

KONINKLIJKE PHILIPS N.V. v. GOOGLE LLC, Appeal No. 2019-1177 (Fed. Cir. January 30, 2020). Before Prost, Newman, and Moore. Appealed from Patent Trial and Appeal Board.

Background:

Philips owned a patent that claimed a method for downloading and streaming digital content for playback on a device. Google filed an IPR, and presented two grounds of unpatentability (anticipation and obviousness) based upon a reference and general knowledge regarding pipelining (i.e., simultaneous download and playback). For example, Google’s theory of obviousness was that a skilled artisan would have thought to add “pipelining” to the reference.

The PTAB instituted the IPR on three grounds of unpatentability, in which the third ground was developed by the PTAB and based upon a combination of references. The PTAB determined that the patent was not anticipated but was obvious over the single reference (Google’s ground) and the combination of references (PTAB’s ground).

Philips appealed, arguing that: (1) the PTAB erred by instituting IPR on its own ground of unpatentability (among others), (2) the PTAB erred in finding that the claims would have been obvious in view of the single reference because the PTAB relied on “general knowledge” to supply a missing claim limitation, and (3) the PTAB’s obviousness findings were not supported by substantial evidence.

Issues/Holdings:

Did the PTAB properly institute IPR on its ground of unpatentability? No, reversed.

Did the PTAB properly rely on evidence of a skilled artisan’s “general knowledge” to supply a missing claim limitation? Yes, affirmed.

Did the PTAB properly find that the challenged claims would have been obvious? Yes, affirmed.

Discussion:

(1) According to the relevant statute, it is the petition (not the PTAB’s discretion) that defines the contours of the IPR. Because Google’s petition did not present the ground of obviousness based on the combination of references, the Federal Circuit held that the PTAB erred by instituting the IPR on this ground of unpatentability.

(2) With respect to relying on “general knowledge” to supply the missing limitation, the general knowledge in the art was supported by an expert declaration and an evidentiary reference. Thus, the Federal Circuit found that the PTAB properly considered evidence of general knowledge.

(3) The Federal Circuit determined that the PTAB’s factual findings underlying its obviousness determination are supported by substantial evidence. Thus, the Federal Circuit affirmed the PTAB’s decision that Philips’s claims were obvious.