U.S. Supreme Court Adopts New Indefiniteness Standard

By Jeffrey L. Moyer and Jason J. Rawnsley Delaware Business Court Insider June 25, 2014



Jeffrey L. Moyer and Jason J. Rawnsley

In a decision that will doubtless lead to more patent claims being challenged as indefinite, the U.S. Supreme Court in *Nautilus v. Biosig Instruments*, 134 S. Ct. 2120 (2014), unanimously held that a claim is indefinite if it fails to inform one of ordinary skill in the art of the scope of the invention with reasonable certainty. According to the court, the indefiniteness standard under review—not amenable to construction or insolubly ambiguous after construction—leaves an intolerable zone of uncertainty contrary to statute and the goals of patent law. But the court remanded the case to the U.S. Court of Appeals for the Federal Circuit for review in light of the new standard—with some suggestion that the Federal Circuit's indefiniteness analysis in practice may have been in accord with the new standard anyway. As a result, parties will be looking to the Federal Circuit to see just how vulnerable claims that were secure under the previous standard may now be to indefiniteness challenges.

Biosig Instruments Inc., the patentee and a maker of exercise equipment, sued Nautilus Inc. for infringement of U.S. Patent No. 5,337,753, "heart-rate monitor." The '753 patent claims a device that measures heart rate more accurately by canceling out electrical signals generated by skeletal muscles that could interfere with the measurement of electrical signals that indicate a heartbeat. The claim limitation at issue in this decision concerned a bar (elongate member), each side of which has a common and a live electrode "in spaced relationship with each other."

Biosig and Nautilus voluntarily dismissed the suit while Nautilus sought ex parte reexamination of the patent. After the conclusion of the reexamination, in which the U.S. Patent and Trademark Office confirmed the patentability of the claims without amendment, Biosig filed suit against Nautilus a second time.

During claim construction, the parties disagreed on the construction of the "spaced relationship" between the electrodes. The district court construed the limitation to mean that "there is a defined relationship between the live electrode and the common electrode on one side of the cylindrical bar and the same or a different defined relationship between the live electrode and the common electrode on the other side of the cylindrical bar." Nautilus moved for summary judgment that the claim was indefinite under this construction on the ground that the patent gave no indication of what the "spaced relationship" was, and the district court agreed.

On appeal, the Federal Circuit reversed the grant of summary judgment in *Biosig Instruments v. Nautilus*, 715 F.3d 891 (Fed. Cir. 2013). Because the district court construed the claim, the Federal Circuit analyzed whether the "spaced relationship" limitation was insolubly ambiguous. It found in the intrinsic evidence at least a maximum ("cannot be larger than the width of a user's hand") and minimum ("the distance ... cannot be infinitesimally small, effectively merging the live and common electrodes") boundary. Within these boundaries, according to the Federal Circuit, a skilled artisan could determine what the spaced relationship would be by reference to the function of canceling out the unwanted electrical signals.

Before the Supreme Court, Nautilus challenged the indefiniteness standard applied by the Federal Circuit. The court began with the text of the statute. Under the second paragraph of the version of 35 U.S.C. Section 112 applicable to the '753 patent, the specification of a patent must conclude with "one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." This requirement of definiteness could be found in the Patent Acts of 1790 and 1870 (with the latter act imposing it on the claims of the patent rather than the specification as a whole).

The court recited three principles of the indefiniteness analysis of which there was no dispute: First, the analysis is undertaken from the point of view of a person of ordinary skill in the art; second, the claims must be read in light of the prosecution history and the specification of the patent; and third, the analysis must be as of the time the patent was filed.

The "inherent limitations of language" necessarily result in some uncertainty, and the intended audience of a patent is one of skill in the art, not lawyers or members of the public. But the claims must be sufficiently precise as not to deter others from engaging in legitimate activity for fear of infringement. A weak definiteness standard, according to the court, gives patent applicants "powerful incentives to inject ambiguity into their claims."

The court found that the "amenable to construction" and "insolubly ambiguous" standard errs by tolerating too much ambiguity. In particular, it violates the principle that the definiteness of a claim must be reviewed from the point of view of one of ordinary skill in the art as of the time the patent was filed. Hence, giving weight to statutory text as well as the competing concerns of excessive and insufficient definiteness, the court held that, to be definite, "a patent's claims, viewed in light of the specification and prosecution history, [must] inform those skilled in the art about the scope of the invention with reasonable certainty."

Although the standard for indefiniteness has now changed, the number of claims that the Federal Circuit finds indefinite may not. Biosig argued that, in practice, the scrutiny that the Federal Circuit gives to the definiteness of claims is closer to the text of the statute and more searching than its articulation of the standard would imply, a possibility that the Supreme Court recognized. Although it vacated the Federal Circuit's decision regardless, the court remanded the case for review under the new standard. If Biosig is correct that the Federal Circuit's practice when reviewing claims for definiteness is rooted in the prosecution history, the text of the patent, and the understanding of one of skill in the art, the reasonable certainty standard announced in *Nautilus* may not lead to the widespread invalidation of claims as indefinite.

Jeffrey L. Moyer, vice chair of Richards, Layton & Finger's litigation department, focuses primarily on complex commercial and intellectual property litigation. Jason J. Rawnsley is an associate in the firm's litigation department and concentrates on commercial and intellectual property litigation. The views expressed in this article are those of the authors and not necessarily those of Richards Layton or its clients.

Reprinted with permission from the June 25, 2014 issue of Delaware Business Court Insider. © 2014 ALM Media Properties, LLC. Further duplication without permission is prohibited. All rights reserved.