

Reexam + Reexam = Merger (Usually)

BY KEVIN B. LAURENCE & MATTHEW C. PHILLIPS
OF STOEL RIVES LLP



Kevin Laurence



Matt Phillips

Kevin Laurence and Matt Phillips are partners at Stoel Rives LLP. They teach the multi-day course “*Patent Reexamination and Reissue Practice*” for Patent Resources Group. Discussion regarding this article is welcome at the LinkedIn group “*Patent Reexamination Practice*.”

Merger can be an important strategic tool during reexamination. This article discusses the PTO’s process for deciding whether to merge multiple copending reexamination proceedings for the same patent or to suspend one of the proceedings. The article also describes the key unique procedures employed in merged reexamination proceedings.

MERGER DECISIONS

Wait for Sua Sponte Decision or File Petition?

The PTO often makes the merger decision *sua sponte* and advises that it is not necessary to petition for merger.¹ The copending proceedings are automatically brought to the attention of the PTO as a result of the requirement that parties involved in a reexamination proceeding inform the PTO about the existence of another PTO proceeding, such as a pending reexamination, by way of a Notice of Concurrent Proceedings.² Such a notice should be filed with the request for the subsequent reexamination.

Instead of waiting for the PTO to *sua sponte* merge reexamination proceedings, however, the patent owner or the requester may file a petition under 37 C.F.R. § 1.182

to merge multiple reexamination proceedings. Filing a petition provides an opportunity to present issues from the petitioner’s perspective and to select the timing of the PTO’s consideration of the issues. The decision to merge proceedings involving only *ex parte* reexaminations is not made, and thus should not be requested, until after the patent owner and the requester of the subsequent request are given an opportunity to file a statement and reply, respectively.³ For a subsequent *inter partes* reexamination, the petition to merge can be requested at any time after reexamination has been ordered based on the subsequent request.⁴

Who Decides Whether to Merge?

The decision to merge or suspend is within the sole discretion of the PTO. Mergers involving only *ex parte* reexaminations are made by the Director of the Central Reexamination Unit (CRU), or the CRU Director may delegate the decision to a Supervisory Patent Examiner in the CRU. All decisions that relate to merger or suspension involving at least one *inter partes* reexamination proceeding are made by the Office of the Patent Legal Administration (OPLA). After a decision to merge has been made, one of the parties may request reconsideration or may petition for severance of the merged proceedings and suspension of one of the proceedings.

Considerations for the Decision

Both *ex parte* reexamination and *inter partes* reexamination are statutorily required to be conducted with “special dispatch.”⁵ This requirement is the PTO’s paramount consideration when deciding whether to merge or suspend proceedings. Other important considerations include the efficient use of resources and avoidance of conflicting positions.

Factors Relevant to Suspension

The PTO will not merge either type of reexamination proceeding when a second request will “unduly delay” the first proceeding.⁶ When copending reexamination proceedings are not merged, one of the proceedings is suspended so as to prevent concurrent prosecution of the proceedings. Reexamination proceedings may be

suspended in certain situations “for a short and specified period of time.”⁷ The factors for suspending an *ex parte* or *inter partes* reexamination are similar. For example, a first reexamination proceeding may be suspended to allow additional time for a patent owner’s statement and the requester’s reply in a subsequent *ex parte* reexamination proceeding. Similarly, a first reexamination proceeding may be suspended to allow time for the decision on a subsequent request for *inter partes* reexamination.

A party may file a petition under 37 C.F.R. § 1.182 for suspension.⁸ Under no circumstances will a suspension be granted if there is an outstanding Office action. Both types of subsequent requests for reexamination will be suspended when the earlier filed reexamination is under appeal to the Federal Circuit.

EX PARTE REEXAM + EX PARTE REEXAM

Tactical Use of Merger

When a subsequent request for *ex parte* reexamination is filed and granted during the pendency of an earlier *ex parte* reexamination, the proceedings will usually be merged.⁹ The high likelihood of merger permits its tactical use, perhaps most commonly when the original third-party requester or another third party seeks to influence an *ex parte* reexamination by filing another request for *ex parte* reexamination. The third party may have observed the patent owner characterizing the claims in a manner that is different from a claim construction in a related litigation, or may disagree with decisions reached during the *ex parte* reexamination or with characterizations made by the patent owner in arguments or in a declaration. Such multiple requests for reexamination may result in so called “rolling reexaminations.” The primary limit on such tactics is the requirement for a separate substantial new question of patentability in each request, which can become more difficult with each request, as discussed in a previous article.¹⁰ Another limit is the right of patent owners to file a petition alleging that the subsequent request was filed to harass the patent owner.¹¹

Procedures for Merged Proceedings

After the proceedings are merged, the merged proceeding is generally assigned to the same examiner to whom the earlier reexamination was assigned, and the prosecution continues at the most advanced

point possible for the earlier proceeding.¹² For example, if the earlier proceeding is ready for a final rejection and the second proceeding does not provide any new information that would call for a new ground of rejection, a final rejection may be made in the merged proceedings. If the earlier proceeding already has an outstanding final rejection, prosecution may be reopened to apply any of the new patents or printed publications presented in the subsequent request.

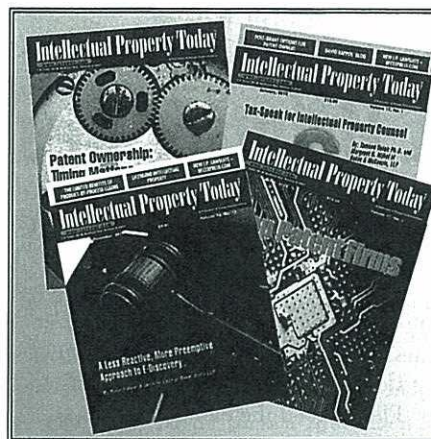
The patent owner must maintain identical claims in all merged proceedings. When the claims are not identical, the patent owner will be given one month to file a housekeeping amendment to harmonize the claims, without any commentary on the patentability of the claims. The patent owner must file a single response (or other paper) in each of the merged proceedings. However, if a fee (e.g., excess claim fee, fee for an extension of time, or petition fee) is required along with the response (or other paper), only one fee needs to be paid. Thus, even though separate files are maintained for each proceeding, the files should contain identical claims, responses, and other papers from the time of merger.

INTER PARTES REEXAM + ANOTHER REEXAM

Tactical Use of Merger

When a subsequent request for reexamination results in the copendency of an *ex parte* reexamination and an *inter partes* reexamination, the proceedings will usually be merged.¹³ The high likelihood of a merger in this scenario can be tactically used in various ways. For example, in a lawsuit with multiple defendants, one of the defendants may request *inter partes* reexamination and one of the other defendants may desire to participate in the *inter partes* reexamination by requesting another *inter partes* reexamination and petitioning for merger of the proceedings. In such merged proceedings, all third-party requesters of an *inter partes* reexamination are allowed to participate.

Another common merger scenario involves the practice used by defendants to obtain a quick stay in litigation by requesting *ex parte* reexamination and then later requesting *inter partes* reexamination. This "1-2 punch" can maximize the likelihood of obtaining a stay while allowing more time to thoroughly prepare the request for *inter partes* reexamination.



To subscribe to
**Intellectual
Property Today**
go to www.iptoday.com

If an *inter partes* reexamination requester is also involved in litigation with the patent owner and a final adverse judgment in the litigation appears to be forthcoming, then the requester may want to consider filing a request for *ex parte* reexamination to avoid having the estoppel provisions of 35 U.S.C. § 317(b) terminate the *inter partes* reexamination.¹⁴ The *ex parte* reexamination, assuming it is granted as raising a substantial new question of patentability, will not be estopped even if the *inter partes* reexamination should be. If appropriate, the PTO may merge the *ex parte* and *inter partes* reexaminations.

There is not a set window for requesting reexamination that ensures merger. However, it is best to file a subsequent request at the earliest possible stage. For example, a petition for merger will be accepted after an order for *inter partes* reexamination even if the order was not accompanied by an Office action.¹⁵ When seeking merger, it is best to avoid filing a petition after an Action Closing Prosecution has been mailed. Of course, merger is even less likely after issuance of a Notice of Intent to Issue a Reexamination Certificate.

Procedures for Merged Proceedings

The procedures described above for merged proceedings involving only *ex parte* reexaminations also apply to merged proceedings involving at least one *inter partes* reexamination.¹⁶ However, the merged proceedings are otherwise conducted in accordance with the requirements for *inter partes* reexamination,¹⁷ which typically means that the patent owner can no longer conduct interviews with the examiner. Of course, the third-party requester of the *ex parte* reexamination who did not also request *inter*

partes reexamination has no participation rights¹⁸ after the opportunity to reply to the patent owner's statement has passed, except in the rare circumstance that the third-party successfully petitions under 37 C.F.R. § 1.183 to waive the prohibition against further participation. Additional requirements relate primarily to the *inter partes* third-party requester(s) who must file a single response (or other paper) in each of the merged proceedings. **IPT**

ENDNOTES

1. MPEP §§ 2283(VII), 2686.01(VI).
2. Kevin B. Laurence & Matthew C. Phillips, *Notice of Concurrent Proceedings in Reexamination and Reissue*, *Intellectual Property Today* 32-33 (Oct. 2010).
3. 37 C.F.R. §§ 1.565(c); MPEP § 2283.
4. MPEP § 2686.01(I).
5. 35 U.S.C. §§ 305, 314(c).
6. MPEP §§ 2283(IV), 2686.01(IV).
7. MPEP §§ 2283(II), 2686.01(II).
8. Matthew A. Smith, *Stay, Suspension and Merger: Considerations for Concurrent Proceedings Involving Inter Partes Reexamination*, 90 *J. Pat. & Trademark Off. Soc'y* 657 (Sept. 2008) (detailed analysis of petitions for suspension in *inter partes* reexamination).
9. 37 C.F.R. § 1.565(c); MPEP § 2283.
10. Kevin B. Laurence & Matthew C. Phillips, *Multiple Reexamination Requests*, *Intellectual Property Today* 8-9 (Aug. 2010).
11. MPEP §§ 2240(II), 2640(II)(A).
12. MPEP §§ 2283(III), 2686.01(III).
13. 37 C.F.R. § 1.989; MPEP § 2686.01.
14. Harold C. Wegner, *Inter Partes Reexamination Validity Challenges: Contrast to the District Court*, at 15 (Am. Intellectual Prop. Law Ass'n spring mtg. May 13-15, 2009).
15. While MPEP § 2686.01(VI) indicates that the requirement of 37 C.F.R. § 1.939(b) is waived, it is still prudent to avoid addressing the merits of the *inter partes* reexamination in the petition.
16. MPEP § 2686.01(III).
17. 37 C.F.R. § 1.989(b).
18. *Id.*