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Interferences

High Court Trims Patent Challenge Type from Constitutional Review

By Tony Dutra

The U.S. Supreme Court has rejected constitutional review of the 180-year-old practice at the patent office for challenging a patent's inventor.

The high court Jan. 8 denied a petition filed by Pui-Kwong Chan and two others arguing that the 1836-enacted interference proceeding—review by the Patent and Trademark Office of a claim of prior invention against a listed patentee—presents the same constitutionality question as a 2011-enabled proceeding currently under court review.

Snapshot

- Petition denial hints at limits U.S. Supreme Court may be considering in *Oil States* case
- Court denied petition on priority of invention proceeding, holding 21 on validity challenges

The denial may signal that court won't be persuaded by arguments in *Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC* that focus on the intent of the founding fathers when setting up the country's first patent system in 1790. Many of the briefs filed in *Oil States* made arguments about whether English and American practices at that time required a court and jury to take away patent rights, which an interference does.

The court heard oral arguments Nov. 27, in *Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC*, about whether the PTO's validity decisions in an inter partes review challenge are unconstitutional. Chan argued that interferences violate the constitution because only federal courts can take away patent rights, the same argument Oil States made against IPRs.

The high court has put 21 petitions on hold pending the outcome of *Oil States*, including one challenging the constitutionality of a 1999 patent reexamination statute. Rejecting Chan's petition, rather than putting it on hold as well, may indicate that the court distinguishes priority of inventorship issues and patent validity.

Different Proceedings

The U.S. government specifically made the case—supporting the constitutionality of IPRs—that the patent office has been authorized to cancel patents under interference and reissue statutes since 1836.

"The longstanding procedure of patent interference also reflects the understanding that agencies may invalidate patents," the government said in a brief supporting AIA constitutionality in *Oil States*.

However, under early interference practice, a successful challenger still had to sue the losing party in court to get the claims canceled, Charles L. Gholz of Oblon, McClelland, Maier & Neustadt LLP in Alexandria, Va., told Bloomberg Law. The PTO's authorization to cancel patent claims in interference proceedings didn't start until the Patent Act of 1952, he said.

Reissue proceedings do not parallel IPRs either, since the reissue patentee willingly accepts cancellation of some claims in order to get others as replacement claims.

Chan and his colleagues are the listed inventors on U.S. Patent No. 8,614,197, directed to cancer treatment methods using a compound extracted from a plant native to China. Chan lost patent rights in a successful challenge by Baizhen Yang and two others claiming priority of invention.

The Law Offices of Albert Wait-Kit Chan PLLC filed Chan's petition.

Petition at issue: *Chan v. Yang*, U.S., No. 17-311, *review denied* 1/8/18.

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