

Post-Interference Ex Parte Prosecution by a Losing Applicant Interferent

By Charles L. Gholz¹

I. Introduction

Regrettably, the PTO does not permit winning interferents to participate in losing applicant interferents' post-interference prosecution. In re Temple, 231 USPQ 492 (Comm'r 1986).² Even more regrettably, many examiners do not understand 37 CFR 1.658(c) (which codifies the law on interference estoppel)—or, at least, do not apply it as vigorously as I think appropriate. The result is that well-represented losing applicant interferents can occasionally eke out amazing claims in post-interference ex parte prosecution—sometimes destroying much of the value of the winning interferent's hard fought (and expensive) victory.³

However, things are not as bad as they used to be. Now that the files of most applications are available to the public, winning interferents can monitor losing

¹ Partner in and head of the Interference Section of Oblon, Spivak, McClelland, Maier & Neustadt. My direct dial telephone number is 703/412-6485, and my email address is CGHOLZ@OBLON.COM.

² In the interest of complete candor, I note that I represented the petitioner, Sittig et al.

³ It is true that MPEP 2363.03 provides a great deal of guidance on the application of 37 CFR 1.658(c) and ends with the requirement that:

In order to promote uniform application of the doctrine of lost counts and estoppel, the examiner must consult the administrative patent judge who was in charge of the interference before allowing the losing party's application.

However, welcome as that requirement is, it seems to me that the interest of the APJ who was in charge of the interference in the correct application of 37 CFR 1.658(c) is considerably less than the interest of the owner of the winning application or patent!

interferents' post-interference prosecution (using PARTRIDGE[®] software or manually) and, if appropriate, file 37 CFR 1.291 protests.

II. Analysis of In re Temple

The Commissioner's delegee who decided In re Temple (Special Program Examiner Lazarus, for those of you with long memories) gave several grounds for denying the petition of the winning interferent (Sittig et al.) to participate in the losing interferent's post-interference ex parte prosecution. I will set forth each of his grounds and then briefly comment on each.

First, Mr. Lazarus noted that the winning interferent had filed a 37 CFR 1.291 protest⁴ and that, in accordance with Section 1901.07(b) of the version of the MPEP then

⁴ 37 CFR 1.291 then read as follows:

(a) Protests by a member of the public against pending applications will be referred to the examiner having charge of the subject matter involved. A protest specifically identifying the application to which the protest is directed will be entered in the application file if (1) the protest is timely submitted; and (2) the protest is either served upon the applicant in accordance with § 1.248, or filed with the Office in duplicate in the event service is not possible.

(b) A protest submitted in accordance with the second sentence of paragraph (a) of this section will be considered by the Office if it includes (1) a listing of the patents, publications or other information relied upon; (2) a concise explanation of the relevance of each listed item; (3) a copy of each listed patent or publication or other item of information in written form or at least the pertinent portions thereof; and (4) an English language translation of all the necessary and pertinent parts of any non-English language patent, publication, or other item of information in written form relied upon.

in effect, protestors were limited to a single submission. Mr. Lazarus deduced from that section of the MPEP that it was “clear that current office practice does not permit continuing protestor participation in pending applications.”⁵

My response is (1) that both 37 CFR 1.291 and MPEP Section 1.901.07 have been amended to permit considerably more participation by a protestor⁶ and (2) that, in any

(c) An acknowledgment of the entry of a protest under paragraph (a) of this section in a reissue application file will be sent to the member of the public filing the protest. A member of the public filing a protest under paragraph (a) of this section in an application for an original patent will not receive any communications from the Office relating to the protest, other than the return of a self-addressed postcard which the member of the public may include with the protest in order to receive an acknowledgment by the Office that the protest has been received. The Office will communicate with the applicant regarding any protest entered in the application file and may require the applicant to supply information pursuant to paragraph (a) of §1.56, including responses to specific questions raised by the protest, in order for the Office to decide any issues raised by the protest. The active participation of the member of the public filing a protest pursuant to paragraph (a) of this section ends with the filing of the protest[,] and no further submission on behalf of the protestor will be acknowledged or considered unless such submission raises new issues which could not have been earlier presented, and thereby constitutes a new protest.

⁵ 231 USPQ at 493; emphasis supplied.

⁶ 37 CFR 1.291 now reads as follows:

(a) Protests by a member of the public against pending applications will be referred to the examiner having charge of the subject matter involved. A protest specifically identifying the application to which the protest is directed will be entered in the application file if:

(1) The protest is submitted prior to the date the application was published or the mailing of a notice of allowance under § 1.311, whichever occurs first; and

(2) The protest is either served upon the applicant in accordance with § 1.248, or filed with the Office in duplicate in the event service is not possible.

(b) Protests raising fraud or other inequitable conduct issues will be entered in the application file, generally without comment on those issues. Protests which do not adequately identify a pending patent application will be returned to the protestor and will not be further considered by the Office. A protest submitted in accordance with the second sentence of paragraph (a) of this section will be considered by the Office if the application is still pending when the protest and application file are brought before the examiner and it includes:

(1) A listing of the patents, publications, or other information relied upon;

(2) A concise explanation of the relevance of each listed item;

(3) A copy of each listed patent or publication or other item of information in written form or at least the pertinent portions thereof; and

(4) An English language translation of all necessary and pertinent parts of any non-English language patent, publication, other item of information in written form relied upon.

(c) A member of the public filing a protest in an application under paragraph (a) of this section will not receive any communications from the Office relating to the protest, other than the return of a self-addressed postcard which the member of the public may include with the protest in order to receive an acknowledgment by the Office that the protest has been received. In the absence of a request by the Office, an applicant has no duty to, and need not, reply to a protest. The limited involvement of the member of the public filing a protest pursuant to paragraph (a) of this section ends with the filing of the protest, and no

event, the purpose both of my petition in In re Temple and this article is to seek a change in “current office practice.”

Second, I had argued in my petition that:

the present situation includes ‘special circumstances’ of the type referred to in 35 USC 122.^[7] First, 37 CFR 1.658(c) is a new and complicated provision in the rules.^[8] It is

further submission on behalf of the protestor will be considered, except for additional prior art, or unless such submission raises new issues which could not have been earlier presented.

⁷ 35 USC 122(a) now reads as follows:

Confidentiality. Except as provided in subsection (b), applications for patents shall be kept in confidence by the Patent and Trademark Office and no information concerning the same given without authority of the applicant or owner unless necessary to carry out the provisions of an Act of Congress or in such special circumstances as may be determined by the Director.

At the time In re Temple was decided, the “kept in confidence” requirement applied to all applications except reissue applications.

⁸ 37 CFR 1.658(c) reads as follows:

A judgment in an interference settles all issues which (1) were raised and decided in the interference, (2) could have been properly raised and decided in the interference by a motion under § 1.633(a) through (d) and (f) through (j) or § 1.634 and (3) could have been properly raised and decided in an additional interference with a motion under § 1.633(e). A losing party who could have properly moved, but failed to move, under §§ 1.633 or 1.634, shall be estopped to take ex parte or inter partes action in the Patent and Trademark Office after the interference which is inconsistent with that party’s failure

reasonably predictable that many examiners will not fully understand it—or even be aware of its existence.

Accordingly, the participation of the prevailing party in the interference in post-interference ex parte prosecution is likely to be particularly helpful to the examiners at this time. Second, the status of Temple et al.'s claims 16-19 themselves may be unclear to the examiner in this case, since they were not expressly included in the board's judgment. And, third, several of the grounds on which Sittig et al. relies raise fairly sophisticated legal issues. No disrespect to the examiner is intended, of course, but it is believed that the participation of Sittig et al. might be particularly helpful in the event that Temple et al. respond further to those contentions.⁹

Mr. Lazarus responded to those arguments as follows:

Petitioner's assertion that "special circumstances" exist in this post-interference situation so as to warrant an exception to the confidentiality requirements of 35 USC

to properly move, except that a losing party shall not be estopped with respect to any claims which correspond, or properly could have corresponded, to a count as to which that party was awarded a favorable judgment.

⁹ 231 USPQ at 492; footnote omitted (by Mr. Lazarus).

122 is not persuasive. The issues remaining for consideration are properly before the primary examiner[,] and the examiner may now proceed to consider the application with the benefit of petitioner's remarks in the protest. However, additional participation by protestor could hinder examination[,] since as stated at Section 1901.07(b) of the M.P.E.P.

“Previously, the filing of multiple papers by either the applicant and/or protestor(s) with respect to a specific issue(s) has created problems in that the application files became unduly expanded and unnecessary delays in the examination were encountered.”

In addition, it is noted that the applicant has filed an objection to petitioner's request for access. Accordingly, applicant does not acquiesce in the requested access[,] and the Patent and Trademark Office (PTO) is not relieved of its obligation under 35 USC 122 to maintain the application “in confidence.” The argument that the petitioner by virtue of participation in the interference proceedings has information which would aid the examiner in the forthcoming [sic; forthcoming] prosecution is negated by the presentation of such arguments in the protest. The PTO

now has the benefit of petitioner's views on the remaining issues (as presented in the protest)[,] and further participation by petitioner would likely cause additional delays and could unduly expand the application file. These drawbacks are not overcome by protestor's continued comments on the remaining issues. The examiners in the PTO have the requisite training and can deal with the issues in prosecution in an ex parte manner.¹⁰

My response is fourfold. First, my protest, while hopefully persuasive as to the issues as they then stood, was no substitute for my being able to respond to my adversary's continuing arguments.¹¹ Second, I am not persuaded by the PTO's pleas of being over-worked to the extent that I agree that examiners should be given a blanket exemption from having to read and consider additional arguments by one of the two parties presumably most interested in the post-interference ex parte prosecution of the losing interferent—namely, the party that won the interference! Third, 35 USC 122 has, of course, been extensively amended since 1986, and the PTO is no longer obligated to maintain applications “in confidence” in the overwhelming majority of cases. Fourth, my post-1986 experience with post-interference ex parte prosecution (representing both winning interferences and losing interferences) has not persuaded me that “The examiners in

¹⁰ 231 USPQ at 493.

¹¹ Perhaps I was not as persuasive as I thought I was, since the Temple et al. application matured into patent No. 4,739,387 on April 19, 1988—a little over two years after the date of Mr. Lazarus's decision.

the PTO have the requisite training and can deal with the issue...[of interference estoppel] in an ex parte manner”—and informal conversations with some high PTO officials have lead me to believe that at least some of them have similar doubts.

III. In re Temple’s Progeny

Although it does not cite In re Temple, Petrie v. Welsh, 21 USPQ2d 2012 (PTOBPAI 1991) (opinion delivered by EIC Metz for an all-star expanded panel consisting additionally of Commissioner Manbeck, Chairman Serota, and Vice Chairman Calvert), is clearly one of In re Temple’s progeny—if only because it demonstrated that even the PTO could not fully stomach the result reached in Temple.¹²

In Petrie, the patentee interferent’s patent had expired for failure to pay a maintenance fee prior to declaration of the interference. The panel accordingly ruled that:

it is manifest that the Commissioner did not have statutory authority to declare this interference even if he was of the

¹² Although decided before In re Temple and hence clearly not progeny of In re Temple, Mobil Oil Corp. v. Dann, 421 F. Supp. 995, 197 USPQ 59 (D.D.C. 1976), In re Krambeck, 198 USPQ 253 (Comm’r 1976), In re Krambeck, 198 USPQ 255 (Comm’r 1977), and Mobil Oil Corp. v. Dann, 448 F. Supp. 487, 198 USPQ 347 (D.D.C. 1978), are also relevant here. There Mobil had abandoned its application by failure to seek court review of an adverse decision by the board shortly before a patent issued to Exxon on an allegedly interfering application. Mobil sought relief in the D.C.D.C., and “Maximum John” Sirica of Watergate fame remanded the case to the PTO, in essence to set up an interference between Mobil’s abandoned application and Exxon’s patent. Commissioner Dann did so, but only on condition that Mobil foreswear any right to obtain a patent even if it won the interference. Thus, Mobil was authorized to participate in the interference as what might be called a “private attorney general” to take down Exxon’s patent if it could. Mobil’s participation in the interference was, accordingly, quite similar to the kind of participation by winning interferents in losing applicant interferents post-interference ex parte prosecution for which I am arguing here.

opinion that the Petrie application claims and the claims of Welsh's expired patent claim the same patentable invention. Since Welsh's patent had already expired when the interference was declared and § 135(a) does not authorize the declaration of an interference between a pending application and an expired patent, the Board of Patent Appeals and Interferences does not have subject matter jurisdiction to resolve priority of invention or patentability in this interference.^[13] Accordingly, the interference is hereby TERMINATED.¹⁴

However, the panel invited (urged?) Welsh "to take advantage of the 'protest' provisions of 37 CFR 1.291 (1990),"¹⁵ and it entered the following order:

Since the facts of this most unique case establish that there exists an extraordinary situation where justice requires waiver of a rule, it is, sua sponte,

ORDERED that the provisions of 37 CFR 1.291 are waived to the extent that they would preclude full participation by Welsh or his assignee in any protest filed

¹³ Cf. also Waterman v. Birbaum, 53 USPQ2d 2024 (PTOBPAI 2000) (per curiam) (expanded panel), which reaches the same result for an application which had been expressly abandoned prior to the declaration of the interference.

¹⁴ 21 USPQ2d at 2013.

¹⁵ 21 USPQ2d at 2013.

by Welsh or his assignee in the Petrie application[,] and it is

FURTHER ORDERED that if Welsh or his assignee files a protest under 37 CFR 1.291 in the Petrie application (or any continuing application filed by Petrie), Welsh and his assignee shall be permitted to fully participate in proceedings before the Primary Examiner and, in the event an appeal is taken, before the Board.¹⁶

IV. A Plea for a Change in the “Current Office Practice”

In my opinion, the only thing that was “extraordinary” about the situation in Petrie v. Welsh was that that the then-Commissioner got involved. Oh, the fact that the Welsh patent had expired for non-payment of the issue fee before the declaration of the interference is pretty unusual. However, the relationship of Welsh’s real party in interest to the Petrie application was the same as the relationship of the real party in interest owning any winning interferent (whether a patentee interferent or an applicant interferent) to the continued prosecution of any losing applicant interferent. That is, the real party in interest owning any winning interferent’s patent or application has a lively, real world interest in ensuring that 37 CFR 1.658(c) is applied with maximum vigor and that the losing applicant interferent is, to the extent possible, prevented from obtaining claims that will vitiate the value of the winning interferent’s hard-fought victory. Put otherwise, the owner of the winning interferent’s patent or application is not a “mere

¹⁶ 21 USPQ2d at 2014.

meddlesome interloper” It has a proprietary interest and “sweat equity” (1) that deserve to be protected and (2) that will ensure that its participation in the losing interferent’s post-interference ex parte prosecution is focused and as helpful to the examiner as high-priced counsel can make it. In my opinion, the PTO (with all its talk of being helpful to its “customers”¹⁷) is foolish to refuse the help that winning interferents would give its examiners in this situation if the “current office practice” is changed.¹⁸

I:\VATTY\CLG\ARTICLES-W\POST-INTEREXPARTE.DOC

¹⁷ Notably, both the losing applicant interferent and the winning interferent are PTO customers!

¹⁸ Incidentally, it would require only changes in the rules and the MPEP to change the “current office practice” in this regard. Note that the then-Commissioner used his authority under 35 USC 122 to find that all reissue applications should be open to the public long before the statute was amended to so provide. 42 FR 5593, Jan. 28, 1977, as amended at 43 FR 28477, June 30, 1978.