Definiteness Guidelines* describe the PTO's use of an iterative process for evaluating indefiniteness (as well as other grounds of unpatentability). That process begins with the examiner's establishment of a *prima facie* case of unpatentability, which then requires a response from the patent applicant. Thus, the MPEP explains that an indefiniteness rejection "requires that the applicant respond by explaining why the language is definite or by amending the claim." MPEP § 2173, at 2100-291; see *id.* § 2173.02(III.B), at 2100-296 (same). Other portions of the manual refer to the PTO's obligation to base the initial rejection that triggers the duty to respond on a "prima facie case of unpatentability." *Id.* § 707.07(d), at 700-148 ("The burden is on the [PTO] to establish any prima facie case of unpatentability (see, e.g., MPEP § 2103), thus the reasoning behind any rejection must be clearly articulated. For example, \* \* \* if rejected as indefinite the examiner should point out wherein the indefiniteness resides."). In describing the examination process, the manual states

that a rejection should not be issued until PTO personnel have analyzed “all the statutory provisions, including \* \* \* 35 U.S.C. 112,” and have “review[ed] all the proposed rejections and their bases to confirm that [the PTO is] able to set forth a *prima facie* case of unpatentability.” *Id.* § 2103(VI), at 2100-10.<sup>8</sup>

Similarly, the *PTO Definiteness Guidelines* repeatedly explain that the examiner’s initial rejection for indefiniteness “requires that the applicant respond by explaining why the language is definite or by amending the claim, thus making the record clear regarding the claim boundaries prior to issuance.” 76 Fed. Reg. at 7163; see *ibid.* (“As an indefiniteness rejection requires the applicant to respond by explaining why the language is definite or by amending the claim, such rejections must clearly identify the language that causes the claim to be indefinite and thoroughly explain the reasoning for the rejection.”); *id.* at 7169 (“a rejection requires the applicant to respond by explaining why claim language is definite or by amending the claim”); *ibid.* (“the indefiniteness rejection requires the applicant to explain or provide evidence as to why the claim language is not indefinite or amend the claim”).<sup>9</sup>

---

<sup>8</sup> The text above quotes the current version of the MPEP, which predates the court of appeals’ opinion by two months. When petitioner first filed his patent application, the language now contained in Section 2103(VI) appeared in materially identical form in MPEP § 2106(VII), at 2100-15 (8th ed. Rev. 6, Sept. 2007).

<sup>9</sup> The key components of the *prima facie* approach have also long been reflected in a regulation that explains an applicant’s duty to disclose material information to the PTO during the examination process. See 37 C.F.R. 1.56(b) (“A *prima facie* case of unpatentability is established when the information compels a conclusion that a claim is unpatentable under the preponderance of evidence, burden-of-proof standard, giving each term in the claim its broadest

Because the court of appeals did not “impose[] a new procedural rule” on the PTO (Pet. 15), the decision below does not conflict with *Vermont Yankee* itself or with other courts of appeals’ applications of *Vermont Yankee* in other contexts. See Pet. 18-19 (citing *Brentwood at Hobart v. NLRB*, 675 F.3d 999, 1006 (6th Cir. 2012), and *Johnson v. Whitehead*, 647 F.3d 120, 128-129 (4th Cir. 2011), cert. denied, 132 S. Ct. 1005 (2012)).

2. Petitioner contends (Pet. 21-27) that the decision below conflicts with this Court’s intervening decision in *Nautilus* by allowing the PTO to use, during the examination process, a lower threshold for indefiniteness than courts apply to issued patents. That argument lacks merit.

a. Even apart from the fact that *Nautilus* squarely rejected the “insolubly ambiguous” formulation that petitioner asked the court of appeals to apply, see 134 S. Ct. at 2130, petitioner acknowledges (Pet. 22) that the question on which he seeks review was at most “implicitly” decided by the court of appeals’ affirmance of the Board’s decision. Indeed, the inference petitioner seeks to draw cannot be reconciled with his own contentions that the decision below was based on a “different, procedural ground[]” (*ibid.*) and that the court of appeals did not “ever identify[] the indefiniteness standard the Patent Office must ultimately apply” (Pet. 16). Petitioner thus asks this Court to depart from its usual practice of serving as “a court of review, not of first view.” *Nautilus*, 134 S. Ct. at 2131 (quoting *Cutter v. Wilkinson*, 544 U.S. 709, 718 n.7 (2005)).

---

reasonable construction consistent with the specification, and before any consideration is given to evidence which may be submitted in an attempt to establish a contrary conclusion of patentability.”); 57 Fed. Reg. 2034 (Jan. 17, 1992) (promulgating regulation).

Such a departure would be especially anomalous here because, as the PTO explained below (Gov't C.A. Br. 21-22), the Board's decision in this case neither involved nor required any application of the formulation from *Ex parte Miyazaki*, No. 2007-3300, 89 U.S.P.Q.2d 1207 (B.P.A.I. Nov. 19, 2008), that petitioner criticizes (Pet. 24-25). The indefiniteness problems with petitioner's claims stem not from the existence of "two or more plausible claim constructions," *Miyazaki*, 89 U.S.P.Q.2d at 1211, but from a fundamental lack of clarity about what several terms in the claim were meant to describe, in part because some terms did not have any antecedent basis. See Pet. App. 51a-52a; MPEP § 2173.05(e), at 2100-305.

b. In any event, there is no conflict between *Nautilus* and the definiteness standard articulated by the decision below. The Court in *Nautilus* held that "a patent is invalid for indefiniteness if its claims, read in light of the specification delineating the patent, and the prosecution history, fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention." 134 S. Ct. at 2124. In the decision below, the court of appeals explained that the statute requires claims "to be cast in clear—as opposed to ambiguous, vague, indefinite—terms." Pet. App. 10a. The court further explained that the PTO must "test the claims for reasonable precision" in the context of the specification and the relevant subject matter to "ensur[e] that patent claims are clear and unambiguous." *Id.* at 11a. The court's decision thus is consistent both with *Nautilus* and with the proper approach to the construction of proposed claims during patent prosecution.

Petitioner asserts (Pet. 4) that the PTO's practice of requiring pre-issuance claims to be made as clear as

possible “calls for an impossible degree of precision.” Petitioner makes no effort, however, to show that his claims are as clear as reasonably possible in the context of his invention. Nor does he explain how *Nautilus* could cast doubt on the court of appeals’ approval of the PTO’s determination that petitioner had not adequately responded to “a well-grounded identification of clarity problems” (*i.e.*, a *prima facie* case of unpatentability). Pet. App. 12a.

c. Instead, petitioner attacks (Pet. 21-22, 24-26) the PTO’s longstanding practice of effectively “employ[ing] a lower threshold of ambiguity when reviewing a pending claim for indefiniteness” than do reviewing courts. *Miyazaki*, 89 U.S.P.Q.2d at 1211; see *PTO Definiteness Guidelines*, 76 Fed. Reg. at 7164. Those attacks lack merit.

The relevant difference in analysis stems not from divergent interpretations of Section 112, but from the distinct roles that the PTO and the courts play in the patent system. “The lower threshold is applied [during patent examination] because the patent record is in development and not fixed.” *PTO Definiteness Guidelines*, 76 Fed. Reg. at 7164. During that period, the PTO construes patent claims broadly “in an effort to establish a clear record of what [the] applicant intends to claim.” *Ibid.* If such a construction yields more than one plausible interpretation of a claim during examination, the PTO appropriately requires the applicant “to more precisely define the metes and bounds of the claimed invention.” *Miyazaki*, 89 U.S.P.Q.2d at 1211; see *PTO Definiteness Guidelines*, 76 Fed. Reg. at 7164. By contrast, once a patent has been issued and is under review by a court, simple amendments are impossible, the full prosecution record is available, and a court en-

deavors to adopt saving constructions that would accommodate more ambiguity than should be permitted at the stage when an applicant can clarify claims by amending them.

For nearly a century, courts have recognized that the PTO (and formerly the Patent Office) may appropriately approach the question of indefiniteness differently than would the court in an infringement suit. See, e.g., *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997) (“It would be inconsistent with the role assigned to the PTO in issuing a patent to require it to interpret claims in the same manner as judges.”); *In re Zletz*, 893 F.2d 319, 321 (Fed. Cir. 1989) (“[D]uring patent prosecution when claims can be amended, ambiguities should be recognized, scope and breadth of language explored, and clarification imposed.”); *In re Prater*, 415 F.2d 1393, 1404-1405 (C.C.P.A. 1969); *In re Carr*, 297 F. 542, 543-544 (D.C. Cir. 1924). As the D.C. Circuit explained 90 years ago, once “a patent has issued,” a patentee may no longer “control the phraseology of his claims,” so the courts will construe them to preserve validity “if possible”; before the patent has issued, however, “there is no reason \* \* \* why an applicant \* \* \* should not draw his claims to cover his actual invention only.” *Carr*, 297 F. at 543-544. The PTO therefore is justified in using its *prima facie* procedure to ferret out indefiniteness and ensure that claims, once fixed and issued to the public, are as “precise, clear, correct, and unambiguous” as possible. *Zletz*, 893 F.2d at 322.

Accordingly, the court of appeals did not err in reaffirming that it is preferable that “uncertainties of claim scope be removed, as much as possible, during the administrative process,” rather than post-issuance litigation. Pet. App. 11a (quoting *Zletz*, 893 F.2d at 322).

d. There is no basis for petitioner’s contention (Pet. 23) that the Court in *Nautilus* rejected the PTO’s long-standing practice. Petitioner relies (*ibid.*) solely on this Court’s footnote explaining that the standard for definiteness under Section 112 is not affected by the statutory presumption of validity that attaches to an issued patent. *Nautilus*, 134 S. Ct. at 2130 n.10; see 35 U.S.C. 282(a) (“A patent shall be presumed valid.”). The Court stated that the “presumption of validity does not alter the degree of clarity that [Section 112(b)] demands from patent applicants; to the contrary, it incorporates that definiteness requirement by reference,” by making the invalidity of a patent under Section 112 a defense on which parties asserting invalidity in “infringement actions” bear the burden of proof. *Nautilus*, 134 S. Ct. at 2131 n.10 (citing 35 U.S.C. 282, ¶ 2(3) (2006), the relevant substance of which now appears at 35 U.S.C. 282(b)(3)(A)). Despite the Court’s passing reference to “patent applicants,” its reasoning about “infringement actions” (*i.e.*, proceedings implicating *issued* patents) demonstrates that it was not addressing the pre-issuance examination context, which was not at issue in *Nautilus* itself.

The United States participated in *Nautilus* as amicus curiae and defended the PTO’s practice, see U.S. Amicus Br. at 20-22, *Nautilus, supra* (No. 13-369),<sup>10</sup> while simultaneously recognizing that the presumption

---

<sup>10</sup> See also Tr. of Oral Arg. at 53, *Nautilus, supra* (No. 13-369) (government counsel’s explanation that the PTO “uses a slightly different threshold of ambiguity” in light of “the different circumstances” of the pre-issuance proceeding at the PTO, “includ[ing] the different record, the different burden of proof, the lack of adversarial presentation there, and most[] critically, the fact that it’s easier to amend the claims before the patent has been issued”).

of patent validity does not affect the definiteness standard, see *id.* at 25. It is implausible that the Court's footnote discussion of the presumption of validity was intended to overturn the PTO's longstanding practice without even addressing the government's contention that "th[e] Court should be particularly loath to disturb the settled distinction that the PTO and the courts have recognized between the pre- and post-issuance contexts, which long predates the 1952 enactment of the Patent Act." *Id.* at 22; see, e.g., *Lorillard v. Pons*, 434 U.S. 575, 580-581 (1978) (Congress is presumably "aware of an administrative or judicial interpretation of a statute" and "adopt[s] that interpretation when it re-enacts a statute without change").

3. In any event, this case would be an unsuitable vehicle for considering whether the PTO, when it acts in the pre-issuance context, must approach the question in the same fashion as do the courts in post-issuance suits. The answer to that question would not be outcome-determinative here because petitioner provides no reason to believe that his patent claims would be sustained under any potential standard.

In the court of appeals, petitioner contended that his patent claims could be sustained because they are not "insolubly ambiguous." Pet. App. 2a, 6a-7a; Pet. C.A. Br. 36-40; Pet. C.A. Reply Br. 1-6. This Court subsequently rejected that formulation in *Nautilus*, 134 S. Ct. at 2124, 2130, explaining that "the Federal Circuit invoked a standard more amorphous than the statutory definiteness requirement allows," *id.* at 2131. Petitioner now asserts (Pet. 27) that his claims would satisfy the standard articulated in *Nautilus*. As he did before the Board, see Pet. App. 50a-51a, however, petitioner discusses only one of the several previously iden-

tified grounds of ambiguity, see Pet. 27 (contending that someone skilled in the relevant art would reconcile references to a flat plane and to raised elements by concluding that petitioner is “claiming an essentially flat coin holding card with small raised edges”).

Even assuming *arguendo* that it would be appropriate to infer a modifier such as “essentially” at the pre-issuance stage—and that the term “flat plane” as implicitly modified would be sufficiently clear to satisfy Section 112—several other terms in petitioner’s claims have been found, at every stage of this case, to be vague, uncertain, internally inconsistent, or lacking an antecedent basis. See, *e.g.*, C.A. App. A172-A173 (examiner identifies eight such terms but notes that the ambiguities in petitioner’s claims are “too numerous to specifically point out in every instance”); Pet. App. 51a-52a (Board discusses several terms); *id.* at 12a (court of appeals notes “a variety of ways” in which the claims are “imprecise or confusing”).

The court of appeals concluded that the examiner had “ample grounds” to find “the claims imprecise or confusing, sometimes not even understandable.” Pet. App. 12a. Petitioner does not explain how terms that are “not even understandable” (*ibid.*) could provide the “reasonable certainty” that this Court required in *Nautilus*. 134 S. Ct. at 2129. Judge Plager determined not only that several terms in petitioner’s claims are “ambigu[ous],” “indefinite,” or “unclear,” Pet. App. 37a-38a (concurring opinion), but also that “the claim language itself lacks the requisite minimum clarity to define the boundaries of the claims” and is therefore “in direct conflict with the requirements of the case law,” *id.* at 38a.

In support of the latter conclusion, Judge Plager cited (Pet. App. 38a) *United Carbon Co. v. Binney & Smith Co.*, 317 U.S. 228, 236 (1942), which stated that claims “must be reasonably clear-cut” and must “clearly circumscribe what is foreclosed from future enterprise,” lest they create a “zone of uncertainty” that discourages further inquiry and experimentation. This Court later cited the same passage from *United Carbon* and described it as being in “accord[] with” the standard it adopted in *Nautilus*. 134 S. Ct. at 2129-2130. Petitioner therefore has provided no reason to believe that he could prevail on remand if the decision below were reversed after plenary review, or if the Court vacated that decision and remanded for further proceedings in light of *Nautilus*. See Pet. 28.

#### CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted.

DONALD B. VERRILLI, JR.  
*Solicitor General*  
BENJAMIN C. MIZER  
*Acting Assistant Attorney  
General*  
MARK R. FREEMAN  
KATHERINE TWOMEY ALLEN  
*Attorneys*

APRIL 2015