

SYNOPSYS, INC. v. MENTOR GRAPHICS CORP., Appeal Nos. 2014-1516, 2014-1530. (Fed. Cir. Feb. 10, 2016). Before Newman, Dyk and Wallach. Appealed from PTAB.

Background:

Synopsys filed a petition for inter partes review of certain claims of a Mentor Graphics patent directed to a method of tracing errors in coding in the design of computer chips. The Board found claims 5, 8 and 9 invalid as anticipated, but found claims 1 and 28 not anticipated. The Board denied Mentor's motion to amend claims 5, 8 and 9, holding that Mentor failed to demonstrate non-obviousness over the anticipatory reference, and general patentability over the prior art.

Synopsys appealed the holding that claims 1 and 28 are not anticipated and the Board's failure to address the validity of all claims raised in the petition. Mentor cross-appealed on the denial of its motion to amend claims 5, 8 and 9.

Issue/Holding:

Did the PTAB err in: (1) not addressing the validity of all claims raised in the petition, (2) holding that claims 1 and 28 are not anticipated, and (3) denying the motion to amend claims 5, 8 and 9. No, no and no, affirmed.

Discussion:

The Federal Circuit found that the Board need only issue a final written decision with respect to claims on which inter partes review has been initiated and which are challenged by the petitioner after the institution stage. The statute does not require the Board to address every claim raised in a petition.

In agreeing with the Board that claims 1 and 28 were not anticipated, the Federal Circuit disagreed with Synopsys's argument that the Board required Synopsys to provide expert testimony. The Board simply noted that Mentor provided expert testimony, which Synopsys did not, and the Board gave "substantial weight" to the expert testimony.

The Federal Circuit rejected Mentor's argument that the Board impermissibly placed the burden on Mentor of proving patentability of the proposed amendments to the claims over all prior art known to the patent owner. The Federal Circuit found the Board's narrower holding requiring Mentor to prove patentability over the anticipatory reference sufficient to sustain the decision.

In dissent, Judge Newman indicated that allowing the Board to pick and choose which of the challenged claims and issues it will decide is contrary to the AIA, and leads to duplicative proceedings in the PTAB and district courts. She also disagreed with the majority supporting the PTO's "stingy implementation of the statutory authorization for claim amendment."