

**In The
Supreme Court of the United States**

**PUI-KWONG CHAN, MAY SUNG MAK,
AND YUN WANG,**

Petitioners,

v.

**BAIZHEN YANG, SONGJIAN WANG,
AND CONGFU ZHAO,**

Respondents.

**ON PETITION FOR WRIT OF CERTIORARI TO
THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

BRIEF IN OPPOSITION

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QUESTIONS PRESENTED

1. Whether the Patent Trial and Appeal Board (“the Board”) properly declared interference based on patentable subject matter.
2. Whether the Federal Circuit properly affirmed the Board’s judgment without opinion under Federal Circuit Rule 36 when a written opinion would provide no benefit to further proceedings and the case has no precedential value.
3. Whether the United States Patent and Trademark Office’s (“USPTO’s”) practice to cancel the claims of an issued patent after a priority determination in an interference proceeding under 35 U.S.C. § 135 (pre-AIA) is consistent with Article III of the Constitution of the United States.

RULE 29.6 STATEMENT

Respondents have no parent corporation and no publicly held company that owns 10 percent or more of its stock.

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OPINIONS BELOW

The Federal Circuit issued a judgment of affirmance under Federal Circuit Rule 36 (Pet. App. 198a-199a). The order disposing of the case (Pet. App. 198a-199a) is unreported and available at 673 Fed. Appx. 1009 (January 27, 2017). The order denying panel rehearing and rehearing en banc issued on March 30, 2017 (Pet. App. 222a-223a) is unreported.

The final decision and order by the Board (Pet. App. 70a-72a) are unreported and available at 2015 WL 5144185 (August 31, 2015).

JURISDICTION

The Federal Circuit entered judgment on January 27, 2017 (Pet. App. 198a -199a) and denied Petitioners' Combined Petition for Panel Rehearing and Rehearing *En Banc* on March 30, 2017 (Pet. App. 222a-223a). Applications to extend the time for Petitioner to file a petition for a writ of certiorari were granted by this Court on June 12, 2017 and July 24, 2017, respectively, making the petition due on August 25, 2017. Respondents waived their right to file a response to the petition on September 27, 2017. The Court subsequently requested a response from Respondents by November 17, 2017. The Court has jurisdiction under 28 U.S.C. § 1254(1).

CONSTITUTIONAL PROVISIONS, STATUTORY PROVISIONS, AND REGULATIONS INVOLVED

The relevant constitutional provisions, statutory provisions, and regulations involved are reprinted in an Appendix to this brief. (1b-21b).

COUNTER-STATEMENT OF THE CASE

A. Interference Proceedings in the Patent and Trademark Office

1. On December 9, 2013, the Patent Trial and Appeal Board (“the Board”) of the United States Patent and Trademark Office (“USPTO”) declared Interference Proceeding No. 105,982 (“the ’982 interference”) involving Petitioners’ U.S. Patent Nos. 7,262,285 and 7,524,824 (“the ’285 patent” and “the ’824 patent”) and Respondents’ U.S. Patent Application No. 11/631,637 (“the ’637 application”). A37-44. In January 2014, Petitioners and Respondents filed their proposed lists of motions in the ’982 interference. Petitioners’ list lacked any mention of a motion seeking judgment that Respondents’ claims were unpatentable under 35 U.S.C. § 101. A240-242. On October 14, 2014, Petitioners requested authorization to file such a motion. *Id.* The request was denied by the Board as untimely. *Id.* The Board found that “[a]lthough the decision in Assoc. for Molecular Pathology was issued in

June 2013, Petitioners did not request authorization to file a motion for unpatentability on this basis when it filed its proposed motions list in January 2014. Petitioners did not request authorization for such a motion until 10 October 2014, when only one week remained in the schedule for preliminary motions.” *Id.* On January 23, 2015, rather than present any evidence of priority, Petitioners abandoned the interference. A45-48. The Board then entered judgment for Respondents. *Id.*

2. On April 27, 2015, prior to the declaration of the '025 interference, the Examiner contacted Respondents to discuss independent claim 12 of their application. Pet. App. 8a-14a at 11a. “In an effort to obviate [a 35 U.S.C. § 101] rejection, the Examiner proposed an amendment to independent claim 12, to insert a limitation wherein the compound was a ‘white raphide,’ . . .” *Id.* Respondents agreed to the amendment. *Id.* As a result, the Examiner indicated that “[p]resent claims 12-16, 19-24 and 27-33 have been found to be allowable, pending an interference decision by the Board of Patent Appeals and Interferences.” *Id.*
3. On May 20, 2015, the Board declared Interference Proceeding No. 106,025 (“the '025 interference”) involving Petitioners’ U.S. Patent No. 8,614,197 (“the '197 patent”) and the '637 application. Pet. App. 1a-7a. The '025 interference was thus declared only after

Respondents' claims were explicitly indicated by the Examiner as being allowable (with the "white raphide" limitation). Pet. App. 8a-14a at 11a.

4. Simultaneously with the declaration of the '025 interference, the Board issued an Order to Show Cause, requiring Petitioners to show why Petitioners' claims corresponding to Count 1 should not be cancelled due to interference estoppel arising from the earlier '982 interference. Pet. App. 29a-31a. In Petitioners' Response to Order to Show Cause, Petitioners argued that Petitioners' claims should not be cancelled and further pointed out the lack of patentability of Respondents' claims. Pet. App. 32a-55a at 44a-47a.
5. After considering Petitioners' response to the Order to Show Cause, the Board found that Petitioners did not contest that claims 1-10, 12-19, 21-25, 28, 30, 32-33, 35, 40, 41, and 44-59 of the '197 patent are anticipated by or obvious over the subject matter lost in the '982 interference and that Petitioners therefore conceded that it is estopped from claiming the subject matter of those claims. A1-10 at A4. In addition, in its Order Under 37 C.F.R. § 41.104(a), the Board found that Petitioners failed to provide persuasive evidence that there was no interference-in-fact between claims 1-10, 12-19, 21-25, 28, 30, 32-33, 35, 40, 41, and 44-59 of the '197 patent and claims 12-16, 19-24, and 27-33 of the '637 application ("Respondents' claims") and invited

Respondents to provide an opposition to Petitioners' argument regarding claims 20, 26-27, 29, 31, 34, 36-39, and 42-43 of the '197 patent. Pet. App. 63a-69a. The Board further noted that the patentability of Respondents' claims "is not relevant to the inquiry required by the Order to Show Cause." *Id.* at 66a, n3.

6. After finding that claims 20, 26-27, 29, 31, 34, 36-39, and 42-43 of the '197 patent did not correspond to (were not anticipated or rendered obvious by) the count of the '982 Interference (A1-10), the Board redeclared interference with the following claims of the '197 patent corresponding to Count 1 of the '025 Interference: 1-10, 12-19, 21-25, 28, 30, 32-33, 35, 40-41, and 44-59 ("Petitioners' claims"). A236-239. Judgment was entered against Petitioners' claims based on the doctrine of interference estoppel and Petitioners' claims were cancelled. Pet. App. 70a-72a.
7. Petitioners filed a Notice of Appeal to the Federal Circuit on October 20, 2015. A14-36. The Federal Circuit affirmed all aspects of the Board's decision in issuing a Rule 36 affirmance. Pet. App. 198a-199a.
8. After the Federal Circuit's decision, Respondents' application resumed its *ex parte* prosecution within the USPTO. On June 1, 2017, the Examiner of Respondents' '637 application contacted Respondents' representative to "memorialize the limitation

regarding the ‘white raphide’ from [sic] the product, as agreed to in the interview of 4/27/2015” Pet. App. 73a-75a. Respondents authorized the Examiner’s Amendment effecting this limitation and, thus, on June 15, 2017, a Notice of Allowance was issued. Pet. App. 76a-99a at 97a.

B. Appeal of Board Decision in the Federal Circuit

1. On October 20, 2015, Petitioners filed an appeal against the Board’s Judgment in the Federal Circuit. In their Appeal Brief filed on January 19, 2016, Petitioners requested the Board’s decision be reversed on two grounds: (1) the Board erred in declaring interference, and finding interference-in-fact between claims 1-10, 12-19, 21-25, 28, 30, 32, 33, 35, 40, 41, and 44-59 of the ’197 patent and the claims in the ’637 application; and (2) the Board erred in not addressing and resolving the issue of patentability of the claims in the ’637 application, and not declaring those claims unpatentable under 35 U.S.C. § 101. Pet. App. 149a-168a at 155a.
2. In their March 3, 2015 Appellees’ Brief, Respondents noted that the real issue before the Federal Circuit was the Board’s decision to cancel Petitioners’ claims based on interference estoppel, and that the patentability of Respondents’ claims in the ’637 application under § 101 was not at issue. Pet. App. 169a-197a at 184a-186a.

Respondents further noted that Petitioners had the opportunity to litigate the § 101 issue in the '982 interference, but failed to raise the issue in a timely manner, and further, abandoned the contest rather than request reconsideration of the issue or appeal the issue in the '982 interference. *Id.* at 194a-195a.

3. Following the January 11, 2017 oral argument before the Federal Circuit, the court issued its Judgment under Rule 36, affirming the Board's decision to cancel Petitioners' claims. Pet. App. 198a-199a.
4. On February 27, 2017, Petitioners filed a combined petition for panel rehearing and rehearing *en banc*, requesting: (1) reconsideration of whether the '025 interference should have been declared; and (2) a written opinion. Pet. App. 200a-216a at 211a- 216a. A *per curiam* order was issued on March 30, 2017 denying Petitioners' Combined Petition. Pet. App. 222a-223a.
5. Petitioners filed a motion to stay the issuance of the mandate on April 4, 2017. Pet. App. 224a-238a. On April 12, 2017, the Federal Circuit issued a *per curiam* order denying Petitioners' motion. Pet. App. 239a-240a. The mandate was ultimately issued on April 13, 2017. Pet. App. 241a.
6. On July 14, 2017, Petitioners filed a Motion to Terminate Interference with the Board to

request that the '025 interference be terminated for lack of statutory basis. Pet. App. 100a-148a. The Board ordered this Motion to be expunged because the extension of time by which to file a petition for a writ of certiorari at the Supreme Court had not yet expired, and so the Board lacked jurisdiction in this interference.

C. Patentability of Respondents' Claims under 35 U.S.C. § 101

1. The patentability of Respondents' claims under 35 U.S.C. § 101 is not in question. The Examiner indicated that Respondents' claims were patentable prior to the '982 interference. During the '982 interference proceeding, Petitioners failed to timely move the Board to reconsider the patentability of Respondent's claims. In particular, Petitioners did not request authorization to file a motion for unpatentability under 35 U.S.C. § 101 when they filed their proposed motions list and instead waited until only one week remained in the schedule for preliminary motions. A240-242. Instead of proceeding with the '982 interference and seeking reconsideration of the Board's denial of Petitioners' request for authorization to file a motion challenging the patentability of Respondents' claims under 35 U.S.C. § 101 or appealing the issue under 35 U.S.C. § 141 (pre-AIA) or 35 U.S.C. § 146 (pre-AIA), Petitioners elected to abandon any claim to priority and consented to an adverse judgment. A45-48.

2. The Examiner again indicated the patentability of Respondents' claims prior to the Board declaring the '025 interference. Based on the prior proceedings, Petitioners were estopped from raising any challenge to the patentability of Respondents' claims in the '025 interference.

D. Estoppel Issue

1. Since Petitioners conceded priority in the '982 interference when they abandoned the '982 interference (A45-48), the Board properly concluded as a matter of law that Chan was barred by principles of interference estoppel from establishing priority with respect to the count in the '025 interference. A1-10.
2. The Board also properly deemed the patentability of Respondents' claims to not be "relevant to the inquiry required by the Order to Show Cause." Pet. App. 63a-69a at 66a, n3.

REASONS FOR DENYING THE PETITION

The Board did not err in declaring interference—Respondents' claims were directed to patentable subject matter at the time that the '025 interference was declared. In addition, the Rule 36 affirmance by the Federal Circuit of the USPTO's decision is appropriate as entered without a written opinion. Moreover, interference proceedings under 35 U.S.C. § 135 (pre-AIA) do not violate Article III of

or the Seventh Amendment to the United States Constitution.

I. The '025 Interference Was Properly Declared Based on Patentable Subject Matter

A. The Board Did Not Err in Relying Upon the Examiner's Determination of Patentability Prior to Declaring Interference

Petitioners have asked this Court to decide “whether the [Board] must determine that a party’s claims are directed to patentable subject matter under 35 U.S.C. § 101 as a threshold jurisdictional prerequisite to declaring an interference.” Pet. 10. However, the cases cited by Petitioners only support the proposition that the USPTO generally must determine that claims are directed to patentable subject matter. Pet. 10-11. Petitioners have cited no cases that support the proposition that, after the Examiner indicates allowable subject matter, the Board must reconsider the Examiner’s patentability determination before interference is declared.

As a threshold matter, contrary to Petitioners’ statement that “none of Respondents’ claims was deemed patentable to the Examiner at the time the interference was declared” (Pet. 11), the Examiner clearly indicated that Respondents’ claims were allowable before the '025 interference was declared. More specifically, in the interview conducted April 27, 2015, the Examiner proposed an amendment to claim 12 to add the “white raphide”

limitation in an effort to obviate a rejection under 35 U.S.C. § 101, and Petitioners agreed to the amendment. Pet. App. 8a-14a. As a result, the Examiner stated that “[p]resent claims 12-16, 19-24 and 27-33 have been found to be *allowable*, pending an interference decision by the Board of Patent Appeals and Interferences.” Pet. App. 11a. (emphasis added). It is clear from the record that the Board considered the claims indicated to be allowable by the Examiner, *i.e.*, with the “white raphide” limitation therein, when it declared the ’025 interference. Pet. App. 63a-69a at 65a. In fact, had the Board found any ambiguity in the Examiner’s indication of patentability, the Board would have remanded the case to the Examiner for clarification before declaring the ’025 interference. As such, the Board did not err in declaring the ’025 interference because the requisite finding of patentability of Respondents’ claims had already occurred during *ex parte* examination before the Examiner. 37 C.F.R. § 41.202(c); *see also* 37 C.F.R. § 1.606 (July 1, 2004 Edition) (“Before an interference is declared . . . [t]he application must contain, or be amended to contain, at least one claim that is patentable over the prior art and corresponds to each count.”).

B. The Board’s Statutory Role in Determining Patentability Was Satisfied

To the extent that Petitioner is attempting to argue in their Petition that the Examiner erred in determining patentability and the Board itself should have reexamined Respondents’ claims prior

to declaring the '025 interference, Petitioner is again wrong. While the Board “*may* determine questions of patentability” in an interference proceeding (35 U.S.C. § 135 (pre-AIA) (emphasis added)), it only does so (a) after the conditions for declaring an interference exist, *i.e.*, after the Examiner determines that the claims in a pending patent application are patentable under 35 U.S.C. § 101 *et seq.*, and (b) if a party to an interference proceeding moves for such determination.

In other words, the Board is given discretionary authority to resolve patentability challenges under 35 U.S.C. § 135(a) (pre-AIA), but is not required to do so unless a party initiates such a challenge. Indeed, parties to an interference proceeding are provided the opportunity to argue that the initial determination of patentability by the Examiner was incorrect and that the claims are not, in fact, patentable. Under interference procedure, such a challenge is brought as a substantive motion raising a threshold issue during the motions phase of an interference. 37 C.F.R. §§ 41.208(a)(1), 41.123(a). However, the doctrine of interference estoppel may also play a role in closing the door on a party’s ability to raise such challenges before the Board.¹

It is important to note that the '025 interference was the second interference based on the same subject matter and involving the same

¹ Interference estoppel is a preliminary procedural bar and exists to prevent parties relitigating the merits of claims that could or should have been raised previously. 37 C.F.R. § 41.127(a).

parties. In the first interference, *i.e.*, the '982 interference, Petitioners were given ample opportunity to request that the Board determine the patentability of Respondents' claims, but failed to timely do so. In fact, Petitioners' list of proposed motions filed in January 2014 (A240-242) lacked any motion seeking judgment that Respondents' claims were unpatentable under 35 U.S.C. § 101. It was not until nine months later, on October 14, 2014, that Petitioners requested authorization from the Board to file such a motion. Not surprisingly, the request was denied by the Board as untimely. A240-242 (the Board noting that, although the new and purportedly relevant decision cited by Petitioners in its request for leave—*i.e.*, *Assoc. for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. ___, No. 12-938, slip op. at 11 (2013))—was issued in June 2013, Petitioners waited until only one week remained in the schedule for preliminary motions). Petitioners abandoned the contest in the '982 interference and chose to forego any reconsideration or appeal of the Board's judgment in the '982 interference.

When the '025 interference was declared based on the same subject matter and involving the same parties, the Board correctly ordered Petitioners to show cause why interference estoppel should not apply based on the '982 interference.² Pet. App. 29a-

² "Interference estoppel 'by judgment' applies where 'a losing party in a previous interference between the same parties' tries to patent a claim 'not patentably distinct from the counts in issue in that [prior] interference.'" *Biogen Idec MA, Inc. v. Japanese Foundation for Cancer Research*, No. 2014-1525, slip op. at 18-19 (Fed. Cir. May 7, 2015) (quoting *Woods v.*

31a. Petitioners failed to meet this burden and, in light of the abandonment of the '982 interference by Petitioner, the Board properly entered judgment against it without considering Petitioners' belated arguments regarding patentability under 35 U.S.C. § 101.

Whether or not interference estoppel applies turns on what has been litigated previously, not on the ultimate issue of whether the Respondents' claims are patent-eligible.^{3,4} Yet, Petitioners repeatedly seek to relitigate the issue of patentability under § 101 of Respondents' claims, first before the Board in the '025 interference, then in the appeal to the Federal Circuit, and now in their Petition to this Court. Whether Petitioners could have succeeded on the ultimate issue of patentability of Respondents' claims is irrelevant. The proper time for Petitioners to have raised any arguments regarding patentability of Respondents' claims under 35 U.S.C. § 101 was during the '982 interference—not in the '025 interference, not on appeal to the Federal Circuit, and certainly not in this Petition. Petitioners' argument that the Board committed

Tsuchiya, 754 F.2d 1571, 1579 (Fed. Cir. 1985) and citing *In re Deckler*, 977 F.2d 1449 (Fed. Cir. 1992)).

³ “[A] losing party who could have properly moved for relief on an issue, but did not so move, may not take action in the Office after the judgment that is inconsistent with that party’s failure to move” 37 C.F.R. § 41.127(a)(1).

⁴ A party’s failure to comply with the Board’s Rules may also lead to estoppel: “[t]he Rules were not designed to engender such perverse results [as giving the losing party to an interference] a second bite at the apple.” *Woods v. Tsuchiya*, 754 F.2d 1571, 1582 (Fed. Cir. 1985).

error by declining to resolve the patentability issue of Respondents' claims in the '025 interference is misplaced and completely ignores interference procedure and the estoppel created by Petitioners' own actions in the '982 interference.

In sum, there is no inequity to Petitioners here.⁵ Quite the contrary, it would be inequitable to Respondents for Petitioners not to be estopped from relitigating an issue that could have been resolved in the '982 interference but for the failure of Petitioners to timely raise the issue.

II. The Federal Circuit's Application of Rule 36 Does Not Warrant This Court's Review

The issue of whether the Federal Circuit may enter judgment without opinion under its Rule 36 does not present the type of important question of federal law that warrants this Court's review. *See* S. Ct. R. 10(c). In fact, this Court recently denied certiorari in two cases on appeal from the Federal Circuit involving the issue of whether the court is permitted to summarily affirm under Rule 36. *See Leak Surveys, Inc. v. Flir Systems, Inc.*, No. 17-194 (denying certiorari on October 10, 2017 on the question of "when is the Federal Circuit required to provide a statement of its reasons for affirming – in order to safeguard constitutional limits on the Federal Circuit's administrative appellate jurisdiction ..., and/or to comply with statutory

⁵ The applicability of interference estoppel "should be decided on the facts of each case with reference to principles of equity." *In re Kroekel*, 803 F.2d 705, 709 (Fed. Cir. 1986).

requirements”), and *Shore v. Lee*, No. 16-1240 (denying certiorari on May 31, 2017 on the question of whether the “Federal Circuit’s affirmance without opinion of the PTO’s rejection of petitioner’s patent application violates 35 U.S.C. § 144”). Petitioners brought forth no new legal arguments in their Petition that were not already argued by other petitioners in the recently denied petitions. The Court should deny certiorari on this issue in the present case as well because a written opinion would not help govern further proceedings in this case or add precedential value in future cases.

A. The Federal Circuit’s Application of Rule 36 to Issue a Judgment of Affirmance Without Opinion Is Consistent with 35 U.S.C. § 144

Petitioners contend that, under 35 U.S.C. § 144, the Federal Circuit is required to issue a written opinion in this case. In support of its interpretation of 35 U.S.C. § 144, Petitioners simply reiterate a portion of the statute and summarily state that the Federal Circuit should not issue an affirmance without a written opinion. *See* Pet. 12. Petitioners do not provide any reasoning or evidence to support its interpretation of the statute. Petitioners’ lack of evidence in this regard is not surprising considering that Petitioners’ interpretation is inconsistent with the statutory text and historical context of § 144.

Section 144 was put into effect to address how the Federal Circuit should give notice of dispositions in Board appeals. The statute specifies that upon

determination of an appeal from the USPTO, the Federal Circuit “shall issue to the Director its mandate and opinion, which shall be entered of record in the Patent and Trademark Office and shall govern the further proceedings in the case.” 35 U.S.C. § 144. However, the proper interpretation of § 144 does not require the Federal Circuit to issue an opinion in every appeal from a decision of the USPTO. Rather, the statute requires only that *when* the Federal Circuit writes an opinion in determining the outcome of an appeal, it must issue both the mandate and the opinion to the Director of the USPTO. In instances where there is no written opinion (for example, when the court issues a summary affirmance), the Federal Circuit must issue only the mandate. See Matthew J. Dowd, *An Examination of the Federal Circuit’s Use of Rule 36 Summary Affirmances*, 23-29 (Feb. 19, 2017), available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2920306.6.

This interpretation of § 144 is in accord with longstanding principles allowing courts control over their own operations. By statute, the Federal Circuit is authorized to “prescribe rules for the conduct of [its] business” so long as they are “consistent with Acts of Congress and rules of practice and procedure.” 28 U.S.C. § 2071(a). This Court has recognized that “[t]he courts of appeals should have wide latitude in their decisions of whether or how to write opinions,” and that this principle is “especially true with respect to summary affirmances.” *Taylor v. McKeithen*, 407 U.S. 191, 194 n.4 (1972). This Court has also provided federal courts of appeals broad “discretion to adopt local

rules.” *Frazier v. Heebe*, 482 U.S. 641, 645 (1987). Indeed, many other circuits have implemented rules similar to Federal Circuit Rule 36 that permit affirmance without a written opinion. *See, e.g.*, 1st Cir. R. 36.0(a); 2d Cir. R. 32.1.1; 5th Cir. R. 47.6; 6th Cir. R. 36; 7th Cir. R. 32.1; 8th Cir. R. 47B; 10th Cir. R. 36.1. A reading of § 144 that contains an implicit prohibition on the use of affirmances without opinion would be wholly inconsistent with Title 28, this Court’s precedent, and the wide latitude given to appellate courts in establishing their own procedures. Thus, § 144, when properly interpreted, does not require the Federal Circuit to issue an opinion in every appeal from a decision of the USPTO.

B. Further Proceedings Would Not Benefit From a Written Opinion

Apparently recognizing the lack of support for its interpretation of § 144, Petitioners argue that, assuming the Federal Circuit can issue an affirmance without opinion, 35 U.S.C. § 144 and Fed. Cir. Rule 36 provide two circumstances in which a written opinion should be required. *See* Pet. 13. In the context of § 144, Petitioners attempt to convince the Court that a written opinion must be provided “to the extent necessary to clarify the record and clarify what may happen in any further proceedings in the case in the USPTO.” *Id.*

However, a written opinion would not have helped to govern further proceedings in the present case or at the USPTO. In disposing of the present appeal, the Federal Circuit issued a Rule 36

judgment. Pet. App. 198a-199a. A summary affirmance may be used to communicate the court's judgment that the agency committed no legal error. *See* Fed. Cir. R. 36(d) and (e) (authorizing summary affirmance where "a judgment or decision has been entered without an error of law" or when "the decision of an administrative agency warrants affirmance under the standard of review in the statute authorizing the petition for review"). Similarly, a summary affirmance may be used to communicate that the court found no clear error in the underlying factual finding. *See* Fed. Cir. R. 36(a) (permitting summary affirmance under Rule 36 if the decision below "is based on findings that are not clearly erroneous"). Here, by summarily affirming the Board's judgment under Rule 36, the Federal Circuit clearly communicated that the Board did not commit legal error and/or there was no clear error in the underlying factual findings. Pet. App. 198a-199a. A written opinion explicitly stating the Federal Circuit's conclusion would add nothing to what is already implicit in the court's Rule 36 judgment and would certainly not benefit further proceedings at the USPTO. Accordingly, there is no reason for the court to issue a written opinion where it finds no error in the agency's decision and doing so would add nothing to the future body of law for further proceedings.

Petitioners' own fundamental misunderstanding of interference proceedings in general and, more specifically, the '025 interference, is also not a reason to require the Federal Circuit to issue a written opinion in this case. Petitioners argue that the Federal Circuit's "summary judgment

gives no guidance to the parties and the USPTO on key issues of *patentability* that were left unresolved.” Pet. 14 (emphasis added). However, simply put, there were no questions of patentability at issue in this case. In the ’025 interference, Petitioners were required to respond to an Order to Show Cause to show why judgment should not be entered against it and why the claims involved in the ’025 Interference should not be canceled under the doctrine of interference estoppel. Pet. App. 29a-31a. In response to the Order, Petitioners provided no evidence attempting to show that Petitioners’ claims were not anticipated or rendered obvious over the lost subject matter of the ’982 interference and instead presented arguments that Respondents’ claims were unpatentable under 35 U.S.C. § 101. Pet. App. 32a-55a at 44a-47a. The Board correctly indicated that patentability under 35 U.S.C. § 101 was irrelevant to the inquiry required by the Order to Show Cause and had no bearing on whether interference estoppel or an interference-in-fact exists. Pet. App. 66a, n. 3. Thus, contrary to Petitioners’ assertions, a written opinion would not provide guidance for further proceedings because no questions of patentability were at issue.

Moreover, to the extent Petitioner argues that a written opinion would help govern interference proceedings within the USPTO generally, this type of proceeding has been eliminated by the 2011 Leahy-Smith America Invents Act (“AIA”). The AIA amended 35 U.S.C. § 135 to eliminate patent interference proceedings for any claims having an effective filing date on or after March 16, 2013 except to the extent they are limited to the issue of

derivation. While there are a limited number of interference proceedings still pending at the USPTO, interferences have declined significantly over the past several years and will eventually become nonexistent.⁶ As such, it's difficult to see how a written opinion in the present interference case would have any benefit to future cases at the USPTO.

C. This Case Has No Precedential Value

Petitioners further argue that a written opinion should be provided “if the issue in question has sufficient precedential value.” Pet. 13. To the extent that Petitioners’ argument rests on the plain language of Federal Circuit Rule 36, Petitioners conveniently omit from their Petition the fact that, under the rule, the court has authority to enter a judgment of affirmance without a written opinion when “any of the following conditions exist and an opinion would have no precedential value: ... (d) the

⁶ According to appeal and interference statistics provided by the USPTO, the number of interferences pending has declined from 59 at the end of the 2011 fiscal year to 26 at the end of the 2016 fiscal year. See Appeal and Interference Statistics, USPTO (Mar. 31, 2017), <https://www.uspto.gov/sites/default/files/documents/Appeal%20and%20Interference%20Statistics%20-%20March%202017.pdf>. Additionally, while the number of interferences pending at the end of the 2017 fiscal year remains at 26, there were only four new interferences declared during the 2017 fiscal year. See Fiscal Year 2017 Receipts and Dispositions By Technology Centers Interferences, USPTO (last visited Nov. 15, 2017), https://www.uspto.gov/sites/default/files/documents/fy2017_oct_i.pdf.

decision of an administrative agency warrants affirmance under the standard of review in the statute authorizing the petition for review; or (e) a judgment or decision has been entered without an error of law.” Fed. Cir. R. 36 (emphasis added). Indeed, the court may issue a Rule 36 judgment without opinion when the opinion would have no precedential value and the court finds no ground to revisit the decision of the lower tribunal. *Id.*

This case has no precedential value. According to the Federal Circuit, for an opinion to be precedential, the decision must add significantly to the body of law. *See* Fed. Cir. R. 32.1(b). Here, the issues of whether the Board correctly found interference-in-fact and issued judgment against Petitioners without consideration of the patentability of Respondents’ claims based on interference estoppel involve fact intensive inquiries and are relevant only to the parties of the proceeding. As such, a written opinion in this case would add nothing to the future body of law.

Petitioners further contend that this case requires a written opinion because “the ’025 interference was declared and conducted by the Board in violation of the statutory requirements and long established precedents” and “[i]n the absence of a written opinion from the Federal Circuit, doubts remain as to whether this sort of Board’s practice is considered acceptable.” *Id.* (referring to its contention that the PTO must determine claims are directed to patentable subject matter prior to declaration of an interference). Contrary to Petitioners’ assertions, there is no evidence in the

record that suggests the Board declared the '025 interference in violation of statutory requirements. As explained during oral arguments, the Examiner proposed an amendment to Respondents' claim 12 to obviate a § 101 rejection and then issued an interview summary indicating that the claims were in condition for allowance with the "white raphide" limitation added into claim 12. *See* Fed. Cir. Oral Arg. 15:13-15:46; *see also* Pet. App. 8a-14a at 11a. This interview summary was mailed and available to the Board prior to declaration of the '025 interference. *Id.* The Board declared the '025 interference only after the Examiner indicated allowable subject matter. *Id.* Thus, it is clear from the record that the Board considered the patent eligible amended claims prior to declaring the '025 interference and did not violate statutory requirements or long established precedents.

III. Interference Proceedings Are Consistent with Article III of and the Seventh Amendment to the United States Constitution

The constitutionality of interference proceedings does not appear to have ever been raised in the courts and certainly has not ever been heard by this Court. This is not surprising given the fact that, for over a century, Congress has provided administrative mechanisms set out by statute in 35 U.S.C. § 135 (pre-AIA) that authorize the USPTO to determine priority of invention between two pending patent applications or a pending patent application

and an unexpired issued patent.⁷ Petitioner’s constitutional arguments do not warrant this Court’s first review of the challenge.

The Petitioner states that “[t]his Court has historically held that the only authority competent to set aside a patent is vested in Article III courts, and not in the USPTO.” Pet. 18. In doing so, the Petitioner relies upon two late 1800s cases from this Court, both of which predate the advent of interference practice under 35 U.S.C. § 135 (pre-AIA). In *United States v. American Bell Telephone Co.*, this Court held only that the Patent Act as it existed at the time did not provide a basis for the USPTO to cancel a patent based on the rejection of a later reissue patent application. 128 U.S. 315, 364 (1888). Similarly, the decision in *McCormick Harvesting Machine Co. v. Aultman*, rested on the lack of statutory authority of the USPTO to cancel a patent based on a rejection in a subsequent reissue application. 169 U.S. 606 (1898). Notably, in neither case did this Court forbid Congress to authorize the USPTO to adjudicate priority determinations and subsequently cancel patent based on those priority determinations. In fact, in *McCormick*, this Court noted that statutory authority would be required for the USPTO to cancel a patent. *Id.* at 612. Such authority was conferred

⁷ While somewhat rare, an interference can also involve two patents. Such a patent against patent interference falls outside of the jurisdiction of the USPTO and is instead handled by a federal district court. 35 U.S.C. § 291 (pre-AIA).

to the USPTO through legislation culminating in the interference statutory regime as we know it today.⁸

**A. Congressional Enactment of
Interference Regime Under 35
U.S.C. § 135 (pre-AIA) Is
Constitutional**

A patent interference governed by 35 U.S.C. § 135 (pre-AIA) is the mechanism chosen by Congress and enacted into law for determining whether the owner of an issued patent or the owner of a pending application is the rightful owner of the patent. The authority given to the USPTO under 35 U.S.C. § 135 (pre-AIA) is not in conflict with Article III.

This Court has made clear that “when Congress creates new statutory ‘public rights,’ it may assign their adjudication to an administrative agency with which a jury trial would be incompatible”⁹ *Atlas Roofing Co. v. Occupational Safety & Health Comm’n*, 430 U.S. 442, 455 (1977); *see also Northern Pipeline v. Marathon Pipe Line*, 458 U.S. 50, 87 (1982) (finding that “it is clear that when

⁸ Interference practice was first codified in the Patent Act of 1836. In fact, Section 8 of the Patent Act of 1836 established procedures for patent interference cases. Patent Act of 1836, Ch. 357, 5 Stat. 117 (July 4, 1836). The interference proceeding in this case is governed under 35 U.S.C. § 135 (pre-AIA).

⁹ Even a “seemingly private right” may be delegated to non-Article III courts as long as it “is so closely integrated into a public regulatory scheme as to be a matter appropriate for agency resolution with limited involvement by the Article III judiciary.” *Thomas v. Union Carbide Agric. Prods. Co.*, 473 U.S. 568, 571 (1985).

Congress creates a substantive federal right, it possesses substantial discretion to prescribe the manner in which that right may be adjudicated—including the assignment to an adjunct of some functions historically performed by judges.”). There appears to be no challenge by Petitioners in this regard. In addition, the authority of administrative agencies to determine public rights through “quasi-adjudicative” rather than examinational proceedings is not in question. *See, e.g., Thomas*, 473 U.S. at 587. Rather, Petitioners attempt to cast doubt on the constitutionality of interference proceedings by adopting the argument set forth by the petitioner in *Oil States Energy Services, LLC v. Greene’s Energy*, No. 16-712 (June 12, 2017), that patent rights are private rights and, thus, “do not fall within the scope of the public rights exception to Article III review.” Pet. 19.

This Court has explained that “what makes a right ‘public’ rather than private is that the right is integrally related to particular federal government action.” *Stern v. Marshall*, 564 U.S. 462, 490-491 (2011). A proceeding that authorizes the expert agency charged with allocating patent rights to take “a second look at an earlier administrative grant of a patent,” (*Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144 (2016)), is “integrally related” to the public-right scheme of patent issuance. *Stern*, 564 U.S. at 490.

In addition, this Court has long recognized that patent rights are public rights flowing from congressional legislation. *See, e.g., Gayler v. Wilder*, 51 U.S. 477, 494 (1850) (observing that “[t]he

[patent] monopoly did not exist at common law, and the rights, therefore, which may be exercised under it cannot be regulated by the rules of the common law. It is created by the act of Congress; and no rights can be acquired in it unless authorized by statute”). Indeed, patents grant rights that “exist only by virtue of statute.” *See Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 229, n. 5 (1964); *see also Crown Die & Tool Co. v. Nye Tool & Mach. Works*, 261 U.S. 24, 36 (1923).

Petitioners further argue that “[i]nterference proceedings are *inter partes* proceedings for the USPTO to determine . . . priority of an invention between private parties.” Pet. 19 (emphasis in original). To the extent that Petitioners are attempting to argue that disputes between private parties cannot be delegated to non-Article III courts, this Court has continued to apply the public rights doctrine to disputes between private parties in “cases in which the claim at issue derives from a federal regulatory scheme, or in which resolution of the claim by an expert government agency is deemed essential to a limited regulatory objective within the agency’s authority. . . .” *Stern*, 564 U.S. at 490-491. Interference proceedings derive from a federal regulatory scheme and resolution of interference proceedings by the Board is essential to a limited regulatory objective within the USPTO’s authority.

Notably, Petitioners have made no argument that Congress may authorize the USPTO to issue patents. Rather, Petitioners appear to make the argument that Congress may not authorize the USPTO to cancel claims once issued. However, a

proceeding that authorizes the expert agency charged with issuing patents to determine priority of invention and prevent two patents from issuing on the same invention is inextricably related to the public-right scheme of patent issuance. *See, e.g., Stern*, 564 U.S. at 490. Because patent rights are public rights that stem from a federal regulatory scheme, cancellation of claims after a determination of priority in an interference proceeding conducted by the Board is consistent with Article III.

B. The Seventh Amendment Does Not Act as an Independent Bar to the USPTO's Authority Conferred under 35 U.S.C. § 135 (pre-AIA)

Petitioners question whether “[t]his Court should review whether interference proceedings . . . violate the Seventh Amendment of U.S. Constitution.” Pet. 18. However, it is only when “the action *must* be tried under the auspices of an Article III court [that] . . . the Seventh Amendment affords the parties a right to a jury trial” *Granfinanciera, S.A. v. Nordberg*, 492 U.S. 33, 53 (1989) (emphasis added). In other words, as long as Congress has properly assigned “the adjudication of a statutory cause of action to a non-Article III tribunal, which it has as discussed above, then the Seventh Amendment *poses no independent bar* to the adjudication of that action by a nonjury factfinder.” *Id.* at 53-54 (emphasis added). Indeed, as explained by this Court, the Seventh Amendment does not prevent Congress “from committing some new types of litigation to administrative agencies with special competence in the relevant field [] even if the

Seventh Amendment would have required a jury where the adjudication of those rights is assigned instead to a federal court of law.” *Atlas Roofing*, 430 U.S. at 455. In fact, the Seventh Amendment was never intended to establish the jury as the exclusive mechanism for factfinding in civil cases. *Id.* at 460.

An interference proceeding before the Board is exactly the type of “litigation” that Congress has the power to commit to an administrative agency with special competence in the relevant field. Interference practice has been described as “highly specialized” and “virtually incomprehensible to the uninitiated.” *See, e.g., Human Genome Sciences, Inc. v. Genentech, Inc.*, 589 F. Supp.2d 512, 514 (D. Del. 2008) (citing Patents and Federal Circuit, Fourth Edition, Robert L. Harmon, § 15.2 at 724-25 (1999)). As such, administrative patent judges at the Board must be qualified and specialized.¹⁰ Similar to district court litigation, the proceedings typically include motions, cross-examination depositions, briefing, and an oral hearing before a panel of three administrative patent judges (*see, e.g.,* 37 C.F.R. § 1.640 (July 1, 2004 Edition)) and may settle (35 U.S.C. § 135(c) (pre-AIA)). The patent interference proceeding concludes with an opinion by the Board stating which party is entitled to a patent containing claims covering the disputed invention. *See, e.g.,* 37 C.F.R. § 1.658 (July 1, 2004 Edition). The determination of priority leads to a final judgment and cancellation of claims for one of the parties

¹⁰ The administrative patent judges on the Board are required to have competent legal knowledge and scientific ability. 35 U.S.C. § 6(a) (pre-AIA).

involved in the interference. 35 U.S.C. § 135(a) (pre-AIA). Since the administrative scheme at issue here comports with Article III, the Seventh Amendment “poses no independent bar” to interference proceedings before the Board. *Granfinanciera*, 492 U.S. at 54.

C. Article III Courts Have Extensive Involvement in Reviewing the Board’s Ruling

Any concern that interference proceedings before the Board impinge on Article III judicial power is also unfounded since the Board judgment is appealable. In fact, interference practice is an “administrative process by which the PTO has jurisdiction *in the first instance* to determine priority of invention.” *Human Genome Sciences*, 589 F. Supp.2d at 514 (emphasis added). A party not satisfied with the Board’s judgment may pursue an appeal to the U.S. Court of Appeals for the Federal Circuit. 35 U.S.C. § 141 (pre-AIA). Pursuant to the Administrative Procedure Act, the Federal Circuit reviews “the Board’s compliance with governing legal standards *de novo* and its underlying factual determinations for substantial evidence.”¹¹ *Randall Mfg. v. Rea*, 733 F.3d 1355, 1362 (Fed. Cir. 2013).

¹¹ Under the substantial evidence review standard, the Federal Circuit ensures meaningful appellate scrutiny by demanding that the Board “provide ‘a reasoned basis for [the PTO’s] action’” so that the appellate court may “see that the agency has done its job.” *In re Nuvasive, Inc.*, 842 F.3d 1376, 1383 (Fed. Cir. 2016).

Alternatively, a final interference decision by the Board can be appealed to a federal district court pursuant to 35 U.S.C. § 146 (pre-AIA).¹² In a § 146 action, the record before the Board is admitted into evidence and the statute expressly affords the parties the right to take further testimony within certain limits. *See, e.g., Agilent Tech., Inc. v. Affymetrix, Inc.*, 567 F.3d 1366, 1379 (Fed. Cir. 2009). Questions of law are reviewed *de novo* and underlying factual determinations made by the Board are reviewed for clear error. *See, e.g., Winner Int’l Royalty Corp. v. Wang*, 202 F.3d 1340, 1348 (Fed. Cir. 2000). If the district court accepts new evidence not previously before the Board, the court must make *de novo* factual findings for issues related to the new evidence. *See, e.g., Spine v. Biedermann Motech GmbH*, 684 F. Supp.2d 68, 80 (D.D.C. 2010). Accordingly, a § 146 action has been “described as a hybrid of an appeal and a trial *de novo*.” *Estee Lauder Inc. v. L’Oreal, S.A.*, 129 F.3d 588, 592 (Fed. Cir. 1997).

As such, the position taken by Petitioners that interference proceedings are unconstitutional because the authority to determine priority of invention and ultimately cancel claims of patent based on that determination rests solely with a non-

¹² This alternative appeal route for interference proceedings does not exist for post-grant reviews and *inter partes* reviews under the America Invents Act. In particular, “[a] party to an inter partes review or a post-grant review who is dissatisfied with the final written decision of the Patent Trial and Appeal Board under section 318(a) or 328(a) (as the case may be) may appeal the Board’s decision *only* to the United States Court of Appeals for the Federal Circuit. 35 U.S.C. § 141(c).

Article III tribunal should be further discredited by the extensive involvement of the Article III appeals court in reviewing the Board's rulings. *See Executive Benefits Ins. Agency v. Arkison*, 134 S. Ct. 2165, 2175 (2014) (holding that *de novo* review by district court obviated concern that non-Article III official initially adjudicated the parties' dispute).

CONCLUSION

The petition for a writ of certiorari should be denied.

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APPENDIX

**CONSTITUTIONAL PROVISIONS,
STATUTORY PROVISIONS,
AND REGULATIONS INVOLVED**

Article III of the United States Constitution

Section 1.

The judicial power of the United States, shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish. The judges, both of the supreme and inferior courts, shall hold their offices during good behaviour, and shall, at stated times, receive for their services, a compensation, which shall not be diminished during their continuance in office.

Section 2.

The judicial power shall extend to all cases, in law and equity, arising under this Constitution, the laws of the United States, and treaties made, or which shall be made, under their authority;--to all cases affecting ambassadors, other public ministers and consuls;--to all cases of admiralty and maritime jurisdiction;--to controversies to which the United States shall be a party;--to controversies between two or more states;--between a state and citizens of another state;--between citizens of different states;--between citizens of the same state claiming lands

under grants of different states, and between a state, or the citizens thereof, and foreign states, citizens or subjects.

In all cases affecting ambassadors, other public ministers and consuls, and those in which a state shall be party, the Supreme Court shall have original jurisdiction. In all the other cases before mentioned, the Supreme Court shall have appellate jurisdiction, both as to law and fact, with such exceptions, and under such regulations as the Congress shall make.

The trial of all crimes, except in cases of impeachment, shall be by jury; and such trial shall be held in the state where the said crimes shall have been committed; but when not committed within any state, the trial shall be at such place or places as the Congress may by law have directed.

Section 3.

Treason against the United States, shall consist only in levying war against them, or in adhering to their enemies, giving them aid and comfort. No person shall be convicted of treason unless on the testimony of two witnesses to the same overt act, or on confession in open court.

The Congress shall have power to declare the punishment of treason, but no attainder of treason shall work corruption of blood, or

forfeiture except during the life of the person attainted.

The Seventh Amendment to the United States Constitution

In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise re-examined in any Court of the United States, than according to the rules of the common law.

28 U.S.C. § 2071(a)

(a) The Supreme Court and all courts established by Act of Congress may from time to time prescribe rules for the conduct of their business. Such rules shall be consistent with Acts of Congress and rules of practice and procedure prescribed under section 2072 of this title.

35 U.S.C. § 6(a) (pre-AIA)

(a) ESTABLISHMENT AND COMPOSITION.— There shall be in the United States Patent and Trademark Office a Board of Patent Appeals and Interferences. The Director, the Deputy Director, the Commissioner for Patents, the Commissioner for Trademarks, and the administrative patent judges shall constitute the Board. The administrative patent judges shall be persons

of competent legal knowledge and scientific ability who are appointed by the Secretary of Commerce, in consultation with the Director.

35 U.S.C. § 101

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

35 U.S.C. § 135 (Pre-America Invents Act of 2011(“pre-AIA”))

(a) Whenever an application is made for a patent which, in the opinion of the Director, would interfere with any pending application, or with any unexpired patent, an interference may be declared and the Director shall give notice of such declaration to the applicants, or applicant and patentee, as the case may be. The Board of Patent Appeals and Interferences shall determine questions of priority of the inventions and may determine questions of patentability. Any final decision, if adverse to the claim of an applicant, shall constitute the final refusal by the Patent and Trademark Office of the claims involved, and the Director may issue a patent to the applicant who is adjudged the prior inventor. A final judgment adverse to a patentee from which no appeal or other review has been or can be taken or had shall constitute

cancellation of the claims involved in the patent, and notice of such cancellation shall be endorsed on copies of the patent distributed after such cancellation by the Patent and Trademark Office.

(b)

(1) A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an issued patent may not be made in any application unless such a claim is made prior to one year from the date on which the patent was granted.

(2) A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an application published under section 122(b) may be made in an application filed after the application is published only if the claim is made before 1 year after the date on which the application is published.

(c) Any agreement or understanding between parties to an interference, including any collateral agreements referred to therein, made in connection with or in contemplation of the termination of the interference, shall be in writing and a true copy thereof filed in the Patent and Trademark Office before the termination of the interference as between the said parties to the agreement or understanding. If any party filing the same so requests, the copy shall be kept separate from the file of the interference, and made available

only to Government agencies on written request, or to any person on a showing of good cause. Failure to file the copy of such agreement or understanding shall render permanently unenforceable such agreement or understanding and any patent of such parties involved in the interference or any patent subsequently issued on any application of such parties so involved. The Director may, however, on a showing of good cause for failure to file within the time prescribed, permit the filing of the agreement or understanding during the six-month period subsequent to the termination of the interference as between the parties to the agreement or understanding.

The Director shall give notice to the parties or their attorneys of record, a reasonable time prior to said termination, of the filing requirement of this section. If the Director gives such notice at a later time, irrespective of the right to file such agreement or understanding within the six-month period on a showing of good cause, the parties may file such agreement or understanding within sixty days of the receipt of such notice.

Any discretionary action of the Director under this subsection shall be reviewable under section 10 of the Administrative Procedure Act.

(d) Parties to a patent interference, within such time as may be specified by the Director

by regulation, may determine such contest or any aspect thereof by arbitration. Such arbitration shall be governed by the provisions of title 9 to the extent such title is not inconsistent with this section. The parties shall give notice of any arbitration award to the Director, and such award shall, as between the parties to the arbitration, be dispositive of the issues to which it relates. The arbitration award shall be unenforceable until such notice is given. Nothing in this subsection shall preclude the Director from determining patentability of the invention involved in the interference.

35 U.S.C. § 141 (pre-AIA)

An applicant dissatisfied with the decision in an appeal to the Board of Patent Appeals and Interferences under section 134 of this title may appeal the decision to the United States Court of Appeals for the Federal Circuit. By filing such an appeal the applicant waives his or her right to proceed under section 145 of this title. A patent owner, or a third-party requester in an inter partes reexamination proceeding, who is in any reexamination proceeding dissatisfied with the final decision in an appeal to the Board of Patent Appeals and Interferences under section 134 may appeal the decision only to the United States Court of Appeals for the Federal Circuit. A party to an interference dissatisfied with the decision of the Board of Patent Appeals and Interferences on the interference may appeal

the decision to the United States Court of Appeals for the Federal Circuit, but such appeal shall be dismissed if any adverse party to such interference, within twenty days after the appellant has filed notice of appeal in accordance with section 142 of this title, files notice with the Director that the party elects to have all further proceedings conducted as provided in section 146 of this title. If the appellant does not, within thirty days after filing of such notice by the adverse party, file a civil action under section 146, the decision appealed from shall govern the further proceedings in the case.

35 U.S.C. § 141(c)

(c) Post-Grant and Inter Partes Reviews.—

A party to an inter partes review or a post-grant review who is dissatisfied with the final written decision of the Patent Trial and Appeal Board under section 318(a) or 328(a) (as the case may be) may appeal the Board's decision only to the United States Court of Appeals for the Federal Circuit.

35 U.S.C. § 144

The United States Court of Appeals for the Federal Circuit shall review the decision from which an appeal is taken on the record before the Patent and Trademark Office. Upon its determination the court shall issue to the Director its mandate and opinion, which shall

be entered of record in the Patent and Trademark Office and shall govern the further proceedings in the case.

35 U.S.C. § 146 (pre-AIA)

Any party to an interference dissatisfied with the decision of the Board of Patent Appeals and Interferences on the interference, may have remedy by civil action, if commenced within such time after such decision, not less than sixty days, as the Director appoints or as provided in section 141, unless he has appealed to the United States Court of Appeals for the Federal Circuit, and such appeal is pending or has been decided. In such suits the record in the Patent and Trademark Office shall be admitted on motion of either party upon the terms and conditions as to costs, expenses, and the further cross-examination of the witnesses as the court imposes, without prejudice to the right of the parties to take further testimony. The testimony and exhibits of the record in the Patent and Trademark Office when admitted shall have the same effect as if originally taken and produced in the suit.

Such suit may be instituted against the party in interest as shown by the records of the Patent and Trademark Office at the time of the decision complained of, but any party in interest may become a party to the action. If there be adverse parties residing in a plurality of districts not embraced within the same

state, or an adverse party residing in a foreign country, the United States District Court for the Eastern District of Virginia shall have jurisdiction and may issue summons against the adverse parties directed to the marshal of any district in which any adverse party resides. Summons against adverse parties residing in foreign countries may be served by publication or otherwise as the court directs. The Director shall not be a necessary party but he shall be notified of the filing of the suit by the clerk of the court in which it is filed and shall have the right to intervene. Judgment of the court in favor of the right of an applicant to a patent shall authorize the Director to issue such patent on the filing in the Patent and Trademark Office of a certified copy of the judgment and on compliance with the requirements of law.

35 U.S.C. § 291 (pre-AIA)

The owner of an interfering patent may have relief against the owner of another by civil action, and the court may adjudge the question of validity of any of the interfering patents, in whole or in part. The provisions of the second paragraph of section 146 shall apply to actions brought under this section.

37 C.F.R. § 1.606 (July 1, 2004 Edition)

Interference between an application and a patent; subject matter of the interference.

Before an interference is declared between an application and an unexpired patent, an examiner must determine that there is interfering subject matter claimed in the application and the patent which is patentable to the applicant subject to a judgment in the interference. The interfering subject matter will be defined by one or more counts. The application must contain, or be amended to contain, at least one claim that is patentable over the prior art and corresponds to each count. The claim in the application need not be, and most often will not be, identical to a claim in the patent. All claims in the application and patent which define the same patentable invention as a count shall be designated to correspond to the count.

37 C.F.R. § 1.640 (July 1, 2004 Edition)

Motions, hearing and decision, redeclaration of interference, order to show cause.

(a) A hearing on a motion may be held in the discretion of the administrative patent judge. The administrative patent judge shall set the date and time for any hearing. The length of oral argument at a hearing on a motion is a matter within the discretion of the administrative patent judge. An administrative patent judge may direct that a hearing take place by telephone.

(b) Unless an administrative patent judge or the Board is of the opinion that an earlier decision on a preliminary motion would materially advance the resolution of the

interference, decision on a preliminary motion shall be deferred to final hearing. Motions not deferred to final hearing will be decided by an administrative patent judge. An administrative patent judge may consult with an examiner in deciding motions. An administrative patent judge may take up motions for decisions in any order, may grant, deny, or dismiss any motion, and may take such other action which will secure the just, speedy, and inexpensive determination of the interference. A matter raised by a party in support of or in opposition to a motion that is deferred to final hearing will not be entitled to consideration at final hearing unless the matter is raised in the party's brief at final hearing. If the administrative patent judge determines that the interference shall proceed to final hearing on the issue of priority or derivation, a time shall be set for each party to file a paper identifying any decisions on motions or on matters raised sua sponte by the administrative patent judge that the party wishes to have reviewed at final hearing as well as identifying any deferred motions that the party wishes to have considered at final hearing. Any evidence that a party wishes to have considered with respect to the decisions and deferred motions identified by the party or by an opponent for consideration or review at final hearing shall be filed or, if appropriate, noticed under Sec. 1.671(e) during the testimony-in-chief period of the party.

(1) When appropriate after the time expires for filing replies to oppositions to preliminary motions, the administrative patent judge will set a time for filing any amendment to an application involved in the interference and for filing a supplemental preliminary statement as to any new counts which may become involved in the interference if a preliminary motion to amend or substitute a count has been filed. Failure or refusal of a party to timely present an amendment required by an administrative patent judge shall be taken without further action as a disclaimer by that party of the invention involved. A supplemental preliminary statement shall meet the requirements specified in Sec. 1.623, 1.624, 1.625, or 1.626, but need not be filed if a party states that it intends to rely on a preliminary statement previously filed under Sec. 1.621(a). At an appropriate time in the interference, and when necessary, an order will be entered redeclaring the interference.

(2) After the time expires for filing preliminary motions, a further preliminary motion under Sec. 1.633 will not be considered except as provided by Sec. 1.645(b).

(c) When a decision on any motion under Sec. 1.633, 1.634, or 1.635 or on any matter raised sua sponte by an administrative patent judge is entered which does not result in the issuance of an order to show cause under paragraph (d) of this section, a party may file

a request for reconsideration within 14 days after the date of the decision. The request for reconsideration shall be filed and served by hand or Express Mail. The filing of a request for reconsideration will not stay any time period set by the decision. The request for reconsideration shall specify with particularity the points believed to have been misapprehended or overlooked in rendering the decision. No opposition to a request for reconsideration shall be filed unless requested by an administrative patent judge or the Board. A decision ordinarily will not be modified unless an opposition has been requested by an administrative patent judge or the Board. The request for reconsideration normally will be acted on by the administrative patent judge or the panel of the Board which issued the decision.

(d) An administrative patent judge may issue an order to show cause why judgment should not be entered against a party when:

(1) A decision on a motion or on a matter raised sua sponte by an administrative patent judge is entered which is dispositive of the interference against the party as to any count;

(2) The party is a junior party who fails to file a preliminary statement; or

(3) The party is a junior party whose preliminary statement fails to overcome the effective filing date of another party.

(e) When an order to show cause is issued under paragraph (d) of this section, the Board shall enter judgment in accordance with the order unless, within 20 days after the date of the order, the party against whom the order issued files a paper which shows good cause why judgment should not be entered in accordance with the order.

(1) If the order was issued under paragraph (d)(1) of this section, the paper may:

(i) Request that final hearing be set to review any decision which is the basis for the order as well as any other decision of the administrative patent judge that the party wishes to have reviewed by the Board at final hearing or

(ii) Fully explain why judgment should not be entered.

(2) Any opponent may file a response to the paper within 20 days of the date of service of the paper. If the order was issued under paragraph (d)(1) of this section and the party's paper includes a request for final hearing, the opponent's response must identify every decision of the administrative patent judge that the opponent wishes to have reviewed by the Board at a final hearing. If the order was issued under paragraph (d)(1) of this section and the paper does not include a request for final hearing, the opponent's response may include a request for final hearing, which

must identify every decision of the administrative patent judge that the opponent wishes to have reviewed by the Board at a final hearing. Where only the opponent's response includes a request for a final hearing, the party filing the paper shall, within 14 days from the date of service of the opponent's response, file a reply identifying any other decision of the administrative patent judge that the party wishes to have reviewed by the Board at a final hearing.

(3) The paper or the response should be accompanied by a motion (Sec. 1.635) requesting a testimony period if either party wishes to introduce any evidence to be considered at final hearing (Sec. 1.671). Any evidence that a party wishes to have considered with respect to the decisions and deferred motions identified for consideration or review at final hearing shall be filed or, if appropriate, noticed under Sec. 1.671(e) during the testimony period of the party. A request for a testimony period shall be construed as including a request for final hearing.

(4) If the paper contains an explanation of why judgment should not be entered in accordance with the order, and if no party has requested a final hearing, the decision that is the basis for the order shall be reviewed based on the contents of the paper and the response. If the paper fails to show good cause, the

Board shall enter judgment against the party against whom the order issued.

37 C.F.R. § 1.658 (July 1, 2004 Edition)

Final decision.

(a) After final hearing, the Board shall enter a decision resolving the issues raised at final hearing. The decision may enter judgment, in whole or in part, remand the interference to an administrative patent judge for further proceedings, or take further action not inconsistent with law. A judgment as to a count shall state whether or not each party is entitled to a patent containing the claims in the party's patent or application which correspond to the count. When the Board enters a decision awarding judgment as to all counts, the decision shall be regarded as a final decision for the purpose of judicial review (35 U.S.C. 141-144, 146) unless a request for reconsideration under paragraph (b) of this section is timely filed.

(b) Any request for reconsideration of a decision under paragraph (a) of this section shall be filed within one month after the date of the decision. The request for reconsideration shall specify with particularity the points believed to have been misapprehended or overlooked in rendering the decision. Any opposition to a request for reconsideration shall be filed within 14 days of the date of service of the request for

reconsideration. Service of the request for reconsideration shall be by hand or Express Mail. The Board shall enter a decision on the request for reconsideration. If the Board shall be of the opinion that the decision on the request for reconsideration significantly modifies its original decision under paragraph (a) of this section, the Board may designate the decision on the request for reconsideration as a new decision. A decision on reconsideration is a final decision for the purpose of judicial review (35 U.S.C. 141-144, 146).

(c) A judgment in an interference settles all issues which (1) were raised and decided in the interference, (2) could have been properly raised and decided in the interference by a motion under Sec. 1.633 (a) through (d) and (f) through (j) or Sec. 1.634, and (3) could have been properly raised and decided in an additional interference with a motion under Sec. 1.633(e). A losing party who could have properly moved, but failed to move, under Sec. 1.633 or 1.634, shall be estopped to take ex parte or inter partes action in the Patent and Trademark Office after the interference which is inconsistent with that party's failure to properly move, except that a losing party shall not be estopped with respect to any claims which correspond, or properly could have corresponded, to a count as to which that party was awarded a favorable judgment.

37 C.F.R. § 41.123(a)

Default filing times.

(a) A motion, other than a miscellaneous motion, may only be filed according to a schedule the Board sets. The default times for acting are:

(1) An opposition is due 30 days after service of the motion.

(2) A reply is due 30 days after service of the opposition.

(3) A responsive motion is due 30 days after the service of the motion.

37 C.F.R. § 41.127(a)(1)

Judgment.

(a) Effect within Office—(1) Estoppel. A judgment disposes of all issues that were, or by motion could have properly been, raised and decided. A losing party who could have properly moved for relief on an issue, but did not so move, may not take action in the Office after the judgment that is inconsistent with that party's failure to move, except that a losing party shall not be estopped with respect to any contested subject matter for which that party was awarded a favorable judgment.

37 C.F.R. § 41.202(c)

(c) Examiner. An examiner may require an applicant to add a claim to provoke an interference. Failure to satisfy the requirement within a period (not less than one month) the examiner sets will operate as a concession of priority for the subject matter of the claim. If the interference would be with a patent, the applicant must also comply with paragraphs (a)(2) through (a)(6) of this section. The claim the examiner proposes to have added must, apart from the question of priority under 35 U.S.C. 102(g):

(1) Be patentable to the applicant, and

(2) Be drawn to patentable subject matter claimed by another applicant or patentee.

37 C.F.R. § 41.208(a)(1)

Content of substantive and responsive motions.

The general requirements for motions in contested cases are stated at § 41.121(c).

(a) In an interference, substantive motions must:

(1) Raise a threshold issue,

Federal Circuit Rule 36

Rule 36. Entry of Judgment – Judgment of Affirmance Without Opinion

The court may enter a judgment of affirmance without opinion, citing this rule, when it determines that any of the following conditions exist and an opinion would have no precedential value:

(a) the judgment, decision, or order of the trial court appealed from is based on findings that are not clearly erroneous;

(b) the evidence supporting the jury's verdict is sufficient;

(c) the record supports summary judgment, directed verdict, or judgment on the pleadings;

(d) the decision of an administrative agency warrants affirmance under the standard of review in the statute authorizing the petition for review; or

(e) a judgment or decision has been entered without an error of law.