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DISCOVERY PROVISIONS OF THE FEDERAL RULES OF CIVIL PROCEDURE AS APPLIED TO PATENT INTERFERENCE PROCEEDINGS

In 1952 Congress amended the United States Code regarding patent interference proceedings. Section 54¹ of Title 35 referring to affidavits and depositions was replaced by section 24² concerning subpoenas and witnesses. The following wording was added concerning patent interference proceedings: "The provisions of the Federal Rules of Civil Procedure relating to the attendance of witnesses and to the production of documents and things shall apply to contested cases in the Patent Office."³ In interpreting this wording the courts and the Patent Office have had difficulty in determining whether parties in a patent interference proceeding may avail themselves of the full benefits of the discovery provisions of the Federal Rules.⁴ The repealed statute allowed

1. The clerk in any court of the United States, for any district or territory wherein testimony is to be taken for use in any contested case pending in the Patent Office, shall, upon the application of any party thereto, or of his agent or attorney, issue a subpoena for any witness residing or being within such district or territory authorized to take depositions and affidavits at any time and place in the subpoena stated. But no witness shall be required to attend at any place more than forty miles from the place where the subpoena is served upon him. . . .

2. The clerk of any United States court for the district wherein testimony is to be taken for use in any contested case in the Patent Office, shall, upon the application of any party thereto, issue a subpoena for any witness residing or being within such district, commanding him to appear and testify before an officer in such district authorized to take depositions and affidavits, at the time and place stated in the subpoena. The provisions of the Federal Rules of Civil Procedure relating to the attendance of witnesses and to the production of documents and things shall apply to contested cases in the Patent Office.

3. 35 U.S.C. § 24 [hereinafter referred to as section 24].

4. A patent interference proceeding is the means of determining which applicant is entitled to a patent when several parties present themselves to the Patent Office as opposing inventors of the same invention. The applicant who filed the first application is given the position of senior party and all applicants who filed later are termed junior parties. The Patent Examiner then assigns the junior parties hearing times in which they may present evidence in an attempt to prove that they discovered the invention prior to the time assigned to the senior party. After all of the junior parties have presented their evidence, the senior party is permitted to rebut the evidence of the junior parties. The Patent Examiner then decides who is entitled to the patent. It is in these proceedings that the confusion over the use of discovery provisions has arisen. 35 U.S.C. § 135.

specifically for the use of a subpoena *duces tecum* which requires the production of documents for examination and cross-examination of witnesses. The new statute replaced the reference to the subpoena *duces tecum* with the above quoted reference to the Federal Rules. An earlier line of cases under the new statute holds that the discovery provisions of the Federal Rules are only available to examine and cross-examine witnesses. More recent cases hold that the discovery provisions are available for use to their fullest extent to parties in a patent interference proceeding. This paper will consider which of these views more accurately reflects the intent of Congress and which is better policy in this area.

An early decision under the new statute concerning discovery provisions in patent interference proceedings was *Korman v. Shull*,⁵ which held that if a party could show good cause Rules 26, 30, 34 and 45 were available to him under section 24.⁶ Shull attempted to force Korman to produce experimental data which would prove that specifications in Korman's application did not produce the patent in question. The court stated that since Shull had his own laboratory and access to Korman's specifications, he could prove any inaccuracy experimentally. Therefore, he could not show the good cause required. The court said, "[T]he law is well established that the burden is upon Nobile and Schering Corporation [Shull's assignee] to establish the alleged inoperativeness of the applications for patents by Korman and Hogg and their assignee, The Upjohn Company."⁷

In *Korman v. Nobile*⁸ the issue of the applicability of discovery provisions again arose. Nobile attempted to prove that Korman's specifications would not produce the contested patent. The court said:

It should be noted that under the above-quoted statute [35 U.S.C. § 24] only the provisions of the Federal Rules of Civil Procedure "relating to the attendance of witnesses and to the production of documents and things" shall apply in contested cases in the Patent Office. Thus it is clear that the broad provisions of the rules of civil procedure relating generally to discovery are not made applicable to contested cases in the Patent Office.

It should be noted that under the above-quoted statute a witness may be commanded to appear and testify "before an officer in such district authorized to take depositions, and affidavits." That is, the statute provides that the testimony shall be taken before an officer authorized to take depositions and affidavits, but it does not provide for the taking of testimony before the court.⁹

5. 184 F. Supp. 928 (W.D. Mich. 1960).

6. 184 F. Supp. at 931.

7. 184 F. Supp. at 934.

8. 133 U.S.P.Q. 178 (1962).

9. 133 U.S.P.Q. at 179.

From this statement three conclusions may be drawn: (1) The court may have changed its view since *Korman v. Shull* and may have felt that section 24 does not make any discovery provisions available to parties in a patent interference proceeding; (2) Even if Rules 26, 30, 34 and 45 are still available, no other discovery provisions may be used; (3) The evidence gained in this manner is to be taken before an officer authorized to take depositions and affidavits rather than to be taken by the court into the record. The court expressed the policy behind this reasoning by saying:

It is clear that to grant Nobile's present motion for relief would, in effect, open wide the door for any pharmaceutical manufacturing company involved in an interference proceeding in the Patent Office to search and ransack the documents, records and files of its competitor for secret and confidential information relative to the work process and tests conducted by its competitor in the production of drug compounds. At this point I cite and refer to the opinion of this court in *Korman v. Shull* and the many authorities therein cited.

The burden is upon Nobile and Schering, assignee, to establish their claims and contentions in the interference proceedings in the Patent Office, and there is no burden or obligation on Upjohn and its employees to assist Nobile and Schering, assignee, in establishing their claims and contentions in the Patent Office. The law is well established that Nobile is not entitled to the relief he seeks by his present motion for relief.¹⁰

Even in the light of this passage it is unclear whether the court intended to approve all of *Korman v. Shull* including the availability of Rules 26, 30, 34 and 45, or whether it merely intended to approve the holding that *good cause* was necessary before an affidavit or deposition could be taken.

Despite *Korman v. Shull* and *Korman v. Nobile* the Patent Office was still uncertain as to what discovery provisions were available to parties in an interference proceeding. In *Campbell v. Gilby*,¹¹ Gilby attempted to gain information from Campbell's files through the use of discovery provisions. The court said:

In so far as Gilby et al.'s opposition is grounded on the question of whether or not discovery is permitted, no consideration can be given thereto, the Patent Office having

10. 133 U.S.P.Q. at 180.

11. 146 U.S.P.Q. 723 (1965).

no power or authority to supervise the actual taking of testimony. The determination of the question of whether or not discovery is permitted under the provisions of 35 U.S.C. § 24 is within the sole jurisdiction of the United States District Court.¹²

*Gladrow v. Weisz*¹³ approved *Korman v. Shull* and clarified the scope of section 24. Gladrow presented an office memorandum signed and witnessed to establish his date of conception for the invention in question. In that memorandum a notebook was mentioned as the actual record of the invention. Weisz attempted to gain production of that notebook under Rule 34 through an application of section 24. In reference to the scope of section 24 the court said:

Gladrow urges that it was the legislative intent that section 24 should make "no important" change in the procedure authorized by the previous corresponding sections 54, 55 and 56.¹⁴ That much may be conceded. It must be noted, however, that those earlier sections clearly authorized the district court to require the attendance of witnesses with documents and to compel the witnesses to testify. The present order does not extend beyond that authorization.¹⁵

The court also specified that under section 24 use of discovery provisions is limited to examination and cross-examination of witnesses.¹⁶ The court explained the proper use of discovery rules and showing of causation by saying, "[U]pon cross-examination, Weisz could attack the verity of the office memorandum and of each of its parts, including the reference to the page or pages of the notebook. Weisz was not confined to proof of his own date of invention, but could question that of Gladrow and Parker. . . ."¹⁷

*Hogan v. Zletz*¹⁸ indicates complete acceptance of the view expressed in *Gladrow v. Weisz* by the Patent Office:

The order in the case will first be to the effect that this proceeding in this court, brought under 35 U.S.C. §

12. 146 U.S.P.Q. at 725.

13. 354 F.2d 464 (5th Cir. 1965).

14. Section 55 deals with witness fees and section 56 deals with penalties involved when a witness fails to appear or refuses to testify. Section 54 may be found *supra* note 1.

15. 354 F.2d at 467, 468.

16. In the words of the court:

We agree with *Korman v. Shull*, 184 F. Supp. 928, 934 (W.D. Mich. 1960), that Rule 34, Fed. R. Civ. Proc. is among the rules referred to in 35 U.S.C. § 24, when the production of documents is required for the examination or cross-examination of a witness.

Here the witness, present and being cross-examined, refused to produce a document in his possession or under his control upon which he was subject to further cross-examination. Clearly, Rule 34 in connection with 35 U.S.C. § 24 vests authority in the district court to require the production of the document *under those circumstances*.

354 F.2d at 468 (emphasis added).

17. 354 F.2d at 468.

18. 151 U.S.P.Q. 103 (1966).

24, covers and includes proceedings under Rule 34 of the Federal Rules of Civil Procedures. This is to say that this section of the statute is interpreted to include, not only deposition type proceedings, but Rule 34 motions and proceedings. In this connection, the court is following the *Gladrow v. Weisz* decision.¹⁹

From the foregoing decisions it seems that the Patent Office and the federal court agreed that it was the legislative intention not to broaden the scope of section 54 when Congress added the wording: "The provisions of the Federal Rules of Civil Procedure relating to the attendance of witnesses and to the production of documents and things shall apply to contested cases in the Patent Office."²⁰ Apparently the conclusion was that Congress intended discovery provisions to be available to parties in a patent interference proceeding only for the purpose of examination and cross-examination of witnesses. However, a recent series of federal court decisions stemming from the same litigation has thrown the issue into confusion.

The first case to suggest a greatly enlarged scope of discovery for interference proceedings was *In re Natta*.²¹ Natta assigned his patent to Montecatini. DuPont, Zletz and Phillips Petroleum Company were the junior parties. Montecatini was granted the position of senior party on the basis of its Italian patent application filed June 8, 1954, and was limited in proof to rebuttal of attempts by junior parties to establish earlier filing dates.²² After all of the parties presented extensive proof to establish their filing dates, Montecatini moved for production of documents from DuPont's files under Rule 34 through section 24. The court granted this motion even though the documents were not to be produced for use in the examination or cross-examination of a witness.

In reaching its decision the court relied on *Gladrow v. Weisz* as well as on the wording of section 24. The court said:

DuPont strongly urges that *Gladrow* must be strictly limited to its own facts and that the language, "under these circumstances" [*supra* note 16] appearing in the above quotation (referring to a single page of a notebook sought to be produced . . .) renders it inapplicable to these facts where the request for production is very sweeping in its effect. But I cannot agree. There is no suggestion in the language of Section 24, *supra*, of an intention to limit the effect of discovery under Rule 34 and no such in-

19. 151 U.S.P.Q. at 103.

20. 35 U.S.C. § 24.

21. 259 F. Supp. 922 (D. Del. 1966).

22. 35 U.S.C. § 104, 119.

tion is found in the language of *Korman v. Shull*, 184 F. Supp. 928 (W.D. Mich. 1960), cited with approval in *Gladrow*, where the application was denied on the sole ground that the moving party failed to show good cause. Once it is held, as the Fifth Circuit did, correctly I believe, that Rule 34 may be employed to obtain production, the extent of production, great or small, must be left to the discretion of the District Court upon a showing of good cause.²³

In its reliance on *Korman v. Shull* the *Natta* court overlooked the qualifying decision of *Korman v. Nobile* which indicated that discovery provisions should only be used for examination and cross-examination of witnesses.²⁴ Though the court did not overrule *Korman v. Nobile*, its holding that discovery provisions may be used to examine the files of an opposing party in an interference proceeding would seem *contra* to that case.²⁵ Thus, doubt is thrown on the *Natta* decision, since it is possible that it misinterpreted prior case law.²⁶

Following the first *In re Natta* decision the Patent Office was uncertain as to what constituted the good cause required for full use of discovery provisions.²⁷ The district court explained their concept of good cause and of the scope of discovery available in the second *In re Natta*.²⁸ The basic element which was considered in establishing good cause is expressed in the following passage:

The fact that documents relevant to one or more of the issues before the Examiner may exist in the files of DuPont of which *Natta* has no knowledge and, of course, to which it has no other means of access, should, broadly speaking, furnish good cause under the Rule.²⁹

This may be interpreted as meaning that if a party in an interference proceeding can show that an opposing party has infor-

23. 259 F. Supp. at 924, 925.

24. See discussion *supra* p. 511.

25. See quote *supra* p. 512-3.

26. The court said:

Next, DuPont argues that *Gladrow* is no authority here because there discovery was granted in a situation where a witness was on the stand and the examining party needed production for the sole purpose of cross-examining the witness. . . . But it is clear that the Court was not limiting its holding to the exact facts of the case for it (1) explicitly approved the use of Rule 34 in connection with the language of 35 U.S.C. § 24 and Rule 34, of course, is not limited to such circumstances as in *Gladrow*; and (2) explicitly approved *Korman v. Shull* where there was no witness on the stand at the time, but, rather, the application was under circumstances similar to the case at bar. I am not persuaded to grant reargument on this ground.

259 F. Supp. at 925. Statement (1) indicates a complete disregard for the express wording of *Gladrow*, *supra* note 16. Statement (2) once again indicates that the court gave no weight to *Korman v. Nobile* which was decided by the same judge who decided *Korman v. Shull* and which refused to grant discovery.

27. *In re Natta*, 264 F. Supp. 734, 735 (D. Del. 1967).

28. 264 F. Supp. 734 (D. Del. 1967).

29. 264 F. Supp. at 737.

mation in his files which would be useful in the litigation he can obtain access to all or any part of that opponent's files under Rule 34 through an application of section 24.

The court distinguished *Korman v. Shull* by stating that though Natta could show that DuPont's specifications did not produce the contested invention by experiment, they could not reproduce DuPont's files themselves.³⁰ Granting validity to this distinction, the court contradicts *Korman v. Shull* in a later statement when it states, "There are other reasons which, in the judgment of the Court, show good cause. Natta has attacked both of DuPont's applications on the ground that they fail to disclose a valid invention. The ancillary issues of conception and reduction to practice are thus presented."³¹

After establishing to its own satisfaction that Natta had sufficient good cause for (employing the available) discovery provisions the court went on to define the scope of that discovery which was construed extremely broadly.³² In its definition of this scope the district court stated that there was no lawyer-client privilege in a patent interference proceeding³³ and furthermore refused to consider that the lawyer's work product was privileged. The only protection the court left DuPont was expressed as follows:

[N]o matter even bordering on trade secrets will be permitted to be revealed. However, the mere fact that a trade secret might be contained within a document is not *per se* a reason to preclude its production, for there is no true trade secret privilege. . . . While DuPont has, at the Court's request, made some endeavor to delineate its trade secret objection with particularity, most of the objections still remain very general in nature. It is impossible to determine such objections *in vacuo*. Accordingly, when DuPont has assembled the required documents, it may make a single application for appropriate action to cover material thought to constitute trade secrets.³⁴

30. *Id.*

31. 264 F. Supp. at 738.

32. Natta was given access to all of DuPont's files relating to: (1) all material concerning any aspect of the invention in question; (2) all documents prepared by DuPont's attorneys in all actions related to this interference proceeding including those used in the actions against the other junior parties; (3) all documents in DuPont's files which refer in any way to Professor Natta's talks, lectures, discussions, patents, or other writings; (4) the monthly report of DuPont referring to the broad program for investigation of catalysts. 264 F. Supp. at 739-741.

33. 264 F. Supp. at 741. This is by no means a settled matter in patent cases, however, the question will not be further discussed in this comment.

34. 264 F. Supp. at 742.

Thus, if privileges for trade secrets are allowed, a question which the court did not answer, DuPont may protect those trade secrets by presenting them to the court, a process which would be very time consuming. According to the second *Natta* case all of this must be accomplished so an opposing party can use discovery to find something that "may" help his case.

In *Natta v. Zletz*,³⁵ *Natta* attempted to reach documents in the files of Standard Oil of Indiana, assignee of *Zletz*. There the court made these seemingly ambiguous statements: "We agree with the . . . conclusion that absence of a witness on the stand does not here preclude issuance of a Rule 34 order for the production of documents. . . . Clearly, Rule 34 in connection with section 24 vests authority in the district court to the production of documents."³⁶ It is unclear whether this court intended to follow *Gladrow* or *Natta* or whether it intended to adopt a rule somewhere between those decisions.

In an attempt to settle the matter a third *In re Natta*³⁷ was decided which upheld the decisions of the first two *In re Natta* cases, and opened the door to use of discovery provisions through section 24 even wider. The court said:

This statute [35 U.S.C. § 24] manifests a clear congressional intent to make available to parties to patent interferences the broad discovery provisions of the Federal Rules of Civil Procedure. . . . If Congress has desired to limit discovery to the type available under Rule 45 (b), it simply would have pointed to that specific rule instead of referring generally to the Federal Rules of Civil Procedure. . . . Definitely the fact that some evidence obtained by discovery may subsequently be held inadmissible by the Patent Office presents no reason to deny discovery. We are satisfied that the Federal Rules of Civil Procedure apply to this case and are not at all persuaded that the scope of discovery under these Rules should be governed by the Patent Office rules relating to admissibility.³⁸

The dissent in this decision was based on the theory that there was no congressional intention, actual or implied, to change patent interference proceedings as the majority rule.³⁹ The dissent extended *Gladrow* slightly and stated: ". . . that section 24 does not include the authority to use the Federal Rules of Civil Procedure to obtain production of documents which are not admissible in evidence or needed to examine witnesses."⁴⁰

35. 379 F.2d 615 (7th Cir. 1967).

36. 379 F.2d at 616, 618. Citing *Gladrow v. Weisz*, 354 F.2d 464, 468 (5th Cir. 1965).

37. 388 F.2d 215 (3d Cir. 1968).

38. 388 F.2d at 217, 219 (emphasis added).

39. 388 F.2d at 221-223.

40. 388 F.2d at 222.

CONGRESSIONAL INTENT

Congress itself offers little help in interpreting what it intended when it enacted section 24 in 1952. Two statements do help clarify the situation slightly. In speaking of the proposed recodification committees of both Houses of Congress issued the following statement:

Although the principal purpose of the bill is the codification of Title 35, United States Code, and involves simplification and clarification of language and arrangement, and elimination of obsolete and redundant provisions, there are a number of changes in substantive law. *These will be explained in some detail in the revision notes keyed to each section which appear in the appendix of this report.*⁴¹

In reference to changes made in section 24 both substantive and otherwise, the House and Senate reports stated:

Three sections of the existing statute [35 U.S.C. §§ 54, 55, 56] are combined with some changes in language and placed in part 1 since they apply to trade-mark cases in the Patent Office as well as to patent cases. *Reference to a repealed statute in the first paragraph is replaced by reference to the Federal Rules of Civil Procedure and certain rules are made applicable.*⁴²

The fact that Congress stated it would "explain in some detail" any substantive changes to be made in the revision would indicate that no substantive change allowing full use of discovery provisions in a patent interference proceeding was intended. It might be further argued that by saying "certain rules" Congress indicated an intention not to extend the substantive scope of the old section.

The dissent in the third *In re Natta*⁴³ decision explains the apparent congressional intent by stating:

The subpoena duces tecum statute, which was incorporated by the 1922 statute,⁴⁴ was repealed by the adoption of the Federal Rules which took place prior to the 1952 recodification of the patent laws. It was quite natural, in recodifying, to replace the reference to the statute governing the issue of *subpoena duces tecum* with the following language: ". . . The provisions of the Federal Rules of Civil Procedure relating to the attendance of witnesses and to the production of documents and things shall apply to contested cases in the Patent Office." When 1952 amendment is considered in conjunction with its stat-

41. S. REP. 1979, 82nd CONG. 2d SESS., 4 (1952); H. REP. 1923, 82nd CONG. 2d SESS., 5; *U.S. Congressional and Administrative News*, 2394 (1952) (emphasis added).

42. 35 U.S.C.A. § 24 (emphasis added).

43. Case cited note 37 *supra*.

44. See note 1 *supra*.

utory antecedent and its particular Congressional history, I think it reveals an intent to provide only the same power formerly given the district court under the old subpoena duces tecum statute.⁴⁵

EFFECT OF THE RECENT FEDERAL COURT DECISIONS ON PATENT INTERFERENCE PROCEEDINGS

The three *In re Natta* decisions, if followed, will greatly change patent interference proceedings. In a normal interference proceeding it is the burden of the junior parties to go forward with proof that their filing dates should be advanced or that the filing date of the senior party is invalid. After the junior party has presented his case it is the burden of the senior party to rebut the junior party's case by proving that his filing date should not be advanced.⁴⁶ If discovery provisions can be used to dig indiscriminately into an opposing party's files this burden of proof will be reversed. When a party presents his specifications and is assigned a filing date, an opposing party can force him to prove every step of his invention again through the use of discovery provisions according to the *Natta* cases.⁴⁷

As stated in the third *In re Natta*, all that is necessary to show good cause which warrants discovery is that the material in question be pertinent to the patent and that it be in the exclusive control of the opposing party.⁴⁸ A provision so broad covers the entire files of the opposing party and presents a great danger of abuse. Related trade secrets will also become endangered as shown by the second *In re Natta*.⁴⁹ In addition, interference proceedings will become considerably longer and valuable court time will be wasted.

CONCLUSION

It was not the intention of Congress to make the broad discovery provisions of the Federal Rules of Civil Procedure available to parties in a patent interference proceeding. The change in wording which appeared in section 24 was merely an updating made necessary by the repealing of the statute which was previously referred to. The interpretation which the Federal Courts have recently given to section 24 is without basis and causes a dangerous change in patent interference proceedings. As was stated in *Gladrow v. Weisz*, use of discovery provisions should be limited to examination and cross-examination of witnesses.

SAMUEL A. SCOTT

45. *In re Natta*, 388 F.2d 215, 221 (3d Cir. 1968) (dissenting opinion).

46. 35 U.S.C. § 135.

47. See quote *supra* p.

48. *In re Natta*, 388 F.2d 215, 219 (3d Cir. 1968).

49. See discussion *supra* p.