En Banc Federal Circuit Confirms Claim Construction is Reviewed De Novo on Appeal


The U.S. Court of Appeals for the Federal Circuit (CAFC) has resolved the uncertainty surrounding the appellate standard of review for issues of claim construction. In a long-awaited 6-4 decision, an en banc court confirmed the rule that claim construction is an issue of law reviewed de novo on appeal. The U.S. Supreme Court in Markman v. Westview Instruments, Inc. held that claim construction is “a matter of law reserved entirely for the court.” Judge Newman, speaking for the majority of the court, thus rejected the notion that it must give deference to a district court’s claim construction. While a district court’s findings of fact are entitled to deference, claim construction is an issue of law and must be reviewed as such, de novo, to provide national uniformity, consistency, and finality to the meaning and scope of patent claims. Also supporting the decision was the conclusion that there were no grounds to depart from stare decisis and undo the CAFC’s fifteen years of experience under the de novo standard.

PROCEDURAL BACKGROUND

Lighting Ballast Control (Lighting) sued several defendants, including Universal Lighting Technologies (Universal), for alleged infringement of U.S. Patent No. 5,436,529. Following several claim construction rulings by the U.S. District Court for the Northern District of Texas, Lighting and Universal tried the case to a jury. After a four-day trial, the jury returned a verdict in Lighting’s favor on infringement and validity. On appeal, a panel of the CAFC reviewed and revised the district court’s claim constructions, applying the de novo standard of review. Under the revised claim construction, the panel held the asserted claims invalid as indefinite and reversed the district court. Lighting requested rehearing “stating that on deferential appellate review the district court would not or should not have been reversed.” The CAFC agreed to rehear the case en banc. Specifically, the CAFC agreed to “reconsider the principle of de novo review of claim construction” and to consider whether it was appropriate to overrule its earlier en banc decision in Cybor Corp. v. FAS Techs., Inc., which adopted the de novo standard of review for issues of claim construction.

FEDERAL CIRCUIT’S DECISION

As framed by the majority opinion, the issue before the CAFC in Lighting Ballast was whether to change, rather than to adopt, the de novo standard review. Ultimately, the Lighting Ballast majority held:

For the reasons we shall discuss, we apply the principles of stare decisis, and confirm the Cybor standard of de novo review of claim construction, whereby the scope of the patent grant is reviewed as a matter of law. After fifteen years of experience with Cybor, we conclude that the court should retain plenary review of claim construction, thereby providing national uniformity, consistency, and finality to the meaning and scope of patent claims. The totality of experience has confirmed that Cybor is an effective implementation of [Markman], and that the criteria for departure from stare decisis are not met.
In arriving at its decision, the majority first observed that the parties and the numerous amici curiae did not present one united argument as to how the court should rule. Rather, three general views on the appropriate standard of review were presented:

1. Deferential appellate review of a district court’s claim construction applying a clear error standard;

2. A hybrid approach where factual aspects of claim construction would be reviewed on appeal for clear error but the final conclusions as to the actual meaning of terms in a patent would be reviewed as a matter of law, i.e., de novo; and

3. A de novo standard of review—originally adopted en banc by the CAFC in Cybor—was correct and necessary under the U.S. Supreme Court’s instruction in Markman that claim construction is a “purely legal” matter.

The fact that the question was whether to change the current de novo standard played a prominent role in the majority’s analysis of the proposed standards. Consequently, the majority analyzed whether the CAFC was bound by stare decisis to uphold and reaffirm its earlier en banc decision in Cybor. As the majority explained, a departure from precedent is permitted where (1) “subsequent cases have undermined [a decision’s] doctrinal underpinnings,” (2) the precedent has proved “unworkable,” (3) or when “a considerable body of new experience” requires changing the law.

In applying this standard, the majority first determined that there were no post-Cybor decisions—that is, from the U.S. Supreme Court, Congress, or the CAFC itself—that undermined Cybor’s reasoning, despite “extensive patent-related legislative activity during the entire period of Cybor’s existence.” The majority further observed that proponents of abandoning Cybor and de novo review had not shown that de novo review of claim construction was unworkable—“nor could they, after fifteen years of experience of ready workability.” Rather, the majority observed that “reversing Cybor or modifying it to introduce a fact/law distinction has a high potential to diminish workability and increase burdens by adding a new and uncertain inquiry, not only on appeal but also in the trial tribunal.”

A central factor of the majority’s decision was claim construction’s status as a legal issue, one that is not converted into a question of fact. Claim construction “is a legal statement of the scope of the patent right; it does not turn on witness credibility, but on the content of the patent documents.” Admittedly, claim construction decisions may be informed and can certainly benefit from a technology tutorial, the contents of learned treatises, or elaboration of experts. The type of evidence that may assist a judge in determining what a technical term means to one of skill in the art, however, “does not transform that meaning from a question of law into a question of fact.” The majority analogized the use of such evidence to the common use of dictionaries and treatises to determine the meaning of a statute—analyzed de novo on appeal—as of the time it was written.

In view of these legal principles, the majority concluded that the arguments presented for discarding or modifying the de novo standard of review—as adopted by Cybor—“do not justify departing from the now well-established principles and procedures.”

We conclude that such changed procedure is not superior to the existing posture of plenary review of claim construction. Over these fifteen years this court has applied Cybor to diverse subject matter, and the body of precedent has grown large. Deferential review does not promise either improved consistency or increased clarity. We have been offered no argument of public policy, or changed circumstances, or unworkability or intolerability, or any other justification for changing the Cybor methodology and aban-
doning de novo review of claim construction. The proponents of overruling Cybor have not met the demanding standards of the doctrine of stare decisis. They have not shown that Cybor is inconsistent with any law or precedent, or that greater deference will produce any greater public or private benefit. We conclude that there is neither “grave necessity” nor “special justification” for departing from Cybor.\(^\text{19}\)

In his concurring opinion, Judge Lourie suggested that “giving formal deference” to a district court on issues of claim construction would be an attempt to partially retreat from the U.S. Supreme Court’s holding in Markman, “which is unwise.”\(^\text{20}\) In her dissenting opinion, Judge O’Malley argued that the CAFC’s experience, and a review of Markman, shows that “construing the claims of a patent at times requires district courts to resolve questions of fact.\(^\text{21}\) Federal Rule of Civil Procedure 52(a)(6) moreover instructs that “all findings of fact . . . must not be set aside unless clearly erroneous.”\(^\text{22}\) As such, the dissent takes the position that a de novo standard of review is at odds with the U.S. Supreme Court’s holding in Markman and congressional authority.\(^\text{23}\)

Given the 6-4 split in the CAFC’s decision, it is possible that the U.S. Supreme Court may be asked to weigh in and further address this matter. We will continue to monitor the situation and will provide an updated distribution as necessary.

1 Judge Newman wrote the majority opinion and was joined by Judges Lourie, Dyk, Prost, Moore, and Taranto. Judge Lourie submitted a concurring opinion. Judge O’Malley wrote a dissenting opinion and was joined by Chief Judge Rader and Judges Reyna and Wallach. Judges Chen and Hughes took no part in the decision.


3 Id. at 372.


6 Cybor Corp. v. FAS Techs., Inc., 138 F.3d 1448 (Fed. Cir. 1998) (en banc).


8 Id. at 7.

9 Id. at 10.

10 Id. at 11.

11 Id at 12.

12 Id. at 20 (internal citations omitted).

13 Id.

14 Id. at 20–21.

15 Id. at 21.

16 Id. at 22.

17 Id. at 22–23.

18 Id. at 23.

19 Id. at 26.

20 Id. at 2 (J. Lourie concurring).

21 Id. at 2 (J. O’Malley dissenting).

22 Id. (emphasis in original).

23 Id.
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