

Who You Gonna Call?¹

By

Charles L. Gholz²

Introduction

I'm guessing that a "Patent Reform Bill" of some type is going to pass soon and that that bill will contain some version of the "post-grant opposition" proposal. This article is written in anticipation of that happy event.

It Will Be a Cancellation Proceeding, Not an Opposition

We're lawyers. We're supposed to use words with precision. Apparently the drafters of the various patent reform bills think that the proceeding under discussion here will be more palatable to Congress if it is called an opposition proceeding than if it is called a cancellation proceeding. But it's not an opposition proceeding. You can't have a post-grant opposition proceeding. Once a patent has issued, all that you can do to it is to cancel it--either in its entirety or on a claim-by-claim basis.

The only real questions are: (1) should we have such a procedure and, if so, (2) how should the procedure be implemented, and (3) who should handle the procedure?

Should We Have a Patent Cancellation Procedure?³

I firmly believe that we should. Patent infringement actions can serve the same purpose, but they are too slow, too expensive, and too unpredictable. Among the many benefits of the proposed patent cancellation proceedings will be that they will move quickly; that, while not cheap, they will cost much less than the validity and enforceability portions of patent infringement actions; and that their outcomes, while not entirely predictable (the outcome of no human venture is), will be much more predictable

than the outcomes of the validity and enforceability portions of patent infringement actions.

In my view, the opposition to such proceedings is based primarily on two factors: a reflexive desire to maintain the status quo and a thoroughly human desire to preserve vested interests.

However, this article is primarily devoted to how a patent cancellation proceeding should be implemented. In what follows, I assume that a patent reform bill providing for a patent cancellation procedure will be passed.

How Will the PTO Implement the Patent Cancellation Procedure?

As far as the PTO is concerned, its decisions have been made. The proposed patent cancellation proceedings, if authorized by Congress, will be “Contested Cases” within the meaning of Subpart D of Part 41, “Practice Before the Board of Patent Appeals and Interferences,” of Title 37 of the Code of Federal Regulations. They will be administered by an administrative patent judge (“APJ”) pursuant to 37 CFR 41.104. Counsel will be registered patent practitioners unless a non-registered patent practitioner is given leave “to appear as counsel [pro hac vice] in a specific proceeding” pursuant to 37 CFR 41.5(a).⁴ The entire procedure will be very, very similar to the procedure that the BPAI has long followed during the preliminary motions phase of interferences. The board is prepared to go--and, judging by informal conversations with some of the APJs, champing at the bit to do so.

So, Whom Should You Retain to Handle Your Patent Cancellation Proceedings?

This brings me to the real point of this article--a plea for business on behalf of the entire interference bar.⁵ Obviously, I have a vested interest in this plea, and the reader

should discount my arguments appropriately. However, I hope that any reader who is not already a member of the interference bar will read on and hear me out.

In my opinion, house counsel and patent practitioners who are not members of the interference bar should retain members of the interference bar to handle patent cancellation proceedings. We know the territory--both the procedure and the APJs. We've "been there, done that"--or something very similar to that. In my opinion, "there is no substitute for experience."

Besides, whom else could you retain? In my opinion, there are two possible alternatives.

First, you could retain members of the patent infringement bar. Some of those folks are already campaigning (very decorously, of course) for that business. They argue that patent cancellation proceedings will be too much like "real" litigation to entrust to practitioners who make their livings dealing with the PTO. However, my experience with the occasional member of the patent infringement bar who wanders into a patent interference has not suggested that they are well suited to handle such matters.

Second, you could retain patent practitioners who specialize in handling inter partes re-examination--if you can find one.⁶ Obviously, they also practice before the BPAI. However, they do not practice before the same subset of the APJs, and their proceedings are very different from ours. In particular, they don't cross-examine witnesses, and they don't have any discovery at all.⁷

A Challenge

I recognize that members of the patent infringement bar and the inter partes re-examination bar (if such can be said to exist) will probably differ with--and perhaps take

umbrage at--the foregoing. So, I challenge any such person to submit to this journal an article in rebuttal to this article.

¹ Copyright 2007 by Charles L. Gholz.

² 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.

³ Of course, we have long had cancellation procedures for trademark registrations.

⁴ Our experience with 37 CFR 41.5(a) suggests that such leave will not be granted easily. See paper No. 93 in Howell v. Lentz, Int. No. 105,413.

⁵ I define “the interference bar” broadly as that subset of the patent bar who regularly handle interferences and, more narrowly, as that subset of the first subset who make a majority of their incomes by handling patent interferences.

⁶ I am only aware of one such individual.

⁷ Of course, interferences involve (and patent cancellation proceedings apparently will involve) much less discovery than patent infringement actions. See generally, Gholz, Patent Interferences -- Big Ticket Litigation With No Effective Discovery, 4 Intellectual Property Today No. 9 at page 10 (1997). However, interferences involve at least some discovery, and, occasionally, that discovery can be outcome-determinative.