

A CRITIQUE OF RECENT OPINIONS  
IN PATENT INTERFERENCES<sup>1</sup>

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## I. INTRODUCTION

This article covers (1) precedential and interesting non-precedential opinions relating to interferences published in the USPQ since those covered in my previous annual critique of interference opinions published at 91 JPTOS 1 (2009)<sup>3</sup> and (2) precedential and non-precedential but “informative” opinions posted on the BPAI’s website. This article covers interference opinions published in volumes 89-92 of the USPQ2d and opinions posted on the BPAI’s website dated from January 1, 2008 to December 31, 2009.

## II. CONCEPTION

Nothing interesting this year.

## III. CLASSICAL DILIGENCE

Nothing interesting this year.

## IV. ACTUAL REDUCTION TO PRACTICE

### A. Can an Invention Be Actually Reduced to Practice After the Inventor Has Died?

#### Henkel Corp. v. Procter & Gamble Co.

This is the second time that I’ve written this case up on the same point. The first time

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<sup>3</sup>See also 90 JPTOS 9 (2008); 89 JPTOS 5 (2007), 88 JPTOS 317 and 305 (2006) (covering 2005), 88 JPTOS 25 and 138 (2006) (covering 2004), 86 JPTOS 464 (2004), 85 JPTOS 401 (2003), 84 JPTOS 163 (2002), 83 JPTOS 161 (2001), 82 JPTOS 296 (2000), 81 JPTOS 241 (1999), 80 JPTOS 321 (1998), 79 JPTOS 271 (1997), 78 JPTOS 550 (1996), 77 JPTOS 427 (1995), 76 JPTOS 649 (1994), 75 JPTOS 448 (1993), 73 JPTOS 700 (1991), 71 JPTOS 439 (1989), and 69 JPTOS 657 (1987). The fact that I publish this critique every year in a similar format accounts for the sections which read in their entirety “Nothing interesting this year.”

was in Gholz, A Critique of Recent Opinions in Patent Interferences, 90 JPTOS 1 (2008), §IV.A., which discussed Henkel Corp. v. Procter & Gamble Co., 485 F.3d 1370, 82 USPQ2d 1784 (Fed. Cir. 2007). The write-up concluded with the following Comment:

It is often said (as it was here) that, to constitute an actual reduction to practice, the significance of what is later asserted to have been an actual reduction to practice must have been appreciated by the or at least an inventor. However, since who is an inventor is determined by who conceived the invention, since inventions are often actually reduced to practice by individuals other than those who conceived them, and since the individuals who conceived inventions can have died before the inventions are actually reduced to practice, it must be possible for someone else to do the appreciating.

This time I'm writing up Henkel Corp. v. Procter & Gamble, 560 F.3d 1286, 90 USPQ2d 1119 (Fed. Cir. 2009)(opinion by CJ Linn for a panel that also consisted of CJs Prost and Moore), which is the Federal Circuit's opinion deciding an appeal from the BPAI's decision on remand. Unfortunately, this opinion only compounds the problem. First the Court set up the issue wrongly (IMHO):

Following our remand in Henkel I, the Board found that P&G demonstrated an actual reduction to practice in February 1997, Board Decision at 10, predating Henkel's reduction to practice in May 1997, and thus awarded priority of invention to P&G, id. at 69. In so doing, the Board made a key factual determination--that P&G inventors appreciated by February 1997 the limitation in the count requiring that the compressed region of the tablet dissolve at a greater rate than the non-compressed region. Id. at 61-62. Whether substantial evidence supports this finding of fact is the only issue on appeal. Henkel contends that "the objective evidence before the Board fails to record or establish that any P&G inventor contemporaneously appreciated, or even conceived of, an embodiment meeting the express comparative dissolution rate limitation of Count 2 prior to Henkel's accorded actual reduction to practice date." Henkel's Opening Br. at 19. P&G counters that its inventors did, in fact, appreciate the differential dissolution rate limitation, and that the record evidence supports the Board's

decision.<sup>4</sup>

Then, it again devoted its analysis to a discussion of whether or not at least one of the inventors had appreciated the actual reduction to practice (which was proved by the testimony of a corroborating witness):

“In order to establish an actual reduction to practice, the inventor must prove that: (1) he constructed an embodiment or performed a process that met all the limitations of the interference count; and (2) he determined that the invention would work for its intended purpose.” Cooper [v. Goldfarb], 154 F.3d [321(Fed. Cir. 1998)] at 1327. The inventor must also “contemporaneously appreciate that the embodiment worked and that it met all the limitations of the interference count.” Id.; see also Henkel I, 485 F.3d at 1374. As we held in Henkel I, to demonstrate a reduction to practice of the invention at issue here the inventors need only appreciate “that the dissolution rate of the compressed region is greater than the dissolution rate of the other region.” Henkel I, 485 F.3d at 1375.<sup>5</sup>

#### **Comment**

I do not quarrel with the proposition that someone must have appreciated by the critical date that the activity relied upon as an actual reduction to practice had been successful. That law goes back to Judge Rich’s venerable decision in Heard v. Burton, 333 F.2d 239, 142 USPQ 97 (CCPA 1964).

The question is who must have appreciated that fact. The extreme cases are, of course, (1) those in which the inventor(s) died between his, her, or their conception of the invention (which is how we decide who invented the claimed subject matter) and the date on which the actual reduction to practice took place and (2) those in which the actual reduction to practice was accomplished by an entity that derived the claimed subject matter from the conceiver (which was

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<sup>4</sup> 560 F.3d at 1288-89, 90 USPQ2d at 1121; emphasis supplied.

<sup>5</sup> 560 F.3d at 1289, 90 USPQ2d at 1121; emphasis supplied.

the case in Cooper). However, the issue is far broader than either of those somewhat rare situations.

It is common for one person to conceive an invention (e.g., a professor or a senior researcher) and for another person to actually reduce it to practice (e.g., a grad student or a laboratory technician). The second person is, of course, available to corroborate the actual reduction to practice (which is what happened in this case). If the second person also appreciated that what he or she did had achieved the intended result, why shouldn't that appreciation inure to the benefit of the first person (or, practically speaking, to the benefit of the employer of both the first person and the second person)?

#### V. SUPPRESSION OR CONCEALMENT AND PEELER DILIGENCE<sup>6</sup>

Nothing interesting this year.

#### VI. CONSTRUCTIVE REDUCTION TO PRACTICE

Nothing interesting this year.

#### VII. DERIVATION

Nothing interesting this year.

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<sup>6</sup> So called after Peeler v. Miller, 535 F.2d 647, 653-54, 190 USPQ 117, 122 (CCPA 1976) (Rich, J.). Peeler diligence is diligence during the period from one's own actual reduction to practice to one's own constructive reduction to practice, and it is really the absence of 35 USC 102(g) suppression or concealment after an actual reduction to practice. The standards for Peeler diligence are very low.



## VIII. THE 35 USC 135(b) BARS

### A. Must a 35 USC 135(b)(2) Reference Issue With Substantially Unchanged Claims?

Ryan v. Young<sup>7</sup>

Ryan v. Young (PTOBPAI 4 March 2008) (informative) (Paper No. 116 in Int. No. 105,504) (opinion by SAPJ McKelvey for a panel that also consisted of APJs Torczon and Lane) holds that 35 USC 135(b)(2) bars a target claim only if the reference claim “ultimately (1) issues as published or (2) issues with no material changes.”<sup>8</sup>

I respectfully disagree. In my opinion, 35 USC 135(b)(2) does not impose that condition subsequent. Indeed, 35 USC 135(b)(2) does not even require that the published application ever mature into a patent. Accordingly, I submit that a requirement that a claim in a 35 USC 135(b)(2) reference published application should issue substantially unchanged should no more be imposed judicially than a requirement that a 35 USC 102(e)(1) reference published application must issue should be imposed judicially. That is, each type of application becomes an infeasible reference upon publication.<sup>9</sup>

While I have found no opinion that is precisely on point,<sup>10</sup> I believe the following

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<sup>7</sup> A prior version of this write-up was published in 16 Intellectual Property Today No. 7 at page 10 (2009).

<sup>8</sup> Page 43. In so holding, the panel adopted the position of counsel for Young set forth in Fitzpatrick & Abramic, Section 135(b)(2). Plain Meaning? Plainly Not., 15 Intellectual Property Today No. 2 (2008) at page 38.

<sup>9</sup> This position is diametrically opposite to the position advocated by the authors in Fitzpatrick & Abramic, *op. cit. supra*.

<sup>10</sup> The legal research reported here was done by my colleague Ken Wilcox.

opinions to be instructive on this issue: Regents of the University of California v. University of Iowa Research Foundation, 455 F.3d 1371, 1374 n. 1, 79 USPQ2d 1687, 1689 n.1 (Fed. Cir. 2006) (“The difference between paragraphs (b)(1) and (b)(2) [of section 135] is that the former creates a one year bar relative to issued patents, while the latter creates a one year bar relative to published patent applications. Otherwise, the two paragraphs are the same.”); OddsOn Products, Inc. v. Just Toys, Inc., 122 F.3d 1396, 1402, 43 USPQ2d 1641, 1645 (Fed. Cir. 1997) (the “secret prior art” of 35 USC 102(e) attains prior art status when the application matures into an issued patent); Lamb-Weston, Inc. v. McCain Foods, Ltd., 78 F.3d 540, 548 n. 4, 37 USPQ2d 1856, 1863 n. 4 (Fed. Cir. 1996) (Newman, J., dissenting) (if an application does not issue and is not referred to in an issued patent, it does not become prior art -- implying that, when an application does issue, it does become prior art regardless of what happens to it later); and Avocent Huntsville Corp. v. ClearCube Tech., Inc., 443 F.Supp.2d 1284, 1329-30 (N.D. Ala. 2006) (not published in the USPQ) (a 35 USC 102(e)(2) reference becomes prior art upon issuance--no mention of a condition subsequent). I also note that the Federal Circuit ruled that the term “issued patent” in 35 USC 135(b)(1) means “*any* issued patent.”<sup>11</sup>

I think that what the panel in Ryan v. Young tried to do was to rewrite 35 USC 135(b)(2) to make sense. However, as the panel in Ding v. Singer<sup>12</sup> said in response to Ding’s public policy arguments:

It is not our role to legislate. We need not consider the various advantages and disadvantages articulated by the parties with regard to having 35 U.S.C. §120 apply or not apply in the context of 35

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<sup>11</sup> Berman v. Housey, 291 F.3d 1324, 1355, 63 USPQ2d 1023, 1030 (Fed. Cir. 2002).

<sup>12</sup> (PTOBPAI 24 August 2007) (Paper No. 56 in Int. No. 105,436) (non-precedential)(opinion by APJ Lee for a panel that also consisted of APJs Medley and Moore).

U.S.C. §135(b)(2). The statutory language of 35 U.S.C. §120 is clear and leaves no room for adding any scenario to which 35 U.S.C. §120 does not apply. Since 35 U.S.C. §135(b)(2) does not itself exclude the application of 35 U.S.C. §120, the latter does have application in the context of the former.<sup>13</sup>

Similarly, 35 USC 135(b)(2) as written does not itself require any correspondence between the claims of a published application and the claims of a patent that matures from that application or a continuation of that application. Indeed, as previously pointed out, 35 USC 135(b)(2) does not even require that any patent issue from the published application or any continuation of that application, let alone one that includes a claim that is not materially changed from a claim in the published application.<sup>14</sup>

#### Comment

I strongly agree with Judge McKelvey's apparent belief that 35 USC 135(b)(2) is a mess. However, I believe that it is a mess that Congress created and that Congress will have to clean up--preferably by repealing 35 USC 135(b)(2).<sup>15</sup>

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<sup>13</sup> Pages 12-13. While Fitzpatrick & Abramic, op. cit. supra, cited Ding v. Singer, they failed to deal with this passage in that opinion.

<sup>14</sup> Incidentally, it should be noted that, in Ryan v. Young, the panel held that extensive changes in verbiage did not materially alter the scope of Ryan's claims because they only "further clarified" the pre-bar date claims, the new language was "essentially...already present in...[a published claim] though in different wording," or the change was a "formal amendment to provide an antecedent." Pages 44-45.

<sup>15</sup> By the time this article is published, the Congress may have already passed a long-awaited patent reform bill that in all likelihood will repeal interference proceedings altogether and

B. Must an Application Relied On to Avoid a 35 USC 135(b) Bar Be “In the Chain”?

Robertson v. Timmermans

In Santasiero v. DeLucas, 83 USPQ2d 1271 (PTOBPAI 2006)(non-precedential)(opinion by APJ Lane for a panel that also consisted of APJs Schafer and Hanlon), a panel of the board held that an application relied on to avoid a 35 USC 135(b) bar can have been presented in a sister application, rather than in a parent of the application in question. However, Robertson v. Timmermans, 90 USPQ2d 1898 (PTOBPAI 2008)(non-precedential)(opinion by APJ Lee for a panel that also consisted of APJs Schafer and Tierney), stated in dictum that:

In the context of 35 U.S.C. § 135(b), establishing when a claim was made requires a comparison of that claim with claims previously made by the same applicant and within the same chain of application which resulted in the application containing that claim.<sup>16</sup>

#### Comment

I’m betting on the holding in Santasiero to prevail over the dictum in Robertson.

### IX. CORROBORATION

Nothing interesting this year.

### X. INTERFERENCE PRACTICE

A. Pre-Interference Mechanics

Nothing interesting this year.

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replace them with derivation proceedings and cancellation proceedings. 35 USC 135 as it would be rewritten by both the House and Senate versions of The Patent Reform Act of 2009 would not include equivalents of either 35 USC 135(b)(1) or (b)(2).

<sup>16</sup> 90 USPQ2d at 1907; emphasis supplied.

B. Board Mechanics

Nothing interesting this year.

C. Responses to Orders to Show Cause

Nothing interesting this year.

D. Motions, Oppositions, and Replies

1. Request Rehearing!

Pivonka v. Axelrod<sup>17</sup>

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.<sup>18</sup>

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, 2009 U.S. App. LEXIS 3050 (Fed. Cir. 2009) (not published in Fed. Appx. or USPQ) (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.

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

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<sup>17</sup> A prior version of this write-up was published in 16 Intellectual Property Today No. 6 at page 14 (2009).

<sup>18</sup> The Rubaiyat of Omar Khayyam Quatrain 71.

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)...”<sup>19</sup>

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).”<sup>20</sup>

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].”<sup>21</sup> After considering Pivonka’s response and Axelrod’s reply, the panel entered judgment against Pivonka.

On appeal, Pivonka argued (1) “that the Board abused its discretion by permitting the interference to proceed in the first instance”<sup>22</sup> and (2) “that the Board did not properly apply the law during its obviousness analysis.”<sup>23</sup> The court’s disposition of the second issue is of no

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<sup>19</sup> 2009 U.S. Appx. LEXIS at 2.

<sup>20</sup> 2009 U.S. Appx. LEXIS at 2.

<sup>21</sup> 2009 U.S. Appx. LEXIS at 3.

<sup>22</sup> 2009 U.S. Appx. LEXIS at 3.

<sup>23</sup> 2009 U.S. Appx. LEXIS at 4.

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).<sup>24</sup>

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Accordingly, we conclude that Pivonka waived this argument by failing to raise it below. See *Watts*, 354 F.3d at 1367.<sup>25</sup>

### Comments

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

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<sup>24</sup> 2009 U.S. Appx. LEXIS at 4-5.

<sup>25</sup> 2009 U.S. Appx. LEXIS at 6.

the PTO calls “rehearing” (and what most folks call --reconsideration--) of those two decisions.<sup>26</sup>

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

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<sup>26</sup> 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.



they are the decisions of individual APJs or the decision of panels of APJs) are supposed to be merged into the final judgment.<sup>27</sup> 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 interferent 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.

## 2. Responsive Motions to Amend Claims

### Chapman v. Casner

During the administrative phase of the interference involved in Chapman v. Casner, 315 Fed. Appx. 294 (Fed. Cir. 2009) (non-precedential) (opinion of the court delivered by C.J. Prost and joined by C.J. Lourie, dissenting opinion by C.J. Rader), Casner filed a motion seeking judgment that all of Chapman’s claims designated as corresponding to the count were unpatentable under 35 USC 103(a). Chapman did not file a 37 CFR 41.121(a)(2) responsive motion<sup>28</sup> seeking to amend any of those claims.<sup>29</sup> That proved fatal, for the BPAI granted

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<sup>27</sup> See Crown Packaging Technology, Inc. v. Rexam Beverage Can Co., 559 F.3d 1308, 1311, 90 USPQ2d 1186, 1188 (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).

<sup>28</sup> 37 CFR 41.121(a)(2) reads as follows:

Responsive motions. The Board may authorize a party to file a motion to amend or add a claim, to change inventorship, or otherwise to cure a defect raised in a notice of requested relief or in a substantive motion.

Casner's motion (and the Federal Circuit affirmed) essentially on the ground that Chapman's claims were too broad--i.e., that, even if they read on non-obvious subject matter, they also read on obvious subject matter.

Chapman's claims were drawn to a process comprising, i.a., the step of "incubating the mixture under conditions suitable to promote reaction of 8, 14-dihydroxy-7, 8-dihydrocodeinone to 14-hydroxycodeinone." Chapman's problem was (1) that "The 8,14-dihydroxys created during the initial oxidation step are stereoisomers--there are two forms, designated '8 $\alpha$ ' and an '8 $\beta$ ,' that differ only by the relative orientation of a hydroxyl group<sup>30</sup>;" and (2) that the process recited in its claims would have been obvious using the 8 $\beta$  stereoisomers<sup>31</sup>; and (3) that its "claim does not...differentiate between the 8 $\alpha$  and 8 $\beta$  forms of 8,14-dihydroxy, nor does the claim language specifically disclose which conditions are 'suitable' for promoting the desired reaction from 8,14-dihydroxy to 14-hydroxy."<sup>32</sup>

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<sup>29</sup> According to an email that I received from counsel for Chapman after I sent him a draft of this write-up:

There was no opportunity for Chapman to amend its claims at the Board. The primary reference relied upon by the Board and the Federal Circuit, Proksa, was first cited in Casner's reply brief. Chapman asked the Board to refuse to consider Proksa, but it never replied to the request and did consider Proksa. Chapman's only opportunity to rebut Proksa was through the deposition of its expert, Dr. Baldwin, and he did just that. However, the motion period had closed so no motion to amend claims was available.

<sup>30</sup> 315 Fed. Appx. at 295-96.

<sup>31</sup> Indeed, if I understand the chemistry described in the opinion correctly, the process recited in at least Chapman's independent claim using the 8 $\beta$  stereoisomers would have been anticipated by the prior art.

<sup>32</sup> 315 Fed. Appx. at 296.

Although the court's opinion is not 100% clear, apparently Chapman would have had support for a claim that limited the initial oxidation step to the 8α form and that recited at least one condition that would have rendered the process “‘suitable’ for promoting the desired reaction.”<sup>33</sup> However, Chapman did not file a responsive motion to narrow its claims to get around the prior art.

Judge Rader dissented, but, IMHO, his dissent does not come to grips with the breadth of Chapman's claims. He essentially argued that the subject matter that would have been defined by properly limited claims would have been patentable. And, if pigs had wings, they could fly.

#### Comment

As Judge Rich wrote in Titanium Metals Corp. v. Banner, 778 F.2d 775, 782, 227 USPQ 773, 779 (Fed. Cir. 1985):

It is...an elementary principle of patent law that when, as by a recitation of ranges or otherwise, a claim covers several compositions, the claim is “‘anticipated” if one of them is in the prior art.<sup>34</sup>

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<sup>33</sup> The email from Chapman's counsel quoted supra continued to explain that:

Furthermore, the interfering claims were generic claims, and claims to a species would not be to the same patentable invention. Therefore, there would not be any interference, if Chapman amended its claims.

Apparently it was more important to Chapman to “‘take down” Casner's claims than it was to obtain a patent.

<sup>34</sup> Quoted by Judge Prost in Chapman v. Casner, 315 Fed. Appx. at 297.

3. Once an Interference Has Been Declared, One Cannot Move for a 37 CFR 41.202(d)(2)<sup>35</sup> Order to Show Cause

Rodriguez Rilo v. Benedict<sup>36</sup>

The fundamental issue in Rodriguez Rilo v. Benedict (PTOBPAI 23 March 2009)(informative) (Paper No. 17 in Int. No. 105,684) (opinion by APJ Torczon, not joined by any other APJ)<sup>37</sup> was derivation. Each party accused the other of having derived the invention defined by the count from it. Rodriguez Rilo was the junior party. In order to provoke the interference, it had had to argue that its claims were patentably indistinct from Benedict's claims. However, Benedict's claims contained limitations not present in Rodriguez Rilo's claims. Accordingly, Rodriguez Rilo had argued that the subject matter defined by Benedict's claims would have been obvious in view of the subject matter defined by its claims.

Benedict moved for an order placing Rodriguez Rilo under a 37 CFR 41.202(d)(2) order to show cause why judgment should not be entered against it because it had "failed to demonstrate the existence of interfering subject matter between the parties."<sup>38</sup> That motion was

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<sup>35</sup> According to 37 CFR 41.202(d)(2):

If an applicant fails to show priority under paragraph (d)(1) of this section, an administrative patent judge may nevertheless declare an interference to place the applicant under an order to show cause why judgment should not be entered against the applicant on priority. New evidence in support of priority will not be admitted except on a showing of good cause. The Board may authorize the filing of motions to redefine the interfering subject matter or to change the benefit accorded to the parties.

<sup>36</sup> My partner Todd Baker and I represent Rodriguez Rilo.

<sup>37</sup> Benedict sought reconsideration. Judge Torczon's initial decision was reconfirmed in a more elaborate opinion on 7 April 2009 in an opinion by Judge Torczon, joined by Judges Lee and Tierney. Oddly, that opinion was not designated as informative.

<sup>38</sup> Page 1.

denied. According to Judge Torczon:

As a junior-party applicant seeking an interference, Rilo was obliged to file a statement under Bd.R. 202 explaining what it thought the scope of the interference should be and why it would be entitled to prevail. The rule expressly provides for an order to show cause if the applicant fails to demonstrate facially why it would prevail on priority. Bd.R. 2020(d)(2). There is no corresponding express authority for an order to show cause when there are other defects in the Bd. R. 202 statement.<sup>39</sup>

Rodriguez Rilo had “explain[ed]...why it would be entitled to prevail” by “demonstrate[ing] facially” that Benedict had derived from it the subject matter defined by its (i.e., by Rodriguez Rilo’s) claims, and the administrative patent judge who had declared the interference (i.e., Judge Torczon) had “provisionally determin[ed] that the Director<sup>[40]</sup>...[was] of the opinion that an interference exists.”<sup>41</sup>

Benedict’s problem was that “An interference declaration is presumed to be correct.”<sup>42</sup> Accordingly, as Judge Torczon explained, “Benedict’s remedy is to seek authorization to file a motion for [a] judgment of no interference-in-fact.”<sup>43</sup>

### Comments

(1) This fight was primarily about money. If Judge Torczon had granted Benedict’s

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<sup>39</sup> Page 2.

<sup>40</sup> Of course, the reference to “the Director” was a complete legal fiction. What had happened was that Judge Torczon had provisionally determined that he was of the opinion that an interference existed!

<sup>41</sup> Pages 2-3.

<sup>42</sup> Page 3, citing Bilstad v. Wakalopoulos, 386 F.3d 1116, 1120-21 (Fed. Cir. 2004).

<sup>43</sup> Page 3.

motion, the initial burden would have been on Rodriguez Rilo to show the existence of an interference-in-fact, and a panel of the BPAI might have ruled that it had failed to do so even if Benedict had taken no further part in the proceeding. However, since Judge Torczon denied Benedict's motion, the initial burden was placed on Benedict to show the nonexistence of an interference-in-fact--and, if it failed to do so, the interference would go forward. At that point, Benedict would have to respond to Rodriguez Rilo's facial showing that it (i.e., Benedict) derived the subject matter defined by Rodriguez Rilo's claims from it (i.e., Rodriguez Rilo).

(2) I think that Judge Torczon's holding can easily be extended to post-declaration attempts to obtain an order to show cause based on alleged failures to "demonstrate facially why...[a junior-party applicant] would prevail on priority." In that case, too, the APJ would have "provisionally determin[ed]" that the junior-party applicant has carried its burden. Similarly, the interference declaration would be "presumed to be correct." So, why wouldn't the senior-party patentee's remedy similarly be to seek authorization to file a motion for a judgment based on priority?

#### 4. Lists of Proposed Motions Must Be Complete

##### LaLonde v. Li

In Gholz, A Critique of Recent Opinions in Patent Interference, 90 JPTOS 9, 24 (2008), I discussed Karim v. Jobson, 82 USPQ2d 1018 (PTOBPAI 2006) (non-precedential), in a section entitled "Lists of Proposed Motions Must Be Drawn with Care." They also must be complete. As stated in LaLonde v. Li (PTOBPAI 19 March 2008) (informative) (Paper No. 23 in Int. No. 105,607) (opinion by APJ Lee, not joined by any other APJ):

The motions list filed by party Li on March 14, 2008, is improper as it contains the language "Senior Party Li reserves the right to modify this list to, *inter alia*, include additional miscellaneous; preliminary or other motions or responsive motions

as necessary.” There is no such right for Li to reserve. The presence of such language renders unreliable the list provided and creates a prejudice against LaLonde.<sup>44</sup>

### Comment

This holding is reminiscent of how the board treats attempts to include “reservations” in requests for entry of adverse judgment. See the opinions discussed in Gholz, A Critique of Recent Opinions in Patent Interferences, 91 JPTOS 1 (2009) §X.B.1., “The Interference Estoppel Effect of a Request for Entry of Adverse Judgment.”

5. A Reply Cannot Be Supported By Evidence That Should Have Supported The Motion

#### Rabbani v. Notomi

37 CFR 41.122(b) reads as follows:

All arguments for the relief requested in a motion must be made in the motion. A reply may only respond to arguments raised in the corresponding opposition.

Rabbani v. Notomi (PTOBPAI 25 January 2008) (informative) (Paper No. 145 in Int. Nos. 105,427 and 105,432) (opinion by SAPJ McKelvey for a panel that also consisted of APJs Torczon and Moore), makes it stunningly clear that, not only can a reply contain no new arguments, even the old arguments cannot be supported by additional evidence which “should” have been submitted with the motion.

The interference was in the priority phase. Rabbani filed a motion for judgment based on priority of invention and supported that motion with certain evidence. Notomi filed an opposition supported by the declaration of an expert witness which asserted (surprise, surprise) that Rabbani’s evidence failed to prove that it had actually reduced the invention to practice.

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<sup>44</sup> Page 1.

Rabbani filed a miscellaneous motion requesting authorization to submit additional evidence with its reply to “counter” the declaration of Notomi’s expert. That motion was denied.

According to SAPJ McKelvey:

It is well-established practice at the Board that[,] in presenting a motion for relief, a moving party must make out a *prima facie* case for relief. \*\*\* If a *prima facie* case is not made out in the motion, it cannot be made out in a reply. 37 C.F.R. § 41.122(b) (2007) (first sentence).<sup>45</sup>

Apparently what happened was that Notomi’s expert witness offered numerous criticism of Rabbani’s evidence, and Notomi wanted to counter those criticisms on a point-by-point basis. However, the panel was adamant. Rabbani should have anticipated each of Notomi’s criticisms and countered them in its motion.

So what (if anything) could Rabbani have done after reading the declaration of Notomi’s expert witness? According to the panel, its “remedy” was to cross-examine Notomi’s expert witness,<sup>46</sup> which it had not done.<sup>47</sup>

Interestingly, the panel conceded that the holding in this case represented a change in the Trial Division’s previous policy:

Rabbani alleges that submission of evidence with a reply "is common in interference proceedings." Paper 139, page 9:16-24. Rabbani points out that in connection with other motions, it filed replies.

Rabbani correctly points out that during a recent conference call authorizing this motion the Board noted that the Board's recent experience with reply briefs in general has demonstrated that its current practice of permitting evidence to come in with a reply just does not work. Paper 139, page 10:4-6. Reply briefs,

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<sup>45</sup> Page 4.

<sup>46</sup> Page 5.

<sup>47</sup> Page 11.



accompanied by evidence, on the issue of priority have been particularly troublesome.<sup>48</sup>

### Comments

(1) Cross-examining an honest expert witness can, of course, be very helpful. However, in this case Notomi's expert witness had asserted that there were gaps in Rabbani's evidentiary showing, and cross-examination of Notomi's expert witness would hardly have filled in those alleged gaps. Accordingly, the best that Rabbani could have hoped to do on cross is to get Notomi's expert witness to concede that those gaps were not really important.

(2) Under 35 CFR 1.243 of the very old interference rules, movants were not entitled to file replies to oppositions to motions decided by the Board of Patent Interferences. When 37 CFR 1.638 of the old interference rules, authorizing the filing of a reply to an opposition to a motion decided by the BPAI was under consideration, Fred McKelvey expressed considerable skepticism concerning the usefulness of replies. Even then it was his view that a movant should put everything that the decider could possibly want in its motion and that, if it fails to do so, that is its hard luck.

#### E. Deposition Mechanics

1. A Well-Founded Fear of Being Arrested Is Not an Excuse for Not Coming to the United States for Deposition

Intellectual Concepts, LLC v. Zannier, Inc.

According to 37 CFR 41.157, "Taking testimony":

- (b) Time and location. \* \* \*

(2) Other testimony. (i) Except as the Board otherwise orders, authorized testimony may be taken at any reasonable time and location within the United States before any disinterested

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<sup>48</sup> Page 10.

official authorized to administer oaths at that location.

(ii) Testimony outside the United States may only be taken as the Board specifically directs.

APJs do occasionally authorize the taking of testimony abroad. See generally Gholz, Producing Witnesses in an Interference for Cross-Examination Abroad, 7 Intellectual Property Today No. 5 at page 6 (2000). However, they are extremely reluctant to do so.

In Intellectual Concepts, LLC v. Zannier, Inc. (PTOBPAI 19 September 2008)(informative) (Paper No. 66 in Int. No. 105,617) (opinion by SAPJ McKelvey for a panel that also consisted of APJs Schafer and Moore), Intellectual Concepts's argument for why it should be allowed to produce a witness (Michael Caton, who was also its inventor and who was an expatriot living in Ecuador) for testimony in Ecuador was that he had a well-founded fear that, if he returned to the United States, he would be arrested. That, however, cut no ice with Their Honors:

Caton was convicted of criminal activity in the United States. He was sentenced to 33 months in prison. We do not know whether the 33 months was shorte[ne]d based on "good behavior." After release, Caton was on supervised release. Based on our understanding of the record, Caton is in "violation" of the terms of his supervised release. We will assume, without deciding, that a person violating the terms of supervised release is subject to arrest.

The interference involves a "civil matter." Intellectual Concepts, the junior party, seeks relief in this interference. As junior party, it has the burden of proof. If Intellectual Concepts needs Caton's testimony to make out its case, then it must obtain that testimony in the manner required by the rules. The rules require cross-examination in the United States. \* \* \*

The fact that Caton might be arrested upon return to the United States is a side show. If the testimony is needed and Caton has a sufficient interest in this civil matter, then he needs to come to the United States to testify. Caton's choice to avoid arrest to forego testifying in a "civil matter" is a choice he is free to make. If Intellectual Concepts cannot "force" Caton to come to the

United States,<sup>[49]</sup> then it will have to make out its case without Caton's testimony.<sup>50</sup>

### Comment

Intellectual Concepts also had a medical excuse for its non-production of Mr. Caton in the United States, but the panel characterized that excuse as “fishy.”<sup>51</sup> All in all, the opinion makes exceptionally entertaining reading.

#### F. Burdens of Proof

Nothing interesting this year.

#### G. Evidentiary Issues

Nothing interesting this year.

#### H. Discovery

Nothing interesting this year.

#### I. Settlement

Nothing interesting this year.

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<sup>49</sup> See also Stampa v. Jackson, 78 USPQ2d 1567 (PTOBPAI 2005)(non-precedential)(per curiam, by an expanded panel including SAPJ McKelvey), discussed in Gholz and Parker, It's OK to Pay Fact Witnesses for Their Time, 13 Intellectual Property Today No. 10 at page 6 (2006).

<sup>50</sup> Pages 13-14.

<sup>51</sup> Page 15.

J. Riding to the End of the Line

1. The Decision Whether or Not to Go On To the Priority Phase Is Totally Discretionary

Barany v. McGall

IMHO, the board's precedents on when it will or will not go on to a priority phase if all of one party's claims are held to be unpatentable at the end of the first phase are in disarray. See, e.g., Tanabe v. Lee, 73 USPQ2d 1749 (PTOBPAI 2004) (non-precedential), written up in Gholz, A Critique of Recent Opinions in Patent Interferences, 88 JPTOS 305 (2006) §X.C.2, "The Declaration of an Interference is Not a 'Ticket to Ride to the End of the Line'"; Carroll v. McMullin, 74 USPQ2d 1777 (PTOBPAI 2004) (non-precedential), written up in Gholz, op. cit. supra at §X.C.3, "The Declaration of an Interference is Not Necessarily a Ticket to Ride to the End of the Line--But It May Be"; Stice v. Campbell, 76 USPQ2d 1101 (PTOBPAI 2004) (non-precedential), written up in Gholz, op. cit. supra at §X.C.4 "Sometimes the Declaration of an Interference Is a Ticket to Ride to the End of the Line!"; McMullin v. Carroll, 153 Fed. Appx. 738 (Fed. Cir. 2005) (non-precedential), written up in Gholz., op. cit. supra at §X.C.5 "The Declaration of an Interference May Be a Ticket to Ride to the End of the Line If and Only If One of The Motions Listed in 37 CFR 41.201 is Not Granted During the Preliminary Motions Period"; and Lanuza v. Fan, 76 USPQd 1559 (PTOBPAI 2005) (non-precedential), written up in Gholz, op. cit. supra at §X.C.6. "Or Maybe Not."

Now, in Barany v. McGall (PTOBPAI 6 February 2009) (informative) (Paper No. 59 in Int. No. 105,351) (opinion by APJ Schafer, not joined by any other APJ), the confusion has been further compounded in an allegedly "informative" opinion posted on the board's website.

Barany was a junior party applicant. The original count was a McKelvey count consisting of all of Barany's independent claims or all of McGall's independent claims. Barany

had provoked the interference by making an ex parte showing that it had made the invention defined by the count prior to McGall's filing date. During the motions phase, Barany obtained a judgment that all of McGall's claims were unpatentable because they were not supported by an enabling disclosure. However, instead of terminating the interference, the panel redeclared the interference with "a new count, which eliminated all reference to McGall's unpatentable claims."<sup>52</sup>

The APJ then ordered McGall to show cause why the interference should continue. McGall responded. During a conference call, the APJ orally told counsel that the interference would continue. Barany asked leave to file a motion seeking reconsideration of that decision,<sup>53</sup> the motion was authorized and filed, and the opinion under discussion is Judge Schafer's disposition of that motion -- apparently rendered prior to receipt of McGall's opposition.

Judge Schafer stated his analysis by quoting 37 CFR 41.104(a):

(a) The Board may determine a proper course of conduct in a proceeding for any situation not specifically covered by this part and may enter non-final orders to administer the proceeding.

He then asserted that "Ultimately what issues will be decided [in an interference] depends on a case-by-case analysis."<sup>54</sup>

First, he asserted that "The board's rules identify three narrow threshold issues that may

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<sup>52</sup> Page 2.

<sup>53</sup> It is unclear to me why Barany needed authorization to seek reconsideration. 37 CFR 41.125(c) seems to me to give a party an absolute right to seek "rehearing" of an interlocutory order.

<sup>54</sup> Page 3.

result in termination of the interference without reaching priority.”<sup>55</sup> However, he conceded that “Interferences have been resolved on the basis of unpatentability [issues other than threshold issues] without deciding priority,” citing Berman v. Housey, 291 F.3d 1345, 63 USPQ2d 1023 (Fed. Cir. 2002).<sup>56</sup>

Barany argued that, since McGall’s claims had been held to be unpatentable, there was no interference-in-fact. However, Judge Schafer rejected that argument as follows:

The holding that McGall’s claims are unpatentable does not mean that the subject matter claimed by the parties’ [sic] is not directed to the same invention. And Barany, having suggested the interference, is not in a position to argue that its claims do not interfere with McGall’s.<sup>57</sup>

Barany also argued that “McGall is no longer an impediment to the issuance of a patent to Barany under 35 U.S.C. §102(g).”<sup>58</sup> However, Judge Schafer rejected that argument as follows:

McGall’s benefit application is a conception and constructive reduction to practice of everything described and enabled in the specification. \* \* \* McGall’s accorded benefit date is earlier than Barany’s effective filing date. Thus, McGall is the presumptive first inventor of the subject matter described and enabled in McGall’s patent. 37 CFR § 207(a).

Barany has not established, in this interference proceeding, that it made the invention of the count before McGall’s date of invention, i.e., McGall’s accorded filing date, as required by 35 U.S.C. § 102(g). Barany’s ex parte

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<sup>55</sup> Page 3.

<sup>56</sup> Page 4 n.1.

<sup>57</sup> Page 5. Compare University of California v. Children’s Medical Center Corp., 79 USPQd 1029 (PTOBPAI 2005)(non-precedential), written up in Gholz, A Critique of Recent Opinions in Patent Interferences, 89 JPTOS 5 (2007) §X.E.5, “Is a Party That Suggested an Interference Estopped From Moving for a Judgment That There is No Interference in Fact?”

<sup>58</sup> Page 6.

submissions under 37 CFR § 1.608(b) (2002) \* \* \* were sufficient to have the interference declared and avoid summary judgment under 37 CFR § 1.617 (2002). However, Barany has not yet submitted proofs that meet the requirements of the current interference rules. Additionally, McGall has not had an opportunity to cross examine Barany's witnesses or to submit proofs of his own.

McGall's patent has not been removed as an impediment to the issuance of Barany's claims under 35 U.S.C. § 102(g).<sup>59</sup>

### Comments

But the panel had already granted Barany's motion for a judgment that all of McGall's claims were unpatentable for lack of an enabling disclosure! It is of course possible that McGall's problem was that its claims were too broad for its disclosure and that it would have had enablement support for narrower claims. Moreover, even if the disclosure in its patent was a total bust, it is possible that McGall actually reduced to practice subject matter within the scope of Barany's claims before Barany's effective filing date. However, Judge Schafer apparently denied Barany's motion without even waiting for an opposition from McGall, so he couldn't have known that McGall was even going to argue either of those possibilities.

2. The Decision Whether or Not to Decide Every Motion is Also Totally Discretionary

#### Amgen, Inc. v. Human Genome Sciences, Inc.

As is well known, Their Honors are fond of deciding one dispositive motion,<sup>60</sup> then dismissing all of the other motions as moot. That practice has the unfortunate consequence that, if the board's decision on that one dispositive motion is reversed on judicial review, under either 35 USC 141 (appeal to the Federal Circuit) or 35 USC 146 (civil action in a district court having

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<sup>59</sup> Page 6-7; citations omitted.

<sup>60</sup> Contrary to some cynical comments, that is not always the motion that is easiest to decide.

personal jurisdiction over the winning party or its assignee), the interference is often remanded to the board to decide the remaining motions (or, at least, one more dispositive motion—this could go on for a long time!).<sup>61</sup> However, since judicial review of the board’s decision is sought in only a small fraction of the cases, and since the board is only reversed in a small fraction of that small fraction of the cases, Their Honors’ practice no doubt saves them a lot of work.

Normally, movants not all of whose motions were decided simply shrug their shoulders and get on with their lives. In Amgen, Inc. v. Human Genome Sciences, Inc. (PTOBPAI 5 June 2009)(informative)(Paper No. 79 in Int. No. 105,613)(opinion by APJ Torczon for a panel that also consisted of APJs Lane and Tierney), however, a movant (Human Genome Sciences, which was a senior party patentee) that had invested a lot of what the opinion calls “sweat equity”<sup>62</sup> in two other motions requested rehearing, not of the decision granting Amgen’s motion and holding HGS’s claims unpatentable on the ground of lack of utility, but of the decision dismissing as moot HGS’s motions seeking a judgment that Amgen’s claims were likewise unpatentable—albeit on different grounds.

The panel stood fast. According to it:

An interference is a tool to determine priority for competing claims to the same invention. The Board has discretion to reach other issues as well. A decision that one party lacks utility may render the need for a priority decision moot. The Board may, nevertheless, exercise its discretion to reach a patentability issue even after the priority contest has been resolved.<sup>63</sup>

So, when will the APJs exercise that discretion to go ahead and decide additional motions?

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<sup>61</sup> See Gholz, In 35 USC 146 Actions, Should District Courts Decide Issues That Were Not Reached by the Board?, 10 Intellectual Property Today No. 10 at page 42 (2003).

<sup>62</sup> Page 6 footnote 21.

<sup>63</sup> Page 2; footnotes omitted.



According to the panel:

The decision to exercise discretion is necessarily case-specific and depends on a variety of considerations such as the issues raised and the status of the case, the parties, and the tribunal. A pertinent consideration in this case is whether the two motions in question (HGS motions 2 and 4) have been fairly raised and fully developed.<sup>64</sup>

In this case, neither HGS motion met that criterion. One was a motion for judgment on priority. That motion had been deferred to the second phase of the interference, so it hadn't been developed at all. The other was a motion to have all of Amgen's involved claims held unpatentable under 35 USC 102(e) or 35 USC 102(e)/103 in view of HGS's involved patent. That motion had also been deferred to the second phase of the interference because Amgen had indicated that its defense to that motion would be to try to antedate the HGS patent, and, as the panel pointed out:

Board practice permits an opponent to request deferral of an antedating effort until the priority phase of an interference since there tends to be a high degree of overlap between antedating and priority proofs.<sup>65</sup>

#### Comment

Do not assume that the contrary is true--that is, that, if a motion has in fact "been fairly raised and fully developed," it will automatically be (or, indeed, is even likely to be) decided if the panel's decision on some other motion is dispositive. What the board typically does, even with motions for judgments that an applicant's claims are unpatentable, is to remand the application to the examiner with an instruction to consider the issue(s) raised in the dismissed

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<sup>64</sup> Pages 2-3.

<sup>65</sup> Page 4, citing LeVeen v. Edwards, 57 USPQ2d 1416, 1419-20 (PTOBPAI 2000).

motion(s).<sup>66</sup>

K. Arbitration

Nothing interesting this year.

XI. PATENTABILITY ISSUES ARISING IN AN INTERFERENCE CONTEXT

A. Copied Claims Are Sometimes Interpreted in Light of the Target's Specification--and Sometime Not

Agilent Technologies, Inc. v. Affymetrix, Inc.

Agilent Technologies, Inc. v. Affymetrix, Inc., 567 F.3d 1366, 91 USPQ2d 1161 (Fed. Cir. 2009) (opinion by CJ Rader for a panel that also consisted of CJ Mayer and CJ Posner of the Seventh Circuit, sitting by designation),<sup>67</sup> is further support for the proposition that one should never (well, hardly ever) copy claims from a target patent in *ipsisssimis verbis*—i.e., in word-for-word-identical form.<sup>68</sup> Affymetrix had done just that, and it got into a peck of perhaps unnecessary trouble as a result.

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<sup>66</sup> See Gholz, Would You Rather Have Your Opponent's Patentability Issues Decided Inter Partes or Ex Parte?, 14 Intellectual Property Today No. 10 at page 37 (2007), and Gholz, A Critique of Recent Opinions in Patent Interferences, 91 JPTOS 1 (2009) at § X.J.1., both of which discuss this practice.

<sup>67</sup> This opinion is also discussed in Gholz, How Should "Copied" Claims be Interpreted?, 16 Intellectual Property Today No. 9 at page 11 (2009).

<sup>68</sup> One might want to do that in the rather rare situation presented in Sewall v. Walters, 21 F.3d 411, 30 USPQ2d 1356 (Fed. Cir. 1994) (Rich, CJ). In that case, the interferences' entire specifications were word-for-word identical, and the question was which party had conceived the invention, not which party had made the invention first.

The fact that Affymetrix had copied Agilent's claims in *ipsisssimis verbis* led to the court's revisiting the inconsistency between its holdings in In re Spina, 975 F.2d 854, 24 USPQ2d 1142 (Fed. Cir. 1992)(requiring the PTO to interpret a claim copied to provoke an interference in light of the specification from which it was copied)<sup>69</sup> and Rowe v. Dror, 112 F.3d 473, 42 USPQ2d 1550 (Fed. Cir. 1997)(requiring the PTO to interpret a claim copied to provoke an interference in light of the specification into which it was copied).<sup>70</sup> However, while the court acknowledged that, to decide the case before it, "this court must examine two of its prior decisions,"<sup>71</sup> it refused to acknowledge the inconsistency between them. Instead, it held that each rule is valid, but in different circumstances. The rule of Rowe v. Dror is applicable "where the issue...[is] whether...[a] claim...[is] 'patentable to one or the other party in light of prior art'."<sup>72</sup> The rule of In re Spina is applicable where "the question is 'whether the copying party's

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<sup>69</sup> Discussed in Gholz, A Critique of Recent Opinions of the Federal Circuit In Patent Interferences, 75 JPTOS 448 (1993) § II.C., "The Description Requirement of 35 USC 112 Is the Same For a Claim Copied for Purposes of Provoking an Interference as For a Claim Presented During Ex Parte Prosecution of a Patent Application," and § III.C., "An Applicant That Copies a Claim From a Patent in *Ipsis Verbis* for the Purpose of Provoking an Interference May Well be Creating Unnecessary Trouble for Itself."

<sup>70</sup> Discussed in Gholz, A Critique of Recent Opinions of the Federal Circuit in Patent Interferences, 80 JPTOS 321 (1998) § XI.A., "Notwithstanding In re Van Geuns, the Board Must Determine Patentability of Claims Designated as Corresponding to a Count on a Claim-By-Claim Basis."

<sup>71</sup> 567 F.3d at 1374, 91 USPQ2d at 1166.

<sup>72</sup> 567 F.3d at 1375, 91 USPQ2d at 1166.

specification...adequately...[supports] the subject matter claimed by the other party’.”<sup>73</sup> That is, the copied claim is interpreted one way for purposes of 35 USC 102 and 103 and in a completely different way for purposes of 35 USC 112. In Rowe v. Dror, the court sought to explain the difference between the two rules as follows:

This Spina rule sought to ensure that the PTO would only declare an interference if both parties had a right to claim the same subject matter. However, that rule does not apply in cases, such as this one, where the issue is whether the claim is patentable to one or the other party in light of prior art.<sup>74</sup>

This opinion is also interesting for a separate point bearing on Tafas v. Doll, 539 F.3d 1345, 90 USPQ2d 1129 (Fed. Cir. 2009). The movers and shakers in the PTO did not like the holding in In re Spina. Accordingly, they sought to “legislatively” overrule it by promulgating 37 CFR 41.200(b), which states that, in every contested case in the PTO, “A claim shall be given its broadest reasonable construction in light of the specification of the application or patent in which it appears.” (Emphasis supplied.) However, the court was not about to let one of its holdings be done away with that easily:

Rowe explicitly recognized that administrative regulations cannot trump judicial directives. In considering the effect of Rule 200’s substantively similar predecessor (37 C.F.R. § 1.633(a)(1996) on the rule from Spina, this court stated: “This court does not accept the PTO’s statement that it can ‘administratively set aside the judicially created rule of In re Spina.’ Judicial precedent is as binding on administrative agencies as are statutes.” Id. at 479 n.2 (internal citations omitted).<sup>75</sup>

### Comments

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<sup>73</sup> 567 F.3d at 1375, 91 USPQ2d at 1166.

<sup>74</sup> 112 F.3d at 479, 42 USPQ2d at 1554.

<sup>75</sup> 567 F.3d at 1375, 91 USPQ2d at 1166.

(1) As I said in my long ago write-up of In re Spina:

The moral of this opinion, as well as many others to a like effect, is that neither 37 CFR 1.601(n) nor 37 CFR 1.607 requires an applicant to copy a patentee's claims in *ipsis verbis* in order to provoke an interference and that an applicant's attorney can save his or her client a great deal of unnecessary grief by slightly revising a copied claim to ensure that there is clear support for the copied claim in the specification of the application.<sup>76</sup>

Doing that can both avoid 35 USC 112 first paragraph written description problems and focus the attention both of the parties and of the APJs on the real question in most such cases: Do the claims of the parties interfere or don't they? In my opinion, that is how the PTO should "ensure that...[it] only declare[s] an interference if both parties ha[ve] a right to claim the same subject matter."

(2) The court's holding that the same claim in the same party's case in interference should be interpreted one way for purpose of judging whether it is patentable over the prior art and in a different way for purposes of judging whether it is patentable under the written description requirement seems inconsistent with the court's repeated statements that a claim must be interpreted the same way for judging patentability and infringement. Moreover, what will the court do if interpreting a claim one way leads to a holding that it is valid over the prior art but invalid under the written description requirement or vice versa? Worse, what will it do if interpreting a claim one way leads to a holding that it is valid under the written description requirement if interpreted that way and invalid under the self same requirement if interpreted the other way?!

(3) The court's assertion that "administrative regulations cannot trump judicial directives" no doubt means that we are stuck with the rule of In re Spina until either it is

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<sup>76</sup> 75 JPTOS at 466.

overruled legislatively or the court can be persuaded to overrule it en banc. However, getting the court to overrule Spina en banc is a surpassingly unlikely prospect. Affymetrix petitioned for rehearing en banc, the AIPLA filed an amicus brief in support of that petition,<sup>77</sup> and the court denied the petition--without even requiring Agilent to respond to it!

B. The APJs Are Not Convinced

Robertson v. Timmermans

Agilent Technologies, Inc. v. Affymetrix, Inc. was decided on June 4, 2009. Robertson v. Timmermans, 90 USPQ2d 1898 (PTOBPAI 2008) (non-precedential) (opinion by APJ Lee for a panel that also consisted of APJs Schafer and Tierney), was decided on November 21, 2008, but it was not published until June 29, 2009. Robertson makes it very clear that the holding of the panel in Agilent came as an unpleasant surprise to the APJs! They thought that they'd gotten rid of Spina by amending 37 CFR 1.633(a).

According to Judge Lee's opinion in Robertson:

Expressly provided in 37 CFR §41.200(b) (2005-2007) is the following:

A claim shall be given its broadest reasonable construction in light of the *specification of the application of patent in which it appears*. (Emphasis added)

The predecessor rule to 37 CFR §41.200(b), i.e., 37 CFR §1.633(a) (1995-2004), also states the same, regarding the basis of claim interpretation:

In deciding an issue raised in a motion filed under this paragraph (a), a claim will be construed in light of the specification of the *application or patent in which it appears*. (Emphasis added)

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<sup>77</sup> I was lead counsel on that brief.

When the predecessor rule was promulgated in 1995, there was a notice in the Federal Register making clear that under the rule it was improper to interpret a party's claim in light of another party's specification, even where the claim was copied from the other party. Specifically, it was stated, 60 Fed. Reg. 14488, 14506 (March 17, 1995):

As proposed in the Notice of Proposed Rulemaking, paragraph (a) of §1.633 is revised in several respects. The first is to specify that a claim shall be construed in light of the specification of the application or patent in which it appears. The amendment clarifies an ambiguity in PTO interference practice. Previously, the Federal Circuit had interpreted §1.633 to require an ambiguous claim to be interpreted in light of the patent from which it was copied. *In re Spina*, 975 F.2d 854, 856, 24 USPQ2d 1142, 1144 (Fed. Cir. 1992). While this interpretation was a possible interpretation of previous §1.633, [the] PTO had intended that a copied claim be interpreted in light of the specification of the application or patent in which it appears. The rule, as adopted, will make ex parte and inter partes practice the same. A claim that has been added to a pending application for any purpose, including to provoke an interference, will be given the broadest reasonable interpretation consistent with the disclosure of the application to which it is added, as are claims which are added during ex parte prosecution.

In *Rowe v. Dror*, 112 F.3d 473, 479 n.2, 42 USPQ2d 1550, 1554 n.2 (Fed. Cir. 1997), the Court of Appeals for the Federal Circuit explained that the U.S. Patent and Trademark Office had ample authority to promulgate such a rule and allowed to stand a plain application of the rule.<sup>78</sup>

Moreover, in addition to the fact that the board's legal reasoning in Robertson is flatly inconsistent with the court's legal reasoning in Agilent, the board's application of its legal reasoning to the facts before it is particularly interesting. In Robertson, the parties' claims were word-for-word identical, but the board's interpreted them differently:

Although Timmermans' application claims 8 and 9 are identical in wording with Robertson's patent claims 1 and 4, Robertson has

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<sup>78</sup> 90 USPQ2d at 1902.

no basis to and may not assume that Timmermans' claims 8 and 9 have the same meaning and scope as Robertson's claims 1 and 4.<sup>79</sup>

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[B]ecause of the mistaken approach taken by Robertson, it not only failed to establish a "material" distinction between Timmermans' current and previous claims, but also failed to properly identify the differences between Timmermans' current and earlier claims. While arguments are made on pages 15-19 of Robertson's motion regarding why all of Timmermans' earlier claims in Timmermans' parent Application 09/782,375, filed February 12, 2001, lack the material limitations present in Timmermans' current claims 8 and 9, Robertson makes an improper assumption that Timmermans' application claim 8 has the same scope and meaning as Robertson's patent claim 1 and that Timmermans' application claim 9 has the same scope and meaning as Robertson's patent claim 4. All of Robertson's arguments assume that Timmermans' claims 8 and 9 would exclude embodiments including a hollow translucent tubular structure with LEDs positioned within the rod. That is not how we have construed Timmermans' claims 8 and 9.<sup>80</sup>

#### Comment

Robertson makes a lot more sense to me than does Agilent. I wonder how the Agilent court would have dealt with the fact pattern in Robertson.

C. The APJs Are Prohibited From Relying on Their Own Expertise

#### Robertson v. Timmermans

In Brand v. Miller, 487 F.3d 862, 82 USPQ2d 1705 (Fed. Cir. 2007), a panel of APJs got smacked down for relying on their own expertise to supplement a deficient record. See Nissen and Gholz, Brand v. Miller Prevents Administrative Patent Judges From Using Their Common Sense in Inter Partes Proceedings, 90 JPTOS 5 (2008). Now in Robertson v. Timmermans, 90 USPQ2d 1898 (PTOBPAI 2008) (non-precedential) (opinion by APJ Lee for a panel that also

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<sup>79</sup> 90 USPQ2d at 1907.

<sup>80</sup> 90 USPQ2d at 1909.



consisted of APJs Schafer and Tierney),<sup>81</sup> a panel has held itself “prohibited” by Brand v. Miller from making a very simple technical determination in the absence of evidence in the record:

To the extent that disclosure of only one species embodiment within the scope of a claim drawn to a genus may not be sufficient written description for supporting the genus broad enough to cover other embodiments, that depends on predictability of the technical subject matter and the reasonable expectations of one with ordinary skill in the art. *Bilstad v. Wakalopulos*, 386 F.3d 1116, 1125 [72 USPQ2d 1785] (Fed. Cir. 2004). Robertson's motion, however, does not advance such an argument or submit evidence in that regard. We are also prohibited from making a determination based on our own knowledge and expertise. The Board cannot substitute its own expertise for evidence that is not in the record. *See Brand v. Miller*, 487 F.3d 862, 869 [82 USPQ2d 1705] (Fed. Cir. 2007).<sup>82</sup>

#### Comments

(1) Judge Lee did not sound very happy about the court’s prohibition! Well, the PTO has only itself to blame. My partner Rob Nissen and I filed a petition for certiorari in Brand, and the PTO refused to support our petition.

(2) The Federal Circuit’s opinion in Brand v. Miller should be contrasted with its opinion in In re POD-NERS, L.L.C., 2009 U.S. App. LEXIS 15229 (Fed. Cir. 2009) (not reported in F.3d, Fed. Appx., or USPQ2d). In the latter, the court wrote:

In KSR, 550 U.S. at 421, the Supreme Court pointed out that “rigid preventative rules that deny fact finders recourse to common sense, however, are neither necessary under our case law nor consistent with it.” To reject the Board’s obviousness ruling here, would be to deny the Board that very “recourse to common sense” that the Supreme Court there warned against.<sup>83</sup>

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<sup>81</sup> Robertson v. Timmermans is also discussed in Gholz, When Can APJs Use Their Common Sense in Inter Partes Proceedings?, 16 Intellectual Property Today No. 11 (2009) at page 17.

<sup>82</sup> 90 USPQ2d at 1905; interpolations by the editor of the USPQ2d.

<sup>83</sup> 2009 U.S. App. LEXIS 15229 at page 3.

Either the court is having second thoughts about its holding in Brand or Brand states the rule for interferences and POD-NERS states the rule for re-examinations.

## XII. COURT REVIEW OF DECISIONS IN INTERFERENCES

Nothing interesting this year.

## XIII. POST-INTERFERENCE PRACTICE

Nothing interesting this year.

## XIV. RELATIONSHIP OF INTERFERENCE PROCEEDINGS TO COURT PROCEEDINGS

Nothing interesting this year.

## XV. PATENT-PATENT INTERFERENCES

Nothing interesting this year.

## XVI. CONCLUSION

The number of informative interference opinions from the BPAI is way down this year.

In fact, there hasn't been one since Director Kappos took over. Coincidence?