

INPHI CORPORATION v. NETLIST, INC., Appeal No. 2015-1179  
(Fed. Cir. November 13, 2015). Before O'Malley, Reyna and Chen. Appealed from the PTAB.

Background:

In 2010, Inphi initiated *inter partes* reexamination of US Patent No. 7,532,537 ("537 Patent") owned by Netlist, which is directed to computer system memory modules. During reexamination, Netlist amended the claims to include a negative limitation to overcome an obviousness rejection. Specifically, Netlist amended the claims to define that the "DDR chip selects" exclude certain types of signals, namely, CAS, RAS and bank-address signals. In response, the Examiner withdrew his rejection and issued a final decision. Inphi appealed to the PTAB ("Board"), alleging that the negative limitation failed to satisfy the written description requirement under 35 U.S.C. §112, first paragraph. The Board disagreed, and affirmed the Examiner's final decision. Inphi appealed to the Federal Circuit.

Issue/Holding:

Is the mere description of alternative features in a specification, without articulation of the advantages or disadvantages of each feature, sufficient to provide written description support for a negative limitation that expressly excludes certain claim limitations? Yes, affirmed.

Discussion:

The Board's decision acknowledged that the 537 Patent did not expressly articulate a reason to exclude certain signals, but found that the specification sufficiently describes the DDR chip selects and various signals as alternatives to one another, and thus, reasonably supports the exclusion of some signals. At the Federal Circuit, Inphi disagreed with this finding, citing the court's holding in *Santarus, Inc. v. Par Pharm., Inc.* that "[n]egative claim limitations are adequately supported when the specification describes a *reason to exclude* the relevant limitation," and arguing that there is no such "reason to exclude" expressly articulated in the 537 Patent's specification. Furthermore, Inphi argued that *Santarus* requires that the patentee describe a *preference* for included signals over excluded signals, or alternatively, the disadvantage of the excluded signals.

The Federal Circuit disagreed with Inphi's interpretation of the *Santarus* decision. The court noted that while *Santarus* found that express recitation of disadvantages was sufficient to provide a reason to exclude the claim limitation at issue, the court did not hold that such recitations were *required* to satisfy the written description requirement. The Federal Circuit further found that *Santarus* simply reflects the fact that the specification need only satisfy §112, first paragraph so as to comply with MPEP §2173.05(i), which states that "if alternative embodiments are positively recited in the specification, they may be explicitly excluded in the claims." Thus, contrary to Inphi's arguments, the Federal Circuit found that the "reason to exclude" that is required under *Santarus* is provided by properly describing alternative features of the patented invention.