

2012-1014

**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

LIGHTING BALLAST CONTROL LLC,

Plaintiff-Appellee,

v.

PHILIPS ELECTRONICS NORTH AMERICA CORPORATION,

Defendant,

and

UNIVERSAL LIGHTING TECHNOLOGIES, INC.,

Defendant-Appellant.

Appeal from the United States District Court
for the Northern District of Texas in case no. 09-CV-0029, Judge Reed O'Connor

**BRIEF OF *AMICI CURIAE* ASSOCIATION OF UNIVERSITY
TECHNOLOGY MANAGERS, NUTECH VENTURES, INC.,
UNEMED CORPORATION, STC.UNM, WISCONSIN ALUMNI
RESEARCH FOUNDATION, COLORADO STATE UNIVERSITY
RESEARCH FOUNDATION, PUBLIC PATENT FOUNDATION,
TEC EDMONTON, THE UNIVERSITY OF PITTSBURGH OF THE
COMMONWEALTH SYSTEM OF HIGHER OF EDUCATION,
AND NEWSOUTH INNOVATIONS**

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FORM 9. Certificate of Interest

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

LIGHTING BALLAST v. PHILIPS ELECTRON

No. 2012-1014

CERTIFICATE OF INTEREST

Counsel for the (petitioner) (appellant) (respondent) (appellee) (amicus)(name of party)
please see attachment certifies the following (use "None" if applicable; use extra sheets if necessary):

1. The full name of every party or amicus represented by me is:

Association of University Technology Managers, NUTech Ventures, Inc., UNeMed Corporation, STC.UNM, Wisconsin Alumni Research Foundation, Colorado State University Research Foundation, TEC Edmonton, The University of Pittsburgh of the Commonwealth System of Higher Education, Public Patent Foundation, and NewSouth Innovations.

2. The name of the real party in interest (if the party named in the caption is not the real party in interest) represented by me is:

There is no other real party in interest upon whose behalf this brief is being filed.

3. All parent corporations and any publicly held companies that own 10 percent or more of the stock of the party or amicus curiae represented by me are:

No publicly held company owns 10 percent or more of the stock of the amici curiae represented by us.

4. The names of all law firms and the partners or associates that appeared for the party or amicus now represented by me in the trial court or agency or are expected to appear in this court are:

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05/28/2013

Date

/s/ George C. Summerfield

Signature of counsel

George C. Summerfield

Printed name of counsel

Please Note: All questions must be answered

cc: _____

Counsel for the amicus Association of University Technology Managers, NUTech Ventures, Inc., UNeMed Corporation, STC.UNM, Wisconsin Alumni Research Foundation, Colorado State University Research Foundation, TEC Edmonton, The University of Pittsburgh of the Commonwealth System of Higher Education, Public Patent Foundation, and NewSouth Innovations certifies the following:

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IDENTITY OF THE *AMICI CURIAE*

The *amici curiae* include the Association of University Technology Managers (“AUTM”), a not-for-profit corporation the purpose of which is to promote, support and enhance the global academic technology transfer profession through internal and external education, training and communication. AUTM's global network of members come from more than 350 universities, research institutions, teaching hospitals and government agencies as well as hundreds of companies involved with managing and licensing innovations derived from academic and nonprofit research.

The *amici curiae* also include NUtech Ventures, Inc. (“NUTech”), UNeMed Corporation (“UNeMed”), STC.UNM (“STC”), the Wisconsin Alumni Research Foundation (“WARF”), and Colorado State University Research Foundation (“CSURF”). The function of NUtech, UNeMed, STC, WARF, and CSURF is to manage the development, licensing, and enforcement of the intellectual property belonging to the University of Nebraska – Lincoln, the University of Nebraska Medical Center, the University of New Mexico, the University of Wisconsin, and Colorado State University, respectively.

Amicus NewSouth Innovations (“NSi”) is the gateway to research discoveries and inventions created at the University of New South Wales in Australia. NSi owns or manages more than 30 U.S. patents in that capacity.

Amicus TEC Edmonton is a joint venture between the University of Alberta and the City of Edmonton. In addition to being a business service provider, helping transform technologies into business opportunities, TEC Edmonton manages the acquisition, licensing, and enforcement of the patent portfolio of the University of Alberta, which includes more than 220 U.S. patents.

The University of Pittsburgh of the Commonwealth System of Higher Education in Pittsburgh, Pennsylvania is the owner of well over 600 patents in a wide variety of technologies.

The Public Patent Foundation at Benjamin N. Cardozo School of Law is a not-for-profit legal services organization whose mission is to protect freedom in the patent system by introducing a healthy amount of non-patentee input to help the system achieve high quality and balanced policies.

The *Amici's* authority for filing this *amicus* brief is the order of this Court granting rehearing *en banc*.

STATEMENT PURSUANT TO FED. R. APP. P. 29(c)(5)

Counsel for the *Amici* hereby certifies that: a) no party's counsel authored any part of this brief; and b) no party, its counsel, or a third party contributed money that was intended to fund preparing or submitting the brief.

ARGUMENT

I. Question 1 - *Whether the court should overrule Cybor Corp. v. FAS Technologies, Inc.*

In *Cybor Corp. v. FAS Technologies, Inc.*, this Court ruled that, “as a purely legal question, we review claim construction de novo on appeal *including any allegedly fact-based questions relating to claim construction.*” *Cybor Corp. v. FAS Technologies, Inc.*, 138 F.3d 1448, 1456 (Fed. Cir. 1998) (*en banc*) (emphasis added). In so ruling, the Court uniquely placed any factual findings regarding claim construction outside the realm of deferential review. For the reasons stated herein, such findings should be accorded deference on appeal, and *Cybor* should be overruled.

II. Question 2 - *Whether the court should afford deference to any aspect of a district court’s claim construction*

As a legal issue with factual underpinnings, claim construction is hardly unique in patent law. Enablement, by way of example, is a matter of law with factual underpinnings, the latter of which this Court reviews for substantial evidence. *Transocean Offshore Deepwater Drilling, Inc. v. Maersk Drilling USA, Inc.*, 699 F.3d 1340, 1355 (Fed. Cir. 2012), *citing Martek Biosciences Corp. v. Nutrinova, Inc.*, 579 F.3d 1363, 1378 (Fed. Cir. 2009). Obviousness is similarly a question of law with underlying factual issues, again with the latter being reviewed for clear error. *Santarus, Inc. v. Par Pharm., Inc.*, 694 F.3d 1344, 1351 (Fed. Cir.

2012), citing *Honeywell Int'l, Inc. v. United States*, 609 F.3d 1292, 1297 (Fed. Cir. 2010).

The Supreme Court, in *Markman v. Westview Instruments*, made clear that claim construction, although itself a legal issue, has factual underpinnings. For example, the Court stated that:

The ‘substance of the common-law right’ is, however, a pretty blunt instrument for drawing distinctions. We have tried to sharpen it, to be sure, by reference to the distinction between substance and procedure . . . We have also spoken of the line as one between issues of fact and law . . .

But the sounder course, when available, is to classify a mongrel practice (*like construing a term of art following receipt of evidence*) by using the historical method, much as we do in characterizing the suits and actions within which they arise.

Markman v. Westview Instruments, 517 U.S. 370, 378 (1996) (citations omitted) (emphasis added).

The Court continues:

It is, of course, true that credibility judgments have to be made about the experts who testify in patent cases, and in theory there could be a case in which a simple credibility judgment would suffice to choose between experts whose testimony was equally consistent with a patent’s internal logic.

Id. at 389.

A significant contingent of judges on this Court have seriously questioned the proposition that claim construction, including fact findings related thereto, should be reviewed entirely *de novo*. A dissent by then-Chief Judge Michel and current Chief Rader had the following to say on the subject:

Our standard of review of no deference to the trial judge's claim constructions, expressed in *Cybor*, rests upon the premise that claim construction is always a purely legal exercise, devoid of factual content. We have likened claim construction to statutory construction. I believe that this analogy is open to serious question.

* * *

It seems to me that the claim construction question often cannot be answered without assessing, at least implicitly, what the average artisan knew and how she thought about the particular technology when the patent claims were written. To make such determinations, the trial judge necessarily relies upon prior art documents and other evidence concerning the skill of the ordinary artisan at the relevant time. Indeed, trial judges are arguably better equipped than appellate judges to make these factual determinations, especially in close cases. In such instances, perhaps we should routinely give at least some deference to the trial court, given its greater knowledge of the facts.

Amgen Inc. v. Hoechst Marion Roussel, Inc., 469 F.3d 1039, 1041 (Fed. Cir. 2006) (Michel, C.J. and Rader, J., dissenting).

The dissent in *Phillips v. AWH Corp.*, which included Judges Mayer and Newman, went one step further:

Rule 52(a) 'does not make exceptions or purport to exclude certain categories of factual findings from the obligation of a court of appeals to accept a district court's findings unless clearly erroneous.' In short, we are obligated by Rule 52(a) to review the factual findings of the district court that underlie the determination of claim construction for clear error.

Phillips v. AWH Corp., 415 F.3d 1303, 1332 (Fed. Cir. 2005) (*en banc*) (Mayer, J., and Newman, J., dissenting) (internal citation omitted).

The same two judges dissented from the majority's decision in *Cybor*,

stating “[i]f this court does not believe the claim construction to be erroneous based on an independent review of the legal conclusions and a review of the constituent factual findings for substantial evidence, it must affirm. This court may not, however, independently review the constituent facts or disregard the jury’s findings, absent proof that they lack sufficient evidence that ‘a reasonable mind might accept as adequate to support’ them.” *Cybor*, 138 F.3d at 1465 (Dissent) (internal citation omitted).

The *Amici* agree with these dissenting opinions -- there is no reason to treat the appellate review of factual underpinnings related to claim construction any differently than any other factual determinations. The resulting deference will ensure a greater predictability for the claim construction proceeding, and will avoid having to “re-try” the factual underpinnings of claim construction on appeal.

Predictability and avoidance of duplicative effort are of particular importance to universities, university-related institutions, and the organizations to which such institutions belong, such as the *Amici*, particularly since patent litigation, with its attendant costs and uncertain outcome already places such institutions in a disadvantaged position. Those factors become deterrents to seeking appropriate and deserved patent protection.

III. Question 3 – *Which aspects of a district court’s claim construction decision should be afforded deference?*

Just as there should be no distinction drawn between factual findings related

to claim construction and findings related to other legal issues, there should be no distinction between categories of factual findings related to claim construction. Therefore, when a district court undertakes a claim construction exercise, its underlying factual findings related to, *e.g.*, the definition of the relevant art, the level of ordinary skill in that art, whether a proffered expert has the requisite expertise in the relevant art, and the credibility of that expert, should all be reviewed under the “substantial evidence” standard without differentiation.

By way of illustration, in the proceeding below, the district court was faced with the question of whether the limitation “voltage source means” connotes a defined class of structures, thereby taking that limitation out of the claiming rules of 35 U.S.C. § 112, paragraph 6. In resolving this question, the district court evaluated evidence in the form of expert deposition testimony (and the parties’ arguments thereon) regarding how persons skilled in the art would understand the limitation “voltage source means.” After such evaluation, the district court found that such limitation indeed “corresponds to a class of structures.” *See* Panel Op. at 5.

The district court’s finding regarding the meaning of “voltage source means” to those of ordinary skill in the art was indisputably one of fact. The subject patent itself contained no evidence of how such hypothetical persons would understand that term, and the parties were consequently required to rely upon extrinsic

evidence in the form of expert depositions in order to support their respective positions on the subject. As with any other factual finding regarding claim construction, this factual finding is entitled to deference in the appellate review thereof.

IV. *Conclusion*

For the foregoing reasons, this Court should overrule its decision in *Cybor*, and promulgating a rule whereby this Court is to give deference to the factual findings made by a district court underlying claim construction.

Respectfully submitted,

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CERTIFICATE OF COMPLIANCE

1. This brief complies with the type-volume limitations of Rule 32(a)(7)(B) of the Federal Rules of Appellate Procedure because it contains 1,782 words, excluding the parts of the brief exempted by Rule 32(a)(7)(B)(iii).
2. This brief complies with the typeface requirements of Rule 32(a)(5) of the Federal Rules of Appellate Procedure and the type style requirements of Rule 32(a)(6) because this brief has been prepared in a proportionally spaced typeface using Microsoft Office Word 2010 with 14-point Times New Roman font.

May 28, 2013

/s/ George C. Summerfield
George C. Summerfield

CERTIFICATE OF SERVICE

I hereby certify that the forgoing

BRIEF OF *AMICI CURIAE* ASSOCIATION OF UNIVERSITY TECHNOLOGY MANAGERS, NUTECH VENTURES, INC., UNEMED CORPORATION, STC.UNM, WISCONSIN ALUMNI RESEARCH FOUNDATION, COLORADO STATE UNIVERSITY RESEARCH FOUNDATION, PUBLIC PATENT FOUNDATION, TEC EDMONTON, THE UNIVERSITY OF PITTSBURGH OF THE COMMONWEALTH SYSTEM OF HIGHER OF EDUCATION, AND NEWSOUTH INNOVATIONS

has been served upon the following parties and individuals as indicated below.

May 28, 2013

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