

IN RE TELES AG INFORMATIONSTECHNOLOGIEN, Appeal No. 2012-1297 (Fed. Cir. April 4, 2014). Before Dyk, Moore and Wallach. Appealed from the Board of Patent Appeals and Interferences (and D.D.C.).

Background:

The PTO conducted an *ex parte* reexamination on Teles' patent directed to a method and apparatus for transmitting data in a telecommunications network, rejecting claims as obvious. The Board of Patent Appeals and Interferences affirmed. Teles brought suit in the U.S. District Court for the District of Columbia under 35 U.S.C. §145, challenging the finding of obviousness regarding one of the claims. The district court found that it lacked subject matter jurisdiction, finding that the version of §145 in effect at the time did not authorize a patent owner in an *ex parte* reexamination to bring suit in the district court challenging the board's action. The district court dismissed the case and attempted to transfer the case to the Federal Circuit after dismissal.

Issues/Holdings:

Did the district court err in dismissing the case and then attempting to transfer the case? Yes, transferred. Did the board err in its finding of obviousness? No, affirmed.

Discussion:

In 1999, Congress amended the Patent Act, making §145 appeal to the district court available only to patent applicants, not patent owners. The Federal Circuit disagreed with Teles' arguments that §145 appeals were still available to patent owners.

Regarding the rejection of the claim as obvious, Teles argued that the board incorrectly construed the recited "means to produce the control signal" under §112(f). The board defined the function as "produc[ing] the control signal for transferring to a line-switching or a packet-switching transfer to the second end terminal." The board found that the structure corresponding to the claimed means was a change-over device. The Federal Circuit disagreed with Teles' argument that the specification supported a finding of a different function. The Federal Circuit further disagreed with Teles' assertions that the claim construction improperly did not take into account the inventive concept as defined by the inventor of monitoring the bandwidth of a particular transfer, finding that claims do not have to be construed in light of unspecified inventive concepts. Finally, the Federal Circuit agreed with the board that all limitations of the claim were present in the prior art.