

# Substantial New Questions of Patentability

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A request for reexamination must raise a substantial new question of patentability (SNQP) based on printed publication prior art.<sup>1</sup> This is actually two requirements; the question of patentability must be both (1) substantial and (2) new. This article discusses those two requirements.

## SUBSTANTIAL QUESTION OF PATENTABILITY

For the question of patentability to be substantial, the printed publication’s teaching must be “such that a reasonable examiner would consider the teaching to be important in deciding whether or not the claim is patentable.”<sup>2</sup> The prior art may raise a substantial question even though the art does not create a *prima facie* case of unpatentability. Thus, the PTO may order reexamination and yet conclude that claims are patentable over prior art printed publication.

### Similarities to Other Standards

The criteria to raise a substantial question of patentability for reexamination is linguistically similar to the criteria to raise

a “substantial question of validity” to defeat a preliminary injunction.<sup>3</sup> In *Procter & Gamble v. Kraft Foods*, the Federal Circuit remarked that the status of a reexamination “may be relevant” to whether the patentee can show a likelihood of success on the merits: “To the extent that Kraft would challenge the validity of the claims of the ’418 patent in the district court on the same bases it raised in the reexamination, the examiner’s confirmation of the patentability of every claim in the ’418 patent may be relevant to P&G’s likelihood of success.”

The standard for a prior art reference to raise a “substantial” question of patentability is also similar to the materiality definition in the old version of 37 C.F.R. § 1.56 for purposes of the duty of disclosure. Both standards speak of the reference being “important” to a “reasonable examiner” deciding whether the claims are patentable.<sup>4</sup>

### Broadest Reasonable Claim Interpretation and No Presumption of Validity

In determining what a reasonable examiner would consider important, it is useful to bear in mind (1) the manner in which the examiner must interpret the claims and (2) the evidentiary burden that the examiner must ultimately meet to reject the claims.

In deciding whether to grant a request, and thereafter throughout a reexamination, the PTO will apply the “broadest reasonable meaning” to the claims, just as in original prosecution.<sup>5</sup> That approach to claim interpretation is significantly different from what courts do. Courts are much more eager to construe claims narrowly under the relatively vague standards of judicial claim construction that give courts license to refer to statements in the specification about “the invention,” objectives of the invention, or distinctions over the prior art, or more generally to the overall breadth of the disclosure. The only exception to the “broadest reasonable meaning” rule of claim interpretation during reexamination is when the patent under reexamination has expired, in which case the PTO will try to apply the same claim construction as the courts do.<sup>6</sup>

During reexamination, the PTO does not presume that the claims are valid, and a rejection of the claims can be sustained based on the preponderance of the evi-

dence.<sup>7</sup> Again, this is a significant difference compared to litigation, where patents are presumed valid, and a challenger can overcome that presumption only with clear and convincing evidence of facts establishing invalidity.

## NEW QUESTION OF PATENTABILITY

Not only must the question of patentability be substantial, it must also be new. In the simplest case, the prior art is new (*i.e.*, not previously considered by the PTO). The more difficult cases involve old prior art (*i.e.*, art previously considered for some purpose by the PTO).

### “New” Prior Art

New prior art can usually raise a substantial question of patentability, but not always. New prior art that is merely cumulative to old art cannot raise a new question. To raise a new question of patentability, the art must present “a new, non-cumulative technological teaching that was not previously considered and discussed on the record” by the PTO.<sup>8</sup>

For this reason, a requester should specifically point out the feature(s) disclosed in the new art that qualify as new, non-cumulative technological teachings. Merely citing new art and explaining how the claims to be reexamined read on the new art may not be enough. It is recommended that the requester additionally explain how the art satisfies the new, non-cumulative technological teaching criteria. That can usually be done by comparing the new art to the old art and identifying the disclosure of patentably pertinent features present in the new art but absent from the old art. Often, the original prosecution history highlights those deficiencies in the old art. In the most straightforward case, the requirement to show a new, non-cumulative technological teaching is satisfied by the following three-step logic: (1) Claim N was allowed because the old art failed to disclose feature X, recited in claim N (cite to original prosecution history); (2) New prior art Y teaches feature X (pinpoint cite to new prior art Y); and (3) New prior art Y therefore presents a new, non-cumulative technological teaching and raises an SNQP regarding claim N.

### “Old” Prior Art

Prior to 2002, it was practically impossible to raise a new question of patentability based on old prior art. In 2002, Congress amended the reexamination statutes to

state, “The existence of a substantial new question of patentability is not precluded by the fact that a patent or printed publication was previously cited by or to the Office or considered by the Office.”<sup>9</sup>

Since that legislative change, situations in which old art can present an SNQP include (1) when the art is considered or presented in a new light compared to its earlier use before the PTO, (2) where there is a material new argument related to the art, (3) where there is a material new interpretation of the art, (4) when the prior art is applied against different claimed subject matter compared to the subject matter the prior art was previously applied against, (5) when the prior art is combined in a new manner, including combinations of previously presented prior art with new prior art, or (6) when a different statutory section provides the basis for using the prior art to reject a claim.<sup>10</sup>

The “new light” category is arguably inclusive of the other categories listed above. According to that standard, an SNQP “may be based solely on old art where the old art is being presented/viewed in a new light, or in a different way, as compared with its use in the earlier concluded examination(s), in view of a material new argument or interpretation presented in the request.”<sup>11</sup>

A change of the law cannot constitute the new light required to raise a new question of patentability based on old art. Thus, for example, while *KSR* may have made it easier to formulate a rationale supporting an obviousness argument, a new analysis of old art using rationales from *KSR* does not present an SNQP. According to the PTO:

[A] reexamination request relying on previously applied prior art that asks the Office to look at the art again based solely on the Supreme Court’s clarification of the legal standard for determining obviousness under 35 U.S.C. 103 in *KSR*, without presenting the art in new light or different way, will not raise a substantial new question of patentability as to the patent claims, and reexamination will not be ordered.<sup>12</sup>

## EFFECT OF PRIOR LITIGATION

What if the patent has been or is being litigated, and validity over a prior art printed publication is or was at issue in the litigation? If there has not been a judicial decision on the validity issue, then the PTO

will proceed to make its own determination whether there is an SNQP. If there has been a nonfinal decision of invalidity or unenforceability, then the PTO will also proceed to make its own decision. However, if the invalidity or unenforceability decision is final, then the PTO will not grant reexamination. A final adjudication of invalidity or unenforceability is controlling on the PTO, in keeping with the principle that reexamination can only be granted during the enforceable life of the patent.


It is more interesting when there has been a judicial decision in favor of the patent against a validity challenge. Even if the decision is final, the PTO’s policy has always been to make its own determination regarding whether there is an SNQP, even when the art is the same as that considered by the court. At most, the PTO may give some deference to the court’s factual findings, but the PTO will make its own independent determination.

A powerful example of this scenario occurred in *Swanson*. In that case, the PTO granted reexamination and held unpatentable patent claims that a court had previously held to be not invalid. Not only had a jury upheld the validity of the patent claims, but the Federal Circuit affirmed that decision. Still, the PTO granted a reexamination request based on exactly the same art considered in the litigation and rejected claims on the same grounds that the jury had considered and found unconvincing. On appeal, the patent owner argued that the district court decision meant that there could not be a new question of patentability in the reexamination. The Federal Circuit did not adopt that view and held instead that only prior examination – not litigation – can make a patentability question not new. The patent owner also argued that the reexamination violated constitutional separation of powers, but the Federal Circuit rejected that argument. Central to the Federal Circuit’s analysis were the different evidentiary burdens and claim construction rules applied in reexamination and litigation. Because both the evidentiary burdens and claim construction rules are more lax for the challenger during reexamination, the Federal Circuit reasoned that a PTO decision of unpatentability is not inconsistent with a court decision that a litigant failed to meet its burden to show that the claims are not valid.

## COMPARISON TO CRITERIA TO INITIATE PROPOSED NEW REEXAMINATION-LIKE PROCEEDINGS

Under the proposed Patent Reform Act of 2010, announced publicly March 4, 2010, the SNQP standard would continue to be the criteria for *ex parte* reexamination. However new criteria would apply to the new proposed *inter partes* review and post-grant review proceedings. A post-grant review proceeding would require a showing “that it is more likely than not that at least [one claim] is unpatentable.”<sup>13</sup> An *inter partes* review proceeding would require “a reasonable likelihood that the petitioner would prevail with respect to at least [one] challenged [claim].”<sup>14</sup> Both new standards are higher than the SNQP standard.

## CONCLUSION

A reexamination request must raise a patentability question that is both substantial and new. Despite how restrictive those two terms sound, they are easier to meet than one might think. A substantial patentability question is merely one that a reasonable examiner would find important to consider. A new patentability question need only be new to the PTO, even if it has been litigated in the courts, and a new question can be premised on “old” art previously considered by the PTO so long as the art is being viewed in a new light. Not surprisingly, over 90% of requests for reexamination are granted.<sup>15</sup> 

## ENDNOTES

1. 35 U.S.C. § 303.
2. MPEP § 2242.
3. *Procter & Gamble Co. v. Kraft Foods Global, Inc.*, 549 F.3d 842, 847-48 (Fed. Cir. 2008).
4. *E.g., Digital Control, Inc. v. Charles Mach. Works*, 437 F.3d 1309, 1316 (Fed. Cir. 2006) (resuscitating old Rule 56 after PTO tried to kill it).
5. *In re Swanson*, 540 F.3d 1368, 1378 (Fed. Cir. 2008).
6. MPEP § 2258(G).
7. *In re Etter*, 756 F.2d 852, 857 (Fed. Cir. 1985); MPEP § 2258(G).
8. MPEP § 2216.
9. 35 U.S.C. § 303.
10. See MPEP §§ 2216, 2258.01(A).
11. MPEP § 2242(II)(A); see also *id.* § 2258.01 (same).
12. MPEP § 2216.
13. 35 U.S.C. § 324(a) (as proposed in the Patent Reform Act of 2010, available at <http://judiciary.senate.gov/legislation/upload/PatentReformAmendment.pdf>).
14. 35 U.S.C. § 314 (as proposed in the Patent Reform Act of 2010).
15. USPTO, Performance & Accountability Rep. Fiscal Yr. 2009 at 124 (Table 13A), available at <http://www.uspto.gov/about/stratplan/ar/2009/2009annualreport.pdf> (93% grant rate in 2009 for *ex parte* reexamination requests); *id.* at 124 (Table 13B) (95% grant rate in 2009 for *inter partes* reexamination requests).