Sometimes the Trial Section Does Handle Patent-Patent Interferences After All![1]

By

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I. Introduction

In Louis v. Okada, 57 USPQ2d 1430 (PTOBPAI 2001) (expanded panel consisting of CAPJ Stoner and every then member of the Trial Section), the Trial Section denied Louis's motions to add two Okada patents to the interference without considering Louis's contentions that the claims in those patents were not patentably distinct from the claims of the Okada application in interference on the ground that Louis's case in interference was a patent and that the board does not have jurisdiction over patent-patent interferences.[3] According to the expanded panel's unanimous opinion:

> The Board's jurisdiction for declaring and conducting interferences is bottomed on 35 U.S.C. § 135(a), which states:
>
> > Whenever an application is made for a patent which, in the opinion of the Commissioner, would interfere with any

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[3] See my write-up of Louis v. Okada in Gholz, A Critique of Recent Opinions of the Federal Circuit in Patent Interferences, 84 JPTOS 163 (2002), at pages 192-94. In the interest of complete candor, I note that my colleague W. Todd Baker and I represented Louis.

> pending application, or with any unexpired patent, an interference may be declared and the Commissioner shall give notice of such declaration to the applicants or applicant and patentee, as the case may be. The Board of Patent Appeals and Interferences shall determine questions of priority of the inventions and may determine questions of patentability.

Section 135(a) of Title 35, United States Code, does not authorize declaration of a patent versus patent interference. Even Sauer appears to be in agreement with that view. The "opinion" of the Director in 35 U.S.C. § 135(a) is directed to "an application." What Sauer contends is that where one of the two patents is owned by a party which also has a pending application drawn to the same patentable invention, then the Board has jurisdiction to declare an interference involving the two patents and the application—*i.e.*, one patent and an application of one party, on one side, versus one patent of another party, on the other side. Sauer contends that if an application from either party is in the picture, the situation is not a patent versus patent interference and thus the Board has

jurisdiction under 35 U.S.C. § 135(a) to declare and conduct an interference.

Sauer's position is based on an erroneous view of § 135(a) interferences as a means to solve all conflicts between parties with respect to an invention *rather* than an administrative tool for the Patent and Trademark Office to decide whether to issue an application as a patent. The conflict between parties, insofar as any interference proceeding in the Patent and Trademark Office is concerned, arises solely because one or more applications *or* patents stands in the way of the issuance of an application under examination. As we have mentioned above, the "opinion" of the Director, as is referred to in 35 U.S.C. § 135(a), is directed to "an application."[4]

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In our view the Board is without jurisdiction under 35 U.S.C. § 135(a) to adjudicate a conflict between two issued patents. That is so no matter how far the parties have developed the issues, how much special expertise the members of the Board may have in determining them, or how quickly and inexpensively the Board may determine

[4] 57 USPQ2d at 1431-32; italics in the original.

> the issues as compared to a U.S. District Court in an action under 35 U.S.C. § 291.[5] Even if both parties as well as the Board desire to have a conflict between patents adjudicated by the Board, the Board is without power to do so. Congress imposed these restrictions on our jurisdiction in interferences.[6]

II. But Anderson v. Hill **Was** a Patent-Patent Interference!

However, Anderson v. Hill, 66 USPQ2d 1113 (PTOBPAI 2002) (non-precedential) (opinion delivered by APJ Medley for a panel that also consisted of APJs Schafer and Lee), which was a three-party interference, was just such a patent-patent interference. The parties Anderson and Hill were both in the interference on patents; only the party Snitzer was in the interference on an application. Nevertheless, the panel (every member of which was on the panel that decided Louis v. Okada and one member of which delivered the opinion in Louis v. Okada) handled the interference without commenting on whether or not it had jurisdiction to do so.

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[5] 35 USC 291 reads as follows:

> The owner of an interfering patent may have relief against the owner of another by civil action, and the court may adjudge the question of the validity of any of the interfering patents, in whole or in part. The provisions of the second paragraph of section 146 of this title shall apply to actions brought under this section.

[6] 57 USPQ2d at 1433-34.

The only possible distinction between Anderson v. Hill and Louis v. Okada is that Anderson v. Hill was a three-party interference, whereas Louis v. Okada was a two-party interference. However, in Louis v. Okada the panel stated that:

> A conflict between two patents is no less a conflict between two patents simply because another conflict exists between one of the patents and a separate application. Under 35 U.S.C. § 135(a), the Board is without jurisdictions to adjudicate a conflict between two patents[,] and that is unchanged by having another conflict, one between an application and one of the conflicting patents, in the same mixing bowl.[7]

The panel's opinion in Louis v. Okada suggests that indeed the fact that Anderson v. Hill involved three different real-parties-in-interest, whereas Louis v. Okada involved only two different real-parties-in-interest, justifies a different result:

> In Wilson v. Yakel, 1876 Dec. Comm'r. Pat. 245 (Comm'r. Pat. 1876), a single application of Wilson interfered with a patent of Yakel and also with a patent of Rogers. The Commissioner sanctioned an interference proceeding involving all three parties, which in effect represented a merger of two underlying interferences each involving the applicant Wilson and a patentee. In this case between

[7] 57 USPQ2d at 1434.

> junior party Sauer and senior party Kanzaki, only one of the multiple underlying interferences would be between an application and a patentee. The other one(s) would be between Kanzaki as a patentee and Sauer as a patentee. The 1984 Notice of Final Rule Making made clear that even in the sanctioned circumstance of Wilson v. Yakel, supra, if the applicant drops out for whatever reason, the interference would have to be terminated between the remaining patentees for lack of subject matter jurisdiction.[8]

III. Comment

I submit that the panel in Louis v. Okada was cutting the baloney unreasonably thin. It is no doubt true that if the only party involved in a three real-parties-in-interest interference on an application (Snitzer in Anderson v. Hill) dropped out of the interference, the Board would have to terminate the interference for lack of subject matter jurisdiction under the current, lamentably narrow version of 35 USC 135(a). However, causing a substantive, socially undesirable result to turn on a highly unlikely possibility is no way to run a railroad—or an interference system![9]

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[8] 57 USPQ2d at 1434.

[9] Notably, Snitzer didn't drop out of Anderson v. Hill, and Kanzaki was not about to abandon its Okada application in interference either.