

Federal Circuit Patent Bulletin: *Belden Inc. v. Berk-Tek LLC*

November 5, 2015

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On November 5, 2015, in *Belden Inc. v. Berk-Tek LLC*, the U.S. Court of Appeals for the Federal Circuit (Newman, Dyk, Taranto*) affirmed-in-part and reversed-in-part the U.S. Patent and Trademark Office Patent Trial and Appeal Board decision in an *inter partes* review that certain claims of U.S. Patent No. 6,074,503, which related to a method for making a communications cable, were invalid for obviousness while others were not. The Federal Circuit stated:

Whether a claimed invention would have been obvious is a question of law, based on factual determinations regarding the scope and content of the prior art, differences between the prior art and the claims at issue, the level of ordinary skill in the pertinent art, the motivations to modify or combine prior art, and any objective indicia of non-obviousness. [O]bviousness concerns whether a skilled artisan not only could have made but would have been motivated to make the combinations or modifications of prior art to arrive at the claimed invention.

[The Board’s] findings suffice to show that claim 1 (and claim 4) must fall, because the findings are supported by substantial evidence. In the circumstances here, involving a simple point in a mechanical field and one very close piece of prior art, the Board was entitled to rely on its own reading of JP ‘910—supported by the Petition’s observations about it—to find that a skilled artisan would have understood the importance of aligning the core and conductors and the connection between achieving such alignment and preventing the core from twisting at the aligning die. . . .

As to claims 5 and 6, Berk-Tek argues that a person of ordinary skill in the art seeking to manufacture cables disclosed in CA ‘046—with four insulated twisted pairs and a separator—would have been motivated to use the method of JP ‘910 to solve the alignment issues common to manufacturing the cables in both prior-art sources. Even giving the Board the deference it is due under the substantial-evidence standard of review of factual findings, we agree that the record requires the finding Berk-Tek urges. The Board’s contrary finding rests on legal errors.

There is no meaningful dispute here, and the Board did not deny, that the two pieces of prior art in combination teach or suggest the methods of claims 5 and 6. The dispute concerns motivation to combine. . . . The Board's first reason was that JP '910 shows only conductors that are not individually insulated, so that "one of ordinary skill, tasked to produce the conventional twisted cable of CA '046, would not have been motivated by the teachings of JP '910 simply to substitute twisted pairs of insulated conductors for the bare metal conductors in the method of JP '910." But JP '910 plainly discloses the need to align the conducting wires with the core and how to do so, as the Board recognized in its analysis of claims 1 and 4. The alignment problem and solution do not depend on whether the wires are insulated. The Board's disregard of the insulation-independent alignment teaching of JP '910 violates the principle that "[a] reference must be considered for everything it teaches by way of technology and is not limited to the particular invention it is describing and attempting to protect." . . . The Board erred in determining that Berk-Tek had not proven the obviousness of the methods of claims 5 and 6 of the '503 patent by a preponderance of the evidence.

Belden challenges the Board's denial of the motion to exclude the Baxter declaration that Berk-Tek submitted with its Reply. It argues that the Board violated a regulation governing evidence submitted with a Reply and two aspects of the Patent Office Trial Practice Guide, thereby relying on evidence to which Belden lacked a fair opportunity to respond. . . . Belden relies on a passage from the Patent Office Trial Practice Guide that elaborates on the regulation that limits replies to responsive arguments, excluding new issues. The passage states that "[e]xamples of indications that a new issue has been raised in a reply include new evidence necessary to make out a prima facie case for the . . . unpatentability of an original . . . claim." Belden argues that the Baxter declaration, submitted with Berk-Tek's Reply, was necessary to make out the prima facie case of obviousness and for that reason should have been excluded. . . .

No rule requires a Petition to be accompanied by any declaration, let alone one from an expert guiding the Board as to how it should read prior art. What the Board can find without an expert depends on the prior art involved in a particular case. Even in court, we have said, "expert testimony is not required when the references and the invention are easily understandable." And Board members, because of expertise, may more often find it easier to understand and soundly explain the teachings and suggestions of prior art without expert assistance. In the present case, which is all we address, we conclude that the Baxter declaration was not necessary for the prima facie case of obviousness. . . .

Where new enough matter is allowed on rebuttal, surrebuttal may be allowed, but a proffer of specifics may be required to justify the additional round of evidentiary submissions. Those standards are widely employed to provide the required procedural fairness through careful case-specific application. Here, the Board held Berk-Tek to the response-only standard for evidence submitted with a Reply and even held itself to ensuring that the prima facie case did not depend on that evidence. It provided for Belden's cross-examination of Mr. Baxter and for submission of non-argumentative observations on that cross-examination. It accepted Belden's detailed motion to exclude (and its reply after Berk-Tek's response). It provided Belden with a meaningful opportunity to respond to the propriety of Mr. Baxter's evidence submitted with Berk-Tek's Reply, in that it granted every request Belden made for consideration of the issue. Belden did not seek to file a surreply, to file additional observations on its cross-examination, to make arguments in those observations, or to have the

Board waive any other regulations that it believed prevented it from adequately responding to Mr. Baxter's declaration. With no Board denial of concrete, focused requests before us, we are not prepared to find that Belden was denied a meaningful opportunity to respond to the grounds of rejection, and we find no basis for disturbing the Board's denial of Belden's motion to exclude.