

HOW WILL KAPPOS V. HYATT IMPACT 35 USC 146 ACTIONS?¹

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and

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INTRODUCTION

Kappos v. Hyatt, ___ U.S. ___, 132 S. Ct. 1690, 102 USPQ2d 1337 (2012)(hereinafter referred to as “Hyatt”)(majority opinion delivered by Justice Thomas; concurring opinion delivered by Justice Sotomayor and joined by Justice Breyer), holds that “there are no limitations on a patent applicant’s ability to introduce new evidence in a § 145 proceeding beyond those already present in the Federal Rules of Evidence and the Federal Rules of Civil Procedure.”⁴ However, it also holds that “the district court may, in its discretion, ‘consider the proceedings before and findings of the Patent [and Trademark] Office in deciding what weight to afford an applicant’s newly admitted evidence’”⁵ and, specifically, that, “In deciding what weight to afford...[applicant’s newly admitted] evidence, the district court may...consider whether the applicant had an opportunity to present the evidence to the PTO”⁶ and discount it if the applicant had such an opportunity but chose not to present it to the PTO for reasons which the district court deems inappropriate.

Hyatt is a 35 USC 145 case (that is, an ex parte case), and these articles (i.e., the monthly articles in this journal authored or co-authored by Mr. Gholz) are about interference law and procedure. However, 35 USC 145 and 35 USC 146 have common ancestry in a pre-1952 statute (R. S. 4915), and they share some (but not all) of the language that led to the Supreme Court’s

decision. Accordingly, it is appropriate to speculate about what impact Hyatt will have on 35 USC 146 practice.⁷

WHAT THE SUPREME COURT SAID IN HYATT THAT SUGGESTS THAT ITS HOLDINGS THERE DO OR DO NOT APPLY TO 35 USC 146 ACTIONS

In Hyatt the Supreme Court relied on the fact that, “In *Zurko* [*Dickinson v. Zurko*, 527 U.S. 150, 119 S. Ct. 1816, 50 USPQ2d 1930 (1999)], we...noted that, unlike § 141 [i.e., 35 USC 141, which governs appeals to the Court of Appeals for the Federal Circuit], § 145 permits the applicant to present new evidence to the district court that was not presented to the PTO,”⁸ and it opined that “This opportunity to present new evidence is significant, not the least because the PTO generally does not accept oral testimony.”⁹ However, while it is true that “the PTO generally does not accept oral testimony” in ex parte practice, in interferences the PTO does routinely accept oral testimony,¹⁰ and it occasionally even accepts live testimony before live APJs! See Gholz, The Board Does Hear Live Testimony and Make Credibility Determinations!, 18 Intellectual Property Today No. 12 at page 12 (2011) This arguably reduces the need to give interferences who lost before the board second bites at the apple during district court review of the board’s decisions in interferences, reducing the potential applicability of Hyatt to actions under 35 USC 146.

Hyatt also makes references to the BPAI that suggest that the Supreme Court thought that the BPAI acts in the first instance on patent applications during its ex parte proceedings. Specifically, in setting the stage for its substantive discussion, it said that, “If the examiner denies...[a patent] application, the applicant may file an administrative appeal with the PTO’s Board of Patent Appeals and Interferences.... If the Board also denies the application, the Patent Act gives the disappointed applicant two options for judicial review of the Board’s decisions.”¹¹

Later, in recounting the procedural history of the case, it said that “Hyatt appealed the examiner’s decision to the Board, which eventually approved 38 claims, but denied the rest.”¹² Of course, in interferences, even when a panel of the Trial Section is deciding an issue that is identical to an issue that was previously decided by an ex parte panel, it is not bound by (or it would seem, even strongly influenced by) the decision of the ex parte panel. Size v. Bloch, 458 F.2d 137, 140-41, 173 USPQ 498, 500-01 (CCPA 1972). This suggests that the Supreme Court believes that the BPAI is performing essentially the same functions in interferences that it performs in ex parte appeals, which suggests that the Supreme Court sees no difference between what the BPAI does in inter partes cases (such as, but not limited to, interferences) and what it does in ex parte cases (such as the ex parte appeal that preceded Hyatt’s 35 USC 145 action). That would support the argument that Hyatt is equally applicable to interferences.

In Hyatt, the Supreme Court stated that it:

conclude[d] that the principles of administrative exhaustion do not apply in a § 145 proceeding. The Director argues that applicants must present all available evidence to the PTO to permit the PTO to develop the necessary facts and to give the PTO the opportunity to properly apply the Patent Act in the first instance. Brief for Petitioner 21-22 (citing *McKart v. United States*, 395 U.S. 185, 193-194 (1969)). But[,] as this Court held in *McKart*, a primary purpose of administrative exhaustion “is, of course, the avoidance of premature interruption of the administrative process.” *Id.*, at 193. That rationale does not apply here because, by the time a § 145 proceeding occurs, the PTO’s process is complete.¹³

However, practically speaking, the PTO’s process is not complete by the time that a 35 USC 145 proceeding occurs. The applicant can always go back to ex parte prosecution, supplement the record, and try again--with essentially no adverse consequences other than the loss of time and the cost of invoking the process.¹⁴ See Dunner et al., Court of Appeals for the Federal Circuit: Practice and Procedure § 6.05, “Stare Decisis, Collateral Estoppel, and Res Judicata.” In contrast, a losing interferent has no such option. If it tries to go back ex parte, it is faced with

interferences estoppel--which can be a bear. See Gholz and Wilcox, Interference Estoppel is Worse Than Issue Preclusion, 15 Intellectual Property Today No. 6 at page 14 (2008).¹⁵ This arguably increases the need to give interferences who lost before the board a second bite at the apple, suggesting that Hyatt should be applicable to interferences.

Next, Hyatt states that “Section 145...does not provide for remand to the PTO to consider new evidence, and there is no pressing need for such a procedure because a district court, unlike a court of appeals, has the ability and the competence to receive new evidence and to act as a factfinder.”¹⁶ However, due to the BPAI’s propensity to decide the minimum possible number of issues and its ignoring of the Federal Circuit’s repeated admonitions that it decide all issues that are “fairly raised and fully developed during the interference,”¹⁷ the Federal Circuit (and, presumably, the district courts in 35 USC 146 actions) frequently has to remand interferences to the BPAI with instructions to complete its work.¹⁸ Accordingly, this point clearly distinguishes 35 USC 145 from 35 USC 146.

However, one aspect of Hyatt most clearly can be read to suggest that it will have minimal impact on 35 USC 146 practice: the Court’s extended discussion of Butterworth v. United States, 112 U.S. 50, 5 S. Ct. 25 (1884), and Morgan v. Daniels, 153 U.S. 120, 14 S. Ct. 772 (1894), and its decision to follow Butterworth rather than Morgan.¹⁹ After having stated that, “Viewing *Butterworth* and *Morgan* together, one might perceive some tension between the two cases,”²⁰ (which is a whacking understatement), and after having conceded that the frequently quoted passage from Butterworth on which Hyatt relied “was not strictly necessary to *Butterworth*’s holding,”²¹ the Court noted that it had already “reiterated *Butterworth*’s well-reasoned interpretation of [i.e., its persuasive dicta concerning!] R. S. 4915 in three later cases.”²² It then distinguished Morgan as follows:

Morgan, on the other hand, concerned a different situation from the one presented in this case. First, *Morgan* addressed an interference proceeding. See 153 U.S., at 125 (emphasizing that “the question decided in the Patent Office is one between contesting parties as to priority of invention”). Although interference proceedings were previously governed by R. S. 4915, they are now governed by a separate section of the Patent Act, 35 U.S.C. § 146, and therefore do not implicate § 145. In addition, *Morgan* did not involve a proceeding in which new evidence was presented to the District Court. See 153 U.S., at 122 (stating that the case “was submitted, without any additional testimony, to the Circuit Court”).²³

The Court thereupon concluded that, “Because in this case we are concerned only with § 145 proceedings in which new evidence has been presented to the District Court, *Butterworth* rather than *Morgan* guides our decision.”²⁴

TO WHAT EXTENT WILL THE DISTRICT COURTS LIKELY DISCOUNT NEWLY ADMITTED EVIDENCE IN THE USUAL 35 USC 146 CASE?

Although the majority held that “the district court may, in its discretion, ‘consider the proceedings before and findings of the Patent Office in deciding what weight to afford an applicant’s newly-admitted evidence’,”²⁵ the majority’s opinion does not suggest the degree to which or the circumstances in which the district courts should discount that evidence on the ground that it could have been submitted to the scrutiny of the technically trained patent examiners--who, after all, have primary jurisdiction over such evidence. However, the concurring opinion gives us much on which to basis our speculation. According to it:

Consistent with ordinary equity practice and procedure, there may be situations in which a litigant’s conduct before the PTO call into question the propriety of admitting evidence presented for the first time in a § 145 proceeding before a district court. The most well-known example was presented in *Barrett Co. v. Koppers Co.*, 22 F.2d 395, 396 (CA3 1927), a case in which the Barrett Company, during proceedings before the Patent Office, “expressly refused to disclose and to allow their witnesses to answer questions” essential to establishing the priority of its invention.

After the Patent Office ruled against it, the Barrett Company attempted to present in a subsequent R. S. 4915 proceeding “the very subject-matter concerning which...witnesses for the [patent] application [sic; applicant?] were asked questions and the Barrett Company forbade them to answer.” *Id.*, at 396. The Third Circuit understandably found the Barrett Company estopped from introducing evidence that it had “purposely” withheld from prior fact-finders, lest the company be allowed “to profit by [its] own...wrong doing.” *Id.*, at 397. See also *Dowling v. Jones*, 67 F.2d 537, 538 (CA2 1933)(L. Hand, J.)(describing *Barrett* as a case in which “the Third Circuit refused to consider evidence which the inventor had deliberately suppressed”).

For the reasons the Court articulates, § 145 proceedings are not limited to the administrative record developed before the PTO[,] and applicants are entitled to present new evidence to the district court. Accordingly, as Judge Hand suggested, a court’s equitable authority to exclude evidence in such proceedings is limited, and must be exercised with caution. See *Dowling*, 67 F.2d, at 538 (describing as “doubtful” the proposition that a court should exclude evidence that was “not suppressed, but merely neglected” before the Patent Office). Thus, when a patent applicant fails to present evidence to the PTO due to ordinary negligence, a lack of foresight, or simple attorney error, the applicant should not be estopped from presenting the evidence for the first time in a § 145 proceeding.²⁶

Now let’s get real. Why do losing interferences usually have and want to put on evidence during 35 USC 146 proceedings before district courts that they didn’t put on during the 35 USC 135(a) proceeding before the BPAI? We suggest that it is because the assignees of the interferences, who are the real parties-in-interest, have concluded that the claims that the interferences lost below are worth the expense of generating and putting on the additional evidence. The value of those claims in the commercial marketplace may have changed due to extraneous factors or the assignees may have simply recalculated the value of those claims. Either way, the question arises: Was the decision not to generate that evidence and put it on before the BPAI due to “ordinary negligence” (whatever the heck that means!), due to “a lack of foresight” (on whose part? Counsel for the losing interference may have begged his or her client

to authorize the expenditure of additional money to generate that evidence during the pendency of the interference before the BPAI!), or due to “simple attorney error” (and, of course, management at the assignee may well agree emphatically that the failure to generate and put on that evidence was due to “attorney error”--in fact, due to attorney malpractice!).

However the usual situation is categorized, the nub of the situation is that the applicant that lost before the board wants to do a better job before the court. In this regard, we are reminded of a famous case²⁷ (well, famous amongst members of the interference bar) decided years ago under 37 CFR 1.228, the predecessor of 37 CFR 41.202(d)(2).²⁸ An applicant had provoked an interference with a patent by filing documents purporting to show an invention date prior to the patentee’s filing date. However, the examiner-in-chief (the then title of the officials now known as administrative patent judges) to whom the files were assigned, *inter alia*, for the purpose of deciding whether or not to declare an interference decided that those documents were insufficient to show an invention date prior to the filing date of the patentee. The examiner-in-chief nevertheless declared the interference--but put the applicant under an order to show cause why judgment shouldn’t be entered against it on the ground that it had failed to overcome the patentee’s filing date. Counsel for the applicant responded (probably truthfully!) that he’d thought that his insufficient showing was “adequate for the Patent Office purposes.”²⁹ An all-star panel of three examiners-in-chief (opinion by Ian Calvert for a panel that also consisted of Marvin Champion and Walter Modance) was not amused, ruling that “the junior party’s excuse...is not acceptable” and that “he could not reasonably have expected that it would be considered sufficient by this Office to establish a prima facie case of priority.”³⁰

WILL HYATT HAVE ANY IMPACT ON DISCOVERY IN 35 USC 146 ACTIONS?

Hyatt did not involve a discovery issue. Mr. Hyatt was seeking to introduce into

evidence a declaration that he had generated himself. However, at least some (Mr. Gholz believes many) 35 USC 146 actions are filed in the hope of using the district court's discovery procedures to obtain information from the prevailing interferent that the losing interferent was unable to obtain during the administrative proceeding due to the limited discovery available during that phase of the case. See Gholz, Patent Interferences -- Big Ticket Litigation With No Effective Discovery, 4 Intellectual Property Today No. 9 at page 10 (1997); Gholz, Why Are 35 USC 146 Actions Becoming So Popular?, 5 Intellectual Property Today No. 9 at page 6 (1998); and Gholz, Why 35 USC 146 Practice Should Boom, 7 Intellectual Property Today No. 12 at page 48 (2000).

The first paragraph of 35 USC 146 reads as follows:

Any party to an interference dissatisfied with the decision of the Board of Patent Appeals and Interferences may have remedy by civil action, if commenced within such time after such decision, not less than sixty days, as the Director appoints or as provided in section 141 of this title, unless he has appealed to the United States Court of Appeals for the Federal Circuit, and such appeal is pending or has been decided. In such suits the record in the Patent and Trademark Office shall be admitted on motion of either party upon the terms and conditions as to costs, expenses, and the further cross-examination of the witnesses as the court imposes, without prejudice to the right of the parties to take further testimony. The testimony and exhibits of the record in the Patent and Trademark Office when admitted shall have the same effect as if originally taken and produced in the suit. [Emphasis supplied.]

Since a 35 USC 146 action is a "civil action" in a United States District, some people have long believed that, in contrast to what happens during the administrative phase of patent interferences, the parties to a 35 USC 146 action are entitled to full-blown, "normal" discovery just like in an infringement action, and the Supreme Court's treatment of 35 USC 145 in Hyatt supports that view. However, attempts to obtain such "normal" discovery have met with mixed success.³¹

WHAT JUDGE PECHMAN SAID IN TRUSTEES OF DARTMOUTH COLLEGE V. IMMUNEX CORP.

The first opinion in the series that will be discussed here is Trustees of Dartmouth College v. Immunex Corp., No. 03-2676P (W.D. Wash. July 28, 2004) (unpublished) (Pechman, D.J.). During the administrative phase of the interference, the board had granted Immunex's motion for a judgment that all of Dartmouth's claims were unpatentable under the enablement requirement of the first paragraph of 35 USC 112 and dismissed all of the other substantive motions as moot. Dartmouth then filed the 35 USC 146 action, seeking to obtain reversal of the board's decision. In that proceeding, it moved for discovery on the enablement issue.³²

However, Judge Pechman denied its motion, reasoning as follows:

This Court holds that[,] while the statute [35 USC 146] allows for further testimony, it does not mandate further discovery. "Further cross-examination of the witnesses" may occur as a condition imposed by the Court for admission of the PTO record. 35 U.S.C. § 146. Even this provision allowing for "further" cross-examination implies that there has been prior cross-examination. Nothing in the statute or in the case law indicates that a §146 proceeding re-opens discovery or allows for discovery de novo. The relevant regulations provided the Plaintiff with ample opportunity for discovery,^[33] and Plaintiff must now live with its choice not to take advantage of that opportunity.³⁴

WHAT JUDGE URBINA SAID IN UNIVERSITY OF MASSACHUSETTS V. ROSLIN INSTITUTE³⁵

The next opinion in this series is University of Massachusetts v. Roslin Institute, 437 F. Supp. 2d 57, 79 USPQ2d 1527 (D.C.D.C. 2006) (Urbina, D.J.). In that case, Judge Urbina denied Roslin's motion for a protective order³⁶ "limit[ing] the scope of discovery to information previously sought by the plaintiffs in preparation for the Interference proceedings."³⁷ He reasoned that:

While the court agrees with the defendants insofar as the scope of the current proceedings are not panoptic, the defendants' position

confuses admissibility with discoverability.

The defendants' argument rests on an assumption that information sought in the depositions of Wilmut and Wells falls outside the scope of these section 146 proceedings. Defs.' Mot. at 13-14 (stating that "the scope of such evidence allowed to be presented a [sic; at] trial in a § 146 action has been severely limited"). However, the proper scope of discovery is broader than the scope of admissible evidence, and includes any matter "relevant to the claim or defenses of any party." Fed. R. Civ. P. 26(b)(1). What's more, "[r]elevant information need not be admissible at the trial if the discovery appears reasonably calculated to lead to the discovery of admissible evidence." *Id.*; *Food Lion, Inc. v. United Food & Comm'l Workers Int'l Union*, 103 F.3d 1007, 1012 (D.C. Cir. 1997); see also *Smith v. Schlesinger*, 513 F.2d 462, 473 n.37 (D.C. Cir. 1975) (noting that "a party may discover information which is not admissible at trial if such information will have some probable effect on the organization and presentation of the moving party's case").

Section 146 of Title 35 does nothing to limit the scope of discoverable information. See 35 U.S.C. § 146. In fact, the statute contemplates possible "further cross-examination of the witnesses" and expressly provides that the proceedings shall proceed "without prejudice to the right of the parties to take further testimony." *Id.*³⁸

Interestingly, Judge Urbina specifically considered Judge Pechman's Dartmouth opinion, but stated that he "d[id] not find the defendant's reliance on *Dartmouth College* persuasive."³⁹

WHAT JUDGE WOLF SAID IN CELL GENESYS INC. V. APPLIED RESEARCH SYSTEMS⁴⁰

The next opinion in this series, Cell Genesys Inc. v. Applied Research Systems, 499 F. Supp. 2d 59, 85 USPQ2d 1733 (D. Mass. 2007)(Wolf, D. J.), is the longest and most scholarly. In that case, the parties had actually taken full-blown discovery. However, after the completion of discovery:

ARS...filed motions in limine seeking to exclude: deposition testimony from witnesses who did not provide evidence to the Board by affidavit or deposition; documents that were not submitted to the Board; and expert opinions that were not disclosed in the report of Dr. Thea Tisty ("Dr. Tisty") which was provided to ARS during the period for discovery in this case.⁴¹

Judge Wolf granted ARS's motions in limine, summarizing his holding as follows:

In this case, the new witnesses proffered to the court, and the related documents, would have been available to CGI for presentation to the Board if CGI had exercised due diligence in seeking them. However, CGI did not. Rather, it relied exclusively on an affidavit [of] an attorney, which the Board, for well-articulated reasons, found not to be credible. In these circumstances, it would be contrary to the interests of justice to allow CGI to present the disputed new evidence to this court.⁴²

Judge Wolf began his analysis by noting that:

The Federal Circuit has, in dicta, stated that “the statute [§146] authorizes the district court to accept all proffered testimony on issues raised by the parties during the proceedings below or by the [B]oard's decision.” *Case v. CPC International*, 730 F.2d 745, 752 [221 USPQ 196] (Fed. Cir. 1984). [However,] The Federal Circuit has not decided whether in a §146 proceeding the district court may restrict the admission of testimony on an issue raised before the Board. *See General Instrument Corporation, Inc. v. Scientific Atlanta, Inc.*, 995 F.2d 209, 214 [27 USPQ2d 1145] (Fed. Cir. 1993) (“we again have no occasion to decide whether ‘a district court may properly restrict the admission of testimony on an issue raised before the [B]oard.’”) (quoting *Case*, 730 F.2d at 752).⁴³

Based on his analysis of the language of 35 USC 146 “in the context of the law concerning patent interference practice...,”⁴⁴ Judge Wolf concluded that he “ha[d] the discretion to restrict the testimony of new witnesses and related documents...”⁴⁵

Concerning how he should exercise that discretion, Judge Wolf adopted the standard set forth in Velsicol Chemical Corp. v. Monsanto Co., 579 F.2d 1038, 198 USPQ 584 (7th Cir. 1978), a pre-Federal Circuit opinion by the Seventh Circuit:

absent special circumstances, the proper question for the district court [is] whether the failure of the proponent of the additional evidence to uncover its existence earlier or to procure it for the interference proceeding occurred in spite of the proponent's diligence in preparing his case before the Board. We agree with the court in *Kirschke [v. Lamar]*, 476 F.2d 807, 165 USPQ 679 (8th Cir. 1970).] that it makes no difference whether the failure to produce the evidence was “attended by reprehensible motives or not (or) whether it be for tactical or other reasons.” 426 F.2d at

874. Moreover, we find that in terms of the policy of encouraging full disclosure it is not necessary that there have been an affirmative action or decision to suppress the evidence; it is enough that a reasonably diligent preparation of the proponent's case before the Board would have led to the discovery of the existence of the evidence and its production. Nor is it necessary that the evidence have been in the exclusive control and possession of the proponent, as long as it was procurable by him. Conversely, a litigant who has been reasonably diligent in identifying and procuring evidence for the interference proceeding will not be precluded from strengthening his presentation in the district court if new evidence should become available to him in the interim.⁴⁶

COMMENTS

There are those who have suggested that the administrative phases of interferences are simply low-cost “tryouts on the road”⁴⁷ and that, if the inventions are still judged worth fighting about after decisions by the BPAI, the “main events” take place in the subsequent 35 USC 146 actions.⁴⁸ In particular, bearing in mind that the absence of “normal” discovery during the administrative phase of interferences⁴⁹ means that the decisions by the APJs are often made with less than all of the material facts before them, some believe that the presence of “normal” discovery during 35 USC 146 actions means that that is where the actual material facts can be brought out. However, Dartmouth and Cell Genesys indicate that it is not always possible to obtain “normal” discovery during 35 USC 146 actions.

To our minds, the obvious solution to this problem is to have “normal” discovery during the administrative phase of interferences. That way, Judge Pechman’s legal fiction would correspond to reality, and there would be better reasons to preclude the parties to 35 USC 146 actions from obtaining and presenting to the fact finders evidence that they really could have presented to the better technically qualified fact finders of the BPAI.

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⁴ ___ U.S. at ___, 132 S. Ct. at 1700-1701, 102 USPQ2d at 1344.

⁵ ___ U.S. at ___, 132 S. Ct. at 1700, 102 USPQ2d at 1344.

⁶ ___ U.S. at ___, 132 S. Ct. at 1694, 102 USPQ2d at 1339.

⁷ The Supreme Court noted that the Leahy-Smith America Invents Act (the “AIA”), signed into law on September 16, 2011, and effective in relevant part on September 16, 2012, “made significant changes to Title 35 of the United States Code, some of which are related to the subject matter of this case. For example, the Act...changed the name of the Board of Patent Appeals and Interferences to the Patent Trial and Appeal Board...and changed the name of interferences [in 35 USC 146] to derivation proceedings....” ___ U.S. at ___ n. 1, 132 S. Ct. at 1694 n. 1, 102 USPQ2d at 1339 n. 1. Of course, the AIA may have done more than that! It may have dictated that, after September 16, 2012, only decisions in derivation proceedings will be reviewable under 35 USC 146--that is, that the decisions in interferences, which will still be emanating from the renamed board for the next ten or fifteen years, won’t be reviewable under 35 USC 146! This possibility will be the subject of a forthcoming article in this journal by Mr. Gholz and one of his colleagues.

⁸ ___ U.S. at ___, 132 S. Ct. at 1694, 102 USPQ2d at 1339-40.

⁹ ___ U.S. at ___, 132 S. Ct. at 1694, 102 USPQ2d at 1340.

¹⁰ See 37 CFR 41.154-158, particularly 37 CFR 41.157.

¹¹ ___ U.S. at ___, 132 S. Ct. at 1694, 102 USPQ2d at 1339; emphasis supplied.

¹² ___ U.S. at ___, 132 S. Ct. at 1695, 102 USPQ2d at 1340; emphasis supplied.

¹³ ___ U.S. at ___, 132 S. Ct. at 1696-97, 102 USPQ2d at 1341.

¹⁴ See, e.g., Innovatit Seafood Sys., LLC v. Comm'r for Patents, 573 F. Supp. 2d 96 (D.D.C. 2008).

¹⁵ But see Gholz, When (If Ever) Is the Judgment of a District Court in a 35 USC 146 Action Binding on the Board?, 13 Intellectual Property Today No. 5 at page 30 (2006).

¹⁶ ___ U.S. at ___, 132 S. Ct. at 1697, 102 USPQ2d at 1341.

¹⁷ Koninklijke Philips Electronics N.V. v. Cardiac Science Operating Co., 590 F.3d 1326, 1334, 93 USPQ2d 1227, 1233 (2010). See generally Gholz, You Must Aggressively Assert Your Rights Under Koninklijke!, 17 Intellectual Property Today No. 12 at page 18 (2010).

¹⁸ See, e.g., Robertson v. Timmermans, 603 F.3d 1309, 94 USPQ2d 1954 (Fed. Cir. 2010); Rolls-Royce, PLC v. United Technologies Corp., 603 F.3d 1325, 95 USPQ2d 1097 (Fed. Cir. 2010); Brown v. Barbacid, 436 F.3d 1376, 77 USPQ2d 1848 (Fed. Cir. 2006); Eaton v. Evans, 204 F.3d 1094, 53 USPQ2d 1596 (Fed. Cir. 2000).

¹⁹ In his short article entitled “Will *Kappos v. Hyatt* Impact 35 USC 146 Actions?,” 84 PTCJ 42 (2012), Mr. Gholz wrote that, “A first reading of *Kappos v. Hyatt* might suggest that it will have no impact on 35 USC 146 practice” because of this passage in the Supreme Court’s opinion, but he concluded that “it is more likely than not that the courts will read *Hyatt* as” impacting 35 USC 146 actions as well as 35 USC 145 actions.

²⁰ ___ U.S. at ___, 132 S. Ct. at 1698, 102 USPQ2d at 1343.

²¹ ___ U.S. at ___, 132 S. Ct. at 1699, 102 USPQ2d at 1343. According to the Supreme Court’s

opinion, “To resolve...[the] apparent tension [between Butterworth and Morgan], the Director urges us to disregard the language in *Butterworth* as mere dicta and to follow *Morgan*.” ___

U.S. at ____, 132 S. Ct. at 1699, 102 USPQ2d at 1343.

²² ___ U.S. at ____, 132 S. Ct. at 1699, 102 USPQ2d at 1343.

²³ ___ U.S. at ____, 132 S. Ct. at 1699, 102 USPQ2d at 1343.

²⁴ ___ U.S. at ____, 132 S. Ct. at 1699, 102 USPQ2d at 1343.

²⁵ ___ U.S. at ____, 132 S. Ct. at 1700, 102 USPQ2d at 1344.

²⁶ ___ U.S. at ____, 132 S. Ct. at 1701-02, 102 USPQ2d at 1345.

²⁷ Justus v. Brackmann, 195 USPQ 327 (1976).

²⁸ See Gholz and Fabre, “Good Cause” Under 37 CFR 41.202(d)(2), 18 Intellectual Property Today No. 9 at page 32 (2011).

²⁹ 195 USPQ at 329.

³⁰ 195 USPQ at 330.

³¹ In addition to the following three cases, see also the well-reasoned oral order in Glaxco Group Ltd. v. Novartis Corp., No. 08-01570 (D. D.C. April 27, 2010) in Transcript of Hearing on Defendant’s Motion for a Protective Order at 61-65 (D.I. 39). Mr. Gholz and his then partner Robert Nissen represented Novartis.

³² This strikes us as odd. In our experience, one party simply serves discovery requests, and the other party files an FRCP 26 motion for a protective order.

³³ This is what members of the interference bar might call, politely, a legal fiction. See Gholz, Patent Interferences -- Big Ticket Litigation With No Effective Discovery, 4 Intellectual Property Today No. 9 at page 10 (1997).

³⁴ No. 03-2676P, slip op. at 10 (W.D. Wash. July 28, 2004); interpolation supplied.

³⁵ Mr. Gholz and his partner Frank West were co-counsel for the University of Massachusetts.

³⁶ That is, this case followed the procedure referred to in backnote 32, *supra*.

³⁷ 437 F. Supp. 2d at 59, 79 USPQ2d at 1529. By “in preparation for the interference proceedings” the court apparently meant during the administrative phase of the interference--i.e., during the proceedings before the board.

³⁸ 437 F. Supp. 2d at 61-62, 79 USPQ2d at 1529-30; footnote omitted.

³⁹ 437 F. Supp. 2d at 62, 79 USPQ2d at 1530.

⁴⁰ Mr. Gholz and his partner Frank West were co-counsel for Applied Research Systems.

⁴¹ 499 F. Supp. 2d at 61, 85 USPQ2d at 1735. Dr. Tisty’s opinions were excluded on a ground not relevant to this article.

⁴² 499 F. Supp. 2d at 61, 85 USPQ2d at 1735; interpolations supplied.

⁴³ 499 F. Supp. 2d at 69, 85 USPQ2d at 1741; interpolations, except of “However,” and “27 USPQ2d 1145”, by the court.

⁴⁴ 499 F. Supp. 2d at 70, 85 USPQ2d at 1741.

⁴⁵ 499 F. Supp. 2d at 69, 85 USPQ2d at 1741.

⁴⁶ 499 F. Supp. 2d at 74, 85 USPQ2d at 1745.

⁴⁷ Cf. Judge Newman’s colorful dissenting opinion in In re Construction Equipment Co., 665 F.3d 1254, 100 USPQ2d 1922 (Fed. Cir. 2011), discussed in Gholz and Gardella, Cancellation of Patent Claims in an Interference After Those Claims Have Been Held Not Invalid in an Infringement Action, 19 Intellectual Property Today No. 4 at page 21 (2012).

⁴⁸ We have stated this assertion more colorfully than it is usually stated.

⁴⁹ See backnote 33, *supra*.