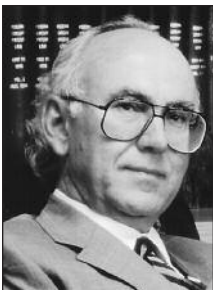


If You Try to Remove a 35 USC 102(a) or 102(e) Reference Via a 37 CFR 1.131 Declaration and Fail, You Have Probably Waived Your Right to Put on a Priority Case¹

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WHAT THE EXPANDED PANEL SAID IN NAVARRINI V. WORM

Frequently a motion for a judgment that one or more of an opponent's claims is unpatentable over the prior art or an opposition to a motion to substitute a new claim or a new count will rely upon a 35 USC 102(a) or 102(e) reference—that is, a reference that is potentially removable. What then? According to *Navarrini v. Worm*, 79 USPQ2d 1178 (PTOBAI 2005) (precedential) (opinion by SAPJ McKelvey for an expanded panel including CAPJ Fleming):

Two years after the Trial Section was established, it became apparent that it might not be a good idea to “automatically” defer to the priority phase a preliminary motion for judgment based on §§102(a) and 102(e) solely because of an allegation in a preliminary statement. In *LaVeen v. Edwards*, 57 USPQ2d 1416 (Bd. Pat. App. & Int. 2000), the Trial Section expanded on the practice announced in *Goutzoulis [v. Athale]*, 15 USPQ2d 1461 (Comm’r Pat. 1990)]. The Trial Section determined that it would be appropriate to offer an opponent two choices to antedate references. Accordingly, when a party filed a preliminary motion for Judgment based on §§102(a) and 102(e) prior art, in addition to arguing patentability on the merits, the opponent had two options[,] and it was up to the opponent to elect which option it desired

to pursue. As a *first option*, the opponent could elect to call attention to its preliminary statement asking that the preliminary motion for judgment be deferred to the priority phase of the interference. As a *second option*, the opponent could elect to present proofs under 37 CFR § 1.131 seeking to antedate any non-statutory bar. 57 USPQ2d at 1420.⁴

This, of course is old law. However, Judge McKelvey then continued as follows:

We noted [in *LeVeen v. Edwards*] that each option has advantages and disadvantages. 57 USPQ2d at 1420-21. Once an option is elected, it generally would control further proceedings in the interference. In other words, if a party does elect the second option to put on a Rule 131 showing *and fails*, it generally will have waived any opportunity to get a second bite at the apple in the priority phase.⁵

THE \$64,000 QUESTION

The \$64,000 question is whether this means that an interferent that sought to remove a 35 USC 102(a) or 102(e) reference via a 37 CFR 1.131 declaration during the first phase of the interference but failed has waived only its right to seek to remove the reference via the submission of priority evidence during the second phase of the interference⁶ or whether it has also waived its right to submit priority evidence for priority purposes as well. For the reasons set forth in the remainder of this article, the answer to that question will make a huge difference.

WHY THE ANSWER WILL MAKE A DIFFERENCE

As stated in *Navarrini v. Worm*, an interferent can overcome a reference under 35 USC 102(a) or (e) by filing a satisfactory declaration under 37 CFR 1.131 showing prior invention. Alternatively, an interferent can submit a preliminary statement alleging invention prior to the date of a reference

and ask that it be accepted as a substitute for a declaration under 37 CFR 1.131.⁷ Although the preliminary statement does not necessarily contain the evidence required for a sufficient 37 CFR 1.131 declaration, there are good policy reasons why, as a matter of practice in an interference, the board has accepted the allegations in the preliminary statements at the preliminary motion stage rather than entering a judgment based on unpatentability under 35 USC 102(a) or (e) in the absence of a 37 CFR 1.131 declaration.⁸

The purpose of filing a 37 CFR 1.131 declaration in *ex parte* practice⁹ is to overcome the effective date of a reference cited in support of a rejection. If the 37 CFR 1.131 declaration demonstrates that the applicant's date of invention is earlier than the effective date of the reference, the reference is eliminated as support for the rejection.¹⁰ The statutory basis for permitting an applicant to file a declaration showing *prima facie* prior invention and thus removing a cited reference has to be found in 35 USC 102 (a) and (e), the combined effect of which provides that an applicant shall be entitled to a patent unless “the invention was ... described ... in a printed publication [or an earlier-filed United States patent] ... before the invention thereof by the applicant for patent.”¹¹ The purpose of filing a 37 CFR 1.131 declaration is *not* to demonstrate prior invention *per se*, but merely to antedate the effective date of the reference.¹² Although the test for sufficiency of a declaration under 37 CFR 1.131(b) parallels that for determining priority of invention in an interference under 35 USC 102(g), it does not follow that 37 CFR 1.131 practice is controlled by interference law.¹³ To the contrary, “[t]he parallel to interference practice found in Rule 131(b) should be recognized as one of convenience rather than of necessity.”¹⁴ Thus, “the ‘conception’ and ‘reduction to practice’ which must be established under the rule need not be the same as what is required in the ‘interference’ sense of those terms.”¹⁵

The test for sufficiency of a 37 CFR 1.131 declaration is similar but not identical to the test for determining priority under 35 USC 102(g).¹⁶ A reference is not considered as “evidence” of a prior act of invention by someone else (although, in the case of subject matter disclosed and claimed in a patent, that might be true). Rather it is cited as indicating that the par-

ticular subject matter disclosed therein is not “new,” in the sense that it is already within the domain of public knowledge. The language of 35 USC 102(a) and (e) makes it clear that, if the applicant can prove “invention” on his part prior to the effective date of the reference, that reference will be overcome as a bar to patentability. 37 CFR 1.131 was promulgated to provide an applicant with a vehicle by which he can present evidence of such prior “invention.” Thus, part (a) of 37 CFR 1.131 requires the applicant to “submit an appropriate oath or declaration to establish invention of the subject matter of the rejected claim prior to the effective date of the reference.” Part (b) of the rule requires that showing of facts to be such as to establish prior reduction to practice or prior conception “coupled with due diligence” to a subsequent reduction to practice, either actual or constructive. This parallels the requirements for establishing the completed act of invention in an interference proceeding, as authorized in the provisions of 35 USC 102(g) and sanctioned by many years of court-accepted practice.¹⁷

In an *ex parte* proceeding, one may antedate a reference by a showing which is less than that which would be required for a priority contest.¹⁸ The general reason is that “interferences involve policy questions not present when antedating a reference.”¹⁹ More specifically, there are:

certain basic important distinctions between an interference proceeding on the one hand and an *ex parte* proceeding to obtain a patent on the other. In the former, one party is nearly always going to prevail, a patent will issue, and the knowledge pertaining to the involved invention will very likely become public and be exploited under the protection of that patent. In an *ex parte* proceeding, however, the principal question is the applicant’s right to a patent under the statute. The public may well gain knowledge only when a patent is granted. It happens to be the law that where there has been public disclosure by another of the subject matter of a patent claim along with enough enabling description to place the capability of preparing that subject matter within the possession of the public at a time prior to an applicant’s filing date, such publication will prima facie negative novelty in

the subject matter and prevent its being claimed directly in a patent. Such a disclosure in an application would not, however, give an applicant the statutory right to a patent, even if there were no anticipating reference, unless that disclosure were also accompanied by a satisfactory description of how to use the claimed subject matter if such is not already obvious.²⁰

CONCLUSION

It therefore seems to us unlikely that the showing in a 37 CFR 1.131 declaration will be of material benefit later in the interference proceeding assuming that the interference progresses to the priority/derivation/inventorship phase.²¹ Since the standards for removing a reference via a 37 CFR 1.131 declaration are much lower than the standards for proving priority during the second phase of an interference, it seems to us that, if an interferent cannot satisfy 37 CFR 1.131, it should require a very unusual showing for the interferent to be permitted to attempt to prove priority. That is, it is our opinion that, in the usual case, an interferent that attempted but failed to remove a reference via a 37 CFR 1.131 declaration has indeed waived its right to attempt to prove priority during the second phase of the interference.

ENDNOTES

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4. 79 USPQ2d at 1182; emphasis in the original.
5. 79 USPQ2d at 1182; emphasis in the original.
6. We think that it has clearly waived at least that much.
7. *Goutzoulis v. Athale*, 15 USPQ2d 1461, 1464 (Comm’r Pats. 1990) (citing *Forsyth v. Richards*, 1905 Dec. Comm’r Pat. 115 (Comm’r Pat. 1905)).
8. *Id.* The board has noted that “the use of preliminary statements as a ‘defense’ to a preliminary motion for judgment is not specifically covered by the rules.” *LeVeen v. Edwards*, 57 USPQ2d 1416, 1420 (PTOBPAI 2000). Thus, this practice is based on the board’s conception of sound public policy.
9. For an exhaustive but now somewhat outdated treatment of 37 CFR 1.131 declarations by one of the authors of this article, see Gholz, *Establishing “The Time The Invention was Made,”* Nonobviousness – the Ultimate Condition of Patentability (John F. Witherspoon ed., BNA Books 1980).
10. *In re Eickmeyer*, 602 F.2d 974, 978-79, 202 USPQ 655, 660 (CCPA 1979).
11. *In re Moore*, 444 F.2d 572, 578, 170 USPQ 260, 266 (CCPA 1971)
12. *Eickmeyer*, 602 F.2d at 978, 202 USPQ at 660.
13. *Id.*
14. *Moore*, 444 F.2d at 580, 170 USPQ at 267.
15. *Id.*
16. *Goutzoulis*, 15 USPQ2d at 1464.
17. *Moore*, 444 F.2d at 579, 170 USPQ 260 at 266.
18. *Goutzoulis*, 15 USPQ2d at 1464, see also *LeVeen*, 57 USPQ2d at 1421 (“Rule 131 showings do not need corroboration. In this respect, a showing under Rule 131 may be viewed as easier than a showing for priority.”)
19. *In re Mulder*, 716 F.2d 1542, 1545, 219 USPQ 189, 193 (Fed. Cir. 1983) (Rich, J.)
20. *Moore*, 444 F.2d at 579, 170 USPQ at 267 (citations omitted)
21. *Goutzoulis*, 15 USPQ2d at 1464-65.

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