

Strategic Use of Patent Reissue: Whether and When to Pursue a Reissue Application

Correcting Errors, Responding to an IPR Challenge and Mastering the Recapture Rule

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1pm Eastern | 12pm Central | 11am Mountain | 10am Pacific

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AIA Changes Impacting Patent Reissue

“without any deceptive intention” removed by AIA

35 U.S.C. § 251 –

(a) IN GENERAL.—Whenever any patent is, **through error** ~~without any deceptive intention~~, deemed wholly or partly inoperative or invalid, by reason of a defective specification or drawing, or by reason of the patentee claiming more or less than he had a right to claim in the patent, the Director shall, on the surrender of such patent and the payment of the fee required by law, reissue the patent for the invention disclosed in the original patent, and in accordance with a new and amended application, for the unexpired part of the term of the original patent. No new matter shall be introduced into the application for reissue.

(d) REISSUE PATENT ENLARGING SCOPE OF CLAIMS.—No reissued patent shall be granted enlarging the scope of the claims of the original patent unless applied for within two years from the grant of the original patent.

How Have Patent Reissue Implications Changed Post-AIA?

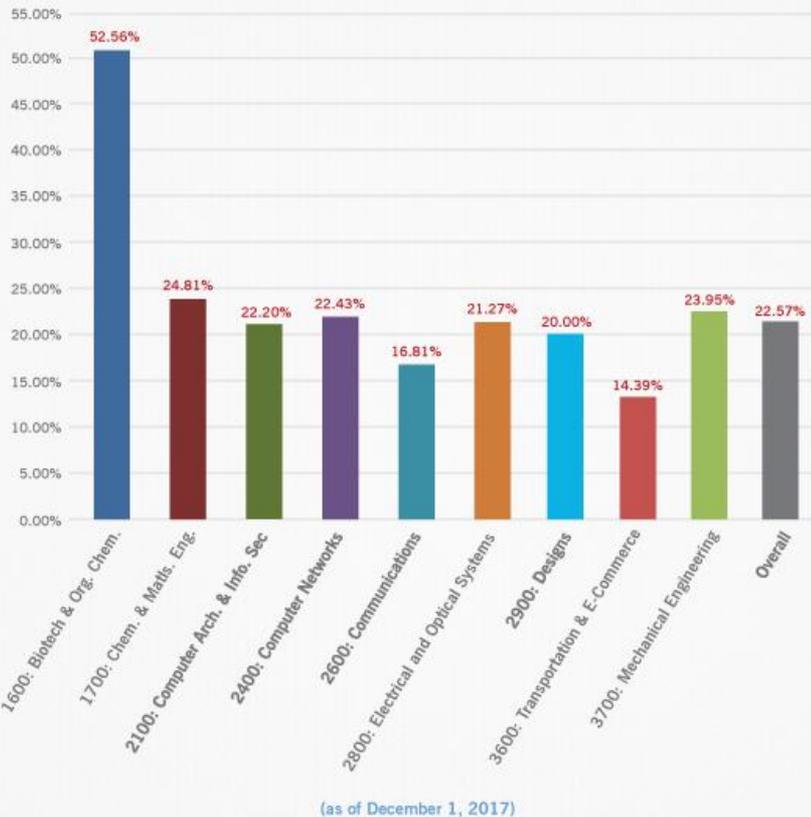
- Reissue applications can be merged with ex parte reexaminations.
 - Reissue rules govern merged proceeding.
- PGR/IPR
 - PGR applicable for 9 months after reissue on new reissue claims (claims with an EFD after March 15, 2013).
 - Reissue “effective filing date” is original patent filing date.
 - Note §325(f): REISSUE PATENTS.—A post-grant review may not be instituted under this chapter if the petition requests cancellation of a claim in a reissue patent that is identical to or narrower than a claim in the original patent from which the reissue patent was issued, and the time limitations in section 321(c) would bar filing a petition for a post-grant review for such original patent.
 - IPR is available as normal.

What if PO files a reissue application-- does this have any effect on the IPR/PGR proceeding?

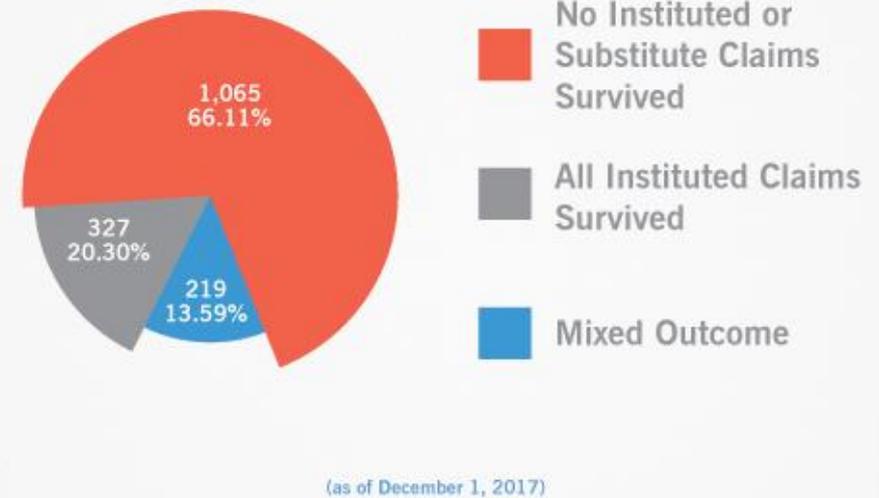
- Timing with concurrent PGR/IPR (whether filed before or after reissue)
 - No statute or rule dictating outcome; both are discretionary.
 - 35 U.S.C. §315(d) and (325(d)):
 - (d) MULTIPLE PROCEEDINGS.—Notwithstanding sections 135(a), 251, and 252, and chapter 30, during the pendency of an inter partes review [post grant review], if another proceeding or matter involving the patent is before the Office, the Director *may* determine the manner in which the inter partes review [post grant review] or other proceeding or matter may proceed, including providing for stay, transfer, consolidation, or termination of any such matter or proceeding.
 - 37 C.F.R. 35 U.S.C. §42.122 and 42.222
 - (a) Multiple proceedings. Where another matter involving the patent is before the Office, the Board *may* during the pendency of the inter partes review [post grant review] enter any appropriate order regarding the additional matter including providing for the stay, transfer, consolidation, or termination of any such matter.
- *If reissue claims issue, ask PTAB terminate concurrent IPR because the claims changed?*
 - *See, e.g., McWane, Inc. v. Waugh, IPR2014-00777, Paper 12 (P.T.A.B. Nov. 25, 2014).*

Thus far in IPRs...

IPR AND CBM INSTITUTED CLAIM SURVIVAL RATE BY TECHNOLOGY CENTER



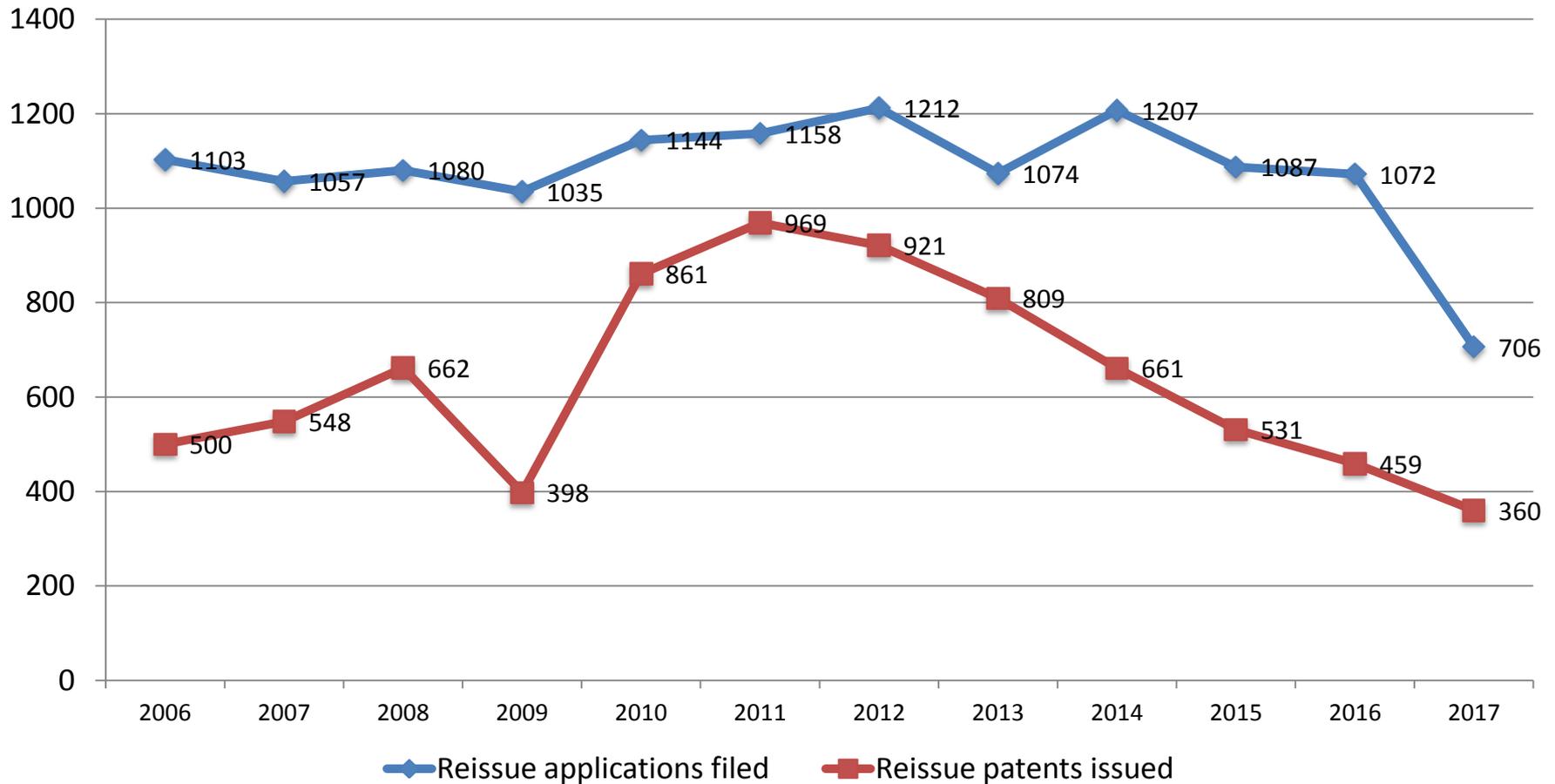
IPR Results by Case



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SNAPSHOT OF REISSUE APPLICATIONS:

60% of reissue applications filed issued (7319/12229)(2006-2017)



Source: USPTO Annual Reports.

Volume is similar to that of plant patents.

60% of reissue applications filed issued (7319/12229). Reissue application filing fee: \$300, search fee \$660, exam fee \$2200 (37 C.F.R. § 1.16(e)), as of Jan. 16, 2018.

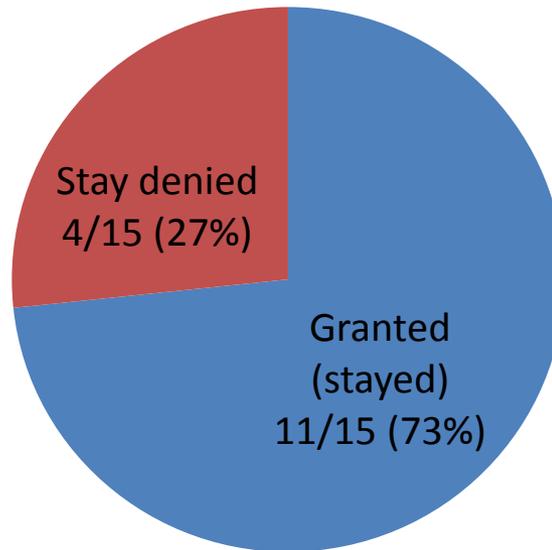
Filing a Reissue with Copending IPR

- In *Greene's Energy Group, LLC v. Oil States Energy Services, LLC*, IPR2014-00216, PTAB noted that if the Patent Owner filed a reissue application, it had to inform PTAB:
 - “Patent Owner indicated that it was considering filing an application to reissue at least one of the patents involved in these inter partes reviews. We reminded Patent Owner that, because the Board exercises jurisdiction over the patents, see 37 C.F.R. § 42.3(a), Patent Owner must contact the Board before filing any reissue application concerning the '053 or '993 patents.”
 - 37 C.F.R. § 42.3(a) The Board may exercise exclusive jurisdiction within the Office over every involved application and patent during the proceeding, as the Board may order.
- In *Focal Therapeutics, Inc. v. Senorx, Inc.*, IPR2014-00116, during a conference call, the Patent Owner indicated it wanted to file a reissue application. PTAB stated:
 - “The Board explained that authorization or permission by the panel is not required in this regard. If it so wishes, Patent Owner may go through usual channels to request such action before the Office. We explained, however, that given our one year statutory deadline for completing an inter partes review, we would not grant a stay of this proceeding pending the outcome of a request for certificate of correction and/or reissue application. We also indicated that if Patent Owner takes such action, it shall keep the panel and Petitioner apprised of relevant events by filing a copy of relevant papers with the Board promptly.”

IPR proceeding can effect the reissue application

- **35 U.S.C. §315(d):**
 - **(d) MULTIPLE PROCEEDINGS.**—Notwithstanding sections 135(a), 251, and 252, and chapter 30, during the pendency of an inter partes review [post grant review], if another proceeding or matter involving the patent is before the Office, the Director *may* determine the manner in which the inter partes review [post grant review] or other proceeding or matter may proceed, including providing for stay, transfer, consolidation, or termination of any such matter or proceeding.
- **37 C.F.R. §42.122**
 - **(a) Multiple proceedings.** Where another matter involving the patent is before the Office, the Board *may* during the pendency of the inter partes review [post grant review] enter any appropriate order regarding the additional matter including providing for the stay, transfer, consolidation, or termination of any such matter.

Requests to Stay Concurrent Reissue Application

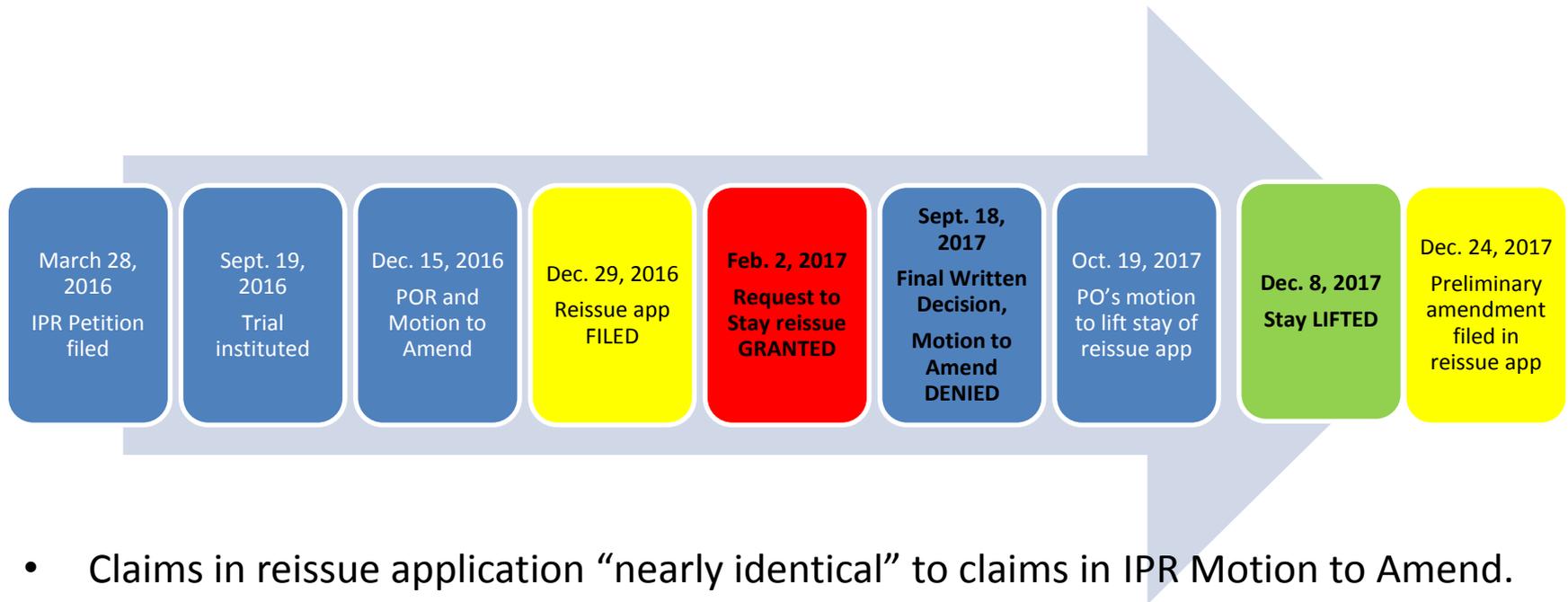


- Request to stay reissue more likely to be granted if (1) reissue application filed after IPR petition and (2) at time of request for stay, no examination of reissue claims has occurred.
- PTAB may deny request if made prior to institution decision, but request may be repeated after institution.

Concurrent Reissue and IPR

Legend3D, Inc. v. Prime Focus Creative Services Canada Inc.

IPR2016-00806

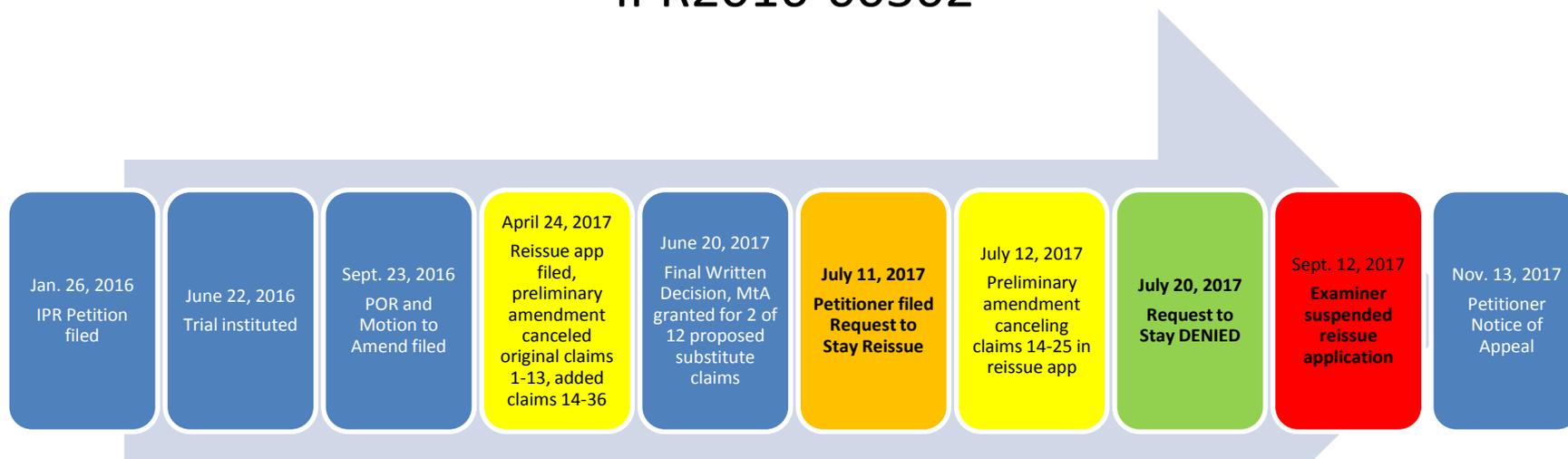


- Claims in reissue application “nearly identical” to claims in IPR Motion to Amend.
- Stay granted
- Later, PO argued for lift of stay, asserting that because the IPR was complete and because the “second preliminary amendment [in the reissue application would]... present claims that Patent Owner believes are patentably distinct from the original patent claims,” there was no longer concern about duplicate efforts within the Office and inconsistencies between the proceedings. The Board agreed and lifted the stay.

Concurrent Reissue and IPR

Valeo North America, Inc. v. Schaeffler Tech. AG & Co. KG

IPR2016-00502



- IPR instituted then Motion to Amend (proposed claims 14-25) and reissue application (new claims 14-36, claims 14-25 identical to proposed claims 14-25)
- Final Written Decision: all original and substitute claims 14–18 and 20–24 claims unpatentable but substitute claims 19 and 25 patentable
- Claims 14-25 in reissue were cancelled
- Petitioner’s Request to Stay denied: no overlapping claims and no copending IPR

Concurrent Reissue and IPR

Smart Microwave Sensors GmbH v. Wavetronix, LLC

IPR2016-00488



- A Final Written Decision entered on July 17, 2017
- Patent Owner filed a Notice of Appeal to the Federal Circuit.
- Board no longer had jurisdiction to grant a stay of the reissue application.
 - Board is divested of jurisdiction at the time either party files a notice of appeal to the Federal Circuit and citing *In re Allen*, 115 F.2d 936, 939 (CCPA 1940).
- Accordingly the Board was unpersuaded that it had the authority to issue a stay as requested by Petitioner.

In Litigation or Before the PTAB?

Are there any benefits to filing a Reissue?

Timing?

PGR/IPR/Reissue—Timing

Requirements Related to Litigation

- 35 U.S.C. §315(a)(1) - An inter partes review may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent. See, also, §325(a)(1).
 - Petitioner, real party, or privy of petitioner.
 - **Does not include counterclaim.**
 - No such limitation against Patent Owner's Reissue.
- Cannot file IPR more than 12 months after the petitioner is served with a complaint alleging infringement of patent.
 - No such limitation on Reissue.
- **No such timing requirements on Reissue other than the normal ones, and particularly the two year bar against broadening reissue.**

Petitioner Estoppel: PGR and IPR 35 U.S.C. §315(e) and §325(e)

Becomes effective once the **Board** issues a Final Written Decision

Applies to any ground that petitioner raised or **reasonably** could have raised (though exact scope currently being worked out by Federal Circuit)

Estoppel applies in subsequent proceedings before the PTO, in civil actions, and in ITC proceedings

Also remember §325(f): REISSUE PATENTS.—A post-grant review may not be instituted under this chapter if the petition requests cancellation of a claim in a reissue patent that is identical to or narrower than a claim in the original patent from which the reissue patent was issued, and the time limitations in section 321(c) would bar filing a petition for a post-grant review for such original patent.

But: **Patent Owner** Estoppel

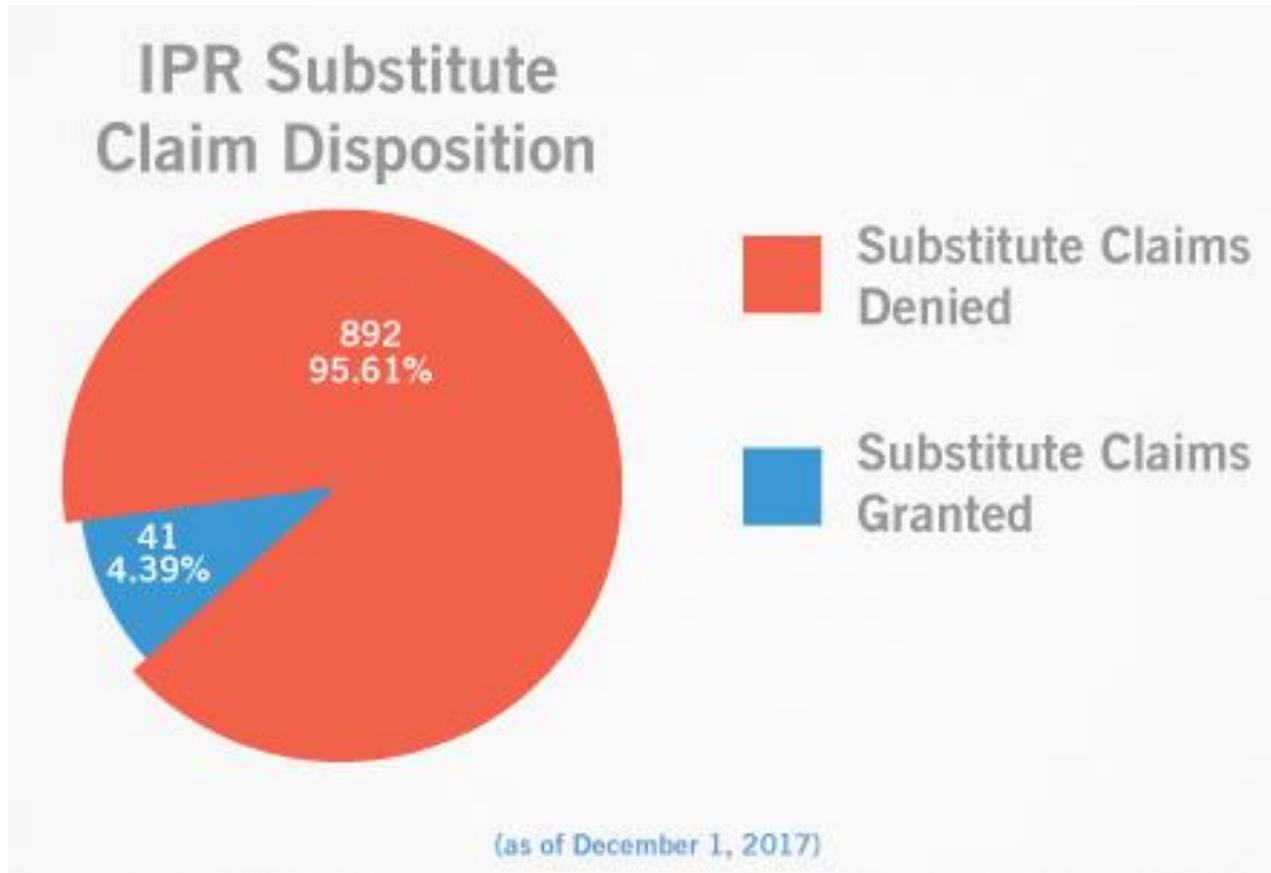
Could Make Reissue An Interesting Alternative If No Pending Continuation Application

- 37 CFR § 42.73(d)(3) A patent applicant or owner is precluded from taking action inconsistent with the adverse judgment, including obtaining in any patent:
 - **A claim that is not patentably distinct from a finally refused or canceled claim....**
- Reissue has no formal patent owner estoppel, but subject to patentably distinct requirement?

In IPR/PGR, Patent Owner Can Theoretically Make Limited Amendments Once 35 U.S.C. §316(d)(1) and §326(d)(1)

- *Reissue: multiple amendments subject to recapture, broadening, §112 requirements.*
- In IPRs/PGRs, Patent Owner must confer with the Board before filing a motion to amend the claims.
- *Post-Aqua Products*, burden to show patentability of proposed substitute claims should not be on the patent owner.
 - Expressly overruled *Proxycconn*, *Prolitec*, *Synopsys*, and *Nike* to extent inconsistent with *Aqua Products*.

Cannot Rely on Being Able to Amend Claims in IPR



Source: Finnegan, aiablog.com

So, Consider Having Patent Owner in IPR/PGR Go to Reissue

- As seen, Motions to Amend have not been very successful. Instead of amending in IPR/PGR, consider a patentably distinct but useful claim amendment in reissue.
 - Reissue may be stayed, but the IPR/PGR will terminate within one year of institution. If instituted claims held unpatentable, Patent Owner could pursue patentably distinct claims in reissue that are enforceable and still infringed.
 - Reissue is ex parte rather than inter partes.

Particularly in Pharma

- Pursue reissue to get Orange Book-listable claims that are separately patentable over patent claims lost in the IPR/PGR.
- Generic has to certify against Orange book listed claims.
- Institute new Hatch-Waxman litigation with narrower reissue claims, but probably will not get a 30 month stay on the reissue claims if in fact, there was a 30 month stay based on other Orange Book listed patents in an earlier H-W litigation.
- But how realistic will this be?
 - Owner would be looking for reissue claims that can be enforced but that are separately patentable over claims lost in PGR/IPR?

Particularly in Pharma (con't)

- Can the reissue beat IPR/PRG to the punch and be resolved BEFORE IPR/PGR?
- And perhaps the best is to have a pending continuing case where separately patentable claims can be pursued ex parte without stay.
 - *AC Dispensing Equipment, Inc. v. Prince Castle, LLC*, IPR2014-00511, Paper (PTAB Oct. 17, 2014)
 - Petitioner requested permission to file a motion to stay the prosecution of the continuation patent application.
 - PTAB: Denied.
 - “Patent Owner will not be permitted to obtain in a patent any claims that are not patentably distinct from any claim that is canceled as a result of this proceeding. But whether any of the claims in the '497 patent will be canceled is an issue that is not yet decided and will not necessarily be decided until a final written decision is entered in this case and appeals from it are exhausted. To bar Patent Owner from prosecuting claims now that may be patentably indistinct from the claims under review thus would be premature. It is sufficient, under the current circumstances, for Patent Owner to continue to take reasonable steps to apprise the Examiner of the status of this proceeding.”

AIA Makes No Difference on Doctrine of Intervening Rights

- No 3rd party intervening rights for reissue claims substantially identical to original patent.
- May be 3rd party intervening rights for changed reissue claims if:
 - Alleged infringer made, used, sold, offered for sale or imported prior to the grant of the reissue.
 - Alleged infringer made substantial preparation to make, use, sale, offer for sale or import prior to the grant of the reissue.
 - A pending continuing application could allow for patentably distinct claims without intervening rights.

AIA Does Not Affect Existing Doctrine Against Recapture Precluding Reissue

- MPEP will be most important to **examiners** on reissue/recapture but Federal Circuit decisions could mean more to PTAB, a district court, and the Federal Circuit.

MPEP 1412.01

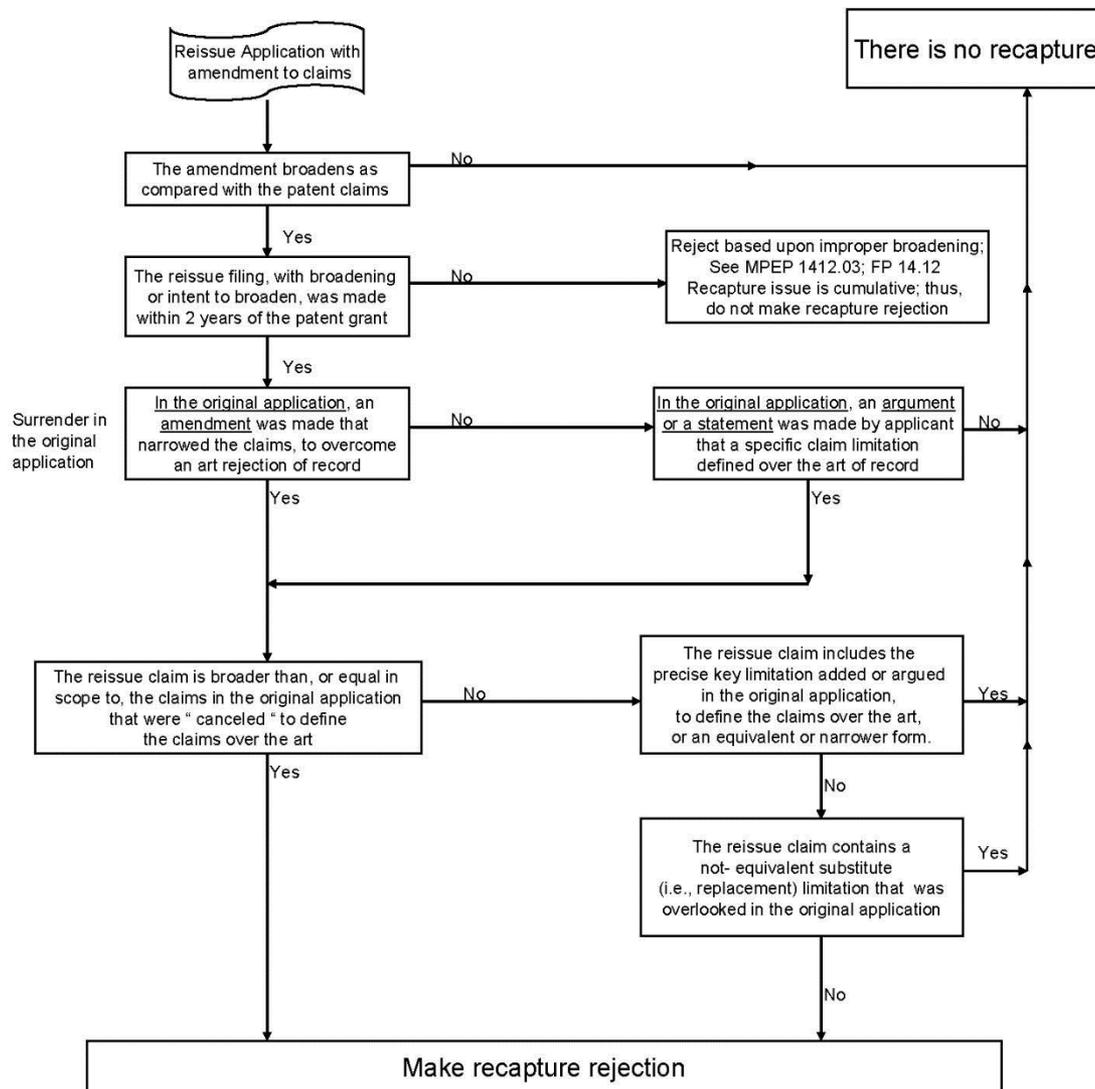
- Reissue claims must be for same general invention as that **disclosed** (look to spec, not claims).
- Claims presented in a reissue application **are** considered to satisfy the requirement of 35 U.S.C. 251 where:
 - (A) the claims presented in the reissue application are described in the original patent specification and enabled by the original patent specification such that 35 U.S.C. 112, first paragraph is satisfied; **and**
 - (B) nothing in the original patent specification indicates an intent not to claim the subject matter of the claims presented in the reissue application.
- “The presence of some disclosure (description and enablement) in the original patent should evidence that applicant intended to claim or that applicant considered the material now claimed to be his or her invention.”
- “.... One should understand, however, that the mere failure to claim a disclosed embodiment in the original patent (absent an explicit statement in the original patent specification of unsuitability of the embodiment) would not be grounds for prohibiting a claim to that embodiment in the reissue.”

Cannot Use Reissue to Correct Failure to File a Divisional

- The *Orita* doctrine (550 F.2d 1277, 1280 (CCPA 1977)).
 - When claims are restricted during original prosecution of the underlying patent application, and those claims are not pursued in a divisional application, such claims cannot be obtained by patent reissue.
- MPEP 1412.02
 - A reissue applicant's failure to timely file a divisional application covering the non-elected invention(s) in response to a restriction (or an election of species) requirement is not considered to be error causing a patent granted on the elected claims to be partially inoperative by reason of claiming less than the applicant had a right to claim.

MPEP 1412.02

- However, subject matter **surrendered** to obtain the original patent cannot be recaptured by filing a reissue.
- 3-step **test** for recapture *In re Clement*, 131 F.3d 1464, (Fed. Cir. 1997):
 - (1) was there a broadening?;
 - (2) If so, was that subject matter surrendered?;and
 - (3) were the reissue claims materially narrowed in other respects and thus avoid the recapture rule?



Recapture Must Relate To Change

- In re Youman, 679 F.3d 1335 (Fed. Cir. 2012)
 - Board upheld examiner rejection for improper recapture of subject matter surrendered in the original application.
 - 3-step recapture rule analysis (*see also, MPEP §1412.02*)
 1. “determine whether and in what ‘aspect’ the reissue claims are broader than the patent claims.”
 2. “determine whether the broader aspects of the reissue claims relate to surrendered subject matter.”
 3. “determine whether the surrendered subject matter has crept into the reissue claim.”
 - FC: Vacate and remand for Board to perform 3rd step.

Prosecution Arguments May Trigger Recapture

- MBO Labs., Inc. v. Becton, Dickinson & Co., 602 F.3d 1306 (Fed. Cir. 2010)
 - RE '885 patent teaches a syringe that protects against needle-stick injuries by sheathing a contaminated needle in a flange-covered guard.
 - MBO argued that it never surrendered a guard body that could move relative to the syringe's fixed needle.
 - DC: MBO violated rule against recapture.
 - FC: Affirm.
 - “MBO clearly and unmistakably surrendered claiming a guard body that moved relative to a fixed needle. MBO twice overcame the examiner's rejections by emphasizing that the prior art disclosed a type of guard that moved relative to a fixed needle. In contrast, MBO stressed that its needle moved relative to the guard by “slidably retracting.”
 - Also, note: “a patentee may violate the rule against recapture by claiming subject matter in a reissue patent that the patentee surrendered while prosecuting a related patent application.”

Claim Construction May Impact Recapture

- AIA Engineering Ltd. v. Magotteaux Intern. S/A, 657 F.3d 1264 (Fed. Cir. 2011)
 - Magotteaux replaced “homogeneous solid solution” in original claim 1 with “homogeneous ceramic composite” in reissue claims.
 - DC: reissue claims had broader scope than original claims; invalid under 35 U.S.C. § 251 for impermissibly recapturing subject matter surrendered during reissue examination.
 - FC: Reversed and remanded.
 - Error in claim construction lead to error in conclusion of impermissible recapture.
 - With the correct construction (two phrases are synonymous according to patentee’s lexicography) there was no broadening, and therefore recapture issue is moot.

Using Reissue to Strengthen Patent & Counter Future IPR/PGR Attacks

If There Is No Co-pending Continuing Application, Reissue May be Best Way to Strengthen Patent

- *In re Tanaka*, 640 F.3d 1246 (Fed. Cir. 2011)
 - Tanaka filed a reissue declaration containing the original claims plus an added claim dependent on original claim 1.
 - Examiner rejected the claims because there was no error identified that broadened or narrowed the scope of the issued claims.
 - Board held that it is not reissue “error” under 35 U.S.C. §251 to add a subgeneric claim where all existing claims in the patent are maintained, both broader and narrower than the added claim.
 - FC: Reversed and remanded.
 - “adding dependent claims as a hedge against possible invalidity of original claims ‘is a proper reason for asking that a reissue be granted.’ *In re Handel*, 50 CCPA 918, 312 F.2d 943, 946 n. 2 (1963).”
 - “the omission of a narrower claim from a patent can render a patent partly inoperative by failing to protect the disclosed invention to the full extent allowed by law.”

Use of *Tanaka*

- Reissue Declaration

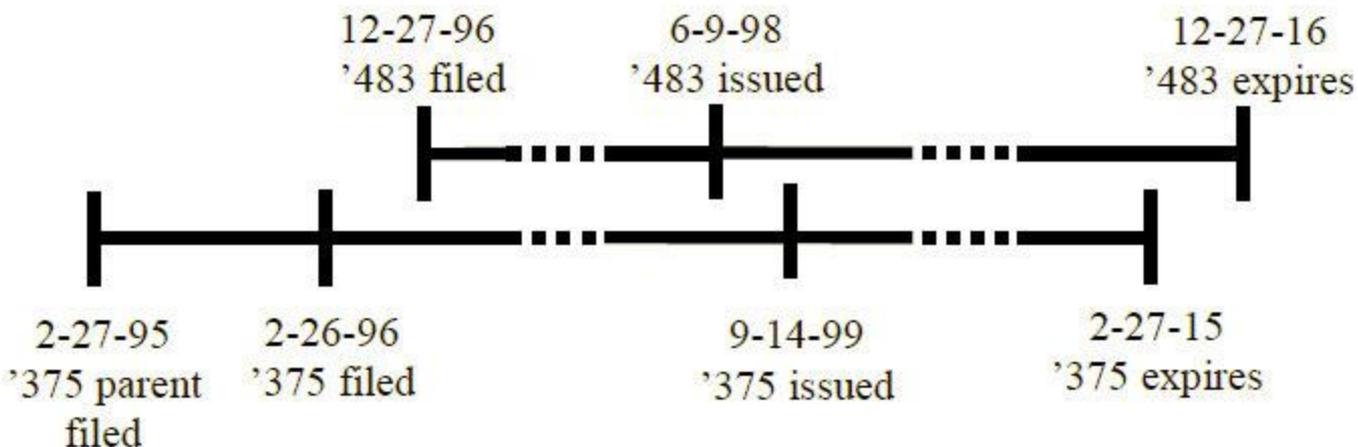
14. The patent attorneys have explained to us that in view of a recent court case called *In re Tanaka*, which they explain in the Reissue Preliminary Amendment, the failure in the [redacted] patent to present claims such as [redacted], as amended, and new claim [redacted], failed to protect the disclosed invention to the full extent allowed by law. The patent attorneys have explained that the [redacted] patent claimed fewer claims than we could have properly made, and that the issued claims thus were too narrow. As we understand it, therefore, the [redacted] patent claimed less than we had a right to claim, those issued claims were too narrow, the [redacted] patent failed to protect the disclosed invention to the full extent allowed by law, and those were errors, as explained above, that rendered the [redacted] patent partly inoperative.

**Issues of Obviousness-type Double Patenting (ODP)
Can Be Addressed In Reissue but
Currently Cannot be raised in IPR or PGR**

.

Later-Issued, First-Expiring is ODP Reference Against First-Issued, Later-Expiring

- Gilead Sciences, Inc. v. Natco Pharma Ltd., 753 F.3d 1208 (Fed. Cir. 2014)
 - Gilead’s U.S. Pat. Nos. 5,763,483 and 5,952,375 commonly-owned, list same inventors, similar written descriptions, BUT do not claim priority to a common patent application and have different expiration dates.
 - Natco: ‘483 patent was invalid for ODP over ‘375 patent.
 - Gilead: ‘375 patent cannot serve as a ODP reference against the ‘483 patent.



timeline from opinion

Federal Circuit Expands ODP?

- Gilead (con't)
 - DC: Judgment of infringement.
 - “a later-issued but earlier-expiring patent” cannot “serve as a double-patenting reference against an earlier-issued but later-expiring patent.”
 - FC: Vacate and remand.
 - “Can a patent that issues after but expires before another patent qualify as a double patenting reference for that other patent?...under the circumstances of this case that it can[.]”
 - “it is a bedrock principle of our patent system that when a patent expires, the public is free to use not only the same invention claimed in the expired patent but also obvious or patentably indistinct modifications of that invention. ...And that principle is violated when a patent expires and the public is nevertheless barred from practicing obvious modifications of the invention claimed in that patent because the inventor holds another later-expiring patent with claims for obvious modifications of the invention. Such is the case here.”

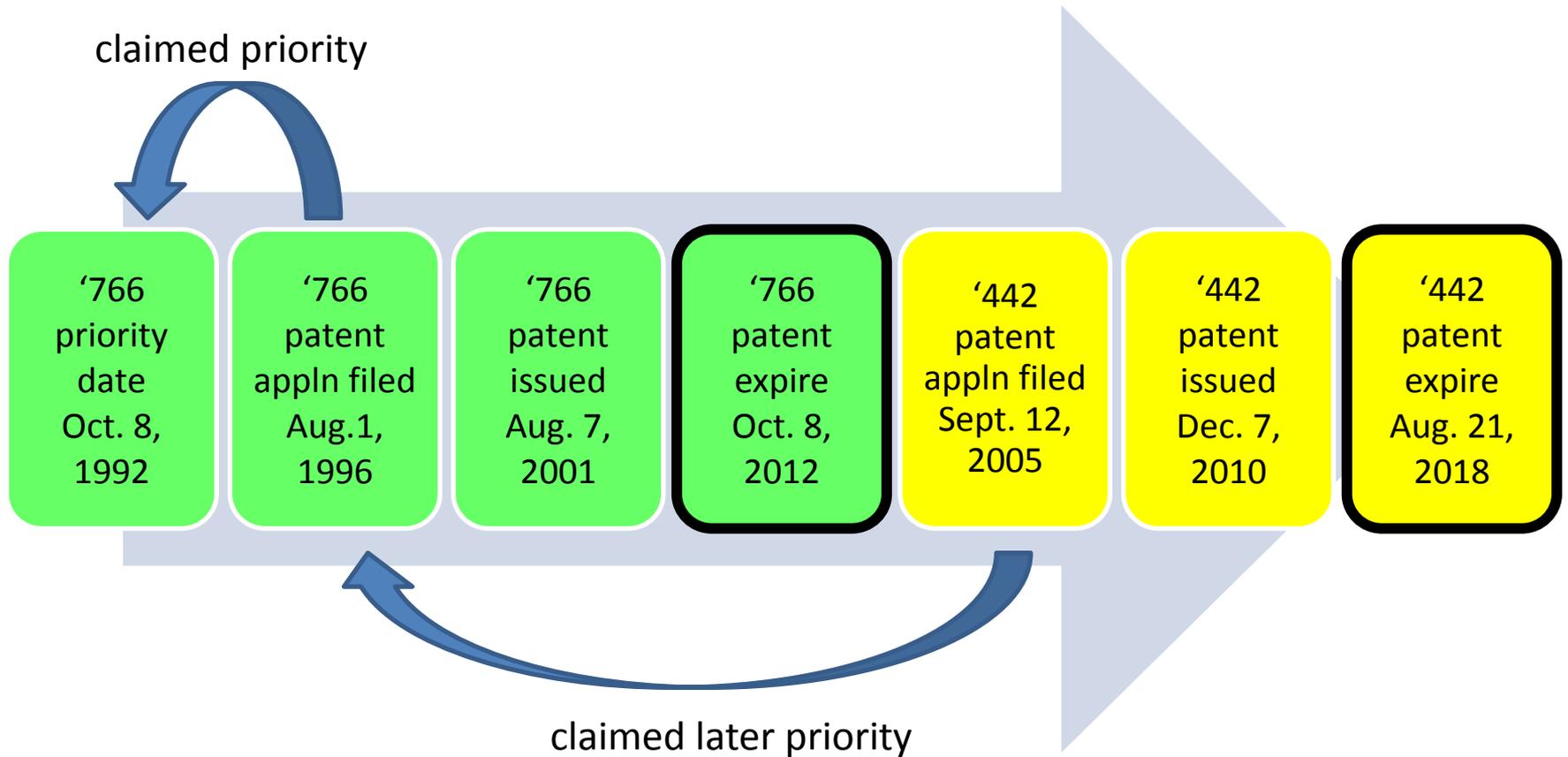
Gilead = Expansion or Limited to Facts?

- Specific circumstances:
 - both patents/applications are post-URAA (subject to 20-year from filing patent term); and
 - patents/applications have different earliest non-provisional filing dates and therefore different expected expiration dates.
- What about impact on patents with PTA awards?
 - particularly in patent families with continuations.
- Status: Petition for certiorari denied, 135 S.Ct. 1530 (USSC March 9, 2015).

Expanding Gilead?

- Abbvie, Inc. v. Kennedy, 764 F.3d 1366 (Fed. Cir. 2014)
 - Kennedy patents 7,846,442 (the '442 patent) and 6,270,766 (the '766 patent).
 - Both patents are directed towards methods of treating rheumatoid arthritis by co-administering two drugs.
 - AbbVie licensed the '766 patent, but not the '442 patent.
 - FDA approval to sell Humira[®]
 - AbbVie sued Kennedy for a DJ that the '442 patent was invalid under ODP.
 - DC: '422 invalid for ODP.
 - FC: Affirmed.

Two Patents on Combination Therapy



Federal Circuit Decision

- “We now make explicit what was implicit in *Gilead*: the doctrine of obviousness-type double patenting continues to apply where two patents that claim the same invention have different expiration dates. We hold that Kennedy is not entitled to an extra six years of monopoly solely because it filed a separate application unless the two inventions are patentably distinct.”

Litigation and Reissue

- A reissue application will be **stayed** if there is concurrent litigation unless:
 - the litigation is stayed
 - the litigation is terminated
 - there are no significant overlapping issues
 - **the applicant requests examination to continue**
- If reissue examination continues, NO extension of times are permitted.
- See MPEP § 1442.
- A reissue can be useful in view of litigation, irrespective of any AIA Post Grant proceeding considerations.

Same Claim Construction Standard in Both IPR/PGR and Reissue

During patent examination, the pending claims must be “given their broadest reasonable interpretation consistent with the specification.” The Federal Circuit’s en banc decision in *Phillips v. AWH Corp.*, 415 F.3d 1303, 75 USPQ2d 1321 (Fed. Cir. 2005) expressly recognized that the USPTO employs the “broadest reasonable interpretation” standard:

The Patent and Trademark Office (“PTO”) determines the scope of claims in patent applications not solely on the basis of the claim language, but upon giving claims their broadest reasonable construction “in light of the specification as it would be interpreted by one of ordinary skill in the art.” (Citation omitted.) ... Because applicant has the opportunity to amend the claims during prosecution, giving a claim its broadest reasonable interpretation will reduce the possibility that the claim, once issued, will be interpreted more broadly than is justified. (Citations omitted.)

Remember the “R” in “BRI”

- *Microsoft Corp. v. Proxyconn, Inc.*, 789 F.3d 1292 (Fed. Cir. 2015)
 - PTAB: all of the challenged claims except claim 24 unpatentable (IPR2012-00026 and IPR2013-00109)
 - Microsoft appealed determination that claim 24 is patentable.
 - Proxyconn cross-appealed, challenging PTAB’s use of the BRI and unpatentability determinations.
 - Fed. Cir.:
 - De novo review because “the intrinsic record fully determines the proper construction[.]”
 - Cuozzo controls.
 - “Because we are bound by the decision in Cuozzo, we must therefore reject Proxyconn’s argument that the Board legally erred in using the broadest reasonable interpretation standard during IPRs.”
 - **Concluded that PTAB’s unpatentability determinations were based on an unreasonably broad construction - vacate and remand.**

Remember: Different Results Are A Very Real Possibility

- *In re Baxter Int'l*, 678 F.3d 1357 (Fed. Cir. 2012)(LOURIE, Moore)(Newman, dissenting)
 - Board's decision of unpatentability affirmed despite earlier opposite finding in district court and affirmance by Federal Circuit
 - Considered Federal Circuit's earlier affirmance of validity, but Federal Circuit in this case nevertheless upheld rejections.
 - PTO and courts "take different approaches in determining validity and on the same evidence could quite correctly come to different conclusions"
 - Different claim construction standards;
 - Different burdens of proof; and
 - Different records.
 - "Because the two proceedings necessarily applied different burdens of proof and relied on different records," PTO did not err in reaching different conclusion than district court./Fed. Cir.
 - Congress has provided for reexamination system that permits challenges to patents by third parties, even those who have lost in prior judicial proceedings.
 - But if patent owner loses in litigation, cannot use reissue to resurrect the lost claims.
 - But can use reissue to secure claims separately patentable from the lost claims
 - Patent Owner needs to seek such claims that are nonetheless still infringed

And End of Litigation May Not Be End of Case

Fresenius II

- *Fresenius USA, Inc. v. Baxter Int'l., Inc., (Fresenius II)*, 721 F.3d 1330 (Fed. Cir. 2013)(DYK, Prost)(Newman, dissenting)
 - Pending infringement suit must be dismissed as moot after PTO finding of invalidity during reexamination; wipes out \$24 M damage award.
 - USPTO's cancellation of the claims divested Baxter of a cause of action for infringement.
 - Patentee argued that earlier final judgment by district court on damages operated as *res judicata*, precluding challenging district court's underlying holding of validity (upheld in *Fresenius I*)
 - Majority disagreed, distinguishing between final judgments for the purposes of appeal and final judgments for the purposes of preclusion.
 - Since scope of relief remained to be determined, there was no final judgment binding on the parties or the court.
 - **But Fresenius is for the alleged infringer!**
 - **Patent Owner would want to try to use reissue to secure separately patentable claims over claims lost at PTAB.**

Reissue and Supplemental Examination

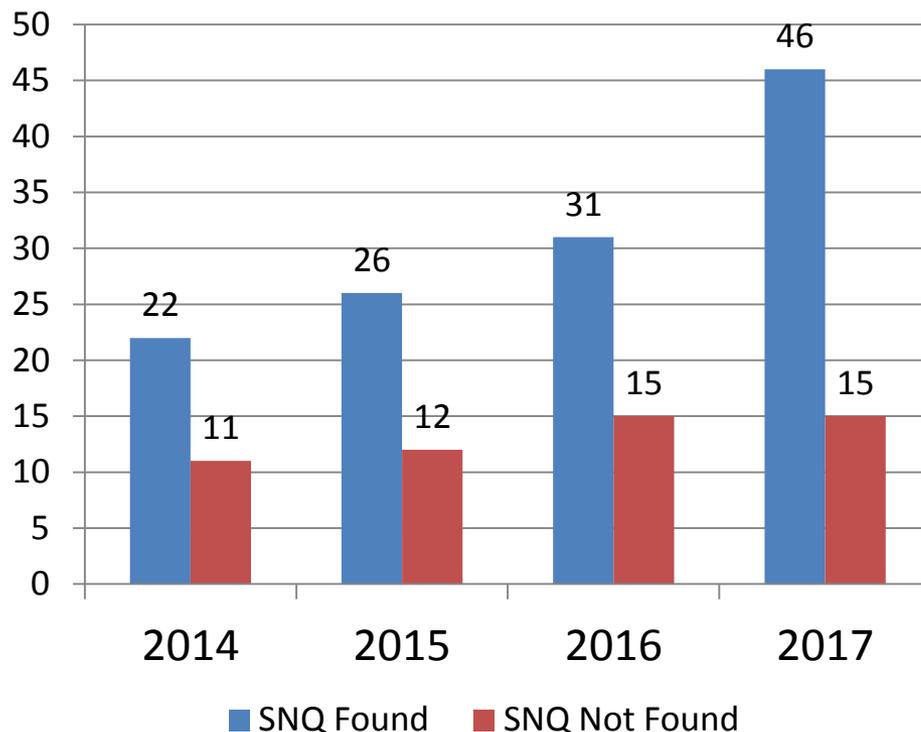
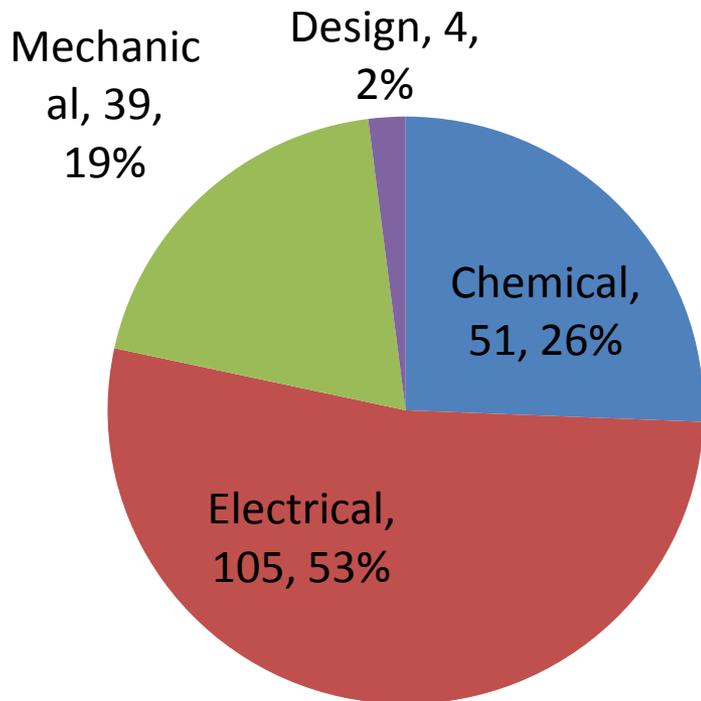
When is supplemental examination a better idea than reissue and does reissue basically get the owner to the same place as supplemental examination would but in a shorter time?

Would one use a combination of Reissue and Supplemental Examination to insulate reissued claims from allegation of inequitable conduct?

Supplemental Examination vs. Reissue?

	Reissue	Supplemental Examination (ex parte reexamination)
Cure	<ul style="list-style-type: none"> May show prior art is <u>not</u> “but-for” material AIA eliminated the “without deceptive intent” requirement 	<ul style="list-style-type: none"> Complete cure ex parte reexam if prior art raises a substantial new question of patentability – “but-for” material?
Examination	<ul style="list-style-type: none"> Similar to ex parte prosecution RCE’s and EOT’s “endless” opportunity to amend 	<ul style="list-style-type: none"> 2 Office actions before appeal No RCE’s EOT’s in limited situations only “one” opportunity to amend
Examiner	<ul style="list-style-type: none"> Regular examination corps 	<ul style="list-style-type: none"> Central Reexam Unit 3-examiner panel
Timing	<ul style="list-style-type: none"> “with special dispatch” Similar to ex parte prosecution 	<ul style="list-style-type: none"> Initial determination – 3 mos Then ex parte reexam
Costs	<ul style="list-style-type: none"> \$300 initial filing + \$660 exam fee \$2200 to issue 	<ul style="list-style-type: none"> \$4400 initial filing \$12,100 if ex parte reexam ordered
Control	<ul style="list-style-type: none"> Applicant 	<ul style="list-style-type: none"> PTO
Error	<ul style="list-style-type: none"> Must admit an error; dependent claim sufficient, <i>see In re Tanaka</i> 	<ul style="list-style-type: none"> No error needed

Supplemental Exam Requests (FY2014-FY2017)



SNQ Found 70% of the time (125/178)

Source: USPTO 2017 Annual Report, Table 13B.

<https://www.uspto.gov/sites/default/files/documents/USPTOFY17PAR.pdf>

Effect of Reissue

- Patent is deemed wholly or partly invalid or inoperable due to at least one error: the benefits of *Tanaka*.
- Reissue can cure that
- Unexpired term of the patent: no additional PTA or PTE, but also reissue doesn't adversely affect either.
- Effective date of claims.
 - Can you foot fault into AIA with a PA on the day the reissue is filed?
- Intervening rights.

Effect of Reissue

- Opening up design-around possibilities.
 - Delicate balance between avoiding prior art and avoiding patent owner estoppel and still being able to prove infringement.
 - Notice what claims Petition did not challenge in IPG/PGR.
 - Probably didn't challenge claims that raised no infringement concerns.
- Effects of reissue prosecution history.

Effect of Reissue Combined with PGR

- Opening up design-around possibilities particularly since discovery in IPR/PGR is not likely to be robust.
 - Discovery is available in IPR/PGR but limited.
 - Routine discovery
 - Exhibits cited in paper or testimony;
 - Cross examination of declarants;
 - Relevant information that is inconsistent with a position advanced by a party.

Non-Routine, Additional Discovery

- For additional discovery, has as to meet the five *Garmin* factors:
 - Request is based on more than a mere possibility of finding “something useful.”
 - Request does not seek the litigation positions of the other party.
 - Information is not reasonably available from other sources.
 - Request is easily understood.
 - Request is not overly burdensome.
- Very few motions for additional discovery granted through two-year anniversary of IPR: the signal is that PTAB cannot resolve cases within twelve month requirement if additional discovery is granted.
- If not stayed, a successful reissue can be good for litigation also perhaps provide a better case for defeating institution of IPR/PGR.

What Are The Benefits Of Using Reissue Proceedings To Resolve Patent Errors?

- New narrow claims.
 - New prior art discovered, e.g., in pre-litigation diligence.
 - Old prior art not disclosed during original examination, e.g., to hedge inequitable conduct (AIA changes).
- New dependent claims.
 - New prior art; hedge against possible invalidity attack.
- New broader claims (subject to recapture and 2 year window).
 - New products (patent owner or third-party).
 - Unclaimed embodiments or species.

What Are The Risks And Limitations Of Using Reissue Proceedings To Resolve Patent Errors?

- Provoke Interference.
 - Add new claims to reissue application.
 - Still need to identify an error; which can be the addition of the new claims.
 - Cannot “re-file” patent claims and suggest an interference
 - If broadened; must be filed within 2 years.
- Intervening Rights.
 - Applies to past infringement.
 - Consider scope of likely amendment.
 - The greater the difference between patent claims and reissue claims – the more likely intervening rights will be triggered.

Thank you.

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