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Federal Circuit Reverses the PTAB's Reliance on Evidence Presented Solely During Oral Argument and Its Claim Construction

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On March 15, 2016, the Federal Circuit reversed and remanded the PTAB's cancellation of claims 3 and 20 of Patent No. 6,948,021 directed to hot-swappable components in computer systems. See *Dell Inc., v. Acceleron, LLC*, No. 15-1513 and 15-1514; see also *Dell Inc., v. Acceleron*, LLC, IPR2013-00440 [PTAB, Dec. 22, 2014].

First, the Federal Circuit held that the PTAB's reliance in its final written decision on a basis first raised by Petitioner at oral argument was in error. Claim 3 requires that a chassis in a computer system have "caddies providing air flow from the front to the rear of the chassis." Throughout the *inter partes* review proceeding, Dell argued that U.S. Patent No. 6,757,748 to Hipp anticipated claim 3 by relying on an articulating door and a power supply as satisfying the claimed "caddies." However, at oral argument – and for the first time in the proceeding – Dell also argued that "slides" shown in Figure 12 of Hipp satisfied the claimed "caddies."

The PTAB's final written decision "relied exclusively on its agreement with Dell's contention that Hipp Figure 12 shows 'slides' . . . that are caddies as required by claim 3." By relying on a factual assertion made only at oral argument, the Federal Circuit held that the PTAB denied the Patent Owner of notice and "a fair opportunity to respond to this basis of cancellation" thereby denying the Patent Owner of "its procedural rights."

Second, the Federal Circuit reversed the PTAB's construction of a "dedicated ethernet path" that provides a "microcontroller module with a connection *to remotely poll*" a CPU module as recited in claim 20. The PTAB's final written decision concluded that "it is enough that there be an ethernet path that would provide a connection for polling *if the microcontroller were configured for, and engaged in, remote polling*." [emphasis added] The Federal Circuit determined that this construction "runs counter to the claim construction principle that meaning should be given to all of a claim's terms" because it "denies any substantial meaning to 'remotely poll.'" Because the claims explicitly recite a specific kind of communication – remote polling – the Federal Circuit held that "[i]t is unreasonable to deny effect to the 'remotely poll' language, which naturally indicates that the microcontroller module is actually configured to communicate in that way."

The PTAB has consistently required that arguments made during oral argument be limited to those previously presented in the parties' written submissions. Here, the Federal Circuit confirmed this requirement and also reiterated that a construction must give effect to all the terms recited in the claim.

Related People





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