United States Court of Appeals for the Federal Circuit

NOBELBIZ, INC.,
Plaintiff-Appellee

v.

GLOBAL CONNECT, L.L.C., T C N, INC.,
Defendants-Appellants

2016-1104, 2016-1105

Appeals from the United States District Court for the Eastern District of Texas in Nos. 6:12-cv-00244-RWS, 6:12-cv-00247-RWS, 6:13-cv-00804-MHS, and 6:13-cv-00805-MHS, Judge Robert Schroeder III, Judge Michael H. Schneider.

ON PETITION FOR REHEARING EN BANC

RALPH A. DENGLER, Venable LLP, New York, NY, filed a petition for rehearing en banc for plaintiff-appellee. Also represented by GIANNA CRICCO-LIZZA; MEGAN S. WOODWORTH, Washington, DC; WILLIAM A. HECTOR, San Francisco, CA.

CLINTON EARL DUKE, Durham Jones & Pinegar, Salt Lake City, UT, filed a response to the petition for defendants-appellants. Also represented by LYNDON BRADSHAW.

Before PROST, *Chief Judge*, NEWMAN, LOURIE, DYK, MOORE, O'MALLEY, REYNA, WALLACH, TARANTO, CHEN, HUGHES, and STOLL, *Circuit Judges*.

O'MALLEY, *Circuit Judge,* with whom NEWMAN and REYNA, *Circuit Judges*, join, dissents from the denial of the petition for rehearing en banc.

PER CURIAM.

O R D E R

A petition for rehearing en banc was filed by appellee NobelBiz, Inc., and a response thereto was invited by the court and filed by appellants Global Connect, L.L.C. and T C N, Inc. The petition for rehearing was first referred to the panel that heard the appeal, and thereafter, the petition for rehearing and response were referred to the circuit judges who are in regular active service. A poll was requested, taken, and failed.

Upon consideration thereof,

IT IS ORDERED THAT:

The petition for panel rehearing is denied.

The petition for rehearing en banc is denied.

The mandate of the court will issue on December 15, 2017.

FOR THE COURT

December 8, 2017
Date

/s/ Peter R. Marksteiner
Peter R. Marksteiner
Clerk of Court

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O'MALLEY, *Circuit Judge*, with whom NEWMAN and REYNA, *Circuit Judges*, join, dissenting from the denial of rehearing *en banc*.

The panel majority in this case held that the district court erred by adopting a plain-and-ordinary-meaning construction for several non-technical terms, and by purportedly allowing the parties' experts and counsel to make arguments to the jury about what those simple terms mean. *See NobelBiz, Inc. v. Glob. Connect, L.L.C.*, Nos. 2016-1104, 2016-1105, 2017 WL 3044641, at *2–4 (Fed. Cir. July 19, 2017). I agree with Judge Newman, who dissented from that holding, that the majority erred

by turning what is fundamentally a factual question for the jury regarding whether the accused systems and features infringe the patent claims into a legal one for the court—and ultimately *this* court—to resolve.[1] *See id.* at *4–6 (Newman, J., dissenting). And, by relying on *O2 Micro International Ltd. v. Beyond Innovation Technology Co.*, 521 F.3d 1351 (Fed. Cir. 2008), to support its holding, the majority has added to the growing confusion regarding the scope of that decision. In the nearly ten years since *O2 Micro* issued, this court has stretched its holding well beyond the factual circumstances at issue there. In so doing, we have caused unnecessary difficulties for district courts, which must manage these already difficult-enough cases, and have intruded on the jury's fact-finding role. It is time we provide much-needed guidance *en banc* about *O2 Micro*'s reach. I dissent from the court's order declining the opportunity to do so in this case.

O2 Micro involved technology related to DC-to-AC converter circuits for controlling the amount of power delivered to cold cathode fluorescent lamps used to backlight laptop screens. *Id.* at 1354. During the claim construction phase of the case, the parties presented a clear dispute to the district court regarding the meaning of the term "only if" in the claim limitation "a feedback control loop circuit . . . adapted to generate a second signal pulse signal for controlling the conduction state of said second plurality of switches only if said feedback signal is above a predetermined threshold." *Id.* at 1356, 1360–61. The plaintiff asserted that the claims would be understood by one of ordinary skill in the art to only apply to "the steady state operation of the switching circuit," while the defendants argued that the claims apply at all times, with no

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[1] I will not repeat the thoughtful points spelled out in Judge Newman's panel dissent—I could not state them more clearly. I do adopt them by reference, however.

exception. *Id.* at 1360. Thus, the parties disputed "not the *meaning* of the words themselves, but the *scope* that should be encompassed by th[e] claim language." *Id.* at 1361. The district court acknowledged the parties' dispute but declined to resolve it, giving the term a plain-and-ordinary-meaning construction instead. *Id.* This left the parties to argue about claim scope to the jury. *See id.* at 1362 ("O2 Micro also brought the inventor of the patents-in-suit to testify regarding the meaning of 'only if'[.]").

The technology at issue here, by contrast, is much different, and, in fact, simpler. The patents relate to a method for processing a communication between a first party and a second party. *See NobelBiz*, 2017 WL 3044641, at *1. The terms at issue—"replacement telephone number," "modify caller identification data of the call originator," and "outbound call"—are less technical than the term at issue in *O2 Micro*. And, at least for two of those terms, the parties did not dispute how a skilled artisan would understand their scope. Instead, the parties disputed only whether a formal construction was required. *See id.* Finally, the expert testimony in this case reveals that neither expert opined specifically about the meaning of the claim terms, nor did they contend that the terms have complex or technical meanings to one of skill in the art. The experts merely expressed their own views about whether the allegedly infringing systems read on those terms. This case is therefore distinguishable from *O2 Micro*.

Beyond this case, *O2 Micro* has caused difficulties for courts and litigants alike. *O2 Micro*'s general rule is easy enough to state in the abstract: "When . . . parties raise an actual dispute regarding the proper scope of the[] claims, the court, not the jury, must resolve that dispute." *O2 Micro*, 521 F.3d at 1360. We have not articulated, however, what constitutes an "actual dispute" in this context. While we expect district courts to distinguish

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