

When Is *Ex Parte* Reexamination Available?

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Their treatise titled *Post-Grant Patent Practice: Review, Reexamination, Reissue and Supplemental Examination* will be available in March 2012 from the Patent Resources Group. Their CLE course of the same name will be taught March 29-31 in Bonita Springs, Florida.

The America Invents Act (AIA) maintains *ex parte* reexamination as an option for challenging the validity of a patent at the U.S. Patent and Trademark Office (PTO). This article explains when a request for *ex parte* reexamination may be filed with respect to the period of enforceability of a patent, in relation to another reexamination, and, perhaps most importantly, relative to related patent litigation. This article also discusses the role of *ex parte* reexamination with respect to post-grant review and *inter partes* review, which are the robust vehicles for challenging patentability at the PTO that will become available under the AIA.

WHEN CAN A REQUEST FOR REEXAMINATION BE FILED?

Section 302 of U.S.C. Title 35 states that a request for *ex parte* reexamination can be filed “at any time.”¹ Rule 1.510 of C.F.R. Title 37 is somewhat more restrictive, stating that a request can be filed “at any time during the period of enforceability of a patent.”²

The period of enforceability of a patent can be up to six years after the patent’s expiration.³ Even after the six-year post-expiration damages period lapses, a request can still be filed so long as there is pend-

ing litigation that was initiated before the lapse so that “the patent is still enforceable against someone.”⁴

The PTO will consider the patent’s term, which includes term extensions and term adjustments, maintenance fees, disclaimers, and “[a]ny other relevant information,” in determining the patent’s expiration date.⁵ If a patent has expired for failure to pay maintenance fees for a period of greater than six years, the patent could conceivably still be revived. However, the PTO likely will not reexamine that patent until it is actually revived.

REQUESTING *EX PARTE* REEXAMINATION DURING OR AFTER ANOTHER REEXAMINATION

When an *ex parte* or *inter partes* reexamination is pending or has been completed, a request for *ex parte* reexamination of the same patent can be filed by the same party that requested the earlier reexamination or by another party.⁶ The PTO will order another *ex parte* reexamination only if the request raises a “substantial new question of patentability.”⁷ If the subsequent reexamination is ordered and overlaps temporally with the earlier reexamination for the same patent, then the proceedings will usually be merged.⁸

REEXAMINATION BEFORE, DURING, OR AFTER A REVIEW PROCEEDING

The AIA directs the PTO to develop regulations for administering a post-grant review or *inter partes* review when an *ex parte* reexamination is pending or is ordered during the pendency of a review proceeding.⁹ The PTO has not yet issued proposed rules for suspension or consolidation of such procedures.

The estoppel provisions of the AIA limit a party and the party’s privies from requesting a proceeding, such as an *ex parte* reexamination, after the PTO issues a final written decision in a post-grant review or *inter partes* review on any ground that the petition raised or reasonably could have raised during the review proceeding.¹⁰ However, *ex parte* reexamination can presently be requested anonymously, which would enable a requester to avoid the

estoppel provisions. The PTO has issued a proposed rule¹¹ to eliminate this possible loophole to the estoppel provisions in the AIA with respect to a review proceeding. Under the proposed rule, when requesting *ex parte* reexamination, a certification will be required with the request to confirm that the estoppel provisions for post-grant review or *inter partes* review do not apply and the requester will be required to identify the real party in interest. An *ex parte* reexamination requester wishing to remain anonymous can do so by indicating that the documents identifying the real party in interest should not be made available to the public.

REEXAMINATION DURING OR AFTER LITIGATION

When there is a final court decision of invalidity or unenforceability of patent claims for any reason, the PTO will terminate the reexamination of the invalid or unenforceable claims.¹² A nonfinal court decision, however, will not stop the PTO from continuing its reexamination.

Things get more interesting when there has been a final judicial decision in favor of the patent in a validity challenge. The PTO will not stop its proceedings if a court rules that the patent is not invalid over the exact same prior art being considered in the reexamination because such a court ruling is not inconsistent with the PTO’s determination that the same claims are unpatentable over the same art.¹³ Even if the decision is final, the PTO’s policy is to make its own determination regarding whether there is a substantial new question of patentability, 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 of patentability. The following table summarizes the effect that a court holding regarding invalidity has on the PTO’s determination of whether a substantial new question of patentability exists and whether reexamination of the patent should continue:

	JUDGMENT FINAL	JUDGMENT NOT FINAL
Court says invalid	No reexamination	PTO may defer to factual findings
Court says not invalid	PTO may defer to factual findings	PTO may defer to factual findings

Swanson provides a powerful example of the advantages of pursuing a reexamination after a final judgment by the Federal Circuit that a patent is not invalid. In that case, the PTO ordered reexamination based on exactly the same art that was considered in the litigation with regard to novelty, 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 the 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. Both the evidentiary burdens and claim construction rules are more lax for the challenger during reexamination. For these reasons, the Federal Circuit opined that a decision of unpatentability by the PTO is not inconsistent with a court decision that a litigant failed to meet its burden to show that the claims are not valid.

Swanson was recently relied on in *In re Construction Equipment Co.*,¹⁴ which also involved a reexamination requested by a party that had previously failed to prove the patent invalid in litigation. The claims were amended during the reexamination and claims were also added. The litigation

involved a review of novelty and nonobviousness of several claims over three references, while the reexamination involved an obviousness rejection of 12 claims over various combinations of seven references, two of which were considered in the litigation. The Federal Circuit confirmed the PTO’s rejection of the claims.

Construction Equipment reflects the fact that claims are often amended and added in reexamination and that, over time (the reexamination at issue was requested about six years after the completion of the litigation), additional relevant references may be found that change outcomes. In dissent, Judge Newman concluded that the reexamination was unconstitutional or should have been barred on the grounds of *res judicata* or issue preclusion. The majority disagreed with this position for various reasons, including its inconsistency with *Swanson*. For situations such as that in *Construction Equipment*, where claims are changed in a reexamination, issue preclusion and *res judicata* seem even less relevant than in situations where the claims in a patent are unchanged by a reexamination, as was the case in *Swanson*. The same logic also applies where validity is challenged in a reexamination based on prior art references that are different from those asserted in a prior litigation.

CONCLUSION

The availability of *ex parte* reexamination will be eliminated for a review petitioner once a final decision has been reached in a review proceeding. *Ex parte*

reexamination remains an option during or after a previously ordered reexamination as long as the requester can present a substantial new question of patentability. The same is true even after failing in litigation. So if at first you don’t succeed in litigation, try, try again in reexamination. **IP**

ENDNOTES

1. 35 U.S.C. § 302.
2. 37 C.F.R. § 1.510(a).
3. See 35 U.S.C. § 286 (“[N]o recovery shall be had for any infringement committed more than six years prior to the filing of the complaint or counterclaim for infringement in the action.”); see also MPEP § 2211 (same).
4. MPEP § 2211.
5. *Id.*
6. Kevin B. Laurence & Matthew C. Phillips, *Multiple Reexamination Requests*, Intell. Prop. Today 8-9 (Aug. 2010).
7. 35 U.S.C. §§ 303(a), 312(a); MPEP §§ 2216, 2616; see also Matthew C. Phillips & Kevin B. Laurence, *Substantial New Questions of Patentability*, Intell. Prop. Today 34-35 (Apr. 2010).
8. 37 C.F.R. § 1.565(c); MPEP § 2283; see also Kevin B. Laurence & Matthew C. Phillips, *Reexam + Reexam = Merger (Usually)*, Intell. Prop. Today 20-21 (Dec. 2010).
9. 35 U.S.C. §§ 315(d), 316(a)(4), 325(d), 326(a)(4).
10. 35 U.S.C. §§ 315(e)(1), 325(e)(1).
11. Changes to Implement Miscellaneous Post Patent Provisions of the Leahy-Smith America Invents Act, 77 Fed. Reg. 442 (Jan. 5, 2012).
12. MPEP § 2286(II).
13. See *In re Swanson*, 540 F.3d 1368 (Fed. Cir. 2008); *Ethicon, Inc. v. Quigg*, 849 F.2d 1422 (Fed. Cir. 1988); MPEP § 2286.
14. No. 2010-1507, 2011 U.S. App. LEXIS 25078 (Fed. Cir. Dec. 15, 2011).

Precision BioSciences Announces that the US Patent Office Rejects All Claims to Collectis Patent

Research Triangle Park, NC – On January 23rd, Precision BioSciences, Inc., a leader in the field of genome engineering, announced that the United States Patent and Trademark Office (PTO) has issued a first, non-final Office Action in the reexamination proceedings for U.S. Pat. No. 7,897,372 (“the ‘372 patent”) that is owned by Collectis SA. Importantly, this Office Action rejected every claim of the ‘372 patent as being anticipated by or obvious in view of prior art. Collectis is afforded the opportunity to respond the PTO’s rejection of the claims of the ‘372 patent. Collectis has alleged that Precision is infringing the ‘372 patent in a lawsuit brought against Precision in March 2011.

This is not the first time that Collectis has attempted to allege patent infringement against Precision using patent claims that were later rejected in reexamination proceedings by the PTO. In March of 2008, Collectis asserted two in-licensed patents against Precision. The patents asserted by Collectis in that case were subsequently re-examined by the PTO at Precision’s request, and all claims asserted against Precision were rejected. Following the PTO’s rejections of the claims on reexamination, the court in the 2008 case granted Precision’s request to stay that litigation pending the final outcome of the reexamination proceedings and exhaustion of appeals. Precision has similarly requested a stay of Collectis’s new lawsuit under the ‘372 patent in light of that patent’s reexamination by the PTO.

“We are very pleased with the PTO’s rejection of the claims of the ‘372 patent,” stated Derek Jantz, Precision BioSciences’ VP of Scientific Development. “We have always believed that the ‘372 patent was a blatant attempt by Collectis to patent material that was obvious in light of the discoveries made by other scientists.”