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Ex Parte Patent Practice and the Rights of Third Parties

EX PARTE PATENT PRACTICE AND THE RIGHTS OF THIRD PARTIES*

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INTRODUCTION

The United States Court of Appeals for the Federal Circuit (“Federal Circuit”) has jurisdiction over patent appeals from the federal district courts and from the United States Patent and Trademark Office’s (“PTO”) Board of Patent Appeals and Interferences.¹ In general, the patent cases presented to the Federal Circuit relate to infringement (literal and under the doctrine of equivalents);² matters of patentability, such as anticipation,³ obviousness,⁴ and the requirements of 35 U.S.C. § 112;⁵ inequitable conduct;⁶ and damages adequate to compensate for infringement (i.e., lost profits and reasonable royalty).⁷ Although these are the predominant patent topics addressed in the Federal Circuit, the court also has jurisdiction over several procedural patent practice issues that merit some discussion. These topics include reissue applications,⁸ certificates of correction,⁹ and requests for statutory reexamination.¹⁰ This Article will provide a brief overview of ex parte patent prosecution, both pre-

1. 35 U.S.C. § 141 (1994); 28 U.S.C. § 1295 (1994).
 2. 35 U.S.C. § 271.
 3. *Id.* § 102.
 4. *Id.* § 103.
 5. *Id.* § 112.

6. *See, e.g.,* Merck & Co. v. Danbury Pharmacal, Inc., 873 F.2d 1418, 1420, 10 U.S.P.Q.2d (BNA) 1682, 1685 (Fed. Cir. 1989) (defining “inequitable conduct” as intentionally failing to disclose material information to PTO during patent examination); A.B. Dick Co. v. Burroughs Corp., 798 F.2d 1392, 1396, 230 U.S.P.Q. (BNA) 849, 853 (Fed. Cir. 1986) (holding that applicant’s failure to disclose material reference to PTO during patent examination rendered patent unenforceable); J.P. Stevens & Co. v. Lex Tex Ltd., 747 F.2d 1553, 1559, 223 U.S.P.Q. (BNA) 1089, 1092 (Fed. Cir. 1984) (discussing requirements for finding of inequitable conduct), *cert. denied*, 474 U.S. 822 (1985).

7. 35 U.S.C. § 284.

8. *Id.* § 251. A patent may be reissued when it is deemed wholly or partly invalid. *Id.* The reissued patent covers only the invention disclosed in the original patent and it is valid only for the unexpired term of the original patent. *Id.*

9. *Id.* §§ 254, 255. A certificate of correction is a document issued by the Commissioner of Patents to correct mistakes of a clerical or typographical nature or a mistake of a minor character. *Id.*

10. *Id.* § 306. A patent may be reexamined at any time, upon request of any person who, based on newly discovered evidence, believes that the patent is partly or wholly invalid. *Id.* § 302. If the Commissioner agrees that a substantial question of patentability has been raised by the new evidence, then the patent is reexamined as if it were a new patent application. *Id.* §§ 303, 304.

issuance and post-allowance. It then will focus on the limited roles and rights of third parties in the Federal Circuit and the district courts with respect to certain of these ex parte prosecution matters.

I. BACKGROUND

In order to receive a United States patent, an inventor or applicant must file a complete application with the PTO.¹¹ The PTO then assigns the application to an individual examiner who determines whether it complies with certain formal requirements¹² and whether the invention is patentable.¹³ If the examiner allows the claim or claims, the applicant receives a patent upon payment of the appropriate fee.¹⁴ Should the examiner reject the application, however, the applicant may seek additional review of the application within the PTO and the U.S. federal courts.¹⁵

In both the pre-issuance and the post-allowance setting, the prosecution of the patent with the PTO remains solely an ex parte proceeding in which the applicant or his attorney deals directly with an impartial examiner at the PTO.¹⁶ The role of a third party in PTO practice is fairly limited, almost always relegated to the post-allowance setting, and usually restricted to interference practice¹⁷ and to filing protests to reissue applications.¹⁸ A third party also has a limited role in statutory reexamination,¹⁹ wherein the third party may request that

11. *Id.* § 111; MANUAL OF PATENT EXAMINING PROCEDURE § 601.01 (6th ed. rev. 1995) [hereinafter MPEP].

12. *See generally* MPEP, *supra* note 11, § 600.

13. 35 U.S.C. §§ 101-103 (setting forth requirements for determination of patentability).

14. *Id.* §§ 41(a)(2), 151. Like all printed documents, issued patents occasionally contain mistakes, errors or other inconsistencies. These errors may occur for any number of reasons and may be the fault of the PTO, the inventor, the applicant's attorney, or some other party. Although some errors represent mistakes of a clerical or typographical nature or of a minor character, others involve significant substantive errors that may affect the validity of the patent. Depending on the scope and type of the error, the patent owner may wish to correct the patent. Certain post-allowance statutory procedures are in place to handle these types of errors. *See id.* §§ 251-256 (setting forth procedures for post-allowance correction of patents such as reissue, disclaimer, certificate of correction, and correction of inventorship).

15. *Id.* §§ 141-144 (setting forth avenues of review of PTO decisions); *see* 3 DONALD S. CHISUM, PATENTS § 11.01, at 11-10 (1990).

16. *See infra* note 32 and accompanying text (describing ex parte nature of patent examination process).

17. *See* 35 U.S.C. § 135 (describing PTO procedure for adjudicating interference disputes); 37 C.F.R. §§ 1.601-690 (1995) (setting forth detailed description of interference practice in PTO). An interference is a dispute between two inventors who claim to have made the same or very similar inventions. 35 U.S.C. § 135.

18. *See* 37 C.F.R. § 1.291 (describing third party protest process); MPEP, *supra* note 11, § 1901.04, at 1900-04.

19. *See* 35 U.S.C. §§ 301-307 (listing procedure for reexamination whereby third party requests PTO to reexamine issued patent in light of prior art not previously considered).

the PTO reexamine an issued patent in light of new prior art.²⁰ Only the patent owner, however, may participate actively in the reexamination process itself and in any appeal of an adverse decision.²¹

II. EX PARTE PROCEEDING

The U.S. patent system relies exclusively on the examiner to determine whether an applicant's invention is patentable, and if so, what the proper scope of protection should be.²² The grant of a constitutional right to exclude others for a limited term is justified by the advantages of providing incentives for innovation and full disclosure of such innovations.²³ The Patent Statute²⁴ does not grant patent rights for the benefit of any particular innovator or other private party, but rather, "[a] patent by its very nature is affected with a public interest."²⁵ Because patent rights confer significant competitive advantages, however, market players may not want to see their competitors' inventions gain patent protection.²⁶ Therefore, in order for the patent process to function effectively in the public interest, the determination as to the validity of a patent application must be made by a neutral third party relying on accepted standards for patentability. This neutral examining party is the PTO. Congress drafted the Patent Statute, including the standards for patentability,²⁷ to grant the PTO power to promulgate rules of practice before it.²⁸

The prosecution of a patent in the PTO is an *ex parte* procedure.²⁹ These procedures, unlike adversarial ones, do not necessarily involve the resolution of competing interests. Rather, *ex parte* procedures usually involve parties interested in achieving a common goal. In patent prosecution, for instance, the PTO, a government agency, works with a private party that is seeking a statutorily-defined right provided through the agency. The government agency is not

20. *Id.* §§ 301-302.

21. *Id.* § 305.

22. *Id.* § 122.

23. See U.S. CONST. art. I, § 8, cl. 8 (granting power to Congress to issue patents).

24. Act of July 19, 1952, Pub. L. No. 593, 66 Stat. 792 (codified at 35 U.S.C.).

25. *Precision Instrument Mfg. Co. v. Automotive Maintenance Mach. Co.*, 324 U.S. 806, 816 (1945).

26. 2 CHISUM, *supra* note 15, § 5.03, at 5-33.

27. See 35 U.S.C. §§ 101-103 (1994) (setting forth patentability standards).

28. *Id.* §§ 1, 131.

29. See *infra* note 32 and accompanying text (setting forth description of *ex parte* proceeding).

adversarial toward the applicant,³⁰ but exists instead to assist applicants that meet the requirements to achieve the statutory right.

In patent prosecutions, "[t]he office and the applicant are more fiduciaries than antagonists."³¹ At an *ex parte* proceeding, the relevant parties consist only of the patent owner or applicant and the PTO examining officer.³² Patent prosecution is conducted in secret without notice or information provided to competitors or to the public until after approval of the patent's issuance.³³

In any *ex parte* procedure, a risk exists that all facts will not be disclosed. The risk of non-disclosure that arises with an *ex parte* procedure, however, is mitigated in the patent arena by the regulations subjecting patent applicants to a duty of disclosure.³⁴ This duty of disclosure exists to ensure that the *ex parte* procedure functions in the public interest.³⁵

Because the patent system relies upon disclosure by the applicant, it necessarily provides punishment for any breach of this duty.³⁶ Thus, a patent, the prosecution of which did not comply with the duty of disclosure, receives the system's ultimate sanction: total

30. *Kangaroos U.S.A., Inc. v. Caldor, Inc.*, 585 F. Supp. 1516, 1522, 222 U.S.P.Q. (BNA) 703, 708 (S.D.N.Y. 1984) (noting that prosecution and examination of patent application "'must not be considered as an adversary proceeding'") (quoting *Norton v. Curtiss*, 433 F.2d 779, 793-94, 167 U.S.P.Q. (BNA) 532, 544 (C.C.P.A. 1970)), *vacated*, 778 F.2d 1571, 228 U.S.P.Q. (BNA) 32 (Fed. Cir. 1985).

31. *CTS Corp. v. Electro Materials Corp. of Am.*, 469 F. Supp. 801, 823, 202 U.S.P.Q. (BNA) 22, 41 (S.D.N.Y. 1979). In discussing the issue of inequitable conduct, the court stated that the doctrine whereby a patent may be found unenforceable upon a showing that the applicant breached his duty of candor to the Patent Office, is based upon the fact that *ex parte* patent prosecution is not an adversary proceeding.

32. See *Hitachi Metals, Ltd. v. Quigg*, 776 F. Supp. 3, 8, 20 U.S.P.Q.2d (BNA) 1920, 1924 (D.D.C. 1991) ("The Patent Statute is addressed to patent owners and patent applicants."). Congress designated other PTO proceedings explicitly as *inter partes*, including patent interferences, 35 U.S.C. § 135(a), and trademark oppositions and cancellations, 15 U.S.C. §§ 1063, 1064, 1067 (1994). The statutory sections governing patent application and examination procedures prescribe, however, an *ex parte* proceeding. 35 U.S.C. §§ 131-134, 141, 145; see also *Williams Mfg. Co. v. United Shoe Mach. Corp.*, 121 F.2d 273, 277, 50 U.S.P.Q. (BNA) 264, 269 (6th Cir. 1941) ("[T]he granting of a patent is not, except when an interference is declared, the result of an adversary proceeding . . ."); *Godfredsen v. Banner*, 503 F. Supp. 642, 646 (D.D.C. 1980) ("It may well be desirable as a matter of policy to permit an individual to protest the grant of a patent other than by an infringement action, but that is a decision for the Congress . . ."). So far, Congress has evinced no intention to transform such processes into *inter partes* ones.

33. 35 U.S.C. § 122; *A.B. Dick Co. v. Burroughs Corp.*, 617 F. Supp. 1382, 1394, 228 U.S.P.Q. (BNA) 65, 75 (N.D. Ill. 1985), *aff'd in part*, 798 F.2d 1392, 230 U.S.P.Q. (BNA) 849 (Fed. Cir. 1986).

34. See 37 C.F.R. § 1.56 (1995) (requiring patent applicants to disclose all known information that is material to patentability).

35. *Id.*

36. See *supra* note 6 (describing sanctions imposed on patent applicants for withholding material information).

unenforceability.³⁷ If an accused infringer can prove, by clear and convincing evidence, inequitable conduct during prosecution on the part of the patentee, the patent will be unenforceable. Such proof provides a complete defense to the charge of infringement.³⁸ Under the Patent Statute, however, an accused infringer can invoke this argument only as a defense against infringement claims.³⁹ It may not be raised to directly attack the issuance of a patent in a court of law.⁴⁰ "It was the Commissioner, not the courts, [after all,] that Congress made primarily responsible for protecting the public from the evil consequences that might result if practitioners should betray their high trust."⁴¹

III. PRE-ISSUANCE PROSECUTION

A. Patent Applications

The first step in securing a U.S. patent is the filing of a patent application with the PTO.⁴² The application must include a specification,⁴³ at least one claim,⁴⁴ drawings when necessary, an oath or proper declaration, and the proper filing fee.⁴⁵ The application for a patent should be made by the inventor(s).⁴⁶ This rule applies even when the inventor may have assigned all rights to the invention to someone else, such as the company for which he works.⁴⁷

Section 122 of the Patent Statute, 35 U.S.C. § 122, provides:

[A]pplications for patents shall be kept in confidence by the Patent and Trademark Office and no information concerning the same

37. See *J.P. Stevens & Co. v. Lex Tex Ltd.*, 747 F.2d 1553, 1561, 223 U.S.P.Q. (BNA) 1089, 1092 (Fed. Cir. 1984) (explaining that if court finds inequitable conduct by applicant "all the claims—not just the particular claims to which the inequitable conduct is directly connected—are unenforceable"), *cert. denied*, 474 U.S. 822 (1985).

38. *Id.*

39. See 35 U.S.C. § 282 (1994) (setting forth examples of possible defenses to infringement).

40. 5 CHISUM, *supra* note 15, § 19.03[6](a), at 19-248. In rare instances, however, an application can be stricken from the PTO files if facts concerning a breach of duty of candor come to light while an application is still pending. *Id.*

41. *Kingsland v. Dorsey*, 338 U.S. 318, 319-20 (1949).

42. See generally MPEP, *supra* note 11, § 600 (describing requirements of applying for patent).

43. 37 C.F.R. § 1.51 (1995). The specification is a written description of the invention for which the applicant seeks patent protection. *Id.* § 1.71.

44. *Id.* § 1.75. A claim is a single sentence that particularly points out and distinctly defines the subject matter that the inventor regards as his invention. MPEP, *supra* note 11, § 608.01(k).

45. 35 U.S.C. § 111(a) (1994). The oath or declaration is a sworn statement by the applicant that he believes that he is the original and first inventor of that which he seeks to patent. 35 U.S.C. § 115.

46. 35 U.S.C. § 111(a)(1).

47. 37 C.F.R. § 1.46.

shall be given without the authority of the applicant or owner unless necessary to carry out the provisions of any act of Congress or in such special circumstances as may be determined by the Commissioner.⁴⁸

Once a patent issues on an application, however, "all papers relating to the case in the file of the patent are open to inspection by the general public."⁴⁹ In addition, all reissue applications are open to the public.⁵⁰

Once the patent application is received by the PTO, the application is assigned to an examining group having responsibility for the class of inventions to which the application relates.⁵¹ Within the examining group, the application is assigned to an individual examiner.⁵² On taking up an application for examination, the examiner thoroughly studies the application and investigates the prior art.⁵³ The examiner reviews the application for compliance with the applicable statutes and rules, and determines the patentability of the invention.⁵⁴

Upon completion of the initial review of the application, the examiner notifies the applicant of the office action taken, including the reasons for any rejection, objection, or other requirement.⁵⁵ More often than not, the examiner will reject some or all of the claims of the application based on prior art on the grounds that the invention is not novel⁵⁶ or would have been obvious to one of ordinary skill in the art.⁵⁷ The examiner also may reject the application because the disclosure is non-enabling.⁵⁸ In rejecting an application, the examiner generally must establish a prima facie case of unpatentability⁵⁹ by a preponderance of the evidence.⁶⁰

48. 35 U.S.C. § 122.

49. 37 C.F.R. § 1.11(a).

50. *Id.* § 1.11(b). This provision is based on the notion that a reissue application should contain no "new matter" over the disclosure of the issued patent. 35 U.S.C. § 251. "New matter" is any material not contained in the originally filed patent application. *Id.* § 132.

51. 37 C.F.R. § 1.101; see also MPEP, *supra* note 11, § 903.08, at 900-29.

52. MPEP, *supra* note 11, § 903.08(b), at 900-29.

53. MPEP, *supra* note 11, § 704, at 700-05.

54. 37 C.F.R. § 1.104(a). The applicable statutes are 35 U.S.C. §§ 101-103 and 112. *Id.*

55. 35 U.S.C. § 132; 37 C.F.R. § 1.104(b); MPEP, *supra* note 11, § 707, at 700-47 to 700-50.

56. See 35 U.S.C. § 102; see also 35 U.S.C. §§ 301-302 (defining term "prior art").

57. See *id.* § 103 (setting forth obviousness standard of patentability).

58. See *id.* § 112 (defining "non-enabling" as failing to teach how to make and how to use invention).

59. *In re Rijckaert*, 9 F.3d 1531, 1532, 28 U.S.P.Q.2d (BNA) 1955, 1956 (Fed. Cir. 1993) ("A prima facie case . . . is established when the teachings from the prior art itself would appear to have suggested the claimed subject matter to a person of ordinary skill in the art." (quoting *In re Rinehart*, 531 F.2d 1048, 1051, 189 U.S.P.Q. (BNA) 143, 147 (C.G.P.A. 1976)).

60. See *In re Caveney*, 761 F.2d 671, 671, 226 U.S.P.Q. (BNA) 1, 1 (Fed. Cir. 1985) (describing prima facie standard as preponderance of evidence). Section 102 states: "A person

If the office action is adverse in any respect, the applicant may request reconsideration or further examination with or without amendment to the application.⁶¹ The applicant must, to be entitled to reconsideration or further examination, make a request in writing⁶² in a timely fashion.⁶³ He or she must point out the alleged errors in the examiner's rejection and respond to every ground for objection and rejection set forth in the office action.⁶⁴ In addition, if the applicant chooses to amend the application in response to a rejection of claims under 35 U.S.C. § 102 or § 103, the applicant must clearly point out the patentable novelty of the invention in view of the state of the art disclosed by the references cited and must state how the amendments avoid the cited references.⁶⁵ No amendment shall introduce new matter into the disclosure of the invention.⁶⁶

After receiving the applicant's response, the examiner will reexamine or reconsider the application.⁶⁷ If the examiner allows all of the claims, the prosecution on the merits ends.⁶⁸ On the other hand, if the action is adverse on the merits, the process of office action and applicant response (prosecution) continues until the examiner indicates that the rejection is "final."⁶⁹ A rejection is made final once a "clear issue" exists between the examiner and the applicant.⁷⁰ An applicant may request consideration of an amendment after a final rejection,⁷¹ but examiners generally do not consider such requests.⁷²

shall be entitled to a patent unless . . ." 35 U.S.C. § 102. This clearly places the initial burden of proof on the PTO. *Id.*

61. 35 U.S.C. § 132; 37 C.F.R. § 1.111(a) (1995).

62. 37 C.F.R. § 1.111(b).

63. If the applicant does not respond to an adverse action in a timely fashion, his application will be deemed abandoned for failure to prosecute. See 35 U.S.C. § 133 (stating that applicant must prosecute within six months after receiving notice of adverse action and allowing Commissioner to fix shorter time so long as it is not less than 30 days).

64. 37 C.F.R. § 1.111(b).

65. *Id.* § 1.111(c).

66. 35 U.S.C. § 132.

67. 37 C.F.R. § 1.112.

68. MPEP, *supra* note 11, § 710.02(b), at 700-70; see also *Ex parte Quayle*, 25 U.S.P.Q. (BNA) 74, 75 (Dec. Comm'r Pat. 1935) (holding that once all claims in application are patentable, prosecution ends, although there may be outstanding formal matters).

69. 37 C.F.R. §§ 1.112, 1.113.

70. MPEP, *supra* note 11, § 706.07, at 700-37.

71. 37 C.F.R. § 1.116.

72. See MPEP, *supra* note 11, § 706.07(f), at 700-40 (noting that decision whether to consider after-final amendment is made only in limited circumstances at discretion of examiner).

B. Appeals

When a rejection is made final or when any of the claims of the application have been rejected twice by the examiner, an applicant may appeal the examiner's decision to the Board of Patent Appeals and Interferences ("Board").⁷³ The Board may affirm or reverse the decision of the examiner, in whole or in part, on the grounds specified by the examiner, or may remand the application to the examiner for further consideration.⁷⁴ The Board also may reject the claims on a new ground not involved in the appeal.⁷⁵ The new rejection, however, is not considered final for the purposes of judicial review.⁷⁶ If the applicant receives an adverse ruling from the Board, he either may appeal directly to the Federal Circuit⁷⁷ or may file a *de novo* civil suit against the PTO Commissioner in the United States District Court for the District of Columbia.⁷⁸

C. Continuing Applications

Generally, an applicant's response to a final office action is limited to an appeal of all rejections, an amendment that clearly places the application in condition for allowance, or a cancellation of all claims rejected.⁷⁹ Alternatively, the applicant may: (1) abandon the application altogether, either expressly⁸⁰ or by failure to file an appeal or a civil action;⁸¹ or (2) abandon the application and file

73. 35 U.S.C. § 134 (1994); *see also* 37 C.F.R. §§ 1.191-1.198 (setting forth requirements for appeal to Board). The Board sits in panels of three composed of a combination of the PTO Commissioner, the Deputy Commissioner, the Assistant Commissioner, and the Administrative Patent Judges. MPEP, *supra* note 11, § 1203, at 1200-01. In 1984, the Board of Appeals and the Board of Patent Interferences were combined into the current Board of Patent Appeals and Interferences. 3 CHISUM, *supra* note 15, § 11.06[1](b), at 11-279. This new combined Board has jurisdiction over questions of priority when resolving *inter partes* interferences and when resolving *ex parte* appeals by applicants of examiner rejections. *Id.* § 11.06[1], at 11-277.

74. 37 C.F.R. § 1.196(a).

75. *Id.* § 1.196(b).

76. *Id.*

77. 35 U.S.C. § 141. The Federal Circuit has exclusive jurisdiction over appeals from the Board of Patent Appeals and Interferences with respect to patent applications and interferences and appeals from a district court to which a case was directed. *Id.* §§ 145, 146; *see* 28 U.S.C. § 1295 (1994) (setting forth jurisdiction of Federal Circuit).

78. 35 U.S.C. § 145. Unlike an appeal from the Board in which only the applicant may file an appeal to the Federal Circuit, both the Commissioner and the applicant may file an appeal from a decision of the D.C. District Court for an action brought under § 145. *See* 28 U.S.C. § 1295 (outlining jurisdiction of Federal Circuit).

79. 37 C.F.R. § 1.113.

80. *Id.* § 1.138.

81. *Id.* § 1.135.

either a continuation application⁸² or a continuation-in-part ("CIP") application.⁸³ Under the "file wrapper continuing" procedure,⁸⁴ the applicant may also simply file a request, pay a filing fee, and continue the prosecution on the basis of the same specification and file wrapper.⁸⁵

IV. POST-ALLOWANCE PROCEDURES

After issuing a patent, the PTO generally loses jurisdiction over the matter.⁸⁶ Thereafter, the validity and scope of a patent are determined by the federal courts in patent infringement actions and in actions to declare a patent invalid.⁸⁷ The PTO does, however, retain certain post-issuance powers: although it cannot resolve interferences, the post-issuance procedures are used for the correction of mistakes, errors, and other inconsistencies in the printed patent.⁸⁸ Depending upon the type of error and the subject matter to which it relates, the four basic post-issuance statutory procedures by which correction may be achieved are: (1) reissue applications,⁸⁹ (2) disclaimers,⁹⁰ (3) certificates of correction,⁹¹ and (4) reexamination.⁹²

82. See *id.* § 1.60 (setting requirements for continuation applications). A continuation application is a later application that contains the same disclosure as the original application. *Id.* A continuation application may not contain anything that might be considered "new matter." 35 U.S.C. § 120.

83. 37 C.F.R. § 1.60. A continuation-in-part ("CIP") application is a later application that repeats some substantial portion or all of the earlier application and adds new matter not disclosed in the original application. 4 CHISUM, *supra* note 15, § 13.03[2], at 13-25; MPEP, *supra* note 11, § 201.08, at 200-25. CIP applications generally are used to add improvements developed after the original filing date of the patent application. Claims that are dependent on the new matter are entitled only to the filing date of the CIP. MPEP, *supra* note 11, § 201.08, at 200-25.

84. The term "file wrapper" refers to the folder used by the PTO to hold all of the papers of a patent application. 4 CHISUM, *supra* note 15, § 18.05, at 18-151.

85. 37 C.F.R. § 1.62.

86. 3 CHISUM, *supra* note 15, § 11.06[3], at 11-317.

87. 28 U.S.C. § 1295 (1994); see, e.g., *Best Lock Corp. v. Ilco Unican Corp.*, 896 F. Supp. 836, 36 U.S.P.Q.2d (BNA) 1527 (S.D. Ind. Dec. 29, 1995) (holding patent at issue in infringement suit to be invalid in light of prior art); *Sofamor Danek Group v. DePuy-Motech Inc.*, 1994 U.S. Dist. Lexis 20602, 35 U.S.P.Q.2d (BNA) 1471 (S.D. Ind. 1994) (holding that accused device does not infringe patent for spinal implant); *Transmatic, Inc. v. Gulton Indus., Inc.*, 818 F. Supp. 1052, 27 U.S.P.Q.2d (BNA) 1561 (E.D. Mich. 1993) (discussing infringement of patent for lighting fixture).

88. See, e.g., 37 C.F.R. §§ 1.322-324 (describing procedures available to correct errors in patents).

89. 35 U.S.C. §§ 251 (1994).

90. *Id.* § 253.

91. *Id.* §§ 254-256.

92. *Id.* §§ 301-307.

A. *Reissue—Sections 251-252*

A patent owner may request a reissue application to correct a patent that is or may be determined to be inoperative or invalid, either wholly or partially, by reason of a defective specification or drawing, or because the patentee claimed more or less than he was entitled.⁹³ In order to be entitled to a reissue patent, the error or mistake must have occurred without any deceptive intent on the part of the applicant.⁹⁴

No reissued patents enlarging the scope of the claims of the original patent shall be granted unless applied for within two years from the date of the grant of the original patent,⁹⁵ and no new matter may be introduced into a reissue application.⁹⁶ Reissue applications must claim an invention disclosed in the original patent specification⁹⁷ and may not recapture subject matter intentionally surrendered during the prosecution of the original patent.⁹⁸

Applicants seeking reissue most often desire to alter the original patent's claims. Reissue, however, also is used to correct other deficiencies with the original patent. An applicant may seek to add a limitation with respect to the claims that distinguishes the patent from the prior art when the original claims potentially are invalid over the prior art. Alternatively, an applicant may attempt to eliminate a claim limitation that is unnecessary to distinguish over the prior art and that creates an impediment to proving infringement.⁹⁹ With respect to other errors or deficiencies, an applicant may obtain a reissue only when the error or deficiency results in invalidity or unenforceability of the patent and when such error or deficiency occurred without any deceptive intent by the applicant.¹⁰⁰ A patentee cannot, however, apply for reissue simply by alleging an unintentional failure to obtain claims narrower in scope than the issued patent claims.¹⁰¹

93. *Id.* § 251.

94. *Id.*

95. *Id.*

96. *Id.*

97. *In re Hounsfeld*, 699 F.2d 1320, 1322, 216 U.S.P.Q. (BNA) 1045, 1047 (Fed. Cir. 1983).

98. *Ball Corp. v. United States*, 729 F.2d 1429, 1433, 221 U.S.P.Q. (BNA) 289, 293 (Fed. Cir. 1984).

99. *See Hewlett-Packard Co. v. Bausch & Lomb Inc.*, 882 F.2d 1556, 1564-65, 11 U.S.P.Q.2d (BNA) 1750, 1756-57 (Fed. Cir. 1989) (holding that Patent Office may reissue narrower patent if it is necessary to support validity of prior patent), *cert. denied*, 493 U.S. 1076 (1990).

100. 37 C.F.R. § 1.175 (1995).

101. *Hewlett-Packard*, 882 F.2d at 1565, 11 U.S.P.Q.2d (BNA) at 1758 (stating that court will not allow applicant's oversight to serve as second chance to litigate patent claims).

To obtain a reissue, the patentee must surrender the original patent and file a reissue application setting forth proper grounds for reissue.¹⁰² The provisions governing the prosecution of original patent applications also apply to reissue applications, except that reissue applications are not kept secret.¹⁰³ Reissue applications are examined in the same manner as the original application.¹⁰⁴ If reissue is granted, the reissued patent is effective as of the original patent's issue date, subject to the intervening rights provisions of 35 U.S.C. § 252. It remains effective for the original patent's unexpired term.¹⁰⁵

B. Disclaimer—Section 253

Two distinct types of disclaimers are authorized by section 253 of the Patent Statute: terminal disclaimers and statutory disclaimers.¹⁰⁶ Terminal disclaimers generally are used to avoid double-patenting problems,¹⁰⁷ and statutory disclaimers are used to correct patents by expunging invalid claims.¹⁰⁸ A patentee may file a statutory disclaimer of any complete claim with the PTO.¹⁰⁹ The disclaimer becomes "part of the original patent to the extent of the interest possessed by the disclaimant and by those claiming under him."¹¹⁰ The statutory disclaimer effectively cancels the claim from the patent.¹¹¹

102. 37 C.F.R. § 1.171.

103. *Id.* § 1.176.

104. *Id.*; see *Hewlett-Packard*, 882 F.2d at 1563, 11 U.S.P.Q.2d (BNA) at 1756 (stating that "original claims which a patentee wants to maintain unchanged may nevertheless be rejected on any statutory ground" during reissue process).

105. 35 U.S.C. § 251 (1994).

106. *Id.* § 253.

107. See *In re Van Ornum*, 686 F.2d 937, 944, 214 U.S.P.Q. (BNA) 761, 767 (C.C.P.A. 1982) (describing double-patent problem in which ownership of two patents is divided by transfer or assignment and infringer then faces multiple suits by various assignees). To avoid a double patenting rejection due to a claim of obviousness, an applicant or patentee disclaims the time period during which the second patent otherwise would be in force beyond the expiration of the first patent, and conditions the second patent's enforceability on it being owned by the first patent owner. *Id.* at 944-46, 214 U.S.P.Q. (BNA) at 767-69.

108. 37 C.F.R. § 1.321.

109. *Id.*

110. 35 U.S.C. § 253.

111. See *W.L. Gore & Assoc. v. Oak Materials Group, Inc.*, 424 F. Supp. 700, 702, 192 U.S.P.Q. (BNA) 687, 689 (D. Del. 1976) (stating that if plaintiff has disclaimed all claims to patent, plaintiff cannot revive disclaimed claims through reissue).

Like reissue applications, statutory disclaimers may be used only to correct errors that have occurred without any deceptive intent. 35 U.S.C. § 253. If an invalid claim was obtained with deceptive intent, any attempt to disclaim that claim will be ineffective and all claims to the patent are invalid. *Kearney & Trecker Corp. v. Cincinnati Millacron, Inc.*, 562 F.2d 365, 375, 195 U.S.P.Q. (BNA) 402, 409 (6th Cir. 1977); see also *J.P. Stevens Co. v. Lex Tex Ltd.*, 747 F.2d 1553, 1560, 223 U.S.P.Q. (BNA) 1089, 1092 (Fed. Cir. 1984) (applying standard of gross negligence to hold all claims for patent unenforceable due to inequitable conduct of applicant),

Failure to disclaim an invalid claim does not render the patent unenforceable nor does it invalidate the other claims.¹¹² A patentee may sue for infringement of a valid patent claim, despite the presence in the patent of an invalid claim or claims.¹¹³ The patentee, however, will not be able to recover costs for the litigation unless a disclaimer of the invalid claim or claims was entered with the PTO prior to the commencement of the litigation.¹¹⁴

C. *Certificates of Correction—Sections 254-256*

In addition to reissue applications and disclaimers, certificates of correction offer another procedure to correct errors after a patent has issued.¹¹⁵ Certificates of correction are probably “the most frequently employed mechanism for correcting errors in issued patents.”¹¹⁶ These are “ordinarily used to correct relatively minor, non-substantive inconsistencies between an application as prosecuted and the resultant patent as ultimately issued in printed form.”¹¹⁷ Certificates of correction also are used to correct “errors in inventorship and to perfect claims to foreign or domestic priority.”¹¹⁸ “While correction certificates may be used to effect changes in any portion of the patent, . . . they may not be used to modify the patent in such a way as to require substantive reexamination by the PTO as occurs in the reissue or statutory reexamination procedures.”¹¹⁹

The Patent Statute classifies certificates of correction “according to whether the particular error was introduced into the patent as a result of a mistake by the PTO or a mistake by the applicant.”¹²⁰ When an error or mistake was the PTO’s fault, correction may be secured

cert. denied, 474 U.S. 822 (1985). Statutory disclaimer is used to correct patent claims when the patentee has received too much exclusivity. 3 CHISUM, *supra* note 15, § 11.07[2], at 11-375. Unlike some of the other post-allowance procedures that permit correction to the drawings, specifications and claims, statutory disclaimer is limited strictly to the correction of claims. *Id.* Moreover, statutory disclaimer is restricted to “complete claim[s].” 35 U.S.C. § 253. For example, if one or more claims of a patent are too broad and encompass the prior art, or if claims are otherwise invalid or defective, the patentee may cancel these erroneous claims by filing a statutory disclaimer. 3 CHISUM, *supra* note 15, § 11.07[2], at 11-375. If a patentee were to discover a prior art reference that either anticipates or makes obvious one or more claims of an issued patent, the patentee should—although he is not obligated to—file a disclaimer with the PTO repudiating those claims. *Id.* § 11.07[2], at 11-376 n.7.

112. 3 CHISUM, *supra* note 15, § 11.07[2], at 11-378.

113. 3 CHISUM, *supra* note 15, § 11.07[2], at 11-378 to 11-379.

114. 35 U.S.C. § 288.

115. *Id.* § 254.

116. 5 CHARLES L. GHOLZ ET AL., PATENT PRACTICE 22.6 (Irving Kayton & Karyl S. Kayton eds., 6th ed. 1995) [hereinafter PATENT PRACTICE].

117. *Id.* at 22.7.

118. *Id.*

119. *Id.*

120. *Id.*

without payment of a fee.¹²¹ However, when the error was not attributable to the PTO, the patentee must pay a fee and comply with all applicable statutory provisions.¹²² "Whether . . . a patentee may properly request the issuance of a certificate of correction depends upon both the type of error involved and the *magnitude* of the error."¹²³ Certificates will not be issued to remedy extremely minor errors.¹²⁴ Nor will the PTO issue a certificate of correction for the purpose of effectuating major substantive modifications that are properly the subject of reissue or reexamination.¹²⁵ Regardless of the type or the magnitude of the error, to be correctable the error must have occurred through good faith inadvertence,¹²⁶ and the modification necessary to correct the error must not result in the introduction of new matter into the patent.¹²⁷

Certain mistakes, errors, or other defects are not subject to correction under any circumstances.¹²⁸ For example, the PTO will not correct a patent that fails to recite the best mode for carrying out the invention,¹²⁹ or a patent that is deemed unenforceable due to fraudulent or otherwise improper conduct by the patentee in conjunction with the prosecution or enforcement of the patent.¹³⁰ Relatively minor errors may be left uncorrected without having a legal or practical effect on the patentee's ability to enforce his rights.¹³¹ Occasionally, however, errors may appear in the printed patent, which are readily apparent to other patent practitioners but, unless corrected, may place an undue burden of explanation or proof upon the patentee during litigation.¹³² Moreover, failure to correct minor but substantive errors in an issued patent may greatly prejudice the patentee's future rights.¹³³

121. 37 C.F.R. § 1.322 (1995).

122. *See id.* § 1.323.

123. PATENT PRACTICE, *supra* note 116, at 22.7.

124. PATENT PRACTICE, *supra* note 116, at 22.7.

125. PATENT PRACTICE, *supra* note 116, at 22.7.

126. *See* PATENT PRACTICE, *supra* note 116, at 22.13 (stating that although statement that mistake occurred in good faith is required by statute, PTO does not require actual showing that mistake occurred in good faith). Only errors occurring through good faith inadvertence are subject to possible qualification in connection with reexamination proceedings under 35 U.S.C. § 302 (1994).

127. *See* 37 C.F.R. § 1.323(a) (1995) (authorizing issuance of certificate of correction so long as correction does not involve changes constituting new matter).

128. PATENT PRACTICE, *supra* note 116, at 22.1-2.

129. PATENT PRACTICE, *supra* note 116, at 22.2.

130. PATENT PRACTICE, *supra* note 116, at 22.2.

131. PATENT PRACTICE, *supra* note 116, at 22.14.

132. PATENT PRACTICE, *supra* note 116, at 22.14 to 22.15.

133. PATENT PRACTICE, *supra* note 116, at 22.15.

1. Section 254

To proceed under § 254,¹³⁴ a patentee first must establish that the error for which the correction is sought appeared in the patent as a result of a mistake by the PTO.¹³⁵ Most of these errors occur when the document is being formatted and typeset for printing. Errors and omissions also are occasionally introduced during the course of the examiner's final review—the period during which amendments are reviewed and consolidated, claims are renumbered and final modifications are entered.¹³⁶

When relatively few minor errors exist, the PTO may refuse to issue a certificate of correction and may simply place the request for correction in the official file.¹³⁷ Should any future issues arise regarding the error, the patentee may rely upon entry of his request in the PTO file as if the certificate of correction had issued.¹³⁸ On the other hand, errors or omissions by the PTO that may affect the interpretation of the patent should be corrected by a formal certificate of correction.¹³⁹ Such errors include misspelled words, omission of an inventor's name, omission of an assignee's name, failure to include identification of all references cited, and printing of claims in original rather than amended form.¹⁴⁰ The issuance of the formal certificate in such an instance may have the effect of preserving the validity of the patent.¹⁴¹ When the error is gross, however, the PTO may on occasion issue an entirely new patent, which has the same effect as a certificate of correction.¹⁴² It is important to note that a patent that has been reprinted to correct

134. 35 U.S.C. § 254 (1994) provides:

Whenever a mistake in a patent, incurred through the fault of the Patent and Trademark Office, is clearly disclosed by the records of the Office, the Commissioner may issue a certificate of correction stating the fact and nature of such mistake, under seal, without charge, to be recorded in the records of patents.

Id.

135. *See id.* (stating that Commissioner may issue certificate of correction in cases of clear mistake by patent office).

136. *See* PATENT PRACTICE, *supra* note 116, at 22.8 (discussing treatment of minor errors by PTO).

137. *See* PATENT PRACTICE, *supra* note 116, at 22.8-9. If the patentee does not get a response within 30 days, the patentee may presumptively assume that the letter has been filed. *Id.* at 22.9.

138. MPEP, *supra* note 11, § 1480.

139. PATENT PRACTICE, *supra* note 116, at 22.9.

140. PATENT PRACTICE, *supra* note 116, at 22.9.

141. PATENT PRACTICE, *supra* note 116, at 22.9.

142. *See* 37 C.F.R. § 1.322(b) (1995) (giving Commissioner discretion to issue corrected patent at no expense to patentee).

mistakes is quite different from a patent that has been reissued or reexamined to effect correction.¹⁴³

2. Section 255

When a mistake was made by the patentee, rather than the PTO, the patentee may apply for a certificate of correction under § 255, which provides that whenever a clerical or typographical mistake, or a mistake of minor character that was not the fault of the PTO, appears in a patent, the Commissioner may "issue a certificate of correction, if the correction does not involve such changes in the patent as would constitute new matter or would require reexamination."¹⁴⁴ To proceed under § 255, the mistake must have occurred in good faith, and the patentee must include as part of his request for issuance of certificate of correction: (1) a statement that the mistake occurred in good faith; (2) a statement that the requested correction does not involve the introduction of new matter or require substantive reexamination; and (3) the required fee specified in 37 C.F.R. § 1.20(a).¹⁴⁵

Section 255 expressly provides that the PTO Commissioner may issue certificates of correction only in the case of errors that may be corrected without first conducting substantive reexamination of the type undertaken in reissue and statutory reexamination proceedings.¹⁴⁶ Correction of a mistake by the PTO requires only a comparison of the issued patent with the application as filed and prosecuted to confirm the existence and nature of the error.¹⁴⁷

3. Section 256

The Patent Statute requires that all inventors be named in the patent application and in the issued patent.¹⁴⁸ Errors in inventorship may be corrected both pre-issuance¹⁴⁹ and post-

143. A reissue patent and a reexamination patent both undergo substantive examination by the PTO, whereas a corrected patent is not reexamined by the PTO. See 37 C.F.R. § 1.176 (reissue) and 37 C.F.R. §§ 1.550, 1.552 (reexamination); cf. 37 C.F.R. §§ 1.322-324 (certificates of correction of mistake).

144. 35 U.S.C. § 255 (1994).

145. PATENT PRACTICE, *supra* note 116, at 22.13; see also 37 C.F.R. § 1.323 (stating that Commissioner may issue, upon payment of fee, new certificate if mistake is of "clerical or typographical nature").

146. 35 U.S.C. § 255.

147. See PATENT PRACTICE, *supra* note 116, at 22.14.

148. See 35 U.S.C. § 111(a)(2)(C) (requiring applicant(s) to swear oath in accordance with Patent Statute that he is first and original inventor).

149. See *id.* § 116 (permitting error correction in application prior to issue provided error arose without any deceptive intent).

allowance.¹⁵⁰ When a patent is issued and the correct inventors are not named in the patent, through error and without any deceptive intent on the part of the actual inventors, the PTO may, on petition of all the parties and assignees and “with proof of the facts,”¹⁵¹ issue a certificate correcting the error in inventorship.¹⁵² Circumstances also exist in which a federal court may, upon notice of all parties concerned and hearing, order the PTO to issue a certificate of correction as to the inventorship of the patent.¹⁵³

4. *Certificates of Correction procedure*

Whether seeking a correction under § 254, § 255, or § 256, the procedural aspects for petitioning the PTO for a certificate of correction are relatively straightforward. The request for issuance of a certificate of correction normally is prepared in the same form used for amendments and for other responses to PTO actions.¹⁵⁴ Upon receipt by the PTO, a request for issuance of a certificate is forwarded to the Certificate of Correction Branch of the Publishing Division.¹⁵⁵ The Certificate of Correction Branch determines whether an error has been made, who was responsible for the error, and whether the error is of such a type and nature as to justify the issuance of a certificate of correction.¹⁵⁶

D. *Statutory Reexamination*

Statutory reexamination¹⁵⁷ is a procedure in which any person, at any time, may make a written request to the PTO to reexamine an issued patent¹⁵⁸ on the basis of new prior art references that the requestor believes may be relevant to patentability.¹⁵⁹ As part of the reexamination request, the requestor must set forth the pertinence and manner of applying the cited prior art references to the claims

150. See *id.* § 256 (permitting error correction in application post issue provided error arose without any deceptive intent).

151. *Id.*; see 37 C.F.R. § 1.48 (1995) (requiring affidavits and declarations of inventors stating how and why error occurred and that error occurred without any deceptive intent).

152. 35 U.S.C. § 256.

153. *Id.*

154. See MPEP, *supra* note 11, § 1485.

155. See MPEP, *supra* note 11, § 1485.

156. MPEP, *supra* note 11, § 1485.

157. Statutory reexamination was not included as a part of U.S. patent law until July 1, 1981. Act of Dec. 12, 1980, Pub. L. No. 96-517, 94 Stat. 3015 (codified as amended at 35 U.S.C. § 301 (1994)).

158. 35 U.S.C. § 301. The Commissioner, on his own initiative, also may commence a reexamination. *Id.* § 302.

159. *Id.* § 301; see 37 C.F.R. § 1.510 (1995) (limiting prior art cited as part of reexamination process to patents and other printed publications).

for which reexamination is requested.¹⁶⁰ Upon receipt of the request, the PTO must decide whether the request raises a "substantial new question of patentability."¹⁶¹ If the Commissioner determines that such a question is raised, he will order reexamination.¹⁶²

Statutory reexamination is conducted in the same manner as the initial examination of the original patent application.¹⁶³ The patent owner will be permitted to propose any amendments to his patent and propose new claims, so long as the amendments or claims do not enlarge the scope of the originally examined claims.¹⁶⁴ If the patent owner is dissatisfied with the results of the reexamination, the patent owner may choose either to appeal the decision to the Board of Patent Appeals and Interferences or to file a civil suit in the District Court for the District of Columbia.¹⁶⁵ If the patent comes through reexamination unchanged, on the other hand, the PTO will issue a certificate of confirmation.¹⁶⁶ In any event, the presumption of validity continues to apply.¹⁶⁷

V. THIRD-PARTY PRACTICE

A. *Pre-Issuance*

The role of a third party in pre-issuance *ex parte* patent prosecution is extremely limited and restricted only to protests and public use proceedings.¹⁶⁸

160. 35 U.S.C. § 302.

161. *Id.* § 303.

162. *Id.* § 304. If a third party makes the request for reexamination, the patent holder receives a copy of the petition and has two months to reply to its contentions. *Id.* §§ 301, 304. The patent holder's reply should include any amendments to the patent and any new claim or claims he may wish to propose. *Id.* If the patent holder files such a reply, he also must serve a copy on the party who initiated the request for reexamination. *Id.* § 304. The third party then has two months in which to file and have considered a reply to any statements made by the patent holder. *Id.* Because the reexamination process is *ex parte* in nature, the filing of the reply to the patent holder's statements marks the end of the permissible participation of a third party. See *infra* part V.B.3 (discussing statutory reexamination procedure by PTO).

163. See 35 U.S.C. § 305 (stating that "reexamination will be conducted according to the procedures for initial examination under the provisions of sections 132 and 133 of this title").

164. *Id.*

165. See *supra* part III.B (discussing appeals procedure). Third parties may not take advantage of these appeal options, but rather must accept the decision of the examiner.

166. 35 U.S.C. § 307.

167. See *id.* § 282 (placing burden on party asserting invalidity).

168. See *Animal Legal Defense Fund v. Quigg*, 932 F.2d 920, 938, 18 U.S.P.Q.2d (BNA) 1677, 1692 (Fed. Cir. 1991) ("A third party has no right to intervene in the prosecution of a particular patent application to prevent issuance of an allegedly invalid patent."); *Godfredson v. Banner*, 503 F. Supp. 642, 646, 207 U.S.P.Q. (BNA) 202, 206-07 (D.D.C. 1980) ("[A]n individual does not have standing to challenge the decision of the Patent Office to grant a patent to another applicant during the prosecution process.").

1. *Protests*

The PTO provides for the entry of a protest by the public against pending patent applications.¹⁶⁹ This rule is of limited use pre-issuance, due to the secret nature of patent applications.¹⁷⁰ If, however, a member of the public does become aware of a pending patent application, he would be entitled to file a Rule 1.291 protest.¹⁷¹ The protest must identify specifically the application, must be timely submitted, and must be served upon the applicant in accordance with Rule 248.¹⁷² In the event service upon the applicant is not possible, the protest must be filed with the PTO.¹⁷³ To be considered by the PTO, the protest must include:

- (1) a listing of patents, publications or other information relied upon;
- (2) a concise explanation of the relevance of each listed item;
- (3) a copy of each listed patent or publication or other item of information in written form or at least the pertinent portions thereof; and
- (4) an English translation of all the necessary and pertinent parts of any non-English language patent, publication, or other item of information in written form relied upon.¹⁷⁴

The rights of members of the public in filing a protest are extremely limited. For instance, the PTO may require the applicant to respond to questions raised in the protest; but if the PTO does not specifically request the applicant to respond, the applicant is under no duty or obligation to do so.¹⁷⁵ Moreover, the protestor does not learn about subsequent proceedings or the disposition of the protest until the application issues as a patent and the file becomes publicly available.¹⁷⁶ The only acknowledgement of the protest will be from the PTO if the protestor submitted a self-addressed postcard with the protest.¹⁷⁷

169. 37 C.F.R. § 1.291 (1995).

170. See 3 CHISUM, *supra* note 15, § 11.02[4] (describing secrecy of patent application procedure). Protests under 37 C.F.R. § 1.291 are much more common in reissue applications.

171. 37 C.F.R. § 1.291(a).

172. *Id.* § 1.248.

173. *Id.* § 1.291(a)(2).

174. *Id.* § 1.291(b).

175. *Id.* § 1.291(c).

176. See *id.* (stating that person filing protest will not receive any communication from PTO relating to protest).

177. *Id.* The limited role of the member of the public filing a protest pursuant to this rule "ends with the filing of the protest, and no further submission will be considered unless such submission raises new issues which could not have been earlier presented." *Id.*

2. *Public use proceedings*

A third party who knows of the pendency of an application for a patent may file a petition with the PTO setting forth a *prima facie* showing that the invention described in the pending application had been in public use or on sale more than one year prior to the filing of the patent application or before the date of invention.¹⁷⁸ If the examiner determines that the third party has made a *prima facie* showing, the examiner then has the discretion to order a preliminary hearing before the Commissioner to determine whether a public use proceeding should be instituted.¹⁷⁹ Due to the *ex parte*¹⁸⁰ and secret nature of patent applications,¹⁸¹ the PTO will do everything in its power "to avoid discussion of any matters of the application file which are not already of knowledge to" the petitioning person.¹⁸²

If, at the preliminary hearing, the Commissioner decides a public use proceeding is appropriate, he may designate an appropriate official, such as an examiner, to conduct the proceeding, which may include taking testimony.¹⁸³ The fact that a *prima facie* case has been established does not mean that a statutory public use bar¹⁸⁴ has been established conclusively.¹⁸⁵ Rather, a statutory bar can be established only after due consideration of all the testimony taken, including cross-examination.¹⁸⁶

After testimony has been taken, the examiner issues a final decision analyzing the testimony and stating his conclusions.¹⁸⁷ If the examiner concludes that a public-use bar exists, he will enter a

178. *Id.* § 1.291. A third party may know of a pending application for several reasons. Most commonly, the third party is the losing party in an interference and had access to the pending application. 3 CHISUM, *supra* note 15, § 11.03[3][a], at 11-150 to -151.

179. MPEP, *supra* note 11, § 720.03. When the examiner determines that a *prima facie* case has not been established, the patent applicant and the public-use petitioner (third party) are both notified and the *ex parte* application process continues without giving the parties an opportunity to be heard on the correctness of the examiner's decision. *Id.*

180. *See supra* part II (discussing *ex parte* nature of original patent application).

181. *See* 3 CHISUM, *supra* note 15, § 11.02[4], at 11-79 to -88 (discussing secrecy surrounding patent applications).

182. MPEP, *supra* note 11, § 720.03.

183. 37 C.F.R. § 1.292(c) (1995); *see also* MPEP, *supra* note 11, § 720.04 (discussing initial steps of public use proceedings).

184. *See* 35 U.S.C. § 102(b) (1994) (setting out criteria for patentable material and specifying that applicant otherwise entitled to patent will be barred from its issue if "the invention was patented or described in a printed publication in this or a foreign country, more than one year prior to the date of the application for patent in the United States"). Other factors that preclude patentability are listed in 35 U.S.C. §§ 102(a)-(g).

185. MPEP, *supra* note 11, § 720.04.

186. MPEP, *supra* note 11, § 720.04. The procedure for taking evidence in a public-use proceeding is similar to that of taking testimony in an interference. *Id.*

187. MPEP, *supra* note 11, § 720.05.

rejection in the application file, predicated such rejection on the evidence considered and the decision reached in the public-use proceeding.¹⁸⁸ There is no review from the final decision of the examiner in such a proceeding.¹⁸⁹ Once the application is returned to its *ex parte* status, however, appellate review under 35 U.S.C. §§ 134, 141-145 is available for "adverse decision rejecting claim(s) as a result of the examiner's decisions as to public use or sale."¹⁹⁰

B. *Post-Allowance*

After a patent issues, the PTO generally loses jurisdiction over the matter. As discussed above, however, there are certain situations in which the PTO retains some post-issuance powers, such as those regarding reissue, certificates of correction, and statutory reexamination.¹⁹¹ While the previous sections focused on these specific post-issuance procedures affecting the rights and obligations of the patent holder, the following sections will address the rights, or lack thereof, of a third party before the PTO and the federal courts with respect to these particular post-issuance procedures.

1. *Reissue*

a. *Third-party rights generally*

Reissue can be a valuable tool for preparing a patent in anticipation of infringement litigation. Through the reissue procedure, a patent owner may alter language in patent claims that might cause problems during litigation.¹⁹² If potentially invalidating references exist, a reissue proceeding may narrow the claim scope prior to trial and thus avoid those references.¹⁹³ Additionally, if an accused infringer's product appears to narrowly avoid literal infringement, a patent owner may within two years of issuance, use the reissue procedure to broaden the claim scope.¹⁹⁴

188. MPEP, *supra* note 11, § 720.05. In reaching his decision, the examiner is not bound by the Commissioner's finding that a *prima facie* case was established. *Id.*

189. MPEP, *supra* note 11, § 720.05. The Commissioner cannot be petitioned to exercise his supervisory authority to vacate the examiner's decision, a mechanism that sometimes is available under 37 C.F.R. § 1.181 (1995), unless clear error is shown. *Id.*

190. MPEP, *supra* note 11, § 720.05.

191. See *supra* notes 89-92 and accompanying text (noting authority for limited situations in which PTO retains post-issuance powers).

192. See generally PATENT PRACTICE, *supra* note 116, at 22.67-68.

193. See *In re Etter*, 756 F.2d 852, 858, 225 U.S.P.Q. (BNA) 1, 5 (Fed. Cir. 1984) (quoting *In re Yamamoto*, 740 F.2d 1569, 1572, 224 U.S.P.Q. 934, 936 (Fed. Cir. 1984)).

194. See PATENT PRACTICE, *supra* note 116, at 22.68-69.

Although a third-party's interests generally may be involved in a reissue application, the role that a third party may play in reissue procedures is limited expressly, as set forth in the PTO's rules of practice.¹⁹⁵ Although the rules authorize third parties to file protests against reissue applications,¹⁹⁶ they also explicitly confine the third parties' participation in the proceedings to the filing of the protests.¹⁹⁷ Once the PTO has made a determination regarding a reissue application, third parties have no right to appeal the PTO's decision.

No provision in the statute expressly authorizes judicial or administrative review of a PTO decision at the behest of a third-party protestor.¹⁹⁸ Congress provided for review of reissue decisions only at the behest of reissue applicants. Therefore, "[t]o infer that Congress intended, nevertheless, to grant third part[ies] . . . a right to judicial review" of PTO reissue decisions would be inconsistent with the statutory language and "wholly unwarranted."¹⁹⁹

To a third party, probably the most important issue with respect to the reissue patent is whether that third party can obtain intervening rights.²⁰⁰ A reissue patent is fully effective as of its issue date.²⁰¹ In obtaining the reissue patent, the patent owner must surrender the original patent,²⁰² but surrender "does not affect any pending action or abate any cause of action to the extent that the claims of the original and reissue patent are identical."²⁰³ Congress has explicitly

195. See *infra* notes 218-26 and accompanying text (discussing limited role of third parties in reissue patent procedures and safeguards in process that protect them). The procedures of the PTO are set out in 37 C.F.R. §§ 1.1-825 (1995). The sections dealing specifically with reissues are 37 C.F.R. §§ 1.171-179.

196. See 37 C.F.R. § 1.291.

197. See *id.* § 1.291(c) (stating explicitly that "limited involvement of the member of the public filing a protest . . . ends with the filing of the protest").

198. *Hitachi Metals, Ltd. v. Quigg*, 776 F. Supp. 3, 8, 20 U.S.P.Q.2d (BNA) 1920, 1924 (D.D.C. 1991).

199. *Id.* at 8, 20 U.S.P.Q.2d (BNA) at 1924 (quoting *Syntex (U.S.A.), Inc. v. United States Patent & Trademark Office*, 882 F.2d 1570, 1574, 11 U.S.P.Q.2d (BNA) 1866, 1870 (Fed. Cir. 1989)).

200. The statutory provisions governing patent reissue explicitly recognize that third parties' rights are potentially jeopardized when a patent is reissued. See 35 U.S.C. § 252 (1994) (stating that third parties' rights to continued manufacture, use, or sale of things that began before granting of reissue patent shall not be affected except insofar as claims of reissue patent are identical to those of original patent). Such protection of intervening rights is necessary because certain claims in a reissue patent are recognized as receiving effect as of the date the original patent was issued. See *infra* notes 204-06 (discussing dating of claims in reissue patent that are identical to claims of original patent).

201. 4 CHISUM, *supra* note 15, at § 15.05.

202. See 35 U.S.C. § 252 (stating that effective date of surrender of original patent is issue date of reissue patent).

203. *Howes v. Medical Components, Inc.*, 814 F.2d 638, 645, 2 U.S.P.Q.2d (BNA) 1271, 1275 (Fed. Cir. 1987). In *Howes*, the court noted that Congress intended 35 U.S.C. § 252 to

limited claim continuity to those claims in the reissue patent that are identical in scope to claims in the original patent.²⁰⁴ The claims of the reissue patent reach back to the date the original patent issued, but only if those claims are identical in scope to claims of the original patent.²⁰⁵ With respect to new or amended claims in the reissue patent that differ in scope from the original claims, an alleged infringer's liability commences only from the date of the reissue patent.²⁰⁶

In *Slimfold Manufacturing Co. v. Kinhead Industries Inc.*,²⁰⁷ the court ordered the patent owner to file an application for reissue of a patent that was the subject of an infringement litigation.²⁰⁸ On reissue, the examiner held all four claims of the patent to be patentable, but rejected three of the claims as indefinite.²⁰⁹ During the ex parte prosecution that followed, in order to overcome the examiner's rejection for indefiniteness, the patent owner amended the claim to add an antecedent basis for a term in the claims.²¹⁰ The reissue patent was issued with the amended claims, and the alleged infringer moved for summary judgment of noninfringement on the ground that the amended claims in the reissue patent were not "identical" to those of the original patent.²¹¹ The district court denied the motion, and the Federal Circuit affirmed the district court's order emphasizing the

"ameliorate the harsh effect of a patent's surrender" for reissue patents. *Id.*, 2 U.S.P.Q.2d (BNA) at 1275. Prior to the adoption of § 252, the fact that a reissue application required surrender of the patent could result in dismissal of any pending action involving the original patent for failure to state a cause of action. *Id.*, 2 U.S.P.Q.2d (BNA) at 1275; see also *Seattle Box Co. v. Industrial Crating & Packing, Inc.*, 731 F.2d 818, 827, 221 U.S.P.Q. (BNA) 568, 574 (Fed. Cir. 1984) (describing historical state of patent law, under which no patentee could bring action based on pre-issue activities because no patent effectively existed).

204. 35 U.S.C. § 252; *Seattle Box Co.*, 731 F.2d at 827, 221 U.S.P.Q. (BNA) at 574-75.

205. Courts have held that the term "identical," as used in 35 U.S.C. § 252, does not imply verbatim language from one claim to the other. See 4 CHISUM, *supra* note 15, § 15.05[1]. The Federal Circuit stressed that "it is the scope of the claim that must be identical, not that the identical words be used." *Slimfold Mfg. Co. v. Kinhead Indus. Inc.*, 810 F.2d 1113, 1115, 1 U.S.P.Q.2d (BNA) 1563, 1565 (Fed. Cir. 1987). It stressed that the true inquiry is whether the new claims substantively alter those of the original claim. *Id.* at 1116, 1 U.S.P.Q.2d (BNA) at 1565.

206. *Seattle Box Co.*, 731 F.2d at 827, 221 U.S.P.Q. (BNA) at 574; see also 35 U.S.C. § 252 (describing effect of reissue and stating that only claims that are identical to those of original patent are dated back to issuance of original patent).

207. 810 F.2d 1113, 1 U.S.P.Q.2d (BNA) 1563 (Fed. Cir. 1987).

208. *Slimfold*, 810 F.2d at 1114, 1 U.S.P.Q.2d (BNA) at 1564-65.

209. *Id.*, 1 U.S.P.Q.2d (BNA) at 1564. A finding of indefiniteness means that the patent applicant failed, with respect to one or more claims, to comply with one or more aspects of 35 U.S.C. § 112.

210. *Slimfold*, 810 F.2d at 1114, 1 U.S.P.Q.2d (BNA) at 1564.

211. *Id.*, 1 U.S.P.Q.2d (BNA) at 1564.

fact that "identical" is not to be interpreted to exclude minor word changes.²¹²

The essence of what the accused infringer in *Slimfold* claimed in his motion for summary judgment of noninfringement was that he had an intervening right to use the invention described in the patent prior to issuance of the reissue patent.²¹³ Section 252 creates an absolute intervening right to the sale or continued use of the "specific thing" accused of infringement²¹⁴ and an equitable intervening right for other activities or things (i.e., not the "specific thing").²¹⁵ Section 252 does not, however, clearly answer,²¹⁶ nor has the Federal Circuit specifically addressed, the question of whether a third party may obtain intervening rights when the reissue merely narrows the claims.²¹⁷

212. The Federal Circuit stated:

Courts have rejected the theory that any word change whatsoever would ipso facto deprive a reissue claim of its original issue date and thereby allow a person to avoid liability for infringement because of technical corrections to the claims The standard applied is that of whether a particular change to the claims is substantive, such that the scope of the claims is no longer substantially identical.

Id. at 1116, 1 U.S.P.Q.2d (BNA) at 1566.

213. *Id.* at 1117, 1 U.S.P.Q.2d (BNA) at 1567.

214. 35 U.S.C. § 252 (1994). The statute provides:

No reissued patent shall abridge or affect the right of any person or his successors in business who made, purchased or used prior to the grant of a reissue anything patented by the reissued patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased or used, unless the making, using or selling of such thing infringes a valid claim of the reissued patent which was in the original patent.

Id.

215. *Id.* In addition, § 252 states:

The court before which such matter is in question may provide for the continued manufacture, use or sale of the thing made, purchased or used as specified, or for the manufacture, use or sale of which substantial preparation was made before the grant of the reissue, and it may also provide for the continued practice of any process patented by the reissue, practice, or for the practice of which substantial preparation was made, prior to the grant of the reissue, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced before the grant of the reissue.

Id.; see *Seattle Box Co. v. Industrial Crating & Packing Inc.*, 756 F.2d 1574, 1579, 225 U.S.P.Q. (BNA) 357, 361 (Fed. Cir. 1985) (recognizing intervening rights in third party to continue to fill orders for pipe-bundling device very similar to, though distinct in dimensions from, subject of reissue patent).

216. See 4 CHISUM, *supra* note 15, § 15.05[4].

217. See *Mendenhall v. Astec Indus.*, 13 U.S.P.Q.2d (BNA) 1913, 1948 (E.D. Tenn. 1988), *aff'd*, 887 F.2d 1094, 13 U.S.P.Q.2d (BNA) 1956 (Fed. Cir. 1989) ("The defense of intervening rights is unavailable when claims of a reissue patent are narrowed, rather than broadened."); *Colt Indus. Operating Corp. v. Index-Werke KG*, 205 U.S.P.Q. (BNA) 990, 1005 (D.D.C. 1979) ("The doctrine of intervening rights does not apply to narrowed reissue claims . . ."). *But see Wayne-Gossard Corp. v. Moretz Hosiery Mills, Inc.*, 539 F.2d 986, 990-91, 191 U.S.P.Q. (BNA) 543, 547 (4th Cir. 1976) (holding doctrine of intervening rights to apply to narrowing reissue patents as well as to broadening reissue patents), *aff'd*, 573 F.2d 191, 200 U.S.P.Q. (BNA) 12 (4th Cir. 1978).

Although a third party does not have a large role in the ex parte reissue application process,²¹⁸ the reissue process and its effect provide certain safeguards to the third party, the most important of which is the fact that the examiner reexamines the original patent.²¹⁹ In addition, because the reissue application, unlike the initial application, is not kept secret, a third party may learn of the reissue application²²⁰ and then file a protest against it.²²¹ The protest must include the patents or other publications the third party relies upon in protesting the reissuance,²²² and a concise explanation of the relevance of each reference.²²³ In addition, although third-party rights essentially are limited to filing the protest, a third party receives the opportunity to perform a prior art search regarding the patent, with the potential to uncover better prior art than that disclosed and reviewed by the examiner.²²⁴ Nevertheless, even if the examiner finds the invention patentable over the prior art, he still may reject it on some other basis, such as indefiniteness, as was the case in *Slimfold*.²²⁵ If the examiner required the patent owner to amend the claims of the original application to overcome an objection or rejection, the third party (or alleged infringer) then could argue in the infringement litigation that the reissue claims were not identical to the original claims and thus were not entitled to the filing date of the original application.²²⁶ If that is the case, the alleged infringer may argue that he has an intervening right, either absolute or equitable, to use the technology claimed in the reissue claims (if they are not identical to the original patent claim).²²⁷

218. See *Hitachi Metals, Ltd. v. Quigg*, 776 F. Supp. 3, 9, 20 U.S.P.Q.2d (BNA) 1920, 1925 (D.D.C. 1991) (noting that third parties protesting reissue applications have only limited rights of participation in PTO proceedings).

219. 37 C.F.R. § 1.176 (1995).

220. See *id.* § 1.11(b) (providing that all reissue applications are open to public inspection and that filings of applications are announced in PTO Official Gazette).

221. See *id.* § 1.291 (detailing public protest mechanism for objecting to pending applications).

222. *Id.* § 1.291(b)(1).

223. *Id.* § 1.291(b)(2). In addition to the requirements of §§ 1.291(b)(1)-(2), a protestor must provide a copy of each patent or publication relied on, *id.* § 1.291(b)(3), as well as English translations if needed. *Id.* § 1.291(b)(4).

224. *Id.* § 1.501.

225. *Slimfold Mfg. Co. v. Kinkead Indus. Inc.*, 810 F.2d 1113, 1116, 1 U.S.P.Q.2d (BNA) 1563, 1566 (Fed. Cir. 1987); see *supra* note 209 and accompanying text (explaining rejection of claims for vagueness despite claims being patentable).

226. See *supra* notes 200-06 and accompanying text (explaining how substantive change in claim from original to reissue patent can alter rights of third party in infringement action).

227. See *supra* notes 215-17 and accompanying text (describing intervening rights).

b. *Rights in the PTO vs. rights in the federal courts*

In understanding the rights of a third party in reissues, it is important to distinguish between the third party's right to raise issues regarding a reissue application in the PTO by filing a protest, and the third party's ability to raise issues regarding reissue patents in federal district court in defense of a claim to patent infringement. Further, it is important to recognize what right, if any, third parties have to challenge the final decisions of the PTO and the federal district court on these issues.²²⁸

With respect to direct appeals from the federal district courts, the answer is relatively straightforward. The Federal Circuit has exclusive jurisdiction over appeals from the federal district courts involving patent rights.²²⁹ For example, if a party is found liable for patent infringement in district court, despite its claim of intervening rights with respect to a reissue patent, that party may appeal the district court's decision on that issue to the Federal Circuit.²³⁰

A third party's right to appeal the PTO's decision to grant a reissue patent, on the other hand, is a somewhat more complicated issue. The short answer is that the third party may not challenge the PTO's

228. See, e.g., *Centigram Communications Corp. v. Lehman*, 862 F. Supp. 113, 119, 32 U.S.P.Q.2d (BNA) 1346, 1351 (E.D. Va. 1994) (upholding power of PTO Commissioner to issue regulations providing for revival of lapsed patents and noting that operation of regulation does not impair any rights of third parties). In *Centigram*, a patent infringement defendant challenged the PTO Commissioner's promulgation of a regulation made pursuant to a congressional amendment of the Patent Statute. *Id.* at 114, 32 U.S.P.Q.2d (BNA) at 1347. The statute in question, 35 U.S.C. § 41(c) (1994), related to the requirement that a patentee must pay a maintenance fee to keep a patent in force. *Centigram*, 862 F. Supp. at 114, 32 U.S.P.Q.2d (BNA) at 1347. Pursuant to the 1992 amendments to § 41(c), the Commissioner promulgated a new regulation, 37 C.F.R. § 1.378(c), to allow patent owners to revive patents that had lapsed for non-payment of the required maintenance fees. *Centigram*, 862 F. Supp. at 114, 32 U.S.P.Q.2d (BNA) at 1347. In *Centigram*, the patent infringement defendant did not challenge the PTO's decision to revive a patent that had lapsed for failure to pay fees, but rather argued that the PTO Commissioner exceeded his lawful authority and acted contrary to law in promulgating the rule, 37 C.F.R. § 1.378(c). *Centigram*, 862 F. Supp. at 114, 117, 32 U.S.P.Q.2d (BNA) at 1347, 1350. The court stated that the patent infringement defendant (third party) had standing to challenge the PTO's rule-making authority because it was within the "zone of interest to be protected or regulated by the statute." *Id.* at 117 n.9, 32 U.S.P.Q.2d (BNA) at 1350 n.9 (citing *Data Processing Serv. Org. v. Camp*, 397 U.S. 150, 153 (1970)). The court, however, upheld the rule after determining that the PTO acted lawfully in promulgating it. *Id.* at 119, 32 U.S.P.Q.2d (BNA) at 1351.

229. See 28 U.S.C. § 1295(a)(1) (1994) (stating that Federal Circuit has exclusive jurisdiction over appeals from district court cases when jurisdiction is based on 28 U.S.C. § 1338). Section 1338 involves patent and other intellectual property jurisdiction of district courts. *Id.* § 1338. The Federal Circuit also has exclusive jurisdiction over certain decisions from PTO entities. *Id.* § 1295(a)(4).

230. *Id.* § 1295(a)(1).

decision either to the PTO or in the federal district court.²³¹ In the leading case on this issue, *Hitachi Metals, Ltd. v. Quigg*,²³² the District Court for the District of Columbia dismissed the claim of Hitachi Metals (a third party to the reissue application) and held that (1) the court lacked subject matter jurisdiction over Hitachi Metals' claim because Congress intended to preclude judicial review of PTO examination decisions at the request of third parties protesting issue or reissue of a patent;²³³ (2) even if the district court had jurisdiction under the Patent Statute, the action was not subject to review under the Administrative Procedure Act ("APA")²³⁴ because adequate remedies were otherwise available;²³⁵ and (3) even if the court had jurisdiction over the suit and the suit was reviewable under the APA, the suit still should be dismissed because the plaintiff failed to satisfy all standing requirements.²³⁶

With respect to the first point, the court in *Hitachi Metals* stated that when a statute specifically provides a mechanism for judicial review at the behest of certain persons, judicial review of those issues at the behest of other persons impliedly should be precluded.²³⁷ The Patent Statute explicitly provides a mechanism for patent owners to apply for reissue of a patent²³⁸ and provides patent owners with the right to seek administrative and judicial review of the PTO's reissue decisions.²³⁹ The Patent Statute does not, however, authorize any administrative or judicial review at the behest of third parties; thus administrative or judicial review of a reissue decision at the behest of a third party impliedly should be precluded.²⁴⁰ The court also

231. See *infra* note 240 and accompanying text (explaining absence of third-party right to appeal decisions).

232. 776 F. Supp. 3, 20 U.S.P.Q.2d (BNA) 1920 (D.D.C. 1991).

233. *Hitachi Metals, Ltd. v. Quigg*, 776 F. Supp. 3, 7, 20 U.S.P.Q.2d (BNA) 1920, 1923 (D.D.C. 1991).

234. Administrative Procedure Act, Pub. L. No. 89-554, 80 Stat. 380 (codified as amended at 5 U.S.C. §§ 551-559, 701-706 (1994)). Section 704 governs judicial review of final agency actions. 5 U.S.C. § 704.

235. *Hitachi Metals*, 776 F. Supp. at 10, 20 U.S.P.Q.2d (BNA) at 1926. The court found that, pursuant to § 704, the rejection of the plaintiff's protest was not a "final agency action for which there is no other adequate remedy in a court." *Id.*, 20 U.S.P.Q.2d (BNA) at 1926 (quoting 5 U.S.C. § 704).

236. *Id.* at 10-12, 20 U.S.P.Q.2d (BNA) at 1926-28. Specifically, the court found that the requirements of imminence, particularity, causation, and redressability had not been met, and that the alleged injuries did not fall within any statutory "zone of interests." *Id.*, 20 U.S.P.Q.2d (BNA) at 1926-28.

237. *Id.* at 8, 20 U.S.P.Q.2d (BNA) at 1924 (quoting *Block v. Community Nutrition Inst.*, 467 U.S. 340, 349 (1984)).

238. 35 U.S.C. § 251 (1994).

239. *Id.* § 131 (describing administrative appeal of examiner's decision to Board); *id.* § 134 (describing direct appeal of Board's decisions to Federal Circuit); *id.* § 145 (providing for judicial review as civil action in federal district court).

240. *Hitachi Metals*, 776 F. Supp. at 8, 20 U.S.P.Q.2d (BNA) at 1923-24.

stated that when Congress intended a proceeding to be inter partes, such as patent interferences and trademark oppositions and cancellations, it specifically designated them as such.²⁴¹ In contrast, the provisions governing patent applications and examination prescribe an ex parte proceeding.²⁴² The court said that, to infer that Congress intended to grant third parties the right to judicial review of PTO reissue decisions, would be inconsistent with U.S. patent law and without basis.²⁴³

On the second point, the court in *Hitachi Metals* held that, because other remedies are available to ensure the objectives of the patent laws and PTO regulations, judicial review at the behest of third parties is not available.²⁴⁴ Moreover, the PTO's rejection of *Hitachi Metals*' protest²⁴⁵ is not covered by the APA, as it is not "a final agency action for which there is no other adequate remedy in a court."²⁴⁶ Instead of providing third parties with the right to judicial review of ex parte examination proceedings, the Patent Statute authorizes them to raise allegations of patent invalidity as a defense to a claim of patent infringement.²⁴⁷

Third, the court stated that *Hitachi Metals* lacked standing due to the insufficiency of its alleged injuries.²⁴⁸ Under Article III of the Constitution, standing requires that the plaintiff allege an actual or threatened injury that is sufficient to warrant invocation of federal court jurisdiction and to justify the exercise of the court's remedial powers on the plaintiff's behalf.²⁴⁹ The court determined that Congress intended to preclude review of PTO decisions at the behest of third parties, and thus concluded that Congress did not intend to create procedural rights in third-party protestors sufficient to support

241. *Id.* at 8 n.8, 20 U.S.P.Q.2d (BNA) at 1924 n.8 (citing 35 U.S.C. § 135(a) and 15 U.S.C. §§ 1063, 1064, 1067 (1994)).

242. *Id.* at 8, 20 U.S.P.Q.2d (BNA) at 1924 (citing 35 U.S.C. §§ 131-134, 141, 145).

243. *Id.*, 20 U.S.P.Q.2d (BNA) at 1924 (quoting *Syntex (U.S.A.), Inc. v. United States Patent & Trademark Office*, 882 F.2d 1574, 1574, 11 U.S.P.Q.2d (BNA) 1866, 1870 (Fed. Cir. 1989)).

244. *Id.* at 9-10, 20 U.S.P.Q.2d (BNA) at 1925-26.

245. *See id.* at 6, 20 U.S.P.Q.2d (BNA) at 1922 (noting that PTO issued reissue patent to patentee despite *Hitachi Metals*' protest).

246. *Id.* at 10, 20 U.S.P.Q.2d (BNA) at 1926 (quoting 5 U.S.C. § 704 (1994)).

247. *Id.*, 20 U.S.P.Q.2d (BNA) at 1926. The ability to interpose a defense is the other "adequate remedy" that the court believed caused the case to fall outside the APA's requirements for a reviewable agency action. *Id.*, 20 U.S.P.Q.2d (BNA) at 1926.

248. *Id.* at 11, 20 U.S.P.Q.2d (BNA) at 1927.

249. *Id.*, 20 U.S.P.Q.2d (BNA) at 1927. The alleged injury also must be "distinct and palpable" by the plaintiff, causally related to defendant's challenged actions and 'likely to be redressed' by the requested relief. *Id.*, 20 U.S.P.Q.2d (BNA) at 1927 (quoting *Warth v. Seldin*, 422 U.S. 490, 501, 507-08 (1975); *Simon v. Eastern Ky. Welfare Rights Org.*, 426 U.S. 26, 38 (1976)); *see also* U.S. CONST. art. III.

the constitutional standing requirement.²⁵⁰ Moreover, Hitachi Metals' other injuries—the threat of another infringement suit and the commercial detriment caused by the fact that the patent owner appeared to have a valid patent—did not constitute a basis for standing because they could not be traced fairly to the PTO's alleged procedural violations and because they were not likely to be redressed by Hitachi Metals' requested relief.²⁵¹ The court also held that Hitachi Metals failed to meet the prudential requirements for standing.²⁵² Prudential standing requires that a plaintiff's claims fall within the "zone of interests" protected by the rule or statute under which the plaintiff alleged the cause of action.²⁵³

Hitachi Metals makes clear that a third party has a very limited right to participate in the reissue patent application process. The third party has no right to challenge the PTO's decision to grant the reissue application either to the PTO directly or in a civil action in federal district court against the PTO; the third party's right is limited to filing a protest with the PTO.

2. *Certificates of Correction*

The certificate of correction procedure provides a means for patent owners to correct a clerical or typographical mistake or a mistake of a minor character in their patent.²⁵⁴ As explained above, certificates of correction are used whenever "a mistake in a patent, incurred through the fault of the Patent and Trademark Office, is clearly disclosed by the records of the Office."²⁵⁵ They also are used whenever "a mistake of a clerical or typographical nature, or of minor character, which was not the fault of the Patent and Trademark Office, appears in a patent and a showing has been made that such mistake occurred in good faith."²⁵⁶ When the mistake was not the

250. *Hitachi Metals*, 776 F. Supp. at 11, 20 U.S.P.Q.2d (BNA) at 1927 (citing *Dellums v. Smith*, 797 F.2d 817, 823 (9th Cir. 1986)).

251. *Id.*, 20 U.S.P.Q.2d (BNA) at 1927.

252. *Id.* at 12, 20 U.S.P.Q.2d (BNA) at 1927-28.

253. *Id.*, 20 U.S.P.Q.2d (BNA) at 1927.

254. 35 U.S.C. §§ 254-255 (1994). Section 254 applies to mistakes made by the Patent and Trademark Office, and § 255 applies to mistakes made by the applicant. See *supra* notes 117-53 and accompanying text (elaborating on principles governing corrections).

255. 35 U.S.C. § 254.

256. *Id.* § 255. Section 255 was a new section with no prior corollary when it was added in the 1952 Patent Act. Before the adoption of this section for correcting a clerical or typographical mistake or a mistake of a minor character, "such errors, if they were to be corrected, could only be corrected by a reissue." P.J. Federico, *Commentary on the New Patent Act*, 75 J. PAT. & TRADEMARK OFF. SOC'Y 161, 210 (1993). This section of the Patent Statute receives only two sentences of commentary, suggesting that it is not meant to raise any concerns about third-party rights, and that it should be considered a routine, *ex parte* procedure. See *id.* (mentioning § 155 only briefly).

fault of the PTO, the certificate cannot be issued unless the correction "does not involve such changes in the patent as would constitute new matter or would require re-examination."²⁵⁷ Neither these sections of the Patent Statute nor the PTO regulations relating to these sections²⁵⁸ address the issue of third parties' rights.

In many respects the PTO's issuance of a certificate of correction is indistinguishable from the reissuance of a patent for purposes of determining a third party's rights. As an initial matter, the statutory provisions involving reissue²⁵⁹ and certificates of correction²⁶⁰ are both located within Chapter 25 of the Patent Statute, entitled "Amendment and Correction of Patents."²⁶¹ As summarized by P. J. Federico in his oft-cited Commentary,²⁶² Chapter 25 addresses the amendment and correction of patents and contains the provisions by which such correction can be effected:²⁶³ reissue,²⁶⁴ disclaimer,²⁶⁵ certificates of correction,²⁶⁶ and correction of inventorship.²⁶⁷ Reissue and certificate of correction, however, are the primary means by which errors in an existing issued patent can be corrected.²⁶⁸

Allowing third-party appeal of a PTO decision regarding a certificate of correction proceeding would be equivalent to allowing collateral attack on the issuance of a patent. Opponents of a certificate should not be able to sue the PTO directly for a determination an examining attorney makes in an ex parte proceeding. Most court proceedings between the patent applicant or owner and the PTO are viewed as ex parte, and are not reviewable at the behest of any party other than the applicant.²⁶⁹ It follows logically that third

257. 35 U.S.C. § 255.

258. 37 C.F.R. §§ 1.171-1.179 (1995) (reissue); *id.* §§ 1.501-1.570 (reexamination); *id.* §§ 1.322-1.325 (certificate of correction).

259. 35 U.S.C. §§ 251-252.

260. *Id.* §§ 254-255.

261. *Id.* §§ 251-256.

262. Federico, *supra* note 256, at 161.

263. See Federico, *supra* note 256, at 204-11 (discussing reissue, disclaimer, and corrections collectively under heading "Amendment and Correction of Patents").

264. 35 U.S.C. §§ 251-252.

265. *Id.* § 253.

266. *Id.* §§ 254-255.

267. *Id.* § 256.

268. See *supra* notes 93-105, 115-33 (explaining reissue and certificate of correction).

269. Even the patent applicant/owner's right to appeal PTO decisions is limited expressly by statutory language. In the Patent Statute, Congress provided very limited avenues for judicial review of PTO decisions. See *supra* part III.B (discussing applicant appeal process); see, e.g., 35 U.S.C. § 251 (allowing patent owner to apply for reissue of patent); *id.* § 134 (sanctioning appeals to PTO Board of Appeals); *id.* § 141 (permitting subsequent appeal to Court of Appeals for Federal Circuit); *id.* § 145 (providing limited right of applicant to commence civil action against Commissioner in District Court for District of Columbia).

parties similarly must be excluded from appealing the results of proceedings under the certificate of correction section of the Patent Statute.

Furthermore, because the limitation on third-party participation is stated expressly in the reissue²⁷⁰ and reexamination proceedings,²⁷¹ the lack of any such language in the certificate of correction sections of the statute raises the inference that third parties are not to be given any role in the proceeding.²⁷²

Reissue, reexamination, and certificate of correction proceedings all have the common feature that, consistent with the statutory provisions and with explicit, limited exceptions, they all are conducted ex parte in the PTO. Participation by third parties in reissue proceedings, as stated above, is limited to protests from which there is no appeal.²⁷³ Participation of third parties in reexamination proceedings is limited to a request for reexamination²⁷⁴ and a reply to the patent owner's statement, if the owner makes one.²⁷⁵ After this limited participation, however, the third-party requester is barred from further participation in the proceedings²⁷⁶ and may not appeal the PTO's determination.²⁷⁷ The PTO regulations do not expressly or implicitly provide for any participation by third parties in requests

270. See *supra* notes 195-99, 218-26 and accompanying text (discussing limited third-party role in reissue proceedings).

271. See *infra* notes 273-78 and accompanying text (noting limited role of third parties in reexamination procedure).

272. The reissue and reexaminations sections of the Patent Statute expressly prohibit appeals by third parties after the PTO's ex parte procedure begins. See 35 U.S.C. § 306 (providing that only "patent owner involved in a reexamination proceeding . . . may appeal . . . any decision adverse to the patentability of any original or proposed amended or new claim of the patent"). This is true even though the statute provides for some initial involvement in the commencement and/or opposition of such proceedings. See *id.* § 302 ("Any person . . . may file a request for reexamination . . ."). In contrast, the certificate of correction section does not provide for any participation by third parties. See *id.* § 255 ("Whenever a mistake of a clerical or typographical nature . . . which was not the fault of the [PTO], appears in a patent . . . the commissioner may . . . issue a certificate of correction."). The application for a certificate of correction is strictly an ex parte procedure. See *id.* § 255; *Godfredsen v. Banner*, 503 F. Supp. 642, 646, 207 U.S.P.Q. (BNA) 202, 207 (D.D.C. 1980) ("The application process is deemed to be an ex parte procedure conducted between the applicant and the Patent Office."). Therefore, like the ex parte aspects of reissue and reexamination procedures, third parties logically are prohibited from all aspects of certificate of correction procedures.

273. See *Hitachi Metals, Ltd. v. Quigg*, 776 F. Supp. 3, 9, 20 U.S.P.Q.2d (BNA) 1920, 1925 (noting that PTO files "explicitly confine the participation of third parties in reissue proceedings to the filing of protests" (citing 37 C.F.R. § 1.291 (1995))).

274. 37 C.F.R. § 1.510(a).

275. *Id.* § 1.535.

276. *Id.* § 1.550(e).

277. *Syntex (U.S.A.), Inc. v. United States Patent & Trademark Office*, 882 F.2d 1570, 1572-75, 11 U.S.P.Q.2d (BNA) 1866, 1868-70 (Fed. Cir. 1989); *Yuasa Battery Co. v. Commissioner of Patents & Trademarks*, 3 U.S.P.Q.2d (BNA) 1143, 1144 (D.D.C. 1987).

for certificates of correction.²⁷⁸ Because of the ex parte nature of the procedure, however, third-party participation should be presumed to be prohibited.

Because reissued patents, reexamined patents, and certificates of correction are so similar in their purpose and effect,²⁷⁹ logic dictates that, in the absence of specific language to the contrary, Congress intended the same framework for judicial review to apply in all three situations. Indeed, the case for preclusion of judicial review at the behest of third parties regarding certificates of correction is the strongest of the three situations because, in the context of such correction proceedings, the participation by third parties in the PTO is the least. Further, any change to an existing patent through a certificate of correction process will be, by definition, a clerical or typographical nature or a mistake of a minor character.²⁸⁰ If third-party involvement is proscribed expressly for reissues and reexaminations, in which the validity of the patent is in question, then third-party involvement logically should be more limited under § 255.

In *Syntex (U.S.A.) Inc. v. United States Patent & Trademark Office*²⁸¹ the Federal Circuit stated that "every perceived injury by improper agency action does not carry a right to immediate judicial redress. A right to immediate judicial review must be granted or reasonably inferred from a particular statute."²⁸² In addition, the Supreme Court has noted that "when a statute provides a detailed mechanism for judicial consideration of particular issues at the behest of particular persons, judicial review of those issues at the behest of other persons may be found to be impliedly precluded."²⁸³ The court in *Hitachi Metals* found that the Commissioner of Patents and Trademarks had demonstrated that "congressional intent to preclude judicial review [is] 'fairly discernible in the statutory scheme'

278. See 37 C.F.R. §§ 1.322-323 (authorizing patentee, patentee's assignee, or PTO to request certificate of correction).

279. The patent statute makes clear that the effect of a reissued patent, of a reexamined patent, and of a patent for which a certificate of correction has been granted are the same: all have the full force and effect of the original issued patent.

280. See 35 U.S.C. § 255 (1994). The types of changes made in a certificate of correction are in contrast to the changes under both reissue and reexamination procedures. Reissues involve patents "deemed wholly or partly inoperative or invalid, by reason of a defective specification or drawing, or by reason of the patentee claiming more or less than he had a right to claim in the patent." *Id.* § 251. A request for reexamination is made "on the basis of any prior art." *Id.* § 302. Prior art signifies "patents or printed publications which that person believes to have a bearing on the patentability of any claim of a particular patent." *Id.* § 301.

281. 882 F.2d 1570, 1576, 11 U.S.P.Q.2d (BNA) 1866, 1870 (Fed. Cir. 1989).

282. *Syntex (U.S.A.), Inc. v. United States Patent & Trademark Office*, 882 F.2d 1570, 1576, 11 U.S.P.Q.2d (BNA) 1866, 1870 (Fed. Cir. 1989).

283. *Block v. Community Nutrition Inst.*, 467 U.S. 340, 349 (1984).

governing patent grants.”²⁸⁴ As such, without express provisions for third party involvement, the preclusion of such involvement is a justifiable conclusion. When proceedings before the PTO are to be inter partes, Congress explicitly has designated them as such.²⁸⁵

Congress granted no role for third parties in the correction procedures provided in Chapter 25 of the Patent Statute, with one notable exception: under § 256, an inventor originally excluded from the patent may seek the assistance of a court in ordering the PTO to amend the inventorship of the patent.²⁸⁶ Congress also provided these third parties a right to judicial review under § 256.²⁸⁷ Yet, in §§ 251-255, Congress did not grant third parties the right to enlist the aid of the court.²⁸⁸ Such an omission seems to provide clear evidence that Congress did not intend to grant third parties such a right, with respect to reissue and certificates of correction (other than correction of inventorship). It is well settled that when Congress provides a right in one statute, its omission of that right in a similar statute is presumed to be intentional.²⁸⁹

No language in the Patent Statute expressly provides for third-party participation in certification of correction proceedings. Therefore, just as the courts in *Syntex* and *Hitachi Metals* refused to infer a right of third parties to appeal PTO procedures in the reexamination and reissue contexts, it would seem reasonable and justifiable to conclude that certificate of correction procedures do not provide third parties with such a right.

3. *Reexamination*

Statutory reexamination usually arises in anticipation of or as a consequence of patent infringement litigation. A patent may be

284. *Hitachi Metals, Ltd. v. Quigg*, 776 F. Supp. 3, 7, 20 U.S.P.Q.2d (BNA) 1920, 1924 (D.D.C. 1991) (quoting *Association of Data Processing Serv. Org. v. Camp*, 397 U.S. 150, 157 (1970)).

285. See 35 U.S.C. § 135(a) (1994) (authorizing inter partes proceedings in cases of patent interference); 15 U.S.C. §§ 1063, 1064, 1067 (1994) (sanctioning inter partes proceedings for opposing and cancelling trademark registration as well as for cases of trademark interference).

286. 35 U.S.C. § 256; see also *Stark v. Advanced Magnetics, Inc.*, 29 F.3d 1570, 1573, 31 U.S.P.Q.2d (BNA) 1290, 1292 (Fed. Cir. 1994) (observing that under § 256 “correction [of patent application] may be had . . . by way of judicial action”); *MCV, Inc. v. King-Seeley Thermos Co.*, 870 F.2d 1568, 1570, 10 U.S.P.Q.2d (BNA) 1287, 1289 (Fed. Cir. 1989) (stating that § 256 “explicitly authorizes judicial resolution of co-inventorship contests over issued patents”).

287. 35 U.S.C. § 256.

288. *Id.* §§ 251-255.

289. See, e.g., *West Virginia Univ. Hosp., Inc. v. Casey*, 499 U.S. 83, 88-92 (1991) (deeming absence of provision for attorneys’ fees in one statute as intentional in view of inclusion of similar provisions in similar statutes).

reexamined at the request of any party.²⁹⁰ But after the reexamination process is instituted either by the patent owner or some other party, the examination is conducted strictly *ex parte* between the patent owner and the PTO examiner, and no other party may participate.²⁹¹ In reexamination, as in reissue and other patent prosecution, the patent owner will have the opportunity to amend the

290. See 35 U.S.C. § 302 ("Any person . . . may file a request for reexamination by the office.").

291. *Syntex (U.S.A.), Inc. v. United States Patent & Trademark Office*, 882 F.2d 1570, 1573, 11 U.S.P.Q.2d (BNA) 1866, 1869 (Fed. Cir. 1989). The plaintiff in *Syntex* brought suit against the PTO, alleging violation of its supposed rights as the third-party requester of reexamination of another's patent, and sought to compel the PTO to revoke the Reexamination Certificate and reopen the proceedings, or to refund the fee it had paid for the reexamination. *Id.* at 1571-72, 11 U.S.P.Q.2d (BNA) at 1866-67. The court affirmed the district court's dismissal of the case. "Although a third-party requester has some rights *vis-à-vis* the PTO . . . such a requester has no right to challenge the validity of the Reexamination Certificate by suit against the PTO." *Id.* at 1576. *Id.* at 1576, 11 U.S.P.Q.2d (BNA) at 1871. In *In re Opprecht*, 868 F.2d 1264, 10 U.S.P.Q.2d (BNA) 1718 (Fed. Cir. 1989), the Federal Circuit denied the request of a third party to intervene or file an *amicus curiae* brief in a patent holder's appeal of an adverse patent reexamination determination by the Board of Patent Appeals and Interferences. *Id.* at 1265-66, 10 U.S.P.Q.2d (BNA) at 1719. In denying the request, the Federal Circuit stressed that the legislative intent of 35 U.S.C. § 304 was "to provide specified limits to the participation of third parties, thus adding weight to the purpose of facilitating and expediting the reexamination proceeding, as against the possible advantages of a full *inter partes* contest." *Id.* at 1265, 10 U.S.P.Q.2d (BNA) at 1718 (citing S. REP. NO. 617, 96th Cong., 2d Sess. 16 (1980)). The Federal Circuit further stated that it was anticipated that third parties would have an interest in the outcome of reexamination, yet "the existence of such an interest does not change the congressional intent that the proceeding be limited in its *inter partes* attributes." *Id.* at 1265-66, 10 U.S.P.Q.2d (BNA) at 1719. *But see* *Emerson Elec. Co. v. Davoil, Inc.*, 907 F. Supp. 1303, 1306, 37 U.S.P.Q.2d (BNA) 1524, 1527 (E.D. Mo. 1995) (ordering Emerson (patentee) to provide Davoil (third party) with documents prepared for reexamination). In *Emerson*, an unknown third party filed a request with the PTO for reexamination of an Emerson patent, which was at the time the subject of a pending infringement litigation between Emerson and Davoil (d/b/a "Quorum"). *Id.* at 1304, 37 U.S.P.Q.2d (BNA) at 1525. The PTO determined that there was a "substantial new question of patentability" and granted the request for reexamination. *Id.*, 37 U.S.P.Q.2d (BNA) at 1525. Emerson requested a stay of the infringement litigation pending the resolution of the reexamination; Quorum opposed Emerson's motion to stay and, in the alternative, argued that it should be allowed to participate in the reexamination of the patent and in any appeal that might follow. *Id.*, 37 U.S.P.Q.2d (BNA) at 1525. The court granted Emerson's motion to stay the litigation but also granted Quorum's request to participate in the reexamination proceedings. *Id.* at 1305-06, 37 U.S.P.Q.2d (BNA) at 1527. Specifically, the court ordered Emerson to:

- (1) promptly provide Quorum's counsel with all relevant correspondence from the PTO,
- (2) provide Quorum with copies of all documents filed by Emerson in the reexamination at least two weeks prior to submission to the PTO, and
- (3) include documents prepared by Quorum along with those documents filed by Emerson in the reexamination, including any affidavits, so as to enable Quorum to effectively participate in the *document submission portion of the reexamination*.

Id. at 1306, 37 U.S.P.Q.2d (BNA) at 1527 (emphasis added). The court, however, denied Quorum's request to be present during the interviews between the examiner and the applicant. *Id.* at 1305, 37 U.S.P.Q.2d (BNA) at 1526-27 (citing *Syntex (U.S.A.), Inc. v. United States Patent & Trademark Office*, 882 F.2d 1570, 1573, 11 U.S.P.Q.2d (BNA) 1866, 1868-69 (Fed. Cir. 1989)). The court's decision in *Emerson* to allow Quorum to participate in the written submission phase of reexamination was inconsistent with the PTO rules and contrary to the case law and was reversed by the Federal Circuit on July 9, 1996. *Emerson Elec. Co. v. Davoil Inc.*, 88 F.3d 1051, 39 U.S.P.Q.2d (BNA) 1474 (Fed. Cir. 1996).

claims under consideration, and the fact that the patent is currently involved in litigation should make no difference.²⁹²

In the reexamination context, there usually are two different decisions that must be made by the PTO: (1) Should the PTO grant the request for reexamination?; and (2) If the PTO conducts a reexamination, should the patent remain effective and enforceable? With respect to the first question, no one, not even the patent owner, may appeal a PTO decision denying a request for reexamination.²⁹³ If the PTO conducts a reexamination, the patent owner has a right to appeal a final adverse decision of the examiner, but the owner may not take the appeal directly to a court. The patent owner first must take his appeal to the Board.²⁹⁴ If the decision of the Board is adverse to the patent owner, then and only then, may he appeal the decision to a court.²⁹⁵

The role that a third party may play in the reexamination process is very limited. The statute provides that "[a]ny person" has the right to request reexamination, thereby granting third parties the right to request reexamination of another's patent.²⁹⁶ In its request for reexamination, the third party must cite prior art not considered by the PTO and explain the pertinence of these references in light of the patent under reexamination.²⁹⁷ Further, if reexamination is granted and the patent owner files a statement,²⁹⁸ a third-party requester then has two months in which to file a reply to the

292. It is not unusual to have a patent, which is in reexamination, also to be the subject of a pending patent infringement litigation. Indeed, an accused infringer often will request reexamination of the patent at issue. See 35 U.S.C. §§ 302-304. The PTO has no authority to stay a statutory reexamination pending the infringement litigation, but rather the reexamination procedure must be conducted with "special dispatch." *Id.* § 305; see also *Ethicon v. Quigg*, 849 F.2d 1422, 7 U.S.P.Q.2d (BNA) 1152 (Fed. Cir. 1988). On the other hand, some district courts have exercised their discretion to stay pending patent infringement proceedings pending a reexamination proceeding in the PTO. See, e.g., *Bausch & Lomb Inc. v. Alcon Labs, Inc.*, 914 F. Supp. 951 (W.D.N.Y. 1996); *Snap-On Inc. v. SPX Corp.*, 1996 WL 288429 (N.D. Cal. May 23, 1996). In fact, one of the advantages of statutory reexamination is that it allows the court to avoid the situation in which prior art is presented in litigation without ever being considered by the PTO.

293. *Syntex*, 882 F.2d at 1573, 11 U.S.P.Q.2d at 1869.

294. *Id.* at 1572, 11 U.S.P.Q.2d (BNA) at 1868 (citing 35 U.S.C. § 306). The government (PTO) has no right to review an examiner or Board decision favorable to the patent owner. *Id.* at 1573, 11 U.S.P.Q.2d (BNA) at 1869.

295. *Id.*, 11 U.S.P.Q.2d (BNA) at 1869. The appeal options upon rejection of a reexamination patent are the same as those for the original application: a civil action against the Commissioner of the PTO under 35 U.S.C. § 145 or an appeal directly to the Federal Circuit under 35 U.S.C. § 141.

296. 35 U.S.C. § 302.

297. *Id.* § 301.

298. See 37 C.F.R. § 1.530 (1995) (authorizing statement by patent owner). The patent owner, however, is not required to file a statement.

statement submitted by the patent owner.²⁹⁹ Significantly, however, third-party participation in the procedure thereafter is expressly precluded.³⁰⁰

Courts have refused to find that the statute impliedly grants a third-party requester a right to seek review of the PTO's reexamination determination, even when the basis for the appeal was that the PTO allegedly did not follow its own regulations and procedures as to the reexamination proceedings.³⁰¹ "The creation of a right or remedy in a third party to challenge a result favorable to a patent owner after ex parte prosecution would be unprecedented,"³⁰² and such a right cannot be inferred from the statute or regulations.³⁰³ The leading case on this point is *Syntex*.³⁰⁴ In *Syntex*, the Federal Circuit held that, in view of Congress' comprehensive statutory framework for reexamination, it would be impossible to infer that a third party has the right to judicial review of a PTO decision involving the reexamination of another's patent.³⁰⁵

In that case, *Syntex*, a potential infringer, requested that a chemical compound patent owned by Alfa Chemicals Italiana S.p.A. ("Alfa") be reexamined in light of three prior art references.³⁰⁶ The PTO determined that these references raised a "substantial new question of patentability" and, therefore, granted *Syntex*'s request.³⁰⁷ Once the PTO ordered reexamination of Alfa's patent, Alfa was given the opportunity to address the new questions of patentability raised by the references and to include any proposed amendments to the claims.³⁰⁸ *Syntex* then filed a reply to Alfa's comments,³⁰⁹ as is permitted by the statute and implementing regulations.³¹⁰ Shortly

299. 35 U.S.C. § 304; 37 C.F.R. § 1.535.

300. See 35 U.S.C. § 305 ("After the times for filing the statement and reply provided for by section 304 of this title have expired, reexamination will be conducted according to the procedures established for initial examination").

301. *Syntex (U.S.A.), Inc. v. United States Patent & Trademark Office*, 882 F.2d 1570, 1572, 11 U.S.P.Q.2d (BNA) 1866, 1868 (Fed. Cir. 1989); *Yuasa Battery Co. v. Commissioner of Patents & Trademarks*, 3 U.S.P.Q.2d (BNA) 1143, 1144 (D.D.C. 1987).

302. *Syntex*, 882 F.2d at 1574-75, 11 U.S.P.Q.2d (BNA) at 1870.

303. See *id.* at 1576, 11 U.S.P.Q.2d (BNA) at 1870 (stating that "a potential infringer may not sue the PTO seeking retraction of a patent issued to another by reason of its improper allowance by the PTO").

304. *Id.* at 1570, 11 U.S.P.Q.2d (BNA) at 1866.

305. *Id.* at 1572-75, 11 U.S.P.Q.2d (BNA) at 1868-70; see also *Yuasa Battery*, 3 U.S.P.Q.2d (BNA) at 1144 (holding that statutory provisions for reexamination do not "provide for judicial review of a decision rendered in a reexamination proceeding for any party other than the patent owner").

306. *Syntex*, 882 F.2d at 1571, 11 U.S.P.Q.2d (BNA) at 1866-67.

307. *Id.*, 11 U.S.P.Q.2d (BNA) at 1867.

308. *Id.*, 11 U.S.P.Q.2d (BNA) at 1867.

309. *Id.*, 11 U.S.P.Q.2d (BNA) at 1867.

310. 35 U.S.C. § 304 (1994); 37 C.F.R. § 1.535 (1995).

thereafter, the PTO issued a notice of its intent to issue a reexamination certificate.³¹¹ Syntex responded by filing a petition to the Commissioner of the PTO seeking reconsideration because of certain procedural errors, which allegedly occurred during the reexamination of the patent.³¹² The PTO returned Syntex's petition, stating that the "active participation of the reexamination requester ends with the reply pursuant to § 1.535, and no further submissions on behalf of the reexamination requester will be acknowledged or considered."³¹³

Upon issuance of the reexamination certificate, Syntex filed an action in the District Court for the Eastern District of Virginia against the PTO, seeking to revoke the reexamination certificate and reopen the reexamination proceedings, or alternatively to receive a refund of the fee Syntex paid to request the reexamination.³¹⁴ The district court, upon motion by the PTO, dismissed Syntex's complaint for lack of subject matter jurisdiction and because Syntex lacked standing to bring the action.³¹⁵

On appeal, the Federal Circuit rejected Syntex's argument that the Patent Statute impliedly grants third party requesters a right to review final PTO decisions when the third party alleges that the reexamination proceeding was not conducted in accordance with PTO regulations and established procedures.³¹⁶ The Federal Circuit agreed with the government that an analysis of the statutory provisions shows that Congress precluded judicial review of a final reexamination decision at the behest of a third-party requester, because to permit such a review would be inconsistent with the essentially *ex parte* nature of the reexamination.³¹⁷ Moreover on the issue of standing, the court stated that in cases such as this one in which Syntex asserted a procedural entitlement from a federal statute or from implementing regulations, the issues of subject matter jurisdiction and standing merge.³¹⁸ After reviewing the pertinent sections of the Patent Statute³¹⁹ and the MPEP,³²⁰ the Federal Circuit stated that "[i]n view of such a clear, comprehensive statutory scheme, it follows, at

311. *Syntex*, 882 F.2d at 1571, 11 U.S.P.Q.2d (BNA) at 1867.

312. *Id.*, 11 U.S.P.Q.2d (BNA) at 1867.

313. *Id.*, 11 U.S.P.Q.2d (BNA) at 1867 (quoting 37 C.F.R. § 1.550(e)).

314. *Id.* at 1570-71, 11 U.S.P.Q.2d (BNA) at 1866.

315. *Id.* at 1571, 11 U.S.P.Q.2d (BNA) at 1866.

316. *Id.* at 1572-73, 11 U.S.P.Q.2d (BNA) at 1868-69.

317. *Id.* at 1573, 11 U.S.P.Q.2d (BNA) at 1868.

318. *Id.*, 11 U.S.P.Q.2d (BNA) at 1868 ("A plaintiff cannot claim standing based on violation of an asserted personal statutorily-created procedural right when Congress intended to grant that plaintiff no such right." (quoting *Banzhaf v. Smith*, 737 F.2d 1167, 1170 n.* (D.C. Cir. 1984))).

319. 35 U.S.C. §§ 302, 304 (1994).

320. MPEP, *supra* note 11, §§ 2260, 2262, 2281.

least tentatively, that Congress intended to limit appeals from final reexamination decisions to those initiated by patent owners seeking to reverse an unfavorable decision."³²¹

In conclusion, the Federal Circuit stated that not every perceived injury caused by improper agency action carries a right to immediate judicial redress, but rather, such a right must be granted or reasonably inferred from a particular statute.³²² The court's review of the entirety of the statutory reexamination provisions led it to conclude that Syntex had no right to challenge the validity of the reexamination certificate through a civil suit against the PTO.³²³

CONCLUSION

The Patent Statute, the PTO regulations and the courts' interpretations of these statutes and rules indicate that a third party has no right to challenge PTO *ex parte* prosecution decisions, either directly by petition to the PTO or by the filing of a civil action in the district court against the PTO Commissioner. When Congress and the PTO have granted a third party a right to participate in *ex parte* patent prosecution, that right has been very limited and specifically proscribed. The courts have stated that the overall statutory scheme of the Patent Statute indicates that it would be improper to infer that a third party has any such rights, whether the proceeding was a reissue application, statutory reexamination, or the granting of a certificate of correction.

Allowing a third party to challenge a PTO *ex parte* decision favorable to the patent owner would be to permit a collateral attack on the patent, a practice the courts have strictly forbidden. The proper forum for a party to challenge the validity of a patent is to bring a declaratory judgment in the district court against the patent

321. *Syntex*, 882 F.2d at 1573-74, 11 U.S.P.Q.2d (BNA) at 1869. As the court stated:

To infer that Congress intended, nevertheless, to grant third-party requesters a right to judicial review of the PTO's final reexamination decision appears, as the government urges, wholly unwarranted in light of these provisions. The creation of a right or remedy in a third party to challenge a result favorable to a patent owner after *ex parte* prosecution would be unprecedented, and we conclude such a right cannot be inferred.

Id. at 1574-75, 11 U.S.P.Q.2d (BNA) at 1870; *see* *Yuasa Battery Co. v. Commissioner of Patents & Trademarks*, 3 U.S.P.Q.2d (BNA) 1143, 1144 (D.D.C. 1987).

322. *Syntex*, 882 F.2d at 1576, 11 U.S.P.Q.2d (BNA) at 1870.

323. *Id.* at 1576, 11 U.S.P.Q.2d (BNA) at 1871. The Federal Circuit pointed out that a party to a reexamination proceeding still could argue in subsequent litigation that the PTO erred and that the patent is invalid on the basis of the prior art cited by the third party. *Id.*, 11 U.S.P.Q.2d (BNA) at 1871 (citing H.R. REP. NO. 1307, 96th Cong., 2d Sess. 7 (1980)).

holder alleging that the patent is invalid or to assert a defense if the patent owner alleges infringement of the patent by the party.

The Federal Circuit has stated that even if it were desirable to allow a third party to challenge or to protest the grant of a patent other than by an infringement litigation, that decision invokes policy matters that are better left to Congress to decide; and so far, Congress has not created any such right for third parties.³²⁴

324. Legislation that currently is pending in the 104th Congress would amend 35 U.S.C. § 305 et seq. and grant third parties greater participation in the patent reexamination process. Representative Carlos Moorhead (R-Cal.) introduced the House version (H.R. 1732) of the bill on May 25, 1995 and Senator Orrin Hatch (R-Utah) introduced the Senate's version (S. 1070) on July 25, 1995. It is not clear what, if any, action the 104th Congress will take with respect to this legislation. Former Senator Dennis DeConcini (D-Ariz.) previously had introduced The Patent Reexamination Reform Act of 1994 (S. 2341) in the 103rd Congress in July 1994, and an amended version of the bill passed the full Senate in October of 1994. The Senate bill was received in the House and referred to the House Committee on the Judiciary, but no further action was taken.