USING 35 USC 154(d) TO SPEED INTERFERENCES[1]

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and

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Introduction

If an interference is won by an applicant interferent and the losing party seeks court review of the board's decision, it is the PTO's normal practice to withhold issuance of the winning party's application pending completion of all court review—including disposition of a petition for certiorari.[4] Since the prevailing applicant-interferent can't file an infringement action against the losing patentee-interferent until its patent has issued, and since normal infringement damages don't begin accumulating until the infringement action has been filed, this sometimes leads to patentee-interferents' stretching out even hopeless cases as long as possible.

It is the thesis of this article that applicant-interferents can use 35 USC 154(d) to considerably reduce (but not to eliminate) the incentive of patentee-interferents to engage in this socially dysfunctional behavior.

What 35 USC 154(d) Says—And How It Impact Interferences

35 USC 154(d), "Provisional rights. In general," says that "a patent shall include the right to obtain a reasonable royalty from any person who, during the period beginning on the date of publication of the application for such patent…and ending on the date the patent is issued…makes, uses, offers for sale, or sells in the United States the invention as claimed in the published application or imports such an invention into the Unite States…." However, 35 USC 154(d)(2) says that "The right under paragraph (1) to obtain a reasonable royalty shall not be

available under this subsection unless the invention as claimed in the patent is substantially identical to the invention as claimed in the published patent application."

The problem, of course, is that, since the initial publication of most patent applications occurs eighteen months after their earliest claimed filing date, and since the prosecution of most patent applications does not even begin until long after the passage of eighteen months after their earliest claimed filing dates, and since many if not most applicants who seek to provoke interferences with patents amend their claims so that the subject matter that they cover is not even arguably "substantially identical" to the subject matter that their initially published claims covered, the right under 35 USC 154(d)(1) of the applicants to obtain a reasonable royalty for the target patentees' use of the inventions prior to issuance of the applicants' patents is not even arguably available.

Republication of the Applications Is the Solution to the Problem

37 CFR 1.221(a) provides for the republication of any "application previously published under § 1.211." Not only that, but the procedure for obtaining republication is simple, inexpensive, and relatively fast. All that 37 CFR 1.221(a) requires is that "any request for republication of an application previously published under § 1.211…must include a copy of the application in compliance with the Office electronic filing system requirements [that includes the claims as they stand at the time of the request—which usually means omitting the original claims and including the claims targeting the patentee's claims] and be accompanied by the publication fee set forth in § 1.18(d) [currently $300] and the processing fee set forth in § 1.17(i) [currently $130]." As for speed, the first time that we used the procedure in the interference context, 135 days elapsed from the filing of our petition for republication to the republication itself.[5]

Would the Republication Affect the Term of the Patent?

The answer to this question appears to be "no"—notwithstanding the last paragraph of MPEP 1130, "Republication and Correction of Patent Application Publications," which initially concerned us. That paragraph reads as follows:

> A request for corrected publication under 37 CFR 1.221(b) may result in a patent term adjustment reduction where the Office made only non-material errors (especially those listed above).

That paragraph concerned us because one of the "non-material errors" listed above is "D) The [initial] publication did not include claims or changes submitted in an amendment."

We of course noted that MPEP 1130 deals with republication under 37 CFR 1.221(b), which relates to republication at the USPTO's expense due to a material mistake in the initial publication, whereas we were contemplating seeking republication under 37 CFR 1.221(a). Moreover, Dr. Shier (who is the OSMMN specialist in patent term issues) has never seen a patent term adjustment docked even under 37 CFR 1.221(b)—presumably because 37 CFR 1.704 does not include it as a proper basis for the reduction of a patent term adjustment. Further, there is no basis in the MPEP or in 37 CFR 1.704 for reduction of the patent term extension due to a request under 37 CFR 1.221(a).

However, to be sure, Dr. Shier talked to Mr. Kerry Fries (the patent term adjustment specialist in the Office of Patent Legal Administration) about the proposal. Mr. Fries confirmed what Dr. Shier thought about the non-impact of republication on the patent term adjustment. What follows is a summary of what Mr. Fries told Dr. Shier.

The reduction of patent term adjustment due to republication under either 37 CFR 1.221(a) or 37 CFR 1.221(b) is not specifically enumerated in 37 CFR 1.704. Accordingly, it would require a manual adjustment by the PTO (i.e., by Mr. Fries), and the PTO would undertake that extra effort only in the most egregious cases of improper filing of a 37 CFR 1.221(b) request. Mr. Mark Polutta is the individual who wrote MPEP 1130 and who decides

whether or not to approach Mr. Fries to ask him to do what MPEP 1130 says that he can do. Mr. Fries stated that, to date, Mr. Polutta has never asked him to implement the last paragraph of MPEP 1130. Mr. Fries also stated that there has never been (and that he believes that it is unlikely there ever will be) a situation where the patent term adjustment would be reduced based on a request for republication under 37 CFR 1.221, since the republication has nothing to do with the examination of the application and/or the grant of the patent. Instead, requests for republication are filed through a unique portal and are directly referred to the Publications Branch. Accordingly, a request for republication under 37 CFR 1.221 would not constitute a failure of the applicant to engage in reasonable efforts to conclude processing or examination of an application.

What Judge Medley Did

Since we'd never done one of these requests in the interference context before, and since the interference in which the question came up was pending before Judge Medley, Mr. Gholz sought her authorization to file a request for republication under 37 CFR 1.221(a).[6] She said that she had no objection as long as opposing counsel did not object. Opposing counsel and I agreed upon a two-day period for him to file any objection that he might have. At the end of that period, opposing counsel stated that he had no objection to the filing of the request for republication, so we filed that request.

Comments

(1) We of course believe that the reason the opposing counsel did not object to our filing the request for republication is because there is no conceivable basis for objecting to such a request. However, if any reader of this article can think of a reason for such an objection, we urge him or her to publish an article in this journal setting forth his or her opposing view, to send

the editor of this journal a Letter to the Editor setting forth his or her opposing view, or, at least, to contact us by phone or email to argue with us. That's how the law advances.

(2) Since the technique is simple and inexpensive, but since the potential for reasonable royalties does not come into being until the republication takes place, we recommend the filing of a petition for republication concurrently with every amendment in which you make any amendment to the targeting claims.

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[4] See generally Dunner et al., Court of Appeals for the Federal Circuit: Practice and Procedure § 7.06, "Withholding of Issuance of Patent or Certificate of Registration Pending Federal Circuit Decision."

[5] Of course, whether or not you will consider that turn-around time "relatively fast" will depend on the per day royalty rate that you anticipate obtaining by use of the technique!

[6] Mr. Gholz did not believe that it was necessary to obtain Judge Medley's authorization to file the request. However, many years of experience have taught him that it is prudent to obtain authorization in advance before doing anything out of the ordinary.