

2012-1014

**United States Court of Appeals
for the Federal Circuit**

LIGHTING BALLAST CONTROL LLC,

Plaintiff-Appellee,

v.

PHILIPS ELECTRONICS NORTH AMERICA CORPORATION,

Defendant,

and

UNIVERSAL LIGHTING TECHNOLOGIES, INC.,

Defendant-Appellant.

*Appeal from the United States District Court for the Northern District of
Texas in case no. 09-CV-0029, Judge Reed O'Connor.*

**BRIEF OF *AMICUS CURIAE* MICROSOFT CORPORATION ON
REHEARING *EN BANC* SUPPORTING NEITHER PARTY**

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CERTIFICATE OF INTEREST

Counsel for *Amicus Curiae* Microsoft Corporation, John D. Vandenberg, certifies the following:

1. The full name of every party or amicus represented by me is:
Microsoft Corporation
2. The name of the real party in interest (if the party named in the caption is not the real party in interest) represented by me is:
Not applicable.
3. All parent corporations and any publicly held companies that own 10 percent or more of the stock of the party or amicus curiae represented by me are:
Microsoft Corporation has no parent corporation and no publicly held company owns 10% or more of its stock.
4. The names of all law firms and the partners or associates that appeared for the party or amicus now represented by me in the trial court or agency, or that are expected to appear in this Court are:
Klarquist Sparkman, LLP, John D. Vandenberg
and Andrew M. Mason.

June 4, 2013

/s/John D. Vandenberg
Signature of counsel

John D. Vandenberg
Printed name of counsel

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INTEREST OF *AMICUS CURIAE*¹

Microsoft Corporation is a company of over 97,000 employees that develops, licenses and supports a wide range of software for a multitude of computing devices. These software offerings and products include operating systems, server applications, information worker productivity applications, business solutions applications, software development tools, and mobile computing and embedded devices. Microsoft also sells home entertainment systems, games and peripherals. Through MSN Network and other Internet portals, Microsoft provides Internet services and content. Microsoft is a leading innovator in the computer software industry and owns more than 23,000 U.S. patents and more than 40,000 patents worldwide.

Microsoft has an extremely active docket of patent litigation matters, with approximately 65 U.S. cases currently pending in a variety of jurisdictions. The company spends tens of millions of dollars every year to defend against patent infringement claims and to pursue claims of infringement against unauthorized users of Microsoft's patented technology.

¹ Pursuant to Fed. Cir. R. 29(c)(5), no counsel for a party authored this brief in whole or in part, and no counsel or party made a monetary contribution intended to fund the preparation or submission of this brief. No person other than amicus curiae or its counsel made a monetary contribution to its preparation or submission.

SUMMARY OF ARGUMENT

The Court is contemplating re-designating as “fact” some questions subsidiary to patent claim construction, thereby triggering the “clearly erroneous” standard of review. *E.g.*, Fed. R. Civ. P. 52(a)(6). But, the Supreme Court has ruled that “construction of a patent, including terms of art within its claim, is exclusively within the province of the court.” *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 372 (1996). Re-designating part of a trial judge’s exclusive province a question of “fact” creates a practical quagmire from the perspective of the patent litigant.

It would not work to have the trial judge decide such “facts.” When the Seventh Amendment applies to factual matters in a case, then facts necessary for the outcome must be resolved by the jury, not the trial judge. There is no mechanism in the law—for patent cases or other types of cases—for a convoluted hybrid approach that allows the judge to resolve facts and the jury to resolve some of the same facts. That would be the case here because many questions that would be re-designated as factual questions important to claim construction also are questions a jury must consider in the typical patent infringement trial.

Nor would it work to have the jury decide such re-designated “facts.” *Markman* says that claim construction presents a question of law,

exclusively for the judge to decide. The Supreme Court's *Markman* opinion works well in practice because it allows the parties to address questions concerning claim scope in pre-trial hearings well in advance of the actual trial. Having a jury decide these re-designated factual matters could eliminate the current practice of pre-trial *Markman* hearings. This would exacerbate the expense and uncertainty in patent litigation and create new opportunities for forum shopping.

We submit that the Supreme Court in *Markman* meant what it said: claim construction is a question of law exclusively for the court without a jury. Hybrid approaches cannot work as a practical matter.

ARGUMENT

First, treating claim construction as a mixed question of fact and law would exacerbate the existing problem of the same patent claim being construed differently in different actions. This is so regardless of whether a judge or jury decides the “fact” portion. Under such a mixed-question approach, this Court will be less able than now to resolve definitively such construction conflicts. That is because each conflicting construction may be justified by its respective, conflicting set of “facts”—none of which is clearly wrong. Doctrines of claim preclusion and issue preclusion cannot fully remedy this problem of inconsistent claim constructions. For example,

the patent owner may prevail in multiple different cases with multiple different claim constructions.

Today, this Court's claim construction rulings typically settle a claim's meaning for all time, as a practical matter. Under a mixed-question approach to claim construction, that would no longer be true. This Court would no longer be construing claims, *per se*, but rather reviewing case-specific fact findings for clear error, and construing claims only in the context of that case-specific review. A patent claim's scope will never truly be settled.

Second, if the Court mandates that judges are to decide claim-construction "facts," then, as a practical matter, judges and juries will be independently deciding the same questions of fact. And, then, on appeal the possibly conflicting findings of "fact" by the different fact finders will be subject to different standards of review (substantial evidence vs. clear error). Below are some examples of these claim-construction "facts" that the jury may need to decide in determining disputes under 35 U.S.C. §§ 102, 103, 112, and 271:

- determining the field(s) of the invention and the knowledge of a person having ordinary skill in the art;

- determining the art-accepted meanings of terms used in an issued claim and also used in the specification and/or prior art;
- determining the date of the invention and/or effective filing date of the patent application;
- determining whether a proposed construction would exclude all embodiments in the specification or, conversely, whether any embodiment supports the construed issued claim;
- identifying explicit or implicit definitions in the specification;
- determining the disclosure of cited prior art references (which are part of the “intrinsic evidence” for claim construction) asserted as invalidating prior art and/or distinguished in the prosecution history.

Third, there is no existing procedure well suited for trial judges to decide such claim-construction “facts.” Summary judgment practice under Rule 56 and JMOL practice under Rule 50 are ill-suited to deciding claim-construction “facts.” These procedures are designed to decide “facts” that lack any genuine dispute and thus can safely be decided by the judge without offending the right to jury trial. The summary-judgment concepts of burdens of production and persuasion, and genuine issues of material fact, do not easily apply in the context of claim construction.

Some trial courts may choose to proceed as they have in the past and decide claim-construction “facts” in a non-evidentiary hearing. But, the Federal Rules of Civil Procedure provide no such vehicle for “fact” finding. And, even when trial courts are entitled to find “facts” by motion (e.g., via Rule 12 or Rule 56), they are not required to explain their findings of fact. Fed. R. Civ. P. 52(a)(3). Some courts might use Rule 52 to avoid stating their findings on any claim-construction “fact” to avoid any express conflict with a later jury finding on the same “fact.” That would make claim constructions more opaque.

CONCLUSION

The Supreme Court meant what it said when it concluded that claim construction was a question of law for the court. This Court should not embrace a practically unworkable hybrid scheme that contemplates a unique species of judge determined facts.

Dated: June 4, 2013

Respectfully submitted,

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Lighting Ballast v Philips Electron, 2012-1014

CERTIFICATE OF SERVICE

I, Elissa Matias, being duly sworn according to law and being over the age of 18, upon my oath depose and say that:

Counsel press was retained by KLARQUIST SPARKMAN, LLP, attorneys for *Amicus Curiae* to print this document. I am an employee of Counsel Press.

On **June 4, 2013**, counsel for *Amicus Curiae* has authorized me to electronically file the foregoing **Brief for *Amicus Curiae*** with the clerk of court using the CM/ECF system, which will serve via e-mail notice of such filing to any of the following counsel for the parties registered as CM/ECF users:

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Two paper copies will also be sent via priority mail to the principal counsel noted above.

Additionally, all counsel for Amici Curiae currently appearing and registered with the Court's CM/ECF system, will be served via e-mail notice of such filing through the CM/ECF system.

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June 4, 2013

/s/ Elissa Matias
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