



Federal Circuit Patent Watch

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CIAS, Inc. v. Alliance Gaming Corp.

No. 06-1342, Federal Circuit (*Newman, Schall, Moore*)

Correctly construed, “comprised of” does not of itself exclude the possible presence of additional elements or steps.

On September 27, 2007, the Federal Circuit affirmed the district court’s summary judgment that Alliance did not infringe U.S. Patent No. 5,283,422, which related to counterfeit currency detection. In so doing, the Federal Circuit concluded that although the district court erred in its construction of the term “comprised of,” that error did not affect the construction of the substantive terms that supported the judgment of non-infringement. The Federal Circuit stated:

The district court found that the meaning of “comprised of” has not been clearly resolved in patent-specific precedent, and therefore the court held that the “ordinary and customary meaning” should be used. The court ruled that “comprised of” does not have the same open-ended meaning as “comprising,” which also appears in claim 1, and that “comprised of” should be construed as a closed-end term that excludes the presence of all elements beyond those presented in the “comprised of” clause. Thus the court defined “comprised of” as “a limiting description of composition,” reasoning that “[t]his construction preserves the distinction between ‘comprised of’ and ‘comprising,’ the latter of which in fact is a patent term of art when used in a transitional phrase”

We conclude that this ruling is not correct. Although “comprised of” is not used as regularly as “comprising,” and “comprised of” is sometimes used other than as a “transition phrase,” nonetheless it partakes of long-standing recognition as an open-ended term. The usual and generally consistent meaning of “comprised of,” when it is used as a transition phrase, is, like “comprising,” that the ensuing elements or steps are not limiting. The conventional usage of “comprising” generally also applies to “comprised of.”

Alliance argues that several judicial decisions have used “comprised of” to mean “consists of.” However, these rare usages do not remove from “comprised of” its conventional meaning when used as a transition term. . . .

In the patent claim context the term “comprising” is well understood to mean “including but

not limited to.” [P]atent claims “use the signal ‘comprising,’ which is generally understood to signify that the claims do not exclude the presence in the accused device or method of factors in addition to those explicitly recited.” “[T]he terms ‘comprise’ and ‘consist’ have different meanings; . . . ‘comprising’ . . . is inclusive or open-ended and does not exclude additional, unrecited elements or method steps From these definitions it is clear that ‘comprise’ is broader than ‘consist.’” Similarly, our predecessor court explained that this usage of “comprising” also embraces “comprises” and “which comprises.”

The contrast, in patent lexicography, is with “consisting of,” not with variations of “comprises.” It is equally well understood in patent usage that “consisting of” is closed-ended and conveys limitation and exclusion. “Other words, less often used, have been given the same meaning in patent claim interpretation as ‘comprising’: ‘including,’ ‘having,’ ‘containing,’ and even ‘wherein.’” District court cases illustrate this routine construction of “comprised of” in the same way as “comprising,” as meaning “including but not limited to.”

These cases reflect the general understanding and usage of “comprised of” in patent convention as having the same meaning as “comprising.” For patent claims the distinction between “comprising” and “consisting” is established, along with the meaning of “comprised of” as related to “comprising,” not “consisting of.” Correctly construed, “comprised of” does not of itself exclude the possible presence of additional elements or steps.

Applying an incorrect construction of “comprised of,” the district court ruled that “unique authorized information . . . comprised of machine-readable code elements coded according to a detectable series” is limited to coding by a detectable series, and that since the Alliance code systems include a “secret” series along with a detectable series, the limit imposed by “comprised of” bars infringement. On the correct construction of “comprised of,” this reasoning does not support the court’s ruling as to “secret” series. However, [the] prior art and prosecution history served to limit the scope of “unique authorized information” to a “detectable series” and to exclude a series that included “secret” information.

For more information on these issues or other intellectual property law matters, please contact **Lawrence M. Sung, Ph.D.** at lsung@nixonpeabody.com or 202-585-8221.

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