

# If You Mean **Capable**, Say It

*The Federal Circuit's recent 'Amazon.com' ruling is instructive on mixed apparatus and method claims.*

BY JONATHAN M. SOBEL

IN A RECENT DECISION involving an issue of first impression for the Federal Circuit, the court in *IPXL Holdings, LLC v. Amazon.com, Inc.* affirmed a decision finding a patent claim invalid for indefiniteness because the claim combined an apparatus and a method of using the apparatus in the same claim.<sup>1</sup> This article addresses some lessons and implications arising from the Federal Circuit's opinion on this mixed claim issue.

The most immediate lesson of *IPXL* is to avoid writing patent claims that include both an apparatus and a method for using the apparatus, in the same claim. A related lesson is, in drafting claim language to provide that a user may use a structure or a system in a particular way, use "means" language, or consider using "capable" language. In the litigation context, "capable" claims may afford a broad scope for an infringement finding, particularly where a device infringes sometimes, but not always. The Federal Circuit's infringement decisions often focus on whether a device is capable of infringing, and the outcomes vary depending on the nature of the claim language used.

## The Facts and Reasoning in 'IPXL'

The accused product in *IPXL* was the so-called 1-click system from Amazon.com. Independent claim 1 of *IPXL*'s patent recites "an electronic financial transaction system for executing financial transactions" having, *inter alia*, an input means. Dependent claim 25, which the court found improperly mixed an apparatus and a method into one claim, reads:

*The system of claim 2 [including an input means] wherein the predicted transaction information comprises both a transaction type and transaction parameters associated with that transaction type, and the user uses the input means to either change the predicted transaction information or accept the displayed transaction type and transaction parameters.*

The Federal Circuit determined that "[b]ecause claim 25 recites both a system and the method for using that system, it does not apprise a person of ordinary skill in the art of its scope, and it is invalid under section 112, paragraph 2."<sup>2</sup>

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The Court reasoned that claim 25 does not specifically apprise a competitor (or anyone else) as to what would constitute infringement, explaining, "it is unclear whether infringement of claim 25 occurs when one creates a system that allows the user to change the predicated transaction information or accept the displayed transaction, or whether infringement occurs when the user actually uses the input means to change transaction information or uses the input means to accept a displayed transaction."<sup>3</sup>

In its holding, the court relied on a case decided by the Board of Patent Appeals and Interferences (Board) of the PTO, *Ex parte Lyell*.<sup>4</sup> The invalidated claim 2 in *Lyell* explicitly claimed both an apparatus and method in the same claim: "an automatic transmission tool in the form of a workstand and method for using same comprising a supporting means...and further comprising the steps of...."<sup>5</sup> The Board held that such a claim improperly combined more than one of the four statutory classes of subject matter specified in 35 U.S.C. 101 ("process, machine, manufacture or composition of matter").<sup>6</sup> The Board in *Lyell* noted the settled principle that while a patent may include a claim directed to an apparatus and a separate claim directed to a method, the two classes of invention could not be combined into one claim.<sup>7</sup>

The patentee, *IPXL*, argued to the court that the claim language "the user uses the input means" was not method language, but rather, "simply further describe[d] the specific characteristics of the system[.]" and argued that "[s]pecifying functional characteristics of a system does not change claim 25 into a process claim."<sup>8</sup> *IPXL* argued that its claim was not like the explicit mixed claim of *Lyell*.<sup>9</sup>

## 'Capable' Language to the Rescue

One way claim 25 could have been written to avoid the "mixed" claim problem would have been to substitute "capable" language for the "user uses" language, as follows;

The system of claim 2 [including an input means] wherein the predicted transaction information comprises both a transaction type and transaction parameters associated with that transaction type, and *whereby the input means is capable of being used by the user to either change the predicted transaction information or accept the displayed transaction type and transaction parameters.*

It does not seem a stretch for the court in *IPXL* to have interpreted the "user uses" language this way.

While one might argue that "capable"-type language was used elsewhere in claim 25 in *IPXL* (i.e., the independent claim recites "an input mechanism enabling a user to use the displayed information"<sup>10</sup>), and that the patentee therefore must not have meant capable when it said the "user uses," at least one lower court has rejected such an argument, interpreting claim language to mean "capable" even where "capable" was used elsewhere in the claim.<sup>11</sup>

One thing seems clear: had *IPXL* used "enabling a user to use" or "capable of being used by the user," instead of "the user uses," that likely would have avoided the invalidity problem.

Proof of infringement often involves an inquiry into whether a device is "capable" of infringing an apparatus claim that has a functional limitation, often a means-plus-function claim. As discussed below, the

outcomes of these "capable" inquiries have been mixed, depending on the facts.

## Is Device 'Capable' of Infringing?

Some decisions have held that an accused device infringes if it is capable of meeting the claim limitation, even if the device has to be modified to meet the limitation. Other decisions, by contrast, have found non-infringement where a device had to be modified, particularly where the device, as sold, was not intended to be modified to be used in the infringing way.

A leading case applying an expansive view of "capable" in the infringement context is *Intel v. U.S. Int'l Trade Comm'n*.<sup>12</sup> *Intel* involved a patent for erasable programmable read-only memories (EPROMs), including a "programmable selection means" for selecting between two modes of operation, a page mode and a non-page mode.

Although the accused EPROMs were not sold to operate in page mode, the Federal Circuit upheld the Commission's finding of infringement, holding that "actual page mode operation is not required."<sup>13</sup> The Federal Circuit reasoned that: "Because the language of claim 1 refers to 'programmable selection means' and states that 'whereby when said alternate addressing mode is selected' (emphasis added), the accused device, to be infringing, need only be capable of operating in the page mode."<sup>14</sup> Thus, the court found infringement even without evidence of actual use in the infringing mode—based on mere capability alone.

*Intel* has been both relied upon and contrasted in a number of subsequent decisions. Relying on the decision, the Texas district court in *Cyrix Corp. v. Intel Corp.* held that dependent claims in a patent covering personal computer microprocessors, which recited a microprocessor device "combined with a memory external to said device storing said page table entries..." required merely that an accused device be "capable of storing" page table entries.<sup>15</sup>

Defendant *Intel* argued that these claims required the step of *actually storing*, and until that process was performed, the limitations were not met. The court rejected that argument, holding that *Intel* was attempting to "read into [those] device claims 2 and 6 a method of operating the device."<sup>16</sup>

In contrast to the decision in *IPXL*, the court in *Cyrix* relied on *Ex parte Lyell*<sup>17</sup> in an effort to *preserve* validity, stating "[t]he only interpretation of claim 2 which would make claim 2 a proper claim is the interpretation that claim 2 is an apparatus claim with functional language."<sup>18</sup> While *Cyrix* is a district court case, it is interesting that *IPXL* did not cite to it, or to the cases cited in it regarding capability, given the extensive discussion about "capability" and the *Cyrix* court's avoidance of reading a method of operating a device into a device claim.

Although not expressly stating it was doing so, the Federal Circuit apparently qualified its "need only be capable of" standard from *Intel*, by later describing that standard as "reasonably capable." The court stated: "[I]n determining whether a product claim is infringed, we have held that an accused device may be found to infringe if it is *reasonably capa-*

ble of satisfying the claim limitations, even though it may also be capable of non-infringing modes of operation.<sup>19</sup>

That case involved a virus detection software patent with a claim reciting a method that included screening data prior to storage on the destination storage medium.<sup>20</sup> The Federal Circuit noted that an accused device may also induce infringement of a method claim, “even if the device is capable of non-infringing modes of operation in unusual circumstances.”<sup>21</sup> However, the court found that the tests performed to determine capability of infringing were “not probative of infringement during normal operation of the product.”<sup>22</sup> Thus, the Federal Circuit’s capability analysis looks for reliable proof that a device is capable of infringement during normal operation.

A number of other Federal Circuit cases, however, have found a lack of infringement where a device was not designed or intended to be capable of infringing, even if the device could be modified to be infringing. Oft-cited is *High Tech Medical Instrumentation, Inc. v. New Image Indus., Inc.*, which involved a patent for a dental endoscope with a “rotably coupled” camera.<sup>23</sup> The Federal Circuit reversed an infringement finding, concluding that the lower court had read *Intel* too broadly.<sup>24</sup>

The key distinction between *Intel* and *High Tech* was that in *Intel*, the accused microprocessor, as made and sold, was “programmable,” as the claim language required, whereas, by contrast, the accused endoscopes in *High Tech* were not “rotably coupled” as made or as sold—they had to be altered by the removal of two screws to infringe.<sup>25</sup>

Although technically “capable” of infringing, the Federal Circuit focused on how the

accused endoscopes were designed, sold, promoted and used, noting the following factors in support of non-infringement: the devices were not designed to have a rotating camera; there was no reference in promotional materials to rotating the camera; there was no functional reason to rotate the camera that was not already accomplished by the device; and there was no evidence that any user loosened or removed the two set screws prior to or during actual use.<sup>26</sup>

Similarly, as made and sold, the mobile cellular telephone system in *Telemac Cellular Corp. v. Topp Telecom, Inc.*, did not infringe the claim limitation requiring that international numbers be stored in memory, because the system as sold had a block on making international calls.<sup>27</sup> Although the system could be modified to place such calls, under the *High Tech* reasoning, that was not sufficient to infringe.<sup>28</sup>

Likewise, as made and sold, the accused spinal fixation implants in *Cross Medical Prods., Inc. v. Medtronic Sofamor Danek, Inc.* did not meet the limitation of an apparatus claim requiring that the anchor seat of the device be in contact with the bone.<sup>29</sup> The court contrasted this structural limitation from the “programmable selection means” of *Intel*, the latter language requiring “only that an accused device be capable of operating in the enumerated mode.”<sup>30</sup> Mere “capability” at the time of sale was not enough, however, to infringe a structural limitation in a non-means claim.<sup>31</sup> The court in *Cross* next considered, however, whether the accused implants, as used, met the claim limitation, and if so, whether the accused infringer induced infringement and/or contributorily infringed.<sup>32</sup>

In the context of means-plus-function claims, capability of infringement is a broad-

er concept. That is, a device can infringe if it is capable of satisfying the means limitation, even if the device does not actually implement the means when used. For example, in *Fantasy Sports Properties, Inc. v. Sportslife.com, Inc.*, the Federal Circuit held that a means for awarding bonus points as part of an on-line fantasy football software program was infringed because the software was capable of awarding bonus points, “regardless whether [sic] that means is activated or utilized in any way.”<sup>33</sup>

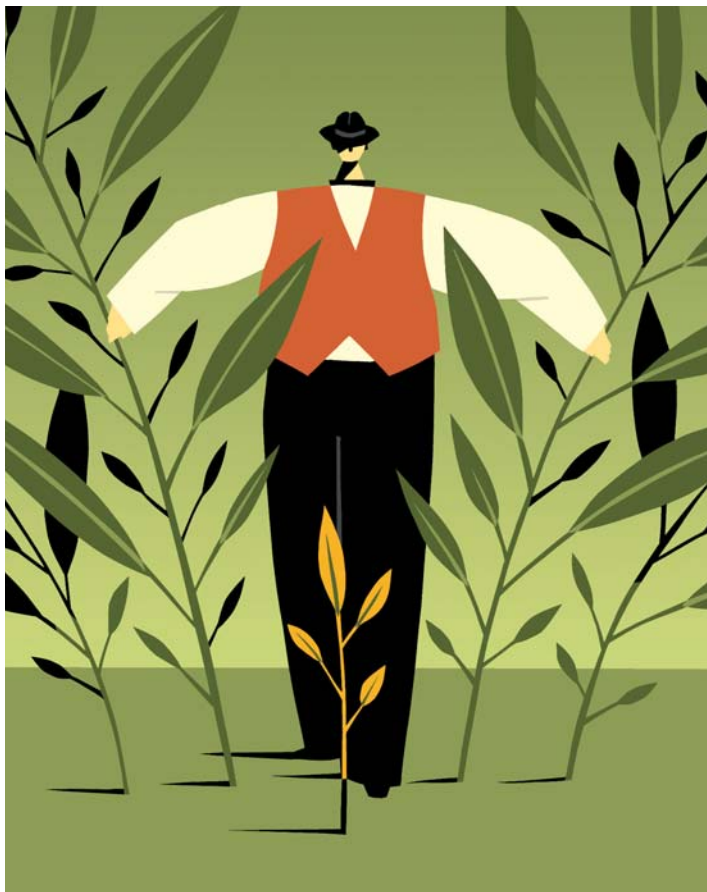
**Conclusion**

An important lesson from the *IPXL v. Amazon.com* case is to avoid mixing apparatus and method language in the same claim. This can be done by drafting means language, or “capable of” or “enabling” language, when describing functional limitations of an apparatus or system.

In general, an accused device will infringe a means claim (or a claim with “capable of” language) if the device as made or sold is capable of meeting the means limitation, whether or not that capability is actually employed. By contrast, an accused device will infringe a non-means structural limitation if, as made and sold, it presently meets that limitation; the fact that the device can be modified to infringe is not sufficient to show infringement, particularly if the device is not designed to be used, intended to be used, or actually used, in the infringing manner.

1. 430 F.3d 1377, 1383-84 (Fed. Cir. 2005).  
 2. Id. at 1384.  
 3. Id.  
 4. 17 U.S.P.Q.2D 1548 (BPAI 1990).  
 5. Id. (emphasis added).  
 6. Id. at 1551 (quoting 35 U.S.C. §101).

7. Id.  
 8. Brief of Plaintiff-Appellant IPXL Holdings, L.L.C., No. 05-1009, 2005 WL 420816, at \*50-51 (Jan. 21, 2005).  
 9. Id. at \*51.  
 10. 430 F.3d at 1379 (emphasis added).  
 11. *Key Pharmaceuticals, Inc. v. Hercon Labs. Corp.*, 981 F. Supp. 299, 307-307 (D. Del. 1997), aff’d, 161 F.3d 709 (Fed. Cir. 1998) (the capable construction apparently was not appealed).  
 12. 946 F.2d 821 (Fed. Cir. 1991).  
 13. Id. at 832.  
 14. Id.  
 15. 846 F. Supp. 522, 536-37 (E.D. Tex. 1994) (emphasis added).  
 16. Id. at 537 (emphasis in original).  
 17. 17 U.S.P.Q.2D 1548 (BPAI 1990).  
 18. *Cyrix*, 846 F. Supp at 537 (citing *Lyell*).  
 19. *Hiligaer Corp. v. Symantec Corp.*, 265 F.3d 1336, 1343 (Fed. Cir. 2001) (citing *Intel*, 946 F.2d at 832).  
 20. Id. at 1339.  
 21. Id. at 1343.  
 22. Id. at 1333-34.  
 23. 49 F.3d 1551, 1553 (Fed. Cir. 1995).  
 24. Id. at 1555-56.  
 25. Id.  
 26. Id. at 1556.  
 27. 247 F.3d 1316, 1330 (Fed. Cir. 2001).  
 28. Id.  
 29. 424 F.3d 1293, 1311-1312 (Fed. Cir. 2005).  
 30. Id. at 1311.  
 31. Id. (“Cross Medical again fails to recognize that the [structural] limitation—the anchor seat being in contact with the bone—is absent until the screw and anchor are put in place during surgery.”)  
 32. Id. at 1311-1314.  
 33. 287 F.3d 1108, 1117-18 (Fed. Cir. 2002); see *R.A.C.C. Indus. v. Stun-Tech, Inc.*, 49 U.S.P.Q.2d 1793 (Fed. Cir. 1998) (unpublished opinion) (functional limitations of an apparatus claim—“means conceivable” beneath a prisoner’s clothing for restraining the prisoner by an electrical pulse—did not make the claim a “hybrid” apparatus and method of use claim, and no actual use was needed to prove infringement); see also *Elkay Mfg. Co. v. Ebc Co. Mfg. Co.*, No. 93 C 5106, 1998 WL 397844, at \*13 (N.D.Ill. Jul 13, 1998) (“[A]s long as the structure of the accused device has the capability of functioning in the manner described by the claims, ... [it infringes] the asserted claims.”); contrast *Stryker Corp. v. Davol Inc.*, 234 F.3d 1252, 1257 (Fed. Cir. 2000) (no infringement because accused surgical suction irrigators, as made, sold and used, were not “presently capable” of meeting the means limitation of permitting simultaneous suction and irrigation, even though it could be modified to infringe if attached to a newly-fabricated or easily-modified existing probe).



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