

ALERT

Federal Circuit Patent Bulletin: *Info-Hold, Inc. v. Applied Media Techs. Corp.*

April 27, 2015

"[A] patentee define[s] a term 'by implication' where the patentee use[s] the term throughout the specification in a way that was consistent with only one meaning."

On April 24, 2015, in *Info-Hold, Inc. v. Applied Media Techs. Corp.*, the U.S. Court of Appeals for the Federal Circuit (Reyna,* Wallach, Taranto) reversed and remanded the district court's judgment that Applied Media Technologies Corporation did not infringe U.S. Patent No. 5,991,374, which related to playing music and advertisements through telephones and public speaker systems. The Federal Circuit stated:

We review the district court's evaluation of the patent's intrinsic record during claim construction de novo. Subsidiary factual determinations based on extrinsic evidence are reviewed for clear error. The ultimate construction of the claim is a legal question and, therefore, is reviewed de novo. Claim terms are generally given their ordinary and customary meaning as understood by a person of ordinary skill in the art at the time of the invention. Such a skilled artisan reads claim language in the context of the claims, the specification, and the prosecution history, using them to resolve any uncertainties. Though the claim term may appear plain on its face, we may depart from that plain meaning "1) when a patentee sets out a definition and acts as his own lexicographer, or 2) when the patentee disavows the full scope of the claim term either in the specification or during prosecution."

Info-Hold's appeal of the district court's construction of the three terms in this case—"transmit," "operable to generate and transmit control signals," and "message playback devices"—challenges whether the district court erroneously required that all communication between the remote server and the message playback devices must be initiated by the server. [T]he district court referred to the later-issued '683 patent—which is cited in the '374 patent's reexamination certificate—and the Notice of Allowability for the '683 patent. Neither of these references calls for clear-error review. The former is part of the '374 patent's own prosecution history (on reexamination), hence intrinsic evidence whose interpretation is "a determination of law." The latter is not itself cited in the '374 patent's prosecution history, and we need not classify it as "intrinsic" or "extrinsic" for at least

these reasons: this public record presents no disputed issue of fact as to the Notice's existence or content; the district court made no findings about it; and what remains is what, if any, significance it might have for the ultimate claim construction, which is a question of law. Therefore, we apply the *de novo* standard in reviewing the district court's claim constructions. We begin our review with the term "transmit," given that the construction of the term is vital to, and necessarily influences, the construction of the other terms.

The district court construed the term "transmit" to mean "initiate a contact with and send an electronic signal to another device." It based the construction on its understanding that the patent exclusively disclosed the sending of control signals from the server to the remote playback devices, and that the remote playback devices were only configured to receive transmissions. . . . We find that the claim term "transmit" and the specification support a construction that is neutral as to whether the message playback device or the server initiates the transmission. Nothing in the word "transmit" suggests a limitation on initiation: there is no linguistic ambiguity to resolve. And the specification confirms the term's neutrality as to initiation. For instance, the patent discloses that the "message playback device is preferably operational in a receive-only manner" The mention of a preferred "receive-only" manner implies the invention's ability to operate in a manner in which the message playback device may transmit. Operating in such a manner would allow for communications which are initiated by the message playback device. The claims themselves are indeterminate as to which communication endpoint initiates the transmission. Also, even if the embodiment in the specification only disclosed server-initiated communication, we have "expressly rejected the contention that if a patent describes only a single embodiment, the claims of the patent must be construed as being limited to that embodiment."

The '374 patent's written description does not invoke the exception to the rule that we will not read limitations from the preferred embodiment into the claims. Under that exception, the scope of the invention is properly limited to the preferred embodiment if the patentee uses words that manifest a clear intention to restrict the scope of the claims to that embodiment. We find nothing in the '374 patent's preferred embodiments or the remainder of the specification that evinces a clear intention to restrict the invention's communications to those initiated by the server. Absent an intentional statement of restriction, we refuse to restrict the patent's claims to cover only server-initiated transmissions. We also find a lack of a clear, intentional disavowal of claim scope that would require the incorporation of a step of initiating contact in the construction of "transmit." We find no basis to depart from the ordinary and customary meaning of the term.

Moreover, the patentee has not defined the term "transmit" by implication. We have found that a patentee defined a term "by implication" where the patentee used the term throughout the specification in a way that was consistent with only one meaning. This principle does not apply in this case because the '374 patent does

not consistently use the term "transmit" in a way that necessarily restricts the term to server-initiated communications. [T]he patent's "preferably operational in a receive-only manner" language illustrates that transmission can occur in either direction. Other statements in the specification also use the term "transmit" in a way that is consistent either with serverinitiated or message-playback-device-initiated communications. For instance, the specification discloses that "the invention relates to a system for generating and transmitting message playlists to remotely located optical disc players" that are part of MOH systems. While this statement illustrates the direction of transmission of the playlists, it says nothing about whether the remote playback device could first send a signal requesting that the server transmit the playlist. This shows that the term "transmit" does not require all communications to be server-initiated. Accordingly, the patentee has not implicitly defined the term "transmit" by its usage in the '374 patent.