

REQUEST REHEARING! ¹

by

Charles L. Gholz²

Introduction

It is a familiar aphorism that:

The Moving Finger writes, and having writ,
Moves on: nor all your Piety nor Wit
Shall lure it back to cancel half a line,
Nor all your tears wash out a Word of it.³

Applying that aphorism to judicial proceedings (including interferences before the BPAI), that means that requests for rehearing or reconsideration are seldom successful. However, the Federal Circuit's strange opinion in Pivonka v. Axelrod, ___ Fed. Appx. ____ (Fed. Cir. 2009) (non-precedential) (opinion by C.J. Prost for a panel that also consisted of Ch. J. Michel and C.J. Scholl), has given interference practitioners a reason to request rehearing (no matter how low the probability of success) of adverse decisions in interlocutory orders in interferences.

What the BPAI Did in Pivonka v. Axelrod

In Pivonka v. Axelrod, Axelrod had suggested the interference, and it had asked that it be designated as the senior party based on entitlement to the filing date of an earlier application. However, when the interference was declared, it was not given the benefit of that filing date, and it was designated as the junior party. Moreover, according to the court's unenlightening opinion, "The Board [sua sponte] granted Axelrod twenty days from the date of its order to submit evidence satisfying § 41.202(d)...."⁴

As anyone who has ever prepared a §41.202(d) showing knows, twenty days is an

absurdly short period of time to prepare such a showing in most cases! However “Axelrod submitted evidence during the allotted time, which the Board accepted as sufficient under §41.202(d).”

Then, during the first phase of the interference, Axelrod submitted a motion for a judgment that all of Pivonka’s claims were unpatentable over certain references. The panel denied Axelrod’s motion, but it sua sua sponte “set forth its own view that...[all of the claims in Axelrod’s] patent are obvious [over Axelrod’s primary reference and a new secondary reference] and ordered Pivonka to file a response showing why a judgment of invalidity [sic; unpatentability] should not be entered against...[all of its claims].” After considering Pivonka’s response and Axelrod’s reply, the panel entered judgment against Pivonka.

What the Court Did and Said in Pivonka v. Axelrod

On appeal, Pivonka argued (1) “that the Board abused its discretion by permitting the interference to proceed in the first place”⁵ and (2) “that the Board did not properly apply the law during its obviousness analysis.”⁶ The court’s disposition of the second issue is of no special interest to the interference bar, but its disposition of the first issue definitely is.

In a nutshell, the court ducked the issue--by asserting that Pivonka has waived that issue by not objecting to the orders authorizing the interference to go forward. Specifically, the court reasoned as follows:

We conclude that Pivonka waived his objections to the Board’s decision to proceed with the interference. With respect to the Board’s discretionary decision to give Axelrod an additional opportunity to submit evidence of priority, Pivonka does not cite to anything in the record that can be construed as an objection. Instead, Pivonka simply argues that he “was not entitled to present its position” at that time. Appellant’s Reply Br. 1. However, Axelrod pointed out at oral argument that Pivonka could have filed a “miscellaneous motion” as provided for by 37 C.F.R. § 41.121(a)(3). Because Pivonka did not present us with any reason

why he could not have filed such a motion, we conclude that this argument was waived. See In re Watts, 354 F.3d 1362, 1367 (Fed. Cir. 2004) (“[I]t is important that the applicant challenging a decision not be permitted to raise arguments on appeal that were not presented to the Board. We have frequently declined to hear arguments that the applicant failed to present to the Board.”).

Similarly, we find that Pivonka waived his objection to the Board’s decision that the evidence submitted by Axelrod was sufficient to satisfy 37 C.F.R. § 41.202(e).⁷

Accordingly, we conclude that Pivonka waived this argument by failing to raise it below. See Watts, 354 F.3d at 1367.⁸

What Pivonka Really Could Have Done

Axelrod’s suggestion that Pivonka could have objected to the board’s orders allowing Axelrod to submit evidence of priority and authorizing the interference to go forward based on that evidence is bizarre. However, what I think that Pivonka could have done is to request what the PTO calls “rehearing” (and what most folks call --reconsideration--) of those two decisions. 37 CFR 41.125, **Decision on motions**, reads in relevant part as follows:

(c) Rehearing

- (1) Time for request. A request for rehearing of a decision on a motion must be filed within fourteen days of the decision.
- (2) No tolling. The filing of a request for rehearing does not toll times for taking action.
- (3) Burden on rehearing. The burden of showing a decision should be modified lies with the party attacking the decision. The request must specifically identify:
 - (i) All matters the party believes to have been misapprehended or overlooked, and
 - (ii) The place where the matter was previously addressed in a motion, opposition, or reply.
- (4) Opposition; reply. Neither an opposition nor a reply to a

request for rehearing may be filed without Board authorization.

(5) Panel rehearing. If a decision is not a panel decision, the party requesting rehearing may request that a panel rehear the decision. A panel rehearing a procedural decision will review the decision for an abuse of discretion.

Neither decision Federal Circuit review of which Pivonka sought was in response to a motion filed by Pivonka. However, the APJ's (or APJs') orders were the functional equivalent of decisions on motions, and I think that the APJ (or APJs) would have entertained requests for rehearing of the decisions on issues that they raised sua sponte in the same fashion.

Of course, I also think it statistically highly unlikely that the APJ (or APJs) would have changed those decisions in response to such requests. However, I think that the Federal Circuit would be forced to concede that the filing of such a request constitutes "objections" to such decisions.

Does This Make Sense?

In my opinion, no! The APJ's interlocutory decisions (whether they are the decisions of individual APJs or the decision of panels of APJs) are supposed to be merged into the final judgment.⁹ If one loses on any motion or issue raised sua sponte by the board, it can be safely assumed that one wishes that one had not lost and that one might want to seek court review of that decision. Requiring an interloper to "object" to such decisions smacks of the long since discredited requirement that trial counsel ritualistically intone "Exception, your Honor" after every adverse ruling on an objection to evidence in order to preserve the issue of the propriety of that ruling for appeal.

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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 The Rubaiyat of Omar Khayyam Quatrain 71.

⁴ ___ Fed. Appx. at ____.

⁵ ___ Fed. Appx. at ____.

⁶ ___ Fed. Appx. at ____.

⁷ ___ Fed. Appx. at ____.

⁸ ___ Fed. Appx. at ____.

⁹ See Crown Packaging Technology, Inc. v. Rexam Beverage Can Co., ___ F.3d ___, ___, ___ USPQ2d ___, ___ (Fed. Cir. 2009):

this court has recognized that an earlier, non-appeable order may be considered to be “merged” into a subsequent final judgment. See Glaros v. H.H. Robertson Co., 797 F.2d 1564, 1573 (Fed. Cir. 1986).