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No Magic Words Required: Clarifying What Constitutes "Analogous Art" in PTAB Proceedings

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PTAB petitioners frequently assert that claims are invalid as obvious over a combination of prior art references. A threshold requirement in any obviousness inquiry is whether the prior art constitutes analogous art. On Monday, the Federal Circuit clarified what is required of petitioners in PTAB proceedings to satisfy this requirement.

In March 2020, Netflix challenged a patent assigned to DivX alleging that the patent, which related to encoding and decoding multimedia files, was obvious over two prior art references. In its response, DivX asserted that Netflix's secondary prior art reference was non-analogous art and was not reasonably pertinent to the problem addressed by the challenged patent. As such, according to DivX, the reference was irrelevant for obviousness. The PTAB agreed, issuing a final written decision (FWD) in September 2021 finding that petitioner had failed to explicitly articulate the field of endeavor of the asserted prior art. *Netflix v. DivX*, IPR2020-00646, Paper 47. Netflix appealed.

On Monday, the Federal Circuit issued a decision vacating-in-part and remanding the FWD to the PTAB. In so doing, the court reiterated that two separate tests are used in defining the scope of analogous art: (1) whether the art is from the same field of endeavor, regardless of the problem being addressed, and (2) if the reference is in a different field of endeavor, whether the reference still is reasonably pertinent to the particular problem at issue. The court held that substantial evidence supported the Board's decision concerning item (2), but the Board abused its discretion in requiring Netflix to explicitly identify the field of endeavor using specific language. According to the court, its precedent "does not require the use of magic words." In fact, Netflix *had* articulated the field of endeavor as relating to certain file types and encoding and decoding multimedia files. The court concluded that even where a petitioner does not explicitly define a field of endeavor, its briefing may nonetheless present an argument on that issue when taken as a whole. The case was remanded for the Board to consider whether the patent and prior art share the same field of endeavor based on Netflix's arguments. *Netflix, Inc. v. DivX, LLC*, 2022-1138 (Fed. Cir. Sept. 11, 2023).

Practitioner Takeaways: Petitioners should keep in mind the "analogous art" requirement for obviousness and clearly articulate (1) the asserted field of endeavor for the challenged patent and the prior art if similar, or (2) if not, whether the prior art is pertinent to the problem being addressed by the challenged patent. Patent owners should carefully scrutinize any asserted prior art and, if appropriate, challenge the prior art as non-analogous.