



# THINK FORWARD

## In re Hodges, Appeal No. 2017-1434 (Fed. Cir. 2018)

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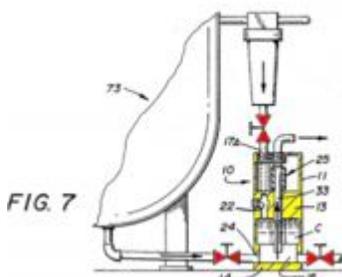
February 15, 2018

On Monday February 12, 2018, the Federal Circuit vacated the Patent Trial and Appeal Board (“Board”) decision that affirmed the examiner’s rejection of all claims as being anticipated and/or obvious. Two important legal principles of patent examination are at issue in this case: 1) for purposes of anticipation, what must the PTO show to establish when claimed subject matter is inherently disclosed by a reference? And, 2) what are the boundaries of the broadest reasonable claim interpretation (BRI) standard applied by the USPTO. According to the Federal Circuit, the USPTO must show facts to support a decision of anticipation. Any assertion of similarity between claimed elements and those disclosed in a cited reference must be supported by showing how a cited reference inherently discloses claimed subject matter. With respect to claim interpretation, although the USPTO can give claim terms their broadest reasonable interpretation, that interpretation must be consistent with the specification.

### Inherency

The patent application at issue included claims drawn to a drain valve comprising: a *valve body*, wherein said *valve body defines an inlet seat* and a first outlet seat downstream of said inlet seat. Accordingly, the claims require that the valve body define the inlet seat.

In rejecting the applicant’s claims, the examiner and the Board relied on two prior art references (Rasmussen and Frantz). The examiner found that Rasmussen inherently disclosed an inlet seat within an unlabeled valve depicted in Rasmussen’s FIG. 7 above inlet port (17A). As shown in the annotated version of Rasmussen’s FIG. 7 below, the unlabeled valve (shown in red above inlet port 17A) resides above the housing 11 that contains the other valve components (shown in yellow):



In affirming the anticipation rejection, the Board found that Rasmussen’s unlabeled valve is connected to, and therefore allows or prevents flow into, inlet port 17A, and that the seat of the unlabeled valve would therefore be an internal part of and contained within the outer casing of drain valve 10. As sole

support for its findings, the Board asserted that “the positioning of Rasmussen’s unlabeled valve is similar to the positioning of [the subject application’s] second member 16, which extends away from valve body 12, ostensibly to allow second member 16 to be controlled.

The Federal Circuit noted that the Board neither supported its assertion of similarity by showing facts, nor explained how the positioning of the unlabeled valve in Rasmussen’s FIG. 7 would enable a skilled artisan to “practice the invention without undue experimentation.” Even if Rasmussen’s unlabeled valve is ostensibly similar to the ’222 application’s second member 16 in some respects, it is different in the only respect that is relevant to the claims at issue—i.e., it is not an internal part of or contained within the valve body. The court found that FIG. 7 clearly shows that the valve is external to and outside Rasmussen’s casing. Accordingly, the only permissible factual finding that could be drawn from Rasmussen is that the inlet seat within the unlabeled valve is *not* “defined” by the “valve body,” as required by the claims. This part of the decision serves as a reminder that although a prior art document may disclose inherently a limitation of a claimed subject matter, the prior art document is anticipatory only if it enables a skilled artisan to “practice the invention without undue experimentation.”

### **Broadest Reasonable Interpretation**

Claim 1 of the ’222 application is also drawn to a drain valve comprising: a *sensor* downstream of said inlet seat, wherein said sensor generates a *signal* reflective of a pressure downstream of said inlet seat. The Board adopted the examiner’s construction of “signal” as an act, event, or the like that causes or incites some action and affirmed the examiner’s determination that Frantz anticipates the claims.

In rejecting the Board’s claim interpretation of “signal,” the Federal Circuit noted that the Board’s construction is inconsistent with the specification. The Board’s interpretation of “signal” was unreasonable because the specification does not suggest that the signal itself can constitute movement of the pressure gauge’s needle in response to the sensed pressure. Therefore, the Board’s strained interpretation of “signal” is inconsistent with the application, and, as such, does not meet the broadest reasonable interpretation standard. This decision is an example of a case where the broadest reasonable interpretation of a claim term is limited by the specification.

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