

Is The Respondent's Entire Specification "Prior Art" On A Motion For A Judgment Of
No-Interference-In-Fact?¹

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Introduction

According to 37 CFR 41.203(a), "An interference exists if the subject matter of a claim of one party would, if prior art, have anticipated or rendered obvious the subject matter of a claim of the opposing party and vice versa." As discussed hereinafter, the phrase "the subject matter of a claim" has traditionally been interpreted as meaning the subject matter defined by that claim. In other words, the test for whether two claims owned by different parties interfere has traditionally been the same as the test for whether two claims owned by the same party but appearing in different cases⁴ stand in an obviousness-type double patenting relationship. As is also discussed hereinafter, when the issue is obviousness-type double patenting, it is very well established that only the subject matter defined by the claims is to be compared and that the entire specification of the reference patent or application is not part of the "prior art." However, the Federal Circuit's opinion in Rolls-Royce, PLC v. United Technologies Corp., 603 F.3d 1325, 95 USPQ2d 1097 (Fed. Cir. 2010) (opinion by Circuit Judge Rader for a panel that also consisted of Chief Circuit Judge Michel and Senior Circuit Judge Schall) (hereinafter referred to as "Rolls-Royce"), is at least verbally inconsistent with that traditional understanding.

What the Federal Circuit Said in Rolls-Royce

Rolls-Royce was an appeal from a 35 USC 146 action brought to review a decision in a patent-application interference. Priority was not in dispute. The only issue was the propriety of the district court's reversal of the board's denial of the junior party's motion for a judgment of no-interference-in-fact.

At the outset of its opinion, the court asserted that, "Because the district court correctly determined that Rolls-Royce, PLC's ("Rolls-Royce") '077 patent would not have been obvious in light of United Technologies Corp.'s ("UTC") '931 application, this court affirms."⁵ Notably, it did not say that it affirmed because the district court correctly determined that the subject matter defined by the claims in the '077 patent designated as corresponding to the count would not have been obvious in light of the subject matter defined by the claims in the '931 application designated as corresponding to the count.

Later in its opinion, the court said, "For the interference analysis [i.e., for the analysis to determine whether there was an interference-in-fact], UTC's '931 application is prior art for Rolls-Royce's '077 patent"⁶—again not distinguishing between the '077 patent and the '931 application in their entireties and the subject matter defined by the claims in the two cases designated as corresponding to the count.

Finally, the court concluded its analysis by saying that, "Because the '931 application does not render the '077 patent obvious, this court affirms the district court's holding that the claims of [the] Rolls-Royce '077 patent are patentable over UTC's '931 application."⁷

The Law re Double Patenting

As the court stated in In re Berg:⁸

Obviousness-type double patenting is a judge-made doctrine that prevents an extension of the patent right beyond the statutory time

limit. It requires rejection of an application claim when the claimed subject matter is not patentably distinct from the subject matter claimed in a commonly owned patent.⁹

Moreover, it is black-letter law that, when the issue is obviousness-type double patenting, only the subject matter defined by the claims in issue is to be compared and that the entire specifications of the two cases are not to be used except for the purpose of construing the metes and bounds of the claims. As Prof. Chisum said in 3A Chisum, Patents § 9.03[1][a] concerning use of the entire specification of the “reference” patent or application as “prior art”:

the standard for comparison for the second patent is what was claimed in the first patent, not what was disclosed in the specification of the first patent.

And, as he noted in 3A Chisum, Patents § 9.03[1][b] concerning the use of specifications in construing the claims in double patenting cases:

the patent disclosure may not be used as prior art. ... This does not mean that the disclosure may not be used at all. ... [I]n certain instances it may be used as a dictionary to learn the meaning of terms in a claim. n⁸

n⁸ In re Vogel, 422 F.2d 438, 441, 164 USPQ 619, 622 (CCPA 1970).

The Law re Interference-in-Fact

Federal courts apply the USPTO’s definition for interfering subject matter when analyzing the existence of an interference-in-fact, even though they are not bound by USPTO rules and regulations.¹⁰ The USPTO currently defines interfering subject matter as existing when “the subject matter of [one] claim . . . would, if prior art, have anticipated or rendered obvious the subject matter of [another] claim and vice versa.”¹¹ This definition, articulated in terms of obviousness and anticipation, is equivalent to the “same patentable invention” standard.¹² Further, the “same patentable invention” standard is well established to mean the same thing as “not patentably distinct.”¹³

Rolls-Royce is one of only two Federal Circuit opinions citing the USPTO's definition of interference-in-fact in 37 CFR 41.203(a) since the 2004 amendment of the interference practice rules.¹⁴ However, the USPTO did not intend to substantively change the definition of interference-in-fact through its 2004 amendment of 37 CFR. To the contrary, in response to comments on the notice of final rulemaking, the USPTO affirmed that "[t]he phrase ['patentably distinct'] has an established meaning as a difference between subject matter that would have been neither anticipated nor obvious."¹⁵ Moreover, the USPTO also reaffirmed the equivalence of the terms "same invention" and "not patentably distinct."¹⁶ Finally, the MPEP continues to cite case law predating the 2004 amendments to 37 CFR to support its current definition for "interfering subject matter."¹⁷

Accordingly, we agree with the passage in the Federal Circuit's opinion in Advance Transformer Co. v. Levinson¹⁸ that states that the subject matter defined by the claims is controlling when determining the existence of interference-in-fact – even though the statutory language uses the words "interfering patents" instead of "interfering claims."¹⁹ Furthermore, we agree that "[i]t is thus correct, and necessary, to compare claims, not disclosures," to determine the existence of interference-in-fact.²⁰

Conclusion

We are not sure that the court appreciated the significance of what it was saying in the passages quoted above from Rolls-Royce. In addition to those infelicitous passages, the court also said that, "If claim 8 of Rolls-Royce's '077 patent would not have been obvious to one of skill in the art in view of claim 23 of UTC's '931 application, then this record does not show a cause for interference."²¹ That language at least focuses on claims in the two cases rather than on the disclosures of the two cases in their entirety. However, the language used by the court in

Rolls-Royce should alert the interference bar to the possibility that another seismic shift in their understanding is in the offing.²²

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⁴ “Case” in this context is a generic term encompassing both patents and applications.

⁵ Rolls-Royce, 603 F.3d at 1327, 95 USPQ2d at 1098.

⁶ 603 F.3d at 1338, 95 USPQ2d at 1106.

⁷ 603 F.3d at 1340–41, 95 USPQ2d at 1108.

⁸ 140 F.3d 1428, 46 USPQ2d 1226 (Fed. Cir. 1998).

⁹ 140 F.3d at 1431, 46 USPQ2d at 1229; emphasis added.

¹⁰ See Eli Lilly & Co. v. Bd. of Regents Univ. Wash., 334 F.3d 1264, 1268, 67 USPQ2d 1161, 1164 (Fed. Cir. 2003) (relying on USPTO rules to define “same patentable invention” and “interference in fact”); see also Medichem, S.A. v. Rolabo, S.L., 353 F.3d 928, 934, 69 USPQ2d 1283, 1287 (Fed. Cir. 2003) (requiring the district courts to adopt the USPTO’s definition of “the same or substantially the same subject matter”); see also Slip Track Sys., Inc. v. Metal-Lite, Inc., 304 F.3d 1256, 1263, 64 USPQ2d 1423, 1427-28 (Fed. Cir. 2002) (relying on USPTO regulations to define “interfering subject matter”).

¹¹ 37 CFR 41.203(a).

¹² Eli Lilly, 334 F.3d at 1268, 67 USPQ2d at 1164.

¹³ Nitz v. Ehrenreich, 537 F.2d 539, 544, 190 USPQ 413, 417 (CCPA. 1976); see Aelony v. Arni, 547 F.2d 566, 570, 192 USPQ 486, 490 (CCPA 1977) (relying on Nitz to define “patentably distinct” as interference-in-fact standard).

¹⁴ See Rules of Practice Before the Board of Patent Appeals and Interferences, 69 Fed. Reg. 49960–69 (Aug. 12, 2004) (removing 37 CFR 1.600 *et seq.* and adding 37 CFR 41.200 *et seq.*).

¹⁵ Id. at 49990–91.

¹⁶ Id.

¹⁷ See MPEP 2301.03 (8th ed., Rev. 4, Oct. 2005) (relying on Aelony and Nitz to support its definition for “interfering subject matter”).

¹⁸ 837 F.2d 1081, 5 USPQ2d 1600 (Fed. Cir. 1988), rev’d on other grounds, 508 U.S. 83 (1993).

¹⁹ 837 F.2d at 1083, 5 USPQ2d at 1602.

²⁰ Id.

²¹ Rolls-Royce, 603 F.3d at 1338, 95 USPQ2d at 1106.

²² By “another seismic shift,” we are referring to the opinions discussed in Gholz, Are Agilent and Philips Limited to Claims Copied in Ipsissimis Verbis?, 17 Intellectual Property Today No. 5 at page 28 (2010), and Gholz, Are All Panels of the Federal Circuit Following Agilent and Phillips?, 17 Intellectual Property Today No. 6 at page 12 (2010).