

THE BOARD MUST DECIDE EVERY PATENTABILITY MOTION THAT IS “FULLY RAISED AND FULLY DEVELOPED DURING THE INTERFERENCE”—BUT MUST IT PERMIT EVERY AUTHORIZED PATENTABILITY MOTION TO BE “FULLY DEVELOPED”?¹

By

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INTRODUCTION

For many years, I have been publishing an annual article in the Journal of the Patent and Trademark Office entitled A Critique of Recent Opinions in Patent Interferences. Since 2006 I have included in that critique a section entitled “Riding to the End of the Line” dealing generally with the issue of when the BPAI will decide issues that it isn’t absolutely required to decide in order to enter judgment in a given interference and specifically with the issue of when the BPAI will go on to the second phase of an interference³ despite the fact that its decision on the first

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³ Typically (but not always), the second phase of an interference is devoted to deciding issues of priority, derivation, and inventorship.

phase of the interference⁴ could be used to enter a judgment terminating the interference. I also wrote an article in this journal entitled When is the Declaration of an Interference a Ticket to Ride to the End of the Line?, 13 Intellectual Property Today No. 1 at page 16 (2006).

WHAT THE BOARD DID IN BARANY V. McGALL AND AMGEN, INC. V. HUMAN GENOME SCIENCES, INC.

In my critique of the interference opinions published in 2009, 92 JPTOS ____ (2010), I cited Barany v. McGall (PTOBPAI 6 February 2009)(informative)(Paper No. 59 in Int. No. 105,351) for the proposition that “The Decision Whether or Not to Go On To the Priority Phase is Totally Discretionary,”⁵ and I cited Amgen, Inc. v. Human Genome Sciences, Inc. (PTOBPAI 5 June 2009)(informative)(Paper No. 79 in Int. No. 105,613) for the proposition that “The Decision Whether or Not to Decide Every Motion is also Totally Discretionary.”⁶

In my write-up of Barany v. McGall, I cited numerous of my previous writings on this general subject for the proposition that “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.” By that I meant that I could not predict with accuracy when the board would go on to the second phase and when it wouldn’t.

Similarly, in my write-up of Amgen, Inc. v. Human Genome Sciences, Inc., I wrote that:

As is well known, Their Honors are fond of deciding one dispositive motion, then dismissing all of the other motions as

⁴ Typically (but not always), the first phase of an interference is devoted to deciding issues of patentability and scope of the interference (i.e., the definition(s) of the count(s) and which claim(s) should be designated as corresponding to which count(s)).

⁵ 92 JPTOS at § X.J.1.

⁶ 92 JPTOS at § X.J.2.

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 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!).⁶¹ 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. [Footnote omitted.]

⁶¹ 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).

In that case, the board explained when it would and would not decide motions that it didn't absolutely have to decide as follows:

The decision to exercise discretion [to decide motions that it doesn't absolutely have to decide] 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...have been fairly raised and fully developed.

However, I followed that quote with the following 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 motion(s). [Footnote omitted.]

WHAT THE COURT DID IN PHILIPS V. CARDIAC SCIENCE

However, after Koninklijke Philips Electronics N.V. v. Cardiac Science Operating Co., ___ F.3d ___, 93 USPQ2d 1227 (Fed. Cir. 2010)(opinion by C.J. Gajarsa, joined by Ch.C.J. Michel and S.C.J. Friedman)(hereinafter referred to as “Philips”), the board may have no choice

but to decide every patentability and priority motion that is “fairly raised and fully developed during the interference”⁷—and, of course, it is the board’s view that priority motions, derivation motions, and inventorship motions are just species of the genus patentability motion. However, the court’s opinion in Philips raises an intriguing new question. Must the board permit every authorized patentability motion to be “fully developed”?

Cardiac Science was the senior party applicant, and Philips was the junior party patentee. During the interference, Philips filed both a 35 USC 112 ¶ 1 written description motion for a judgment that all of Cardiac Science’s claims were unpatentable and a 35 USC 102/103 motion for a judgment that Cardiac Science’s claim 38 was either anticipated by or unpatentable over the same reference. The board granted the written description motion and then either dismissed or deferred Philips’s § 102/103 motion.

The reason that I write that the board “either dismissed or deferred Philips’s § 102/103 motion is that the Federal Circuit’s opinion said only that “The Board found it unnecessary to consider the patentability of ...[Cardiac Science’s] claims 38,^[8] holding that Philips failed to establish that all of ...[Cardiac Science’s] other claims were unpatentable in...[its written description motion].”⁹ However, it is my guess that the board merely deferred that motion. I base that guess on the fact that the court’s opinion continues “As long as the Board found that...[Cardiac Science’s] application had priority over the...[Philips] patent and that at least

⁷ Quoted from In re Gartside, 203 F.3d 1305, 1317, 53 USPQ2d 1769, 1776 (Fed. Cir. 2000), at both ___ F.3d at ___, 93 USPQ2d at 1233 and ___ F.3d at ___, 93 USPQ2d at 1234.

⁸ Recall that Philips asserted that Cardiac Science’s claim 38 was unpatentable under both 35 USC 112 ¶ 1 and 35 USC 102/103.

⁹ ___ F.3d at ___, 93 USPQ2d at 1230; emphasis in the original.

some of the claims [in Cardiac Science’s application] were patentable, the Board opined that determining claim 38’s patentability was ‘not essential for this interference’.”¹⁰ According to the court, “The Board assumed that the primary examiner could determine whether...[Cardiac Science’s] claim 38 was anticipated or obvious ex parte after the interference proceedings concluded.”¹¹ This, of course, is the board’s usual practice, discussed in Amgen.

Philips sought review of the board’s judgment under 35 USC 146. The district court affirmed the board’s action. However, on appeal, the Federal Circuit reversed.

According to the Federal Circuit:

By statute, the Board “shall determine questions of priority of the inventions and may determine questions of patentability.” 35 U.S.C. § 135(a)(2006). This court has held that “the Board should decide issues relating to priority and patentability that are fairly raised and fully developed during the interference, despite the permissive language of § 135(a) with respect to patentability issues.” In re Gartside, 203 F.3d 1305, 1317 (Fed. Cir. 2000); see also Schulze v. Green, 136 F.3d 786, 791 (Fed. Cir. 1998)(“[B]y combining the two boards, ‘all issues of patentability and priority which arise in an interference can be decided in a single proceeding rather than in a series of complicated inter partes and ex parte proceedings.” (quoting 130 Cong. Rec. 28,065, 28,072 (1984)(statement of Rep. Kastenmeier)); Perkins v. Kwon, 886 F.2d 325, 328 (Fed. Cir. 1989)(“[I]ssues of patentability and priority that have been fully developed before the Board should be resolved by the Board.”).¹²

* * *

Here, the district court did not construe the disputed term at all [i.e., the term at issue in the written description motion]. Nor did the court analyze...[Cardiac Science’s] application’s written description, assuming that the Board’s procedural grounds obviated claim construction. The district court failed to recognize that “the Board should decide issues relating to patentability that

¹⁰ ___ F.3d at ___, 93 USPQ2d at 1230.

¹¹ ___ F.3d at ___, 93 USPQ2d at 1230.

¹² ___ F.3d at ___, 93 USPQ2d at 1232-33.

are fairly raised and fully developed during the interference, despite the permissive language of § 135(a) with respect to patentability issues.” Gartside, 203 F.3d at 1317. Cardiac Science does not dispute that Philips fairly raised and fully developed its written description challenge before the Board. Consequently, the district court should have corrected the Board’s error by deciding whether...[Cardiac Science’s] application’s written description satisfied § 112. ¶ 1. On remand, the district court must...[decide Philips’s written description motion on the merits].¹³

COMMENTS

(1) Surprisingly, the court’s opinion does not deal explicitly with Philips’s motion for a judgment that Cardiac Science’s claim 38 was either anticipated by or unpatentable over the prior art reference. However, the fact that the court remanded the entire case to the district court with specific instructions that the district court should decide Philips’s § 112 ¶ 1 motion on the merits suggests to me that the district court will also either have to decide Philips’s § 102/103 motion on the merits or remand it to the board for decision.

(2) Although the court’s opinion indicates that the district court will have to decide the written description motion on the merits, I believe that it is at least an open question whether the district court could duck that bullet by remanding the case to the board. 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).

(3) Finally, turning to the question raised by the title of this article, in the future must the APJs permit all of the authorized motions to be fully developed, or can they select one or two motions that they think are likely to be outcome-determinative, defer all the others, and permit only the selected motions to be fully developed? 37 CFR 41.125(a) reads as follows:

Order of consideration. The Board may take up motions for

¹³ ___ F.3d at ___, 93 USPQ2d at 1234.

decisions in any order, may grant, deny, or dismiss any motion, and may take such other action [as is] appropriate to secure the just, speedy, and inexpensive determination of the proceedings. A decision on a motion may include deferral of action on an issue until a later point in the proceeding.

At the risk of being thought paranoid, I note that the APJs could save an awful lot of work for themselves by deferring consideration of all authorized, but unlikely to be outcome-determinative patentability motions, deciding only the likely outcome-determinative patentability motions, and taking the chance that court review under either 35 USC 141 or 35 USC 146 will not result in a remand to the board.

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