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NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

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MICROSOFT CORP. *v.* I4I LIMITED PARTNERSHIP
ET AL.CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR
THE FEDERAL CIRCUIT

No. 10–290. Argued April 18, 2011—Decided June 9, 2011

In asserting patent invalidity as a defense to an infringement action, an alleged infringer must contend with §282 of the Patent Act of 1952 (Act), under which “[a] patent shall be presumed valid” and “[t]he burden of establishing invalidity . . . shall rest on the party asserting” it. Since 1984, the Federal Circuit has read §282 to require a defendant seeking to overcome the presumption to persuade the factfinder of its invalidity defense by clear and convincing evidence.

Respondents (collectively, i4i) hold the patent at issue, which claims an improved method for editing computer documents. After i4i sued petitioner Microsoft Corp. for willful infringement of that patent, Microsoft counterclaimed and sought a declaration that the patent was invalid under §102(b)’s on-sale bar, which precludes patent protection for any “invention” that was “on sale in this country” more than one year prior to the filing of a patent application. The parties agreed that, more than a year before filing its patent application, i4i had sold a software program known as S4 in the United States, but they disagreed over whether that software embodied the invention claimed in i4i’s patent. Relying on the undisputed fact that the S4 software was never presented to the Patent and Trademark Office (PTO) during its examination of the patent application, Microsoft objected to i4i’s proposed jury instruction that the invalidity defense must be proved by clear and convincing evidence. The District Court nevertheless gave that instruction, rejecting Microsoft’s alternative instruction proposing a preponderance of the evidence standard. The jury found that Microsoft willfully infringed the i4i patent and had failed to prove the patent’s invalidity. The Federal Circuit affirmed, relying on its settled interpretation of §282.

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Held: Section 282 requires an invalidity defense to be proved by clear and convincing evidence. Pp. 5–20.

(a) The Court rejects Microsoft’s contention that a defendant need only persuade the jury of a patent invalidity defense by a preponderance of the evidence. Where Congress has prescribed the governing standard of proof, its choice generally controls. *Steadman v. SEC*, 450 U. S. 91, 95. Congress has made such a choice here. While §282 includes no express articulation of the standard of proof, where Congress uses a common-law term in a statute, the Court assumes the “term . . . comes with a common law meaning.” *Safeco Ins. Co. of America v. Burr*, 551 U. S. 47, 58. Here, by stating that a patent is “presumed valid,” §282, Congress used a term with a settled common-law meaning. *Radio Corp. of America v. Radio Engineering Laboratories, Inc.*, 293 U. S. 1 (*RCA*), is authoritative. There, tracing nearly a century of case law, the Court stated, *inter alia*, that “there is a presumption of [patent] validity [that is] not to be overthrown except by clear and cogent evidence,” *id.*, at 2. Microsoft’s contention that the Court’s pre-Act precedents applied a clear-and-convincing standard only in two limited circumstances is unavailing, given the absence of those qualifications from the Court’s cases. Also unpersuasive is Microsoft’s argument that the Federal Circuit’s interpretation must fail because it renders superfluous §282’s additional statement that “[t]he burden of establishing invalidity . . . shall rest on the party asserting” it. The canon against superfluity assists only where a competing interpretation gives effect “‘to every clause and word of a statute.’” *Duncan v. Walker*, 533 U. S. 167, 174. Here, no interpretation of §282 avoids excess language because, under either of Microsoft’s alternative theories—that the presumption only allocates the burden of production or that it shifts both the burdens of production and persuasion—the presumption itself would be unnecessary in light of §282’s additional statement as to the challenger’s burden. Pp. 5–13.

(b) Also rejected is Microsoft’s argument that a preponderance standard must at least apply where the evidence before the factfinder was not before the PTO during the examination process. It is true enough that, in these circumstances, “the rationale underlying the presumption—that the PTO, in its expertise, has approved the claim—seems much diminished,” *KSR Int’l Co. v. Teleflex Inc.*, 550 U. S. 398, 426, though other rationales may still animate the presumption. But the question remains whether Congress has specified the applicable standard of proof. As established here today, Congress did just that by codifying the common-law presumption of patent validity and, implicitly, the heightened standard of proof attached to it. The Court’s pre-Act cases never adopted or endorsed Microsoft’s fluc-

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tuating standard of proof. And they do not indicate, even in dicta, that anything less than a clear-and-convincing standard would ever apply to an invalidity defense. In fact, the Court indicated to the contrary. See *RCA*, 293 U. S., at 8. Finally, the Court often applied the heightened standard of proof without mentioning whether the relevant prior-art evidence had been before the PTO examiner, in circumstances strongly suggesting it had not. See, e.g., *Smith v. Hall*, 301 U. S. 216, 227, 233. Nothing in §282's text suggests that Congress meant to depart from that understanding to enact a standard of proof that would rise and fall with the facts of each case. Indeed, had Congress intended to drop the heightened standard of proof where the evidence before the jury varied from that before the PTO, it presumably would have said so expressly. Those pre-Act cases where various Courts of Appeals observed that the presumption is weakened or dissipated where the evidence was never considered by the PTO should be read to reflect the commonsense principle that if the PTO did not have all material facts before it, its considered judgment may lose significant force. Cf. *KSR*, 550 U. S., at 427. Consistent with that principle, a jury may be instructed to evaluate whether the evidence before it is materially new, and if so, to consider that fact when determining whether an invalidity defense has been proved by clear and convincing evidence. Pp. 14–18.

(c) This Court is in no position to judge the comparative force of the parties' policy arguments as to the wisdom of the clear-and-convincing-evidence standard that Congress adopted. Congress specified the applicable standard of proof in 1952 when it codified the common-law presumption of patent validity. During the nearly 30 years that the Federal Circuit has interpreted §282 as the Court does today, Congress has often amended §282 and other patent laws, but apparently has never considered any proposal to lower the standard of proof. Indeed, Congress has left the Federal Circuit's interpretation in place despite ongoing criticism, both from within the Federal Government and without. Accordingly, any recalibration of the standard of proof remains in Congress' hands. Pp. 18–20.

598 F. 3d 831, affirmed.

SOTOMAYOR, J., delivered the opinion of the Court, in which SCALIA, KENNEDY, GINSBURG, BREYER, ALITO, and KAGAN, JJ., joined. BREYER, J., filed a concurring opinion, in which SCALIA and ALITO, JJ., joined. THOMAS, J., filed an opinion concurring in the judgment. ROBERTS, C. J., took no part in the consideration or decision of the case.