

Introduction to And Current Issues in Interference Practice

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I. Introduction

1. When two or more inventive entities have made the same or substantially the same invention at at least substantially the same time such that each would be entitled to a U.S. patent but for the existence of the others, an interference is an administrative proceeding before the BPAI instituted to decide which (if any) of the interferents is entitled to a patent.

I. Introduction

cont.

2. Interference practice is complex. This is an introduction only. It's not even a primer.
3. I welcome questions during my presentation.
4. Interferences are expensive relative to ex parte prosecution, but they are bargains relative to district court infringement litigation.

I. Introduction

cont.

5. Interferences can decide any validity or enforceability question that could be decided in a district court infringement litigation.
6. Costs are front-end loaded, and there is no time for leisurely settlement negotiations before incurring serious costs.

II. The New Rules and the New Standing Orders

1. The new rules were effective on September 13, 2004.
2. A new Standing Order went into effect on January 03, 2006.
3. The APJs are still tinkering with the Standing Order--which is a good thing.
4. The new rules and the new standing order contain more information and direction than the old rules and the old standing order in some regards and less in others. **READ THEM!**

III. Priority

1. The first to reduce to practice wins unless the second to reduce to practice (a) conceived first and (b) was continuously diligent from just prior to the other party's conception to its own, subsequent reduction to practice.
2. A reduction to practice can be actual or constructive.
3. ARP: you built it, you tested it, and it worked.

III. Priority

cont.

4. CRP: you filed a patent application, either foreign or domestic, that adequately disclosed at least one embodiment within the scope of the count, and
 - a) if a foreign application, you filed a timely U.S. application claiming the benefit of its filing date, or
 - b) if a U.S. application, you did not thereafter abandon that application without filing a proper continuation

III. Priority

cont.

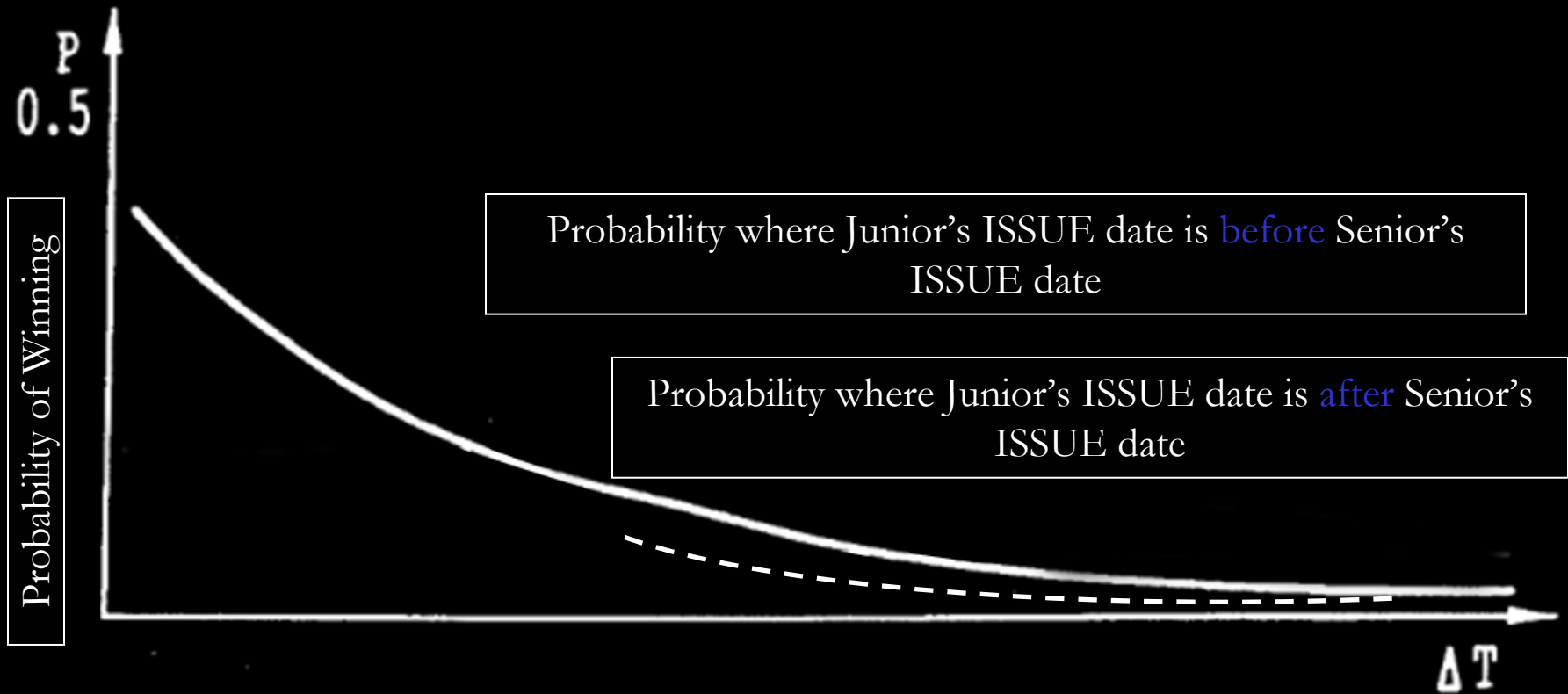
5. There are two kinds of diligence. Classical diligence is from just prior to the other side's "entry into the field" till your own reduction to practice. Peeler diligence is from your ARP to your CRP.
6. The standards for classical diligence are quite high.
7. The standards for Peeler diligence (i.e., the absence of suppression or concealment) are quite low.

III. Priority

cont.

8. The burden of proof depends on the relationship between the junior party's filing date and the senior party's issue date. If the junior party's filing date is BEFORE the senior party's issue date, the burden of proof is the preponderance of the evidence. If the junior party's filing date is AFTER the senior party's issue date, it is clear and convincing evidence.
9. The probability of a junior party's winning as to priority is a classic decay curve as a function of ΔT :

Chance of Winning as to Priority by Junior Party in an Interference as a Function of ΔT



III. Priority

cont.

10. In the first case, even if the junior party is junior by one day, its probability of winning as to priority is significantly less than 0.5 because it has the burden of proof.
11. Note that, by definition, ΔT is always large in the second case. However, the junior party's filing date cannot be more than a year after the senior party's issue date or the senior party's patent will be a 35 USC 102(b) bar to the junior party.
12. So, should junior parties always give up? No!

$$V = P_w (V_w) - C$$

IV. Inventorship

1. See Sewall v. Walters, 21 F.3d 411, 30 USPQ2d 1356 (Fed. Cir. 1994) (Rich, J.).
2. These interferences are often in the form of A v. A+B, and often neither party raises any patentability issues.
3. Often a patent to A has issued, B thinks he is a joint inventor, and A doesn't.

IV. Inventorship

cont.

4. If B wins, and he has not assigned his rights to the same entity to which A has assigned his rights, B gets to license the invention independently of A's assignee.
5. See Frugoli v. Fougnyes, 74 USPQ2d 1716 (D. Ariz. 2004).

V. Derivation

1. Does not mean theft of invention.
2. Usually, it means that the assignees at least used to be friendly and that they had some kind of voluntary interaction in the past.
3. Sometimes it means that some employee has shot off his or her mouth.

V. Derivation

cont.

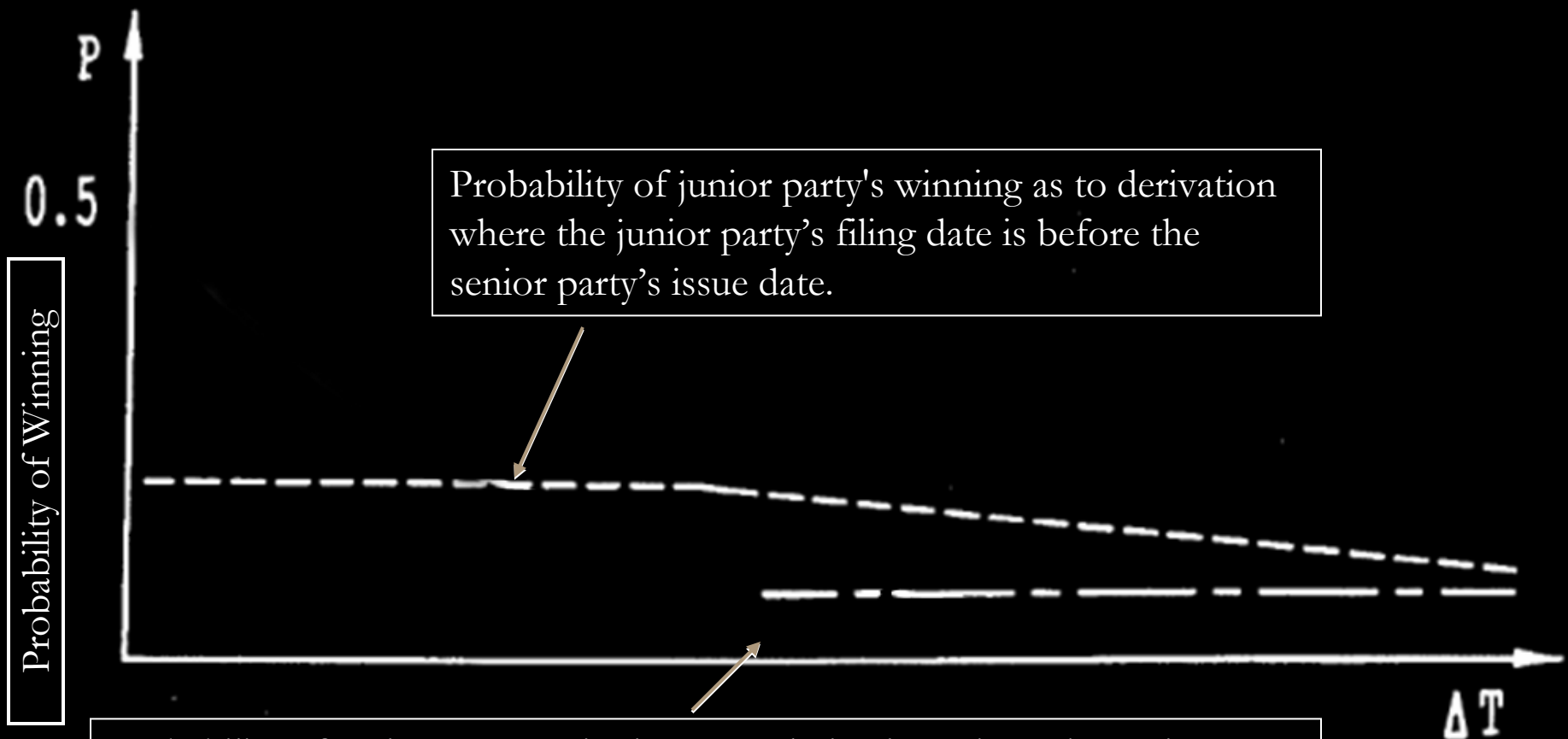
4. Supposedly, the burden of proving derivation is the preponderance of the evidence in the usual case and clear and convincing evidence in the unusual case.
5. It feels like clear and convincing evidence in the usual case and beyond a reasonable doubt in the unusual case.

V. Derivation

cont.

6. See Gholz, How Hard Is It, Really, to Prove Derivation, 10 Intellectual Property Today No. 12 at page 18 (2003).
7. ΔT is relevant in fact if not in law.

Probability of Winning as to Derivation as a Function of ΔT



Probability of junior party's winning as to derivation where the junior party's filing date is after the senior party's issue date (note that, by definition, ΔT is always large in this case but that the junior party's filing date cannot be more than a year after the senior party's issue date or the senior party's patent will be a 35 USC 102(b) bar to the junior party).

VI. Depositions Abroad

1. The Trial Section is extremely hostile to taking depositions abroad.
2. Leave to take depositions abroad must be sought by motion, and the APJs often impose onerous conditions.

VI. Depositions Abroad

cont.

3. Taking depositions abroad is often extremely convenient for the parties-- i.e., for the Trial Section's "customers."
4. See Gholz, Producing Witnesses in an Interference for Cross-Examination Abroad, 7 Intellectual Property Today No. 5 at page 6 (2000).

VI. Depositions Abroad

cont.

5. Why?!
6. See Lowry v. Frazer, 75 USPQ2d 1797 (PTO BPAI 2004), for Trial Section's explanation.
7. I don't buy it.

VII. Tricky Tactics

1. Some practitioners have gone way over the line.
2. See Gholz and Herman, There Are Limits to How Tricky One's Questioning Can Be, 12 Intellectual Property Today No. 2 at page 16 (2006).

VIII. When Does Reliance on Attorney Diligence Waive the Attorney-Client Privilege?

1. In Ginter v. Benson, the board said that it doesn't.
2. See Gholz, When Does Reliance on Attorney Diligence Waive the Attorney-Client Privilege?, 13 Intellectual Property Today No. 4 at page 24 (2006).

IX. The Effect of Judgments in 35 USC 146 Actions

1. The board is very reluctant to follow the judgments of district courts in 35 USC 146 actions.
2. See Gholz, When (If Ever) Is the Judgment of a District Court in a 35 USC 146 Action Binding on the Board?, 13 Intellectual Property Today No. 5 at page 30 (2006).
3. The Solicitor should intervene more frequently.

X. Interferents Should Be Able to Participate in Each Other's Post-Interference Ex Parte Prosecution

1. Examiners have little experience with interference estoppel and are not good at applying it.
2. Participation By A Victorious Interferent In the Losing Interferent's Post-Interference Prosecution, 14 Intellectual Property Today No. 1 at page 39 (2007).

XI. The Interference Bar Is (and Should Remain!) a Civil Bar

1. We are expected to co-operate!
2. Gholz and Gasser, Representing a Client Zealously Versus Collegiality, 14 Intellectual Property Today No. 2 at page 35 (2007).

XII. What Do You Have to Tell the APJ About Your Client?

1. SO 8.1 says that you have to file “a notice of any and all right, title, or interest in any application or patent involved in the contested case.”
2. Gholz and Wilcox, What Does “Any and All Right, Title, or Interest” Mean?, 14 Intellectual Property Today No. 5 at page 16 (2007).

XIII. What's It All About, Anyway?

1. The Trial Section is fighting tooth and nail to limit the scope of interferences.
2. Why?
3. Allegedly because the proposed enhanced post-grant “opposition” proceedings will fill the gap.

XIII. What's It All About, Anyway?

cont.

4. What should be done in the meantime?
5. The Trial Section should be fighting tooth and nail to serve its “customers” by using interferences to fill the gap!

XIV. The Proposed Post-Grant Opposition Proceeding

1. Actually, they will be cancellation proceedings.
2. Note that there will also be “Inventor’s Rights Contests” to decide (1) allegations of derivation, (2) inventorship disputes, and, perhaps (3) which party is entitled to what priority date in cases of interleaving priorities.

XIV. The Proposed Post-Grant Opposition Proceeding cont.

3. Will the proposed Post-Grant Opposition Proceedings be or will they not be replacements for a significant number of district court infringement litigations?
4. Are rational decisions always good?
5. The nine-month “window”.

XIV. The Proposed Post-Grant Opposition Proceeding cont.

6. The “jurisdictional dispute”. See Gholz, Who You Gonna Call?, 14 Intellectual Property Today No. 3 at page 7 (2007).

THANK YOU

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