Professional Perspective

Federal Circuit Reverses Course on 'Appropriate Deference' in Indefiniteness Determinations

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Bloomberg Law

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In its Jan. 27, 2022, decision, *Nature Simulation Sys. v. Autodesk, Inc.*, 23 F.4th 1334 (Fed. Cir. 2022), the US Court of Appeals for the Federal Circuit panel majority called for an "appropriate deference" to the patent examiner on patent indefiniteness determinations, which we analyzed for Bloomberg Law. Following a petition for rehearing, the Federal Circuit issued a modified opinion on Oct. 17, 2022, retracting the "appropriate deference" language and affirming that, under the *Philips* framework, an examiner's understanding during prosecution merely provides support for an indefiniteness analysis. 50 F.4th 1358 (Fed. Cir. 2022).

The dispute centers on whether the claimed term "modified Watson method" is indefinite. In the original opinion, the majority emphasized the significance of the prosecution history because the challenged claim term reflected examiner-proposed amendments to overcome an indefiniteness rejection. *Nature Simulation*, 23 F.4th at 1342-43. The majority specifically noted that "actions by PTO examiners are entitled to appropriate deference as official agency actions, for the examiners are deemed to be experienced in the relevant technology as well as the statutory requirements for patentability."

As explained in our earlier analysis, this call for deference appeared to deviate from the Federal Circuit's own precedent by elevating the significance of a patent examiner's purported understanding, which was in tension with the claim construction principles established in *Philips v. AWH Corp*. There, the court said, "written description is key to determining [indefiniteness]" and the prosecution history merely provides "support." 415 F. 3d 1303, 1319 (Fed. Cir. 2005); see also *Sonix Tech Co. v. Publ'ns Int'l, Ltd.*, 844 F.3d 1370, 1380 (Fed. Cir. 2017).

In the reissued opinion, the majority maintains that district court erred in finding the disputed term indefinite and that "[t]he prosecution history here is significant," but retracts the language calling for an "appropriate deference" to patent examiners. Compare *Nature Simulation*, 23 F.4th at 1343, with 50 F.4th at 1366. While the majority still faults the district court for "[giving] no weight to the prosecution history," the reissued opinion stresses that "[t]he [district] court did not discuss the Examiner's Amendment" and criticizes the district court's heavy reliance on expert opinion. See 50 F.4th at 1367.

Notably, the majority also expanded its analysis on the patent specification explaining that "[t]he specification describes the steps of the modified Watson method." Compare *Nature Simulation*, 23 F.4th at 1341-42, with 50 F.4th at 1366. With the retraction of "appropriate deference" language and the renewed focus on the patent specification, the reissued opinion appears to acknowledge that the hierarchy of intrinsic evidence (claim, specification, prosecution history) established in *Philips* remains the proper framework for evaluating indefiniteness.

Read the Axinn team's Professional Perspective on the Jan. 27, 2022, Nature Simulation Sys. opinion.