

INTELLECTUAL PROPERTY LAW

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SUPREME COURT ESTABLISHES NEW DEFINITENESS TEST

The Supreme Court issued a unanimous ruling in *Nautilus, Inc. v. Biosig Instruments, Inc.*, No. 13-369 572 U.S. 2014 to address one previously unclear area for determining "definiteness" under 35 U.S.C. Section 112, Paragraph 2. The relevant text of 35 U.S.C. 112, ¶2 requires patent claims "particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." In its ruling, the Court reversed the Federal Circuit's previous test that a patent claim passes this threshold "only when it is 'not amenable to construction' or 'insolubly ambiguous.'" 715 F. 3d 891, 898 (2013) (quoting *Datamize, LLC v. Plumtree Software, Inc.*, 417 F. 3d 1342, 1347 (CA Fed. 2005)).

The test defined by the Supreme is based on a suit wherein Biosig sued Nautilus for infringement of U.S. Patent No. 5,337,753 which is directed to a heart rate monitoring device for use during exercise. The patent purports to address the problem of inaccurate heart rate measurement during exercise because signals generated by skeletal muscle activity mask signals generated by the heart, impeding their accurate measurement. Claim 1 of the '753 patent defines a heart-rate monitor contained within a hollow cylindrical bar that a user holds with both hands so that each hand contacts two electrodes, one "live" and one "common" ... "in spaced relationship with each other." The contemplated placement of the bar, was, e.g., near the handle bar for an exercise bike or comparable location on a stair-climbing machine. Claim 1 includes, among other elements: an "elongate member" (cylindrical bar); "electronic circuitry including a difference amplifier" (to cancel the opposing phase signals); and, on each half of the cylindrical bar, a live electrode and a common electrode "mounted ... in spaced relationship with each other." At issue in the case was whether the term "in spaced relationship with each other" was indefinite.

The lower court construed the term "spaced relationship" 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." The lower court then granted a summary judgment request by the alleged infringer Nautilus stating the patent claim was invalid for indefiniteness because the patent "did not tell anyone what precisely the space should be" or even supply "any parameters" for determining the appropriate spacing.

Biosig, the owner of the patent, appealed to the Federal Circuit who reversed the lower court ruling applying its own test and reasoning that the distance between the live and common electrodes could not be further apart than the width of the user's hands, while the distance could also not be so small as to effectively combine the live and common electrodes into one. Nautilus then appealed to the Supreme Court. Ultimately, the Supreme Court vacated

the Federal Circuit's opinion and remanded for the lower courts to apply the new test.

While the Supreme Court defined the new test, the Court rejected Nautilus' position that a claim is indefinite if it is "ambiguous, such that readers could reasonably interpret the claim's scope differently." The Court cites its prior opinions in *Eibel Process Co. v. Minnesota & Ontario Paper Co.*, 261 U.S. 45 (1923) (upholding as definite a patent for an improvement to a paper-making machine, which provided that a wire be placed at a "high" or "substantial elevation," where "readers ... skilled in the art of paper making and versed in the use of the ... machine" would have "no difficulty ... in determining ... the substantial [elevation] needed" for the machine to operate as specified) and *Carnegie Steel Co. v. Cambria Iron Co.*, 185 U.S. 403 (1902) (also stating that "any description which is sufficient to apprise [steel manufacturers] in the language of the art of the definite feature of the invention, and to serve as a warning to others of what the patent claims as a monopoly, is sufficiently definite to sustain the patent").

The Supreme Court's Nautilus decision can be seen as an attempt to limit the assertion of patents made overly broad through claim ambiguity. It is noted that while the definiteness requirement described in section 112, second paragraph applies to patent claims during both prosecution and litigation, the Nautilus holding only impacts the definiteness requirement during litigation. During prosecution, the Patent and Trademark Office gives a patent claim its "broadest reasonable interpretation consistent with the specification." MPEP Section 2111.

The Supreme Court's test, which looks to whether the claim informs the "scope of the invention with reasonable certainty," arguably shifts focus from what the Federal Court previously applied. Whether evidence outside of the patent and prosecution history will be considered during application of the new Supreme Court test remains to be seen. Furthermore, if the inquiry extends significantly beyond claim construction, whether the issue of specification indefiniteness will be taken up in connection with claim construction may also be of concern.

This decision underscores the need to: (i) draft clear claims supported by a thorough specification; (ii) draft more varied claim which vary in perspective, language, and/or scope, and provide a greater chance that at least one will survive an attack under Section 112, ¶2; (iii) draft a detailed specification disclosing varied embodiments with ample description and figures (claims will be at their weakest under Section 112, ¶2 when they are open to interpretations that are unsupported in the specification).

Claims being prosecuted now and in the near future must be critically evaluated under the new test with any input from the USPTO that will likely issue in view of the ruling.

By: Michael Slavin & Nicholas Zachariades, Ph.D.