

LIGHTING BALLAST CONTROL LLC v. PHILIPS ELECTRONICS CORP., Appeal No. 2012-1014 (Fed. Cir. February 21, 2014). Before Rader, Newman, Lourie, Dyk, Prost, Moore, O'Malley, Reyna, Wallach, and Taranto. Appealed from N.D. Tex. (Judge O'Connor).

Background:

Lighting Ballast sued Universal Lighting for infringing claims of its patent. Universal Lighting counterclaimed seeking a declaration of invalidity. The district court construed the term "voltage source means" according to its "ordinary meaning in the art" as corresponding to a rectifier. Following a jury verdict, the district court held Lighting Ballast's patent valid and infringed. On appeal, the Federal Circuit, following the *de novo* standard of review established in *Cybor Corp. v. FAS Technologies, Inc.*, 138 F.3d 1448 (Fed. Cir. 1998), revised the district court's claim construction, holding that the claim term "voltage source means" is a means-plus-function term requiring that a corresponding structure be described in the specification. Based on this claim construction, the Federal Circuit reversed the district court and held the claims invalid for indefiniteness.

Lighting Ballast requested a rehearing *en banc*, arguing that the *de novo* standard of review for claim construction is improper appellate practice because claim construction is intrinsically factual and, thus, the district court's claim construction requires deference on appeal. The Federal Circuit granted Lighting Ballast's petition for rehearing *en banc* to reconsider the *de novo* standard of appellate review of claim construction established by *Cybor*.

Issue/Holding:

Should the *Cybor de novo* standard of review of claim construction rulings be modified or overruled? No, panel decision affirmed.

Discussion:

The *en banc* Federal Circuit was sharply divided, with the majority in the 6-4 decision relying on the doctrine of *stare decisis* to affirm the *de novo* standard of review for claim construction. The majority opinion concluded that no one had provided a compelling reason for departing from the current *de novo* standard of review. Specifically, the majority asserted that none of the proponents for modifying the *de novo* standard had pointed to any post-*Cybor* developments from the Supreme Court, Congress, or the Federal Circuit that may have undermined *Cybor's* reasoning or demonstrated that the *de novo* standard of review is unworkable. The majority emphasized that no one had proposed a workable replacement standard for *Cybor* to distinguish fact from law.

In a strongly worded dissent, Judge O'Malley argued that the majority refused to acknowledge the factual component of claim construction and that the district court's determination of such factual components must be given deference, as required by FRCP 52(a)(6). The dissent further opined that *stare decisis* does not stand in the way of the Federal Circuit overruling its own precedent when there are compelling reasons to do so. Such compelling reasons, the dissent argued, include the fact that *Cybor* was incorrectly decided and the *de novo* standard contravenes Rule 52(a)(6) and has resulted in undesired consequences, including decreased transparency, accuracy, predictability, and efficiency of claim construction. The dissent further contended that modifying the *de novo* standard would not alter substantive rights or disturb settled expectations because claim construction disputes are fact-specific.