

Is There "Failure to communicate?"

Examining Recent Developments in

Reexam & Reissue Practice

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"My patent attorney just didn't understand." "The Examiner missed it."

These are explanations sometimes given by patent holders or their competitors for why patents just aren't doing the job that they are supposed to do.² Reexaminations and reissues are procedural tools provided by statute to help address certain problems with issued U.S. patents. The two statutory tools exist for different purposes -- reissues to address "errors", and reexaminations to address "substantial new questions of patentability." In some instances, the infamous words uttered in Cool Hand Luke neatly summarize the problem patents: "What we've got here is failure to communicate" during the original prosecution.

This paper provides a brief overview of these procedural tools and discusses recent developments.

I. Reexamination; or what to do if the Examiner "missed it" in the art

Reexamination is a procedural tool the intent of which was to allow the settling of validity disputes more quickly and less expensively than litigation. The statutory basis is found in 35 U.S.C. §§ 302 - 307. As explained in In re Portola Packaging, Inc.,³ the Congress intended to strike a balance between being able to resolve validity questions quickly but limiting patent holders to repeated examinations on the same prior art. In other words, the Congress wanted to protect patent holders from being harassed and abused by competitors who may be tempted to continually force patent holders into reexamination proceedings. To strike this balance, the Congress provided in the reexamination statute that there must be a "substantial new question of patentability affecting any claim of the patent."⁴

¹ The views expressed herein are solely those of the author and do not reflect the views on behalf of Merchant & Gould P.C. and its clients.

² Presumably, the "job" of patents is "to promote the progress of science and useful arts." U.S. Const. art. I, § 8, cl. 8.

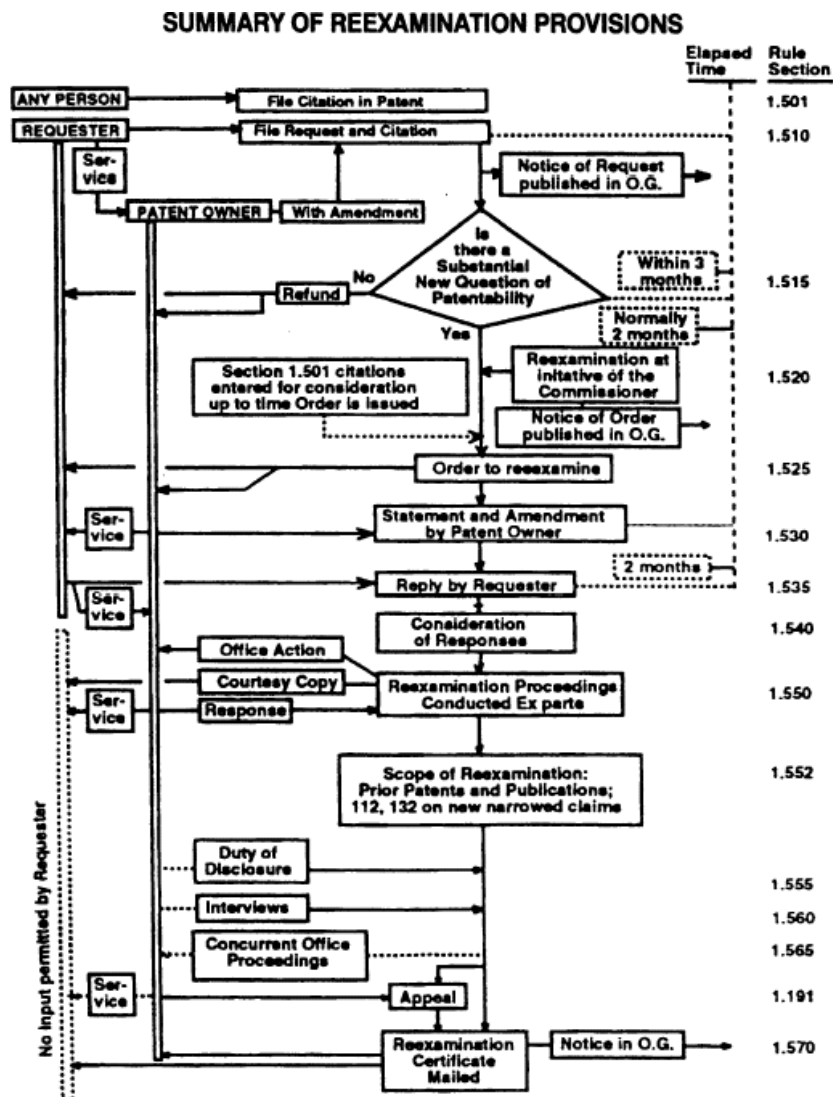
³ 110 F.3d 786, 789 (Fed. Cir. 1997), overruled by statute, Pub. L. No. 107-273 (Nov. 2, 2002).

⁴ 35 U.S.C. § 303.

As explained in another Federal Circuit case,⁵ citing the legislative history:

This "substantial new question" requirement would protect patentees from having to respond to, or participate in unjustified reexaminations. Further, it would act to bar reconsideration of any argument already decided by the Office, whether during the original examination or an earlier reexamination.

Once the substantial new question of patentability is found, a reexamination of the patent is ordered. The MPEP provides this "simple" summary of reexamination proceedings:



⁵ *In re Recreative Technologies*, 83 F.3d 1394, 1397 (Fed. Cir. 1996).

In a nutshell, after reexamination is ordered by the Patent Office, the patent holder has a chance to respond and amend the claims, if desired. The patent holder may also choose not to respond at this point. If a third party requested the reexamination, the third party requestor will also have the opportunity to file a reply. After that, the Patent Office conducts an examination and sends out an office action. Rejection of the claims may be based only upon prior art patents or printed publications. The rejections may not be based upon matters such as public use, sale, lack of utility, fraud, etc.⁶ Any new or amended claims are also examined with respect to compliance with 35 U.S.C. §112. When appropriate, rejections of new or amended claims are made under § 112.⁷ New or amended claims may also be rejected under 35 U.S.C. § 305, which prohibits broadening the claims during reexamination.

After an Office Action, the patent holder may file a reply and request reconsideration or further examination, with or without amendment.⁸ The Patent Office will again conduct an examination, and then issue a final action. The final action is appealable. Ultimately, the Patent Office will issue a reexamination certificate that cancels any claim of the patent finally determined to be unpatentable, confirms any claims of the patent determined to be patentable, and incorporates in the patent any proposed amended or new claim determined to be patentable.⁹

A. What is a substantial new question of patentability?

The easy answer to this question is that, in general, a substantial new question of patentability is raised when there is a prior art patent or other printed publication, which was never considered by the Examiner during prosecution, which appears to disclose or suggest one of the claimed inventions in the patent.

But, here is the hard question: Is there a substantial new question of patentability when it appears that the Examiner missed something in the prior art of record? In other words, what does one do when the patent claim appears to be anticipated or suggested by prior art that was in the record? Was there just "failure to communicate"?

The answer to this question never was very clear. As a practical matter, to ensure consideration of an issue during reexamination, it was always best to find some piece of prior art that did not appear on the face of the issued patent. If it appeared that the Examiner just didn't get it, or if it appeared that the Examiner might have missed, for example, "line 52 in column 12" of one of the hundred or so references that were considered, the reexamination provisions may not have allowed the issues to be addressed.

⁶ MPEP § 2258 (8th ed. 2001).

⁷ Id.

⁸ MPEP § 2266 (8th ed. 2001).

⁹ 35 U.S.C. § 307(a).

Regardless of whether "a substantial new question of patentability" was settled law, the Federal Circuit tried to make the issue crystal clear of what was not a substantial new question of patentability in the case of In re Portola Packaging.¹⁰

1. The Portola Case

In Portola, the Federal Circuit held that a rejection made during reexamination does not raise a substantial new question of patentability if it is supported only by prior art previously considered by the PTO in relation to the same or broader claims.¹¹

The Portola case was about a tamper evident cap used in, for example, milk bottles. The cap has a tear off skirt so that the cap may not be popped off of the milk bottle before removal of the skirt. FIG. 4 shows an overall, general view of one embodiment.

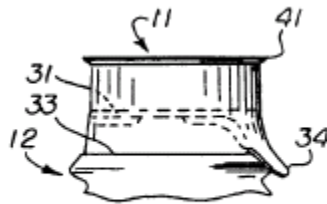


Fig. 4

Figure 2 is a sectional view through the neck of the bottle and the cap before application of the cap to the neck.

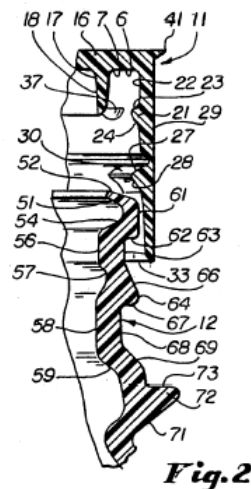
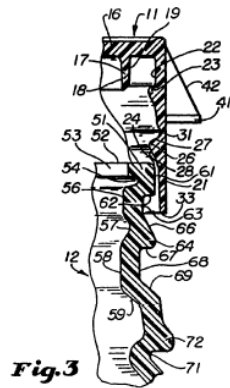


Fig. 2

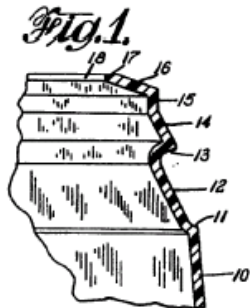
¹⁰ 110 F.3d 786 (Fed. Cir. 1997), overruled Pub. L. No. 107-273 (Nov. 2, 2002).

¹¹ Id. at 791.

During the original prosecution of the application, the Patent Office had rejected the claims separately under each of U.S. Patent No. 4,202,455 to Faulstich and U.S. Patent No. 3,204,799 to Hunter et al. FIG. 3 from *Faulstich* '455 and FIGS. 1 and 6 from *Hunter et al.* '799 are reproduced below.



Faulstich '455



Hunter et al. '799



During prosecution of the original application, the Patent Office never applied *Faulstich* and *Hunter et al.* in combination with each other. During reexamination, the patent holder amended the patent claims, and for the first time, the Patent Office rejected the amended claims based solely upon the combination of *Faulstich* and *Hunter et al.* There was no other prior art used in the rejections.

The Federal Circuit determined that the Patent Office was precluded from conducting reexamination on *Faulstich* and *Hunter et al.*, either alone or in combination with each other. The Court said "a rejection made during reexamination does not raise a substantial new question of patentability if it is supported only by prior art previously considered by the PTO."¹² The Federal Circuit also held that an amendment of the claims during reexamination does not justify using the prior art that had been considered previously to raise a substantial new question of patentability.¹³

¹² 110 F.3d at 791.

¹³ Id.

2. The Patent and Trademark Office's Response to Portola

In response to Portola, the Patent Office published new guidelines for Examiners in how to evaluate whether there is a substantial new question of patentability raised during reexamination. The guidelines were incorporated into the seventh edition of the MPEP.

Among other things, the Patent Office directed Examiners to determine whether the prior art in the reexamination request and the prior art found in any search was: (i) relied upon to reject any claim in a prior related PTO proceeding; or (ii) cited and its relevance to patentability of any claim discussed in a prior related PTO proceeding. If so, then there was no substantial new question of patentability. On the other hand, if the reexamination would be based at least in part on prior art that was neither relied upon to reject any claim nor cited and its relevance to patentability of any claimed discussed, then there is a substantial new question of patentability raised and reexamination would be proper.

The Patent Office explained that under Portola, the mere presence of the Examiner's initials next to a reference on an Information Disclosure Statement citation does not preclude consideration of the reference in a subsequent reexamination proceeding. Portola did not hold, according to the Patent Office, that prior art that was of record but not discussed may not form the sole basis of a rejection under the claims. According to the Patent Office, the initials of the Examiner on a 1449 Form indicate only a "cursory" degree of review. Such references may form the basis of a substantial new question of patentability, unless the reference was also applied against the claims or discussed by the Examiner in an office action.¹⁴

3. Congress' Response to Portola

Congress overruled In re Portola by passing Public Law 107-273. It was signed by President Bush and became law on November 2, 2002. The new law amended Sections 303 and 312 of Title 35 by adding the sentence:

The existence of a substantial new question of patentability is not precluded by the fact that a patent or printed publication was previously cited by or to the Office or considered by the Office.

In the legislative history, it was stated unequivocally that the new law was to overturn the holding of In re Portola Packaging. In re Portola was described in the House Report as "imposing an overly-strict limit that reaches beyond the text of the patent act."¹⁵

¹⁴ "Guidelines for Reexamination of Cases in View of In re Portola Packaging, 110 F.3d 786, 42 USPQ2d 1295 (Fed. Cir. 1997)," 64 Fed. Reg. 15346 (March 31, 1999).

¹⁵ H.R. Rep. No. 120, 107th Cong., 1st Sess. (2001).

The House Report provided that while previously considered prior art will not necessarily bar a request for reexamination, there will still be a requirement for a substantial new question of patentability, and there must be more than just questioning the judgment of the Examiner. In fact, "there should be substantial evidence that the Examiner did not properly understand the reference, or did not consider a portion of the reference in making his decision."¹⁶ As explained by the testimony of one of the committee members, the goal of the new law was to allow reexamination of those cases where a genuine, substantial new question of patentability arises in light of prior art, which was previously reviewed by the Patent Office. At the same time, the intent was to leave in place all of the protections for inventors that exist under current law against frivolous or harassing conduct.¹⁷

4. The Patent Office's Response to the Overruling of Portola

On June 6, 2003, the Patent Office officially declared that it was repealing its earlier position (outlined above in Section 2) on how it would deal with old, previously considered prior art.¹⁸ The Patent Office indicated that its new position would be effective for any reexamination ordered on or after November 2, 2002.

The Patent Office explained that determinations on whether a substantial new question of patentability exists will be based upon "a fact-specific inquiry done on a case-by-case basis." The Patent Office offered the following example: a substantial new question of patentability may be based solely on old art where the old art is presented or viewed in a new light, or in a different way, as compared with its use in the earlier examination, in view of a material new argument or interpretation presented in the request for reexam.

B. Lessons Learned from Portola and in General

1. Suppose you are in a situation where your real concern is a piece of prior art that was used in a rejection or otherwise discussed in the record of the file history. In order to have the Patent Office declare a substantial new question of patentability, your chances will be improved if you can find at least one piece of prior art that does not appear on the face of the patent. Consider framing your request for reexamination in terms of a combination of the old prior art of concern and the new, unconsidered prior art.

¹⁶ Id.

¹⁷ Id.

¹⁸ "Revised Guidelines for Usage of Previously Cited/Considered Prior Art in Reexamination Proceedings," 1272 Official Gazette 24 (_____)

2. Although reexaminations may only evaluate prior art in the form of patents or printed publications, the MPEP does provide that during reexamination, the Patent Office will consider affidavits or declarations that explain the contents of patents or printed publications in more detail.¹⁹ It may be useful to include a declaration of one skilled in the art to provide further explanation of the technical content of a prior art patent or printed publication.

3. An admission against interest by the patent holder in, for example, a prior court proceeding may be used in a reexamination proceeding. An admission alone cannot be the basis for opening up a reexamination, but after there has been a substantial new question of patentability established, an admission against interest can be used in combination with a patent or printed publication to reject a claim.²⁰ If considering reexamination against one of your client's competitors, review the competitor's comments in the file history, other patents or file histories, and in court records for any useful admissions.

4. Do not broaden the claims during reexamination. Do not even think about changing the claims in any manner that may be construed by anyone to be a broadening. If you broaden the claims during reexamination, the claims will be held invalid. Even if it appears that you are adding narrowing limitations to the claim, a forceful advocate adverse to your client may find a way to construe the added limitation to be, in some manner, a broadening of the claim. Be very careful.

5. Watch out for intervening rights, discussed below.²¹

6. If you desire Patent Office consideration of issues that are not found in printed publications or prior art patents, such as on-sale bars, public use, or fraud, reissue is probably a better tool to use than reexam. Reissue practice is discussed in the next section.

II. Reissue; or What to do if the patent attorney "just didn't get it."

The intent of reissue practice is to provide for a procedural mechanism in the Patent Office to correct an error made while prosecuting the patent application that resulted in the patent. A common excuse given for the basis of reissues is that the patent attorney "failed to comprehend the advantages and scope of the invention."²² An upset

¹⁹ MPEP § 2258 (I)(E) (8th ed. 2001).

²⁰ MPEP at § 2258 (I)(F).

²¹ 35 U.S.C. § 307 provides that claims changed or added during reexamination and issued will have the same effect as specified in § 252, dealing with intervening rights of reissued patents.

²² In re Richman, 424 F.2d 1388, 1391 (CCPA 1970).

inventor may characterize it as her patent attorney "just didn't get it." Ultimately, it may just be "failure to communicate."

There are four basic requirements in order to file a reissue, as put forth in the statute, 35 U.S.C. § 251. The requirements are: (1) the patent must be wholly or partially inoperative or invalid by reason of having a defective specification, or drawing, or claiming more or less than entitled to claim; (2) the defect arose without deceptive intent; (3) there can be no new matter added; and (4) no claims can be broadened by reissue application filed more than two years after the issue date of the original patent.

In 1997, the requirements for an acceptable oath in a reissue were softened. The current requirement is only that the oath set forth at least one error that arose without deceptive intent. Of course, the oath must contain the usual requirements of Rule 63 (e.g. reviewed and understood, duty to disclose, etc). In the 1997 changes to Patent Practice and Procedure, it was indicated that the rules were changed because the old rules were "unduly burdensome upon applicants and the Office."²³ Explanations for how the error occurred (e.g., my patent attorney just didn't understand) are no longer necessary and are not reviewed by the Patent Office.²⁴

Thus, now the mechanics for filing a reissue application are straightforward. There is just one little hitch -- there does need to be an "error."

A. What is an "error" correctable by reissue?

- My claims are too narrow because my patent attorney did not understand the full scope of my invention.
That *is* an error that is correctable by reissue.²⁵
- My claims are too narrow because my patent attorney is ugly and dresses funny.
That *is* an error correctable by reissue.

The Patent Office no longer requires an explanation for how the error occurred.²⁶ Whether it was because the patent attorney was just a little slow or because the inventor did a bad job of explaining what she invented, the Patent Office will not factor into consideration how the error came about.

- I received a restriction requirement and forgot to file a divisional.
That is *not* an error correctable by reissue.²⁷

²³ 62 Fed. Reg. 53132, 53165 (October 10, 1997).

²⁴ MPEP § 1414 (II) (8th ed. 2001).

²⁵ Richman, 424 F.2d 1388.

²⁶ MPEP at § 1414(II).

²⁷ In re Orita, 550 F.2d 1277 (CCPA 1977).

In Orita, there was a restriction requirement in the application between: (i) claims directed to a compound and their method for preparation; and (ii) claims directed to a coating composition, an emulsion, and a coated sheet. The claims directed to the compound and their method of preparation were elected, prosecuted, and allowed. These claims issued in a patent. After the patent issued, the patent holders filed for a reissue, alleging an error that they had forgotten to timely file a divisional application covering the non-elected claims.

This was not allowed by the Patent Office, and the decision was affirmed by the CCPA. According to the Court, the failure to file a divisional was not an error in the *patent*. Rather, the patent itself, which issued on the elected claims, was free of errors.²⁸

- I received an Election of Species Requirement and failed to prosecute "linking" claims.
That *is* an error correctable by reissue.²⁹

In the Doyle case, there was an election of species requirement between nine different inventions. One of the groups was elected, prosecuted, and issued as a patent. The patent holder filed for a broadening reissue, and submitted genus claims that read on, but were broader than, the elected and issued species claims. The Court characterized these claims as "linking claims" because the claims were broad enough to read on, or link, two or more groups of claims subject to the restriction requirement.

The Patent Office rejected the linking claims on the basis of having a defective oath. Specifically, the Patent Office took the position that failure to prosecute the linking claims was not an error correctable by reissue. The Patent Office relied on Orita.³⁰

The Federal Circuit disagreed. The Court pointed out that the patent holder never asserted the linking claims, or anything similar to the claims, in his original application. Further, the Court pointed out that the linking claims could have been prosecuted with the elected species claims without running afoul of the restriction requirement.³¹ The Court explained that in contrast to Orita, Dr. Doyle's reissue application alleges an error in the existing *patent*, namely, failure to claim as broadly as possible matter that could have been sought in the original application.³²

²⁸ Id. at 1280.

²⁹ In re Doyle, 293 F.3d 1355 (Fed. Cir. 2002).

³⁰ 550 F.2d 1277.

³¹ Doyle, 293 F.3d at 1360.

³² Id. at 1361.

- I forgot to claim domestic priority to another of my patent applications under 35 U.S.C. § 120.
That *is* an error correctable by reissue.³³
- I forgot to claim domestic priority to my provisional patent application under 35 U.S.C. § 119(e).
Maybe, if the patent issued before November 29, 2000; maybe not, if the patent issued after November 29, 2000.³⁴

The courts have not addressed this situation. The Patent Office appears to have taken the following position:

1. 35 U.S.C. § 119(e)(1) was amended under the American Inventor's Protection Act to require that claims of priority under § 119(e) must be made while the application claiming the priority is pending;

which means:

2. § 119(e) clearly prohibits the addition or correction of priority claims under § 119(e) when the application is no longer pending, e.g., an issued patent;

and therefore:

3. A reissue is not a valid mechanism for adding or correcting a priority claim under § 119(e) after a patent has been granted.³⁵

It is noted that the Courts have held that reissue is a proper mechanism for correcting errors due to incorrectly or failing to claim priority under 35 U.S.C. § 119(a)-(d)³⁶; and errors due to incorrectly or failing to claim domestic priority under 35 U.S.C. § 120.³⁷ The parallel logic suggests that an error due to the failure to claim priority to a provisional under § 119(e) is also the type of error that should be correctable under reissue.

- I cancelled a broad claim and now I want it back.

³³ Sampson v. Comm'r Pat., 195 U.S.P.Q. (BNA) 136, 137 (D.D.C. 1976).

³⁴ MPEP § 1402 (8th ed. 2001).

³⁵ Id.

³⁶ Brenner v. State of Israel, 400 F.2d 789 (D.C. Cir. 1968).

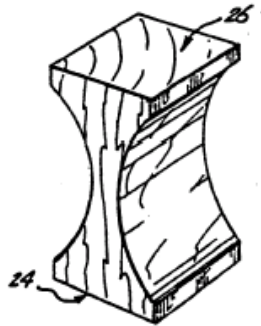
³⁷ Sampson, 195 U.S.P.Q. (BNA) at 137.

Sometimes, that *is* an error correctable by reissue³⁸; sometimes, *not*.³⁹

The cases Seattle Box, Mentor, and Hester are examples of the "recapture" rule. The recapture rule states that the deliberate surrender of a claim to certain subject matter during the original prosecution of the application for a patent is not an error of the type contemplated by 35 U.S.C. § 251 that will justify the granting of a reissue patent.⁴⁰

1. The Seattle Box Case

In Seattle Box, the invention was a construction and method for bundling oil pipes for transportation. The invention involved bundling pipes using specially shaped spacer blocks, depicted below in FIG. 1.



The original claim stated that the spacer block had a "height substantially equal to the thickness of the tier of pipe lengths." During prosecution of the application, the claim was narrowed to specify that the spacer block had a height only "greater than the diameter of the pipe." After this amendment was made, but not necessarily because of it, the examiner allowed the application, and it issued as a patent.⁴¹

A reissue application was then filed, which changed the limitation back to "a height substantially equal to or greater than the thickness of the tier of pipe length." In the reissue oath, it was stated that neither the examiner nor the prior art required that the claim be narrowed and that the narrowing of the claim arose through inadvertence of counsel.⁴²

The Federal Circuit held that the recapture rule does not apply in this situation. In particular, the Court said that there was no evidence that the amendment of the originally

³⁸ Seattle Box Co. v. Industrial Crating & Packing, 731 F.2d 818, 826 (Fed. Cir. 1984).

³⁹ Mentor Corp. v. Colorplast, 998 F.2d 992, 995 (Fed. Cir. 1993); Hester Indus. v. Stein, Inc., 142 F.3d 1472 (Fed. Cir. 1998).

⁴⁰ Haliczer v. United States, 356 F.2d 541, 545 (Ct. Cl. 1966).

⁴¹ Seattle Box, 731 F.2d at 821.

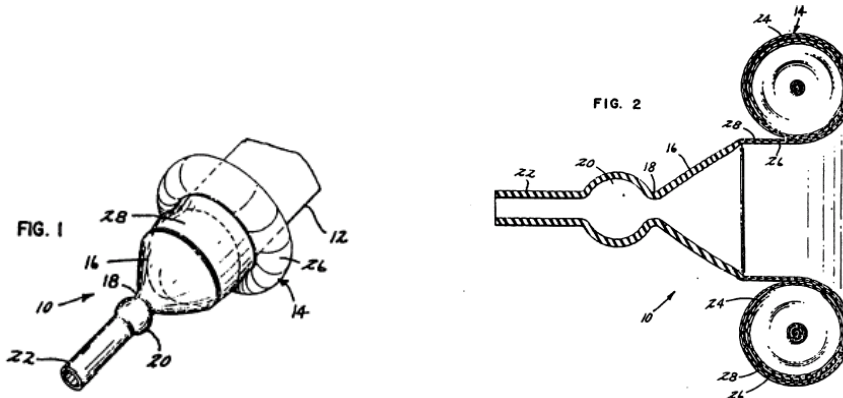
⁴² Id. at 822.

filed claims was in any sense an admission that the scope of the claim was not in fact patentable.⁴³

2. The Mentor Case

The Mentor case was about a male condom catheter. The claims included a limitation relating to a pressure sensitive adhesive on an outer surface of a condom prior to it being rolled up, so that after being rolled and then unrolled, the adhesive that was applied on the outer surface is transferred to the inner surface. The way it was described in the patent was:

Adhesive (24) is stored between the inner and outer layers (26, 28) when sheath (14) is rolled. As sheath (14) is unrolled, adhesive (24) is released from outer layer (28) and adheres to inner layer (26). Upon pressing sheath (14) to a penis (12), a leak-free bond is created.



The patent holder filed a reissue application that added claims that did not recite the transfer of adhesive from the outer to the inner surface of the catheter.

The defendant, Colorplast, sold a condom catheter that was made by applying adhesive directly to the inner surface and did not involve the transfer of adhesive from the outer to the inner surface. The defendant admitted its device was covered by the broadened, reissue claims, but asserted that it had acquired intervening rights and, in any event, that the claims were invalid.⁴⁴

During the reissue, the oath was filed that stated that the error arose because the patent attorney assumed that the manufacture of male condom catheters by applying adhesive to the inner surface of the catheter was too impractical to be commercially feasible. The patent holder thus added new claims lacking the requirement of transferring

⁴³ Id. at 826.

⁴⁴ Mentor, 998 F.2d at 994.

adhesive from the outer to the inner layer. The claims were eventually allowed and issued in the reissue patent.⁴⁵

During prosecution of the original patent application, application claim 1 was rejected over certain prior art. In response, the patent holder amended the claim with arguments that "none of the references relied upon actually showed the *transfer of adhesive* from the outer surface to the inner surface as the sheath is rolled up and then unrolled."⁴⁶ The patent holder said the prior art disclosed the "transfer" of adhesive from the outer to inner surface solely by turning the sheath inside out so that the outer surface becomes an inner surface, with the adhesive always remains on the same surface.⁴⁷

The Court held that the reissue claims were invalid because the patent holder narrowed its claims for the purpose of obtaining allowance in the original prosecution and was precluded from recapturing what it earlier conceded.⁴⁸ The Court said that there was a deliberate decision to surrender specific subject matter in order to overcome prior art, a decision that, in this case, in view of the marketplace, may have been "regretted."⁴⁹ Even though the claims were narrowed in certain respects, the Court rejected the argument that it avoided the recapture rule. In particular, the Court pointed out that the claims were broadened in the manner directly pertinent to the subject matter surrendered during prosecution. This action constituted impermissible recapture, invalidating the claims.⁵⁰

3. The Hester Industries Case

The Hester case was about steam cookers. There were two patents involved, each describing a cooker that uses a spiral conveyor to move meat through a housing in which they are cooked using steam.

⁴⁵ Id. at 996.

⁴⁶ Id. at 995.

⁴⁷ Id. at 996.

⁴⁸ Id. at 997.

⁴⁹ Id. at 996.

⁵⁰ Id.

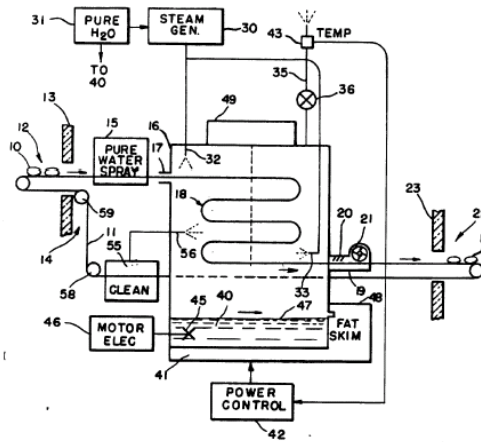


FIG. 1

The written description described two separate sources of steam used, one internal and one external to maintain the steam atmosphere. The internal source of steam described is a pool of water (40) on the floor of the cooker chamber heated by a heating element in the pool. The external source is a steam generator (30), located outside the cooker chamber. The original patent claims contained one independent claim directed to a food cooking system including limits of: (i) cooking solely with steam; and (ii) providing the steam using two sources of steam.

Prosecution of the application took seven years between the filing and the issuance. During prosecution, it was repeatedly emphasized that the feature of "solely with steam" and "two sources of steam" were features not disclosed or suggested in the prior art. The application went up on appeal, and it was emphasized that the "solely with steam" limitation and the "two sources of steam" limitation were not disclosed or suggested in the prior art.⁵¹ The Board was persuaded and reversed the rejections. Shortly thereafter, the patent issued.

On the two-year anniversary, the patent holder applied for a reissue application, alleging that the patent claims had been drawn too narrowly due to attorney error. Specifically, two deficiencies identified included the limitation of cooking "solely with steam" and the requirement of "two sources of steam." These deficiencies, according to the reissue oath, arose because his patent attorney "failed to appreciate the full scope of his invention."⁵² The reissue applications were allowed, and patents issued without these limitations.⁵³

The District Court declared the reissued claims invalid. In particular, the District Court was not persuaded with the plausibility of the alleged error of the patent attorney. Indeed, the District Court concluded there was no such error by the patent attorney. The

⁵¹ Hester, 142 F.3d at 1476.

⁵² Id. at 1476.

⁵³ Id. at 1477.

Court looked at the prosecution history and pointed out the repeated attempts to distinguish prior art by the limitations "solely with steam" and "two sources of steam."⁵⁴ The Federal Circuit affirmed.⁵⁵

The Federal Circuit explained that the claims violated the recapture rule and pointed to the repeated statements in the file history in which these limitations were asserted in order to distinguish the prior art. The Court criticized the patent holder for his eight years of reissue proceedings, trying to prosecute the original patent application anew, this time placing greater emphasis on aspects previously included in the original patent claims and removing limitations repeatedly relied upon to distinguish the prior art and described as "critical" and "very material" to the patentability of the invention. The Court stated that, although the reissue statute is to be construed liberally, it is not to be construed "that liberally."⁵⁶

B. Be Careful About Intervening Rights

The government giveth; the government taketh away.⁵⁷

While the statute provides help to correcting an error in a patent, this action is not done with impunity. The first sentence of the second paragraph of 35 U.S.C. § 252 limits the scope of a reissue patent:

No reissued patent shall abridge or affect the right of any person . . . who made, purchased or used prior to the grant of a reissue anything patented by the reissue patent, to continue the use of, or to sell to others to be used or sold, the specific things 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.

As explained in Bic Leisure Prods. v. Windsurfing Int'l.,⁵⁸ this sentence defines "absolute" intervening rights. That is, this sentence provides an accused infringer with the absolute right to use or sell a product that was made, used, or purchased before the grant of the reissue patent as long as the activity does not infringe a claim of the reissue patent that was in the original patent. This right is absolute. In other words, provided the use or sale of the accused product does not infringe a claim of the reissue patent that was

⁵⁴ Id. at 1480.

⁵⁵ Id. at 1484.

⁵⁶ Id. at 1483.

⁵⁷ A paraphrase from the Holy Bible, Job 1;2.

⁵⁸ 1 F.3d 1214, 1220-21 (Fed. Cir. 1993).

also in the original patent, the owner of the reissued patent has no recourse under the Patent Act.

The Court explained that this absolute right extends only to anything made, purchased, or used *before* the grant of the reissue patent. It covers products already made at the time of reissue. The second sentence of the second paragraph of 35 U.S.C. § 252 provides:

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, practiced, 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.

The Bic Leisure Court explained that the second sentence of the second paragraph of § 252 defines "equitable" intervening rights. This sentence allows the Court to grant broader rights than the first sentence. The second sentence permits the continued manufacture, use, or sale of additional products covered by the reissue patent when the defendant made, purchased, or used identical products, or made substantial preparations to make, use, or sell identical products before the reissue date. The Court explained that because this is a doctrine in equity, the Court has great latitude. The Court may, as dictated by the equities, protect investments made before reissue.⁵⁹

C. Lessons Learned From These Reissue Cases and In General

1. If you plan to file a reissue to address claim limits that were adopted during prosecution, re-think your plan. You very well could end up worse off, with a bad reissue file history regarding your alleged unlawful attempt to recapture subject matter that you allegedly surrendered during the original prosecution.
2. If you are filing the reissue to try to cover the "design around" of competitors, ask yourself whether the reissued patent will actually be able to stop the activities of your competitors, or whether the competition will have intervening rights. It may be a better strategy to keep continuations pending in order to adjust claim coverage in view of the market's reaction, instead of trying to adjust your patent by reissue.

⁵⁹ Id. at 221.

3. You can do more prosecution and have many more types of issues considered during a reissue proceeding than during a reexamination proceeding. But be careful. *All* of the claims in a reissue application, regardless of whether they are identical to claims that were issued in the patent, are subject to examination and rejection on all the usual grounds. This includes rejections over prior art that was previously considered and overcome during prosecution of the original patent. It does not matter whether a rejection: was made and overcome; was not made; or could have been made and was not. A reissue application enjoys no presumption of validity.⁶⁰ Think about whether the reissue application is worth the risk of subjecting all claims to the fresh examination.

4. Some reissue applications that appear to be "narrowing" will be held to be a broadening by the Patent Office and not allowed outside of the two-year time limit to file broadening reissues. An example provided in the MPEP is: Suppose there is a patent claim directed to a process for making a chemical intermediate. A reissue application is filed to add a limitation to the process claim to add a final step of converting the intermediate to a final product. The Patent Office considers this a broadening of the claim because a new statutory remedy (in particular, 35 U.S.C. § 271(g)) will be available to enforce against competitors that import the final product into the U.S.⁶¹

5. Before you file a reissue application, ask yourself whether the error can be corrected by filing a Certificate of Correction. For example, if there is no controversy, an error in inventorship can be fixed by filing a Certificate of Correction.⁶²

III. Conclusion

As a patent holder, the best position to be in is to have an error-free valid patent that covers what it needs to cover. In a perfect patent world, the Patent Office would have all of the best prior art in front of it and perform its job without mistakes. Applicants would have patents issued to them having claim coverage perfect in scope. There would be no failures to communicate regarding the existence of prior art, the scope of the prior art, or the full scope of the invention.

Without the procedural mechanisms of reexamination and reissue, there would be more invalid patents. Instead of having a patent to protect his innovation, the patent holder would have nothing. While in poker, as demonstrated by Cool Hand Luke, "Sometimes nothing can be a real cool hand," no patent attorney wants to find herself having to convince her client of that.

⁶⁰ In re Sneed, 710 F.2d 1544, 1550 n.4 (Fed. Cir. 1983).

⁶¹ MPEP § 1412.03 (8th ed. 2001).

⁶² MPEP at § 1402.

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