

**Keywords:** inter partes review, indefiniteness, means-plus-function

**General:** The Board cannot cancel contested claims based on indefiniteness during inter parties review, but, if the claims are construable, the Board may invalidate the claims based on prior art under 35 U.S.C. § 102 and § 103.

*Samsung Electronics America Inc. v. Prisia Engineering Corp.*

United States Court of Appeals for the Federal Circuit

No. 2019-1169, 2019-1260

Decided February 4, 2020

**I. Facts**

Prisia Engineering Corp. (“Prisia”) owns U.S. Patent No. 8,650,591 (the ‘591 patent) directed to visually substituting an object in a video stream with another object. Claim 1 of the ‘591 provides a representative example of the claimed subject matter:

1. An interactive media *apparatus* for generating a displayable edited video data stream from an original video data stream...comprising...a data entry device, operably coupled with the image capture device and the image display device, *operated by a user* to select the at least one pixel in the frame of the user input video data stream to use as the second image, and further *operated by the user* to select the at least one pixel to use as the first image...a *digital processing unit* operably coupled with the data entry device, said digital processing unit performing:  
. . . .

’591 patent at col. 7 ll. 14–36 (emphasis added).

The patent was granted in 2014, and in 2016 Prisia sued Samsung electronics America Inc. (“Samsung”) for patent infringement. In response, Samsung petitioned the Patent Trial and Appeal Board for an inter partes review (IPR) of claims 1-4, 8, and 11 of the ‘591 patent. The Board declined to institute review of claims 1-4 and 8 on any ground, because it concluded that it could not determine the scope of those claims.

The first impediment was a lack of clarity as to whether the claim covers a device *capable* of being operated by a user for data entry, or if it covers the user operating the data device. In other words, it is unclear if the claim covers an apparatus or a method, since it contains language indicating both. For this reason, the board concluded that claim 1 was indefinite under the court’s decision *IPXL Holdings, LLC v. Amazon.com, Inc.*<sup>1</sup> The second impediment was that the “digital processing unit” in claim 1 invokes 35 U.S.C. § 112, sixth paragraph, but fails to identify any corresponding structure, as the section requires. Dependent claims 2-4 and 8 were declared indefinite on the same grounds as listed above.

During the proceedings, the Supreme Court determined in *SAS Institute, Inc. v. Iancu*, 138 S. Ct. 1348 (2018) that when the Board institutes IPR, it must address the patentability of every claim challenged by the petitioner. Therefore, the Board was not free to institute review of claims 1-4 and 8. Samsung urged the Board to cancel claims 1-4 and 8 under indefiniteness or, if they could not do that, to review

<sup>1</sup> See *In re IPXL Holdings, LLC v. Amazon.com, Inc.*, 430 F.3d 1377, 1384 (Fed. Cir. 2005)

the claims under prior art. The Board refused, noting that the IPR restricted it to reviewing claims under 35 U.S.C. § 102 and 103, that claims 1-4 and 8 were indefinite under *IPXL Holdings*, and that because claims 1-4 and 8 invoked Section 112, paragraph 6, and because there was no corresponding structure in the specification, the Board could not apply prior art to the claims. The Board did, however, declare claim 11 invalid under prior art. Samsung appealed the Board's decision.

## II. Issues

- 1) Did the Board err in refusing to cancel claims 1-4 and 8 under indefiniteness?
- 2) Did the Board err in finding that claims 1-4 and 8 invoked 35 U.S.C. § 112, sixth paragraph and, therefore, could not be analyzed for anticipation or obviousness?
- 3) Did the Board err in finding claims 1-4 and 8 could not be analyzed for anticipation or obviousness since they were indefinite under *IPXL Holdings, LLC v. Amazon.com*?

## III. Discussion

- 1) **No.** The court agreed that the Patent Appeal and Trial Board could not cancel the claims it found indefinite. The court construed Samsung's argument as there being no limit to the Board's authority to make unpatentability determinations at the conclusion of an IPR proceeding. The court reiterated that the Board can only invalidate claims under 35 U.S.C. § 102 and 103. This was established by the Supreme Court in the decision *Cuozzo Speed Techs., LLC v. Lee*<sup>2</sup>, which concluded that canceling a patent claim under § 112 indefiniteness in an IPR proceeding is outside the statutory limits of the Board. This view was subsequently echoed by the court in the decision *Google LLC v. Network-1 Techs., Inc.*<sup>3</sup> and *Neptune Generics, LLC v. Eli Lilly & Co.*<sup>4</sup> The court found that the petition defines the scope of the an IPR proceeding and found nothing in the IPR statute (or in case law) that permits the Board to expand that scope in its final written decision.
- 2) **Yes.** The court disagreed with the Board's conclusion that the claims were indefinite under 35 U.S.C. § 112, sixth paragraph. Specifically, the court agreed with Samsung's argument that the "digital processing unit" is not a "means-plus-function" limitation. The court noted that this determination depended on whether persons skilled in the art would understand the claim language to refer to structure, assessed in light of the presumption that flows from the drafter's choice not to employ the word "means." Given that the Board presented no evidence that a person skilled in the art would make such an interpretation, and given that Prisia had in fact argued otherwise based on the testimony of the inventor, the court determined that the Board had erred. The court rejected the conclusion of the Board that that the "digital processing unit" of claim 1 invoked means-plus-function claiming as well as the corresponding conclusion that claims 1 and 4-8 could not be analyzed for anticipation or obviousness.
- 3) **Yes.** The court noted that, under its decision in *IPXL Holdings*, reciting both an apparatus and a method of using that apparatus renders a claim indefinite; however, the court further noted that the Board did not address Samsung's argument that the claims should have been reviewed under prior art regardless of their potential indefiniteness. The court noted that indefiniteness was simply another ground on which claims might be challenged in an appropriate forum. Therefore, the court found that IPXL-type indefiniteness of claims does not necessarily preclude the Board from addressing the patentability of the claims on Section 102 and 103 grounds. The court remanded and held that the

<sup>2</sup> See *In re Cuozzo Speed Techs. LLC* (Cuozzo I), 778 F.3d 1271 (Fed. Cir. 2015)

<sup>3</sup> See *In re Google LLC v. Network-1 Techs., Inc.*, 726 F. App'x 779, 782 n.3 (Fed. Cir. 2018)

<sup>4</sup> See *In re Neptune Generics, LLC v. Eli Lilly & Co.*, 921 F.3d 1372, 1378 (Fed Cir. 2019)

Board should determine whether claim 1 and its dependent claims are unpatentable as anticipated or obvious based on the instituted ground.

#### **IV. Conclusion**

The court agreed that the Board could not cancel claims 1-4 and 8 of the '591 patent based of their indefiniteness, given that an IPR may only review claims under 35 U.S.C. § 102 and 103. However, the court did declare that indefinite claims, if construable, must still be reviewed in view of prior art.

#### **V. Appendix**

The Board's interpretation of the claim as a "means-plus-function" limitation was likely due to the similarity between the "digital processing unit" found in claim 1 and the generic placeholder "unit for" found in MPEP 2181. This section lists a series of generic placeholders, or nonce terms, that are often read as substitutes for "means", and can therefore invoke 35 U.S.C. § 112, sixth paragraph. The list is as follows: "**mechanism for,**" "**module for,**" "**device for,**" "**unit for,**" "**component for,**" "**element for,**" "**member for,**" "**apparatus for,**" "**machine for,**" or "**system for.**"