

YOU MUST AGGRESSIVELY ASSERT YOUR RIGHTS UNDER Koninklijke!¹

By

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Introduction

Koninklijke Philips Electronics N.V. v. Cardiac Science Operating Co., 590 F.3d 1326, 93 USPQ2d (Fed. Cir. 2010)(opinion by Circuit Judge Gajarsa for a panel that also consisted of Chief Circuit Judge Michel and Senior Circuit Judge Friedman) says emphatically that the board must decide every patentability and priority motion that is “fairly raised and fully developed during the interference.”³ That sounds promising, but bitter experience⁴ led me to publish in the March 2010 issue of this journal an article entitled The Board Must Decide Every Patentability Motion That is “Fairly Raised and Fully Developed During the Interference”—But Must It Permit Every Authorized Patentability Motion to be “Fully Developed”?⁵ There is as yet no definitive answer to that question, but there has recently been a disturbing sign.

Goeddel v. Sugano

Goeddel v. Sugano, 617 F.3d 1350, 96 USPQ2d 1398 (Fed. Cir. 2010)(opinion by Circuit Judge Newman for a panel that also consisted of Circuit Judges Lourie and Bryson), was a consolidated appeal from decisions of the BPAI in two different interferences (“the ‘334 interference” and “the ‘337 interference”).

During the administrative phase of the ‘334 interference, Goeddel had filed eight substantive motions, including (1) a motion for a judgment that Sugano’s claims involved in that interference are unpatentable for failure to comply with the written description requirement of 35 USC 112 ¶ 1—which, of course, was a so-called “threshold motion”—and (2) three motions for judgments that Sugano’s claims are unpatentable over prior art, two motions for judgments that

Sugano's claims are unpatentable under 35 USC 101, and one motion for a judgment that Sugano's claims are unpatentable under the enablement requirement of 35 USC 112 ¶ 1.⁶ The two prior art motions were deferred to the second phase of the interference for reasons unspecified in the board's opinion—but only after the motions had been filed. That is, the parties were allowed to file the motions, but they were not allowed to file oppositions and replies.

During the administrative phase of the '337 interference, Goeddel had filed seven substantive motions, including (1) a motion for a judgment that Sugano's claims involved in that interference are unpatentable for failure to comply with the written description requirement and (2) two motions for judgments that Sugano's claims are unpatentable over prior art, one motion for a judgment that Sugano's claims are unpatentable under 35 USC 101, and one motion that Sugano's claims are unpatentable under the enablement requirement. The two prior art motions were again deferred to the second phase of the interference after the motions had been filed.

In both interferences, the BPAI denied the written description and enablement motions and dismissed the other motions.

In each interference, Sugano had filed four substantive motions: two motions for judgments that Goeddel's claims are unpatentable over prior art, one motion for a judgment that Goeddel's claims are unpatentable on the ground of derivation, and a motion for the benefit of the filing date of a Japanese application.

In both interferences, the BPAI granted the benefit motion and deferred the other three motions.⁷

What makes the board's opinion far more interesting here than is the court's opinion is its explanation of why it dismissed Goeddel's prior art motions:

In each interference, we grant Sugano's motion for benefit of the '931 JP application. In each interference, Goeddel's earliest alleged date of conception is later than the filing date of the '931 JP application. Accordingly, Goeddel cannot prevail on priority,

Goeddel has filed a number of motions alleging that some of the involved Sugano claims are unpatentable over prior art..., the natural human chromosome...and or for lack of utility.... We need not decide those motions to complete our determination of priority. We note that:

- (1) neither any motion individually, nor the combination of the motions, attack the patentability of all of the involved Sugano claims in either interference. Thus, even if we granted each Goeddel motion attacking patentability, Sugano would have claims directed to mature hFIF and encoding DNA remaining in the interference.
- (2) a decision on the patentability of the attacked Sugano claims is not necessary to a determination of priority.
- (3) the Sugano claims that Goeddel contends are unpatentable are not part of the substitute Count of either interference and thus deciding the patentability motions could not have the effect of changing the Count,
- (4) in interference 105,334, at least as to the prior art challenges, Goeddel has an alternative remedy under 35 USC § 302,⁸ and
- (5) in interference 105,337, the Board will recommend that the Examiner, upon the resumption of *ex parte* prosecution, consider the motions filed by Goeddel that attack the patentability of the Sugano claims (as well as any Sugano oppositions and Goeddel replies⁹). Bd.R. 127(c).¹⁰

In each interference, Sugano motions 1 through 3 have been deferred.... Since judgment will be entered against Goeddel in each interference, we need not and do not decide these deferred motions.¹¹

On appeal, the court reversed the BPAI's decisions granting Sugano's motions for the benefit of its Japanese priority date and "remanded for appropriate further proceedings."¹²

However, it said nothing about the BPAI's failure to comply with the mandate of Koninklijke.

Comment

I have been informed by counsel that, on remand, the fight is continuing. That is, the board will now have to decide at least some of the motions that it dodged the first time around.¹³

Is this result consistent with Koninklijke? Well, the motions that the board didn't decide the first time around were apparently "fairly raised" (since they were authorized), but they weren't fully developed (since the board wouldn't permit them to be).

There is no indication in the court's opinion that either Sugano or Goeddel complained about the fact that the board didn't permit full development of all of the motions that it had authorized.¹⁴ However, I suspect that that is because the parties filed their briefs before Koninklijke was decided.

In any event, the moral that I draw from the court's failure to refer in its opinion in Goeddel¹⁵ to its recently decided opinion in Koninklijke is that a party that desires the court to give teeth to what it said in Koninklijke must affirmatively (and aggressively!) ask the court to do so. Otherwise, it is probable that, on remands such as the one ordered in Goeddel, the board will again simply decide the minimum number of motions that it needs to decide in order to dispose of the case.

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³ 590 F.3d at 1334 and 1335, 93 USPQ2d at 1233 and 1234.

⁴ See Gholz, A Critique of Recent Opinions in Patent Interferences, 91 JPTOS 1 (2009) §X.J., discussing Gholz, Should an Applicant Interferent Ask to Have as Many as Possible of Its Opponent's Motions Treated as Threshold Motions?, 15 Intellectual Property Today No. 7 at

page 18 (2008), and Short v. Patten, Int. No. 105,332, paper No. 64 (opinion by APJ Lane for a panel that also consisted of SAPJ McKelvey and APJ Torczon).

⁵ 17 Intellectual Property Today No. 3 at page 30.

⁶ The facts recited herein are derived from the opinion below, authored by APJ Lane for a panel that also consisted of APJs Torczon and Tierney. They are not derivable from the court's opinion.

⁷ Derivation motions are routinely deferred to the second phase of interferences. As to the prior art motions, see backnote 5, *supra*.

⁸ A poor “alternative remedy” indeed! No discovery and no cross-examination of witnesses!

⁹ What makes this assertion fascinating is that there were no Sugano oppositions and Goeddel replies—because the board had not permitted them to be filed!

¹⁰ As to this frequent gambit by the APJs, 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).

¹¹ Board opinion pages 50-51.

¹² 617 F.3d at ___, 96 USPQ2d at 1404.

¹³ It is worth noting that the parties' priority dates go back to 1980! Nevertheless, if the BPAI again decides only the minimum number of motions necessary to dispose of the case, and if the court again reverses the board on appeal, this case could go on for many more years. Great for the lawyers, but not so great for the real parties-in-interest.

¹⁴ Counsel for the parties declined to discuss the case with me.

¹⁵ See also Yorkey v. Diab, 601 F.3d 1279, 94 USPQ2d 1435 (Fed. Cir. 2010)(“Yorkey I”), and Yorkey v. Diab, 605 F.3d 1297, 94 USPQ2d 1444 (Fed. Cir. 2010)(“Yorkey II”), discussed in

Gholz, A Critique of Recent Opinions in Patent Interferences, 93 JPTOS ____ (2011) in § X.J.2.,

“Apparently Agilent Doesn’t Always Apply.”