



USPTO issues final rule on claim construction standard

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By: James M. Heintz

On October 11, 2018, the United States Patent and Trademark Office published a rule changing the claim construction standard applied during inter partes review (IPR), post-grant review (PGR) and transitional covered business method patents (CBM) proceedings before the Patent Trial and Appeal Board (PTAB).

For all petitions filed after November 13, 2018, the PTAB will apply the same *Phillips* standard used by the district courts and the ITC. *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc). The BRI, or "broadest reasonable interpretation," standard will continue to be applied for petitions filed prior to November 13, and in examination and ex parte proceedings.

Takeaways

This change is generally seen as favorable to patent owners because the *Phillips* standard can result in a narrower claim construction, thus making it harder for a petitioner to win at the PTAB.

However, the PTAB has stated that in most cases, there should not be a difference in the construction of a term under BRI or *Phillips*, and many commentators agree.

Even beyond this basic issue, this change raises additional issues, which should be considered:

- With the change in standards, district courts are more likely to adopt constructions from the PTAB, and the PTAB now will expressly consider – although not be bound by – any constructions from district courts or the ITC that are made of record. This will likely increase the odds of a district court granting a stay.
- Further, petitioners may want to devote additional space in the petition to claim construction out of a concern that a district court construing the claims after the PTAB will be disinclined to consider evidence not presented in that petition.
- Petitioners may want to consider leaving claims with potentially indefinite terms out of IPR petitions because it will be difficult to propose a construction under *Phillips* at the IPR stage and then argue in the district court that the term is indefinite under the same construction standard.
- It is also worth considering that the PTAB may choose to deny a petition if a term in one or more challenged claims appears indefinite.

See the notice in the Federal Register [here](#). Find out more about the final rule by contacting either of the authors.

AUTHORS



James M. Heintz

Partner

Northern Virginia | T: +1 703 773 4000

jim.heintz@dlapiper.com
