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In re Application of :
Hubert M. LIPINSKI, et al. :
Application No. 14/892,923 : ON PETITION
Filed: November 20, 2015 :
FOR: HYDROGEN-LITHIUM FUSION DEVICE :

This is a decision on the petition under 37 CFR 1.181 filed February 10, 2017, requesting that the Director exercise her supervisory authority and overturn the decision of February 9, 2017 by the Director of Technology Center 3600 (Technology Center Director), which decision refused petitioners' request that the examiner be directed to issue a new non-final Office action without reintroducing the discussion on pages 6 through 13 of the Office action of August 26, 2016.[1]

The petition to direct the examiner to issue a new non-final Office action is **DENIED**.

RELEVANT BACKGROUND

The above-identified application was filed on November 20, 2015.

A non-final Office action was mailed on August 26, 2016. The Office action of August 26, 2016 included, *inter alia*: (1) an objection to the specification for failing to provide an adequate written description and enabling disclosure of the invention; (2) a rejection of claims 1 through 3 and 5 through 27 under 35 U.S.C. § 101 for failing to comply with its utility requirement; (3) a rejection of claims 1 through 3 and 5 through 27 under 35 U.S.C. § 112(a) for failing to comply with its enablement requirement; (4) a rejection of claim 2 under 35 U.S.C. § 112(d) for failing to further limit the subject matter of the claim upon which it depends; and (5) a rejection of claim 1

[1] Petitioners also request, in the alternative, a ruling that none of the evidence cited on pages 6 through 13 of the Office action of August 26, 2016 is admissible on the grounds that it is irrelevant, lacks of probative value, and/or unfairly prejudices petitioners, or that the examiner be directed that this evidence be given zero or minimal weight in weighing the evidence of operability of hydrogen-lithium plasma fusion. These alternative requests are also **denied**.

under 35 U.S.C. § 103 as being unpatentable over Lipinski et al. (U.S. Patent Application Publication No. 2009/0274256).

A petition under 37 CFR 1.181 was filed on October 25, 2016. The petition of October 25, 2016 requested: (1) that the examiner be directed to issue a new non-final Office action without reintroducing the discussion on pages 6 through 13 of the Office action of August 26, 2016; (2) a ruling that none of the evidence cited on pages 6 through 13 of the Office action of August 26, 2016 is admissible; or (3) that the examiner be directed that this evidence be given zero or minimal weight in weighing the evidence of operability of hydrogen-lithium plasma fusion.

The petition under 37 CFR 1.181 filed on October 25, 2016 was denied by the Technology Center Director in a decision mailed on February 9, 2017.

The instant petition under 37 CFR 1.181 was filed on February 10, 2017, and requests that the Director exercise her supervisory authority to review the decision of the Technology Center Director mailed February 9, 2017, and again requests: (1) that the examiner be directed to issue a new non-final Office action without reintroducing the discussion on pages 6 through 13 of the Office action of August 26, 2016; (2) a ruling that none of the evidence cited on pages 6 through 13 of the Office action of August 26, 2016 is admissible; or (3) that the examiner be directed that this evidence be given zero or minimal weight in weighing the evidence of operability of hydrogen-lithium plasma fusion.

STATUTE AND REGULATION

35 U.S.C. § 131 states:

> The Director shall cause an examination to be made of the application and the alleged new invention; and if on such examination it appears that the applicant is entitled to a patent under the law, the Director shall issue a patent therefor.

35 U.S.C. § 132 states:

> (a) Whenever, on examination, any claim for a patent is rejected, or any objection or requirement made, the Director shall notify the applicant thereof, stating the reasons for such rejection, or objection or requirement, together with such information and references as may be useful in judging of the propriety of continuing prosecution of his application; and if after receiving such notice, the applicant persists in his claim for a patent, with or without amendment, the application shall be reexamined. No amendment shall introduce new matter into the disclosure of the invention.
>
> (b) The Director shall prescribe regulations to provide for the continued examination of applications for patent at the request of the applicant. The Director may establish appropriate fees for such continued examination and shall

provide a 50 percent reduction in such fees for small entities that qualify for reduced fees under section 41(h)(1).

35 U.S.C. § 134 provides that:

(a) PATENT APPLICANT.— An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Patent Trial and Appeal Board, having once paid the fee for such appeal.

(b) PATENT OWNER.— A patent owner in a reexamination may appeal from the final rejection of any claim by the primary examiner to the Patent Trial and Appeal Board, having once paid the fee for such appeal.

37 CFR 1.111 provides that:

(a)(1) If the Office action after the first examination (§ 1.104) is adverse in any respect, the applicant or patent owner, if he or she persists in his or her application for a patent or reexamination proceeding, must reply and request reconsideration or further examination, with or without amendment. See §§ 1.135 and 1.136 for time for reply to avoid abandonment.

(2) Supplemental replies.

(i) A reply that is supplemental to a reply that is in compliance with § 1.111(b) will not be entered as a matter of right except as provided in paragraph (a)(2)(ii) of this section. The Office may enter a supplemental reply if the supplemental reply is clearly limited to:

(A) Cancellation of a claim(s);

(B) Adoption of the examiner suggestion(s);

(C) Placement of the application in condition for allowance;

(D) Reply to an Office requirement made after the first reply was filed;

(E) Correction of informalities (e.g., typographical errors); or

(F) Simplification of issues for appeal.

(ii) A supplemental reply will be entered if the supplemental reply is filed within the period during which action by the Office is suspended under § 1.103(a) or (c).

(b) In order to be entitled to reconsideration or further examination, the applicant or patent owner must reply to the Office action. The reply by the applicant or patent owner must be reduced to a writing which distinctly and specifically points out the supposed errors in the examiner's action and must reply to every ground of objection and rejection in the prior Office action. The reply must present arguments pointing out the specific distinctions believed to render the claims, including any newly presented claims, patentable over any applied references. If the reply is with respect to an application, a request may be made that objections or requirements as to form not necessary to further consideration of the claims be held in abeyance until allowable subject matter is indicated. The

applicant's or patent owner's reply must appear throughout to be a bona fide attempt to advance the application or the reexamination proceeding to final action. A general allegation that the claims define a patentable invention without specifically pointing out how the language of the claims patentably distinguishes them from the references does not comply with the requirements of this section.

(c) In amending in reply to a rejection of claims in an application or patent under reexamination, the applicant or patent owner must clearly point out the patentable novelty which he or she thinks the claims present in view of the state of the art disclosed by the references cited or the objections made. The applicant or patent owner must also show how the amendments avoid such references or objections.

37 CFR 1.132 provides that:

When any claim of an application or a patent under reexamination is rejected or objected to, any evidence submitted to traverse the rejection or objection on a basis not otherwise provided for must be by way of an oath or declaration under this section.

37 CFR 1.181(a) provides that:

Petition may be taken to the Director:

(1) From any action or requirement of any examiner in the *ex parte* prosecution of an application, or in *ex parte* or *inter partes* prosecution of a reexamination proceeding which is not subject to appeal to the Patent Trial and Appeal Board or to the court;

(2) In cases in which a statute or the rules specify that the matter is to be determined directly by or reviewed by the Director; and

(3) To invoke the supervisory authority of the Director in appropriate circumstances. For petitions involving action of the Patent Trial and Appeal Board, see § 41.3 of this title.

37 CFR 41.31 provides that:

(a) Who may appeal and how to file an appeal. An appeal is taken to the Board by filing a notice of appeal.

(1) Every applicant, any of whose claims has been twice rejected, may appeal from the decision of the examiner to the Board by filing a notice of appeal accompanied by the fee set forth in § 41.02(b)(1) within the time period provided under § 1.134 of this title for reply.

(2) Every owner of a patent under ex parte reexamination filed under § 1.510 of this title before November 29, 1999, any of whose claims has been twice rejected, may appeal from the decision of the examiner to the Board by

filing a notice of appeal accompanied by the fee set forth in § 41.20(b)(1) within the time period provided under § 1.134 of this title for reply.

(3) Every owner of a patent under ex parte reexamination filed under § 1.510 of this title on or after November 29, 1999, any of whose claims has been finally (§ 1.113 of this title) rejected, may appeal from the decision of the examiner to the Board by filing a notice of appeal accompanied by the fee set forth in § 41.20(b)(1) within the time period provided under § 1.134 of this title for reply.

(b) The signature requirements of §§ 1.33 and 11.18(a) of this title do not apply to a notice of appeal filed under this section.

(c) An appeal, when taken, is presumed to be taken from the rejection of all claims under rejection unless cancelled by an amendment filed by the applicant and entered by the Office. Questions relating to matters not affecting the merits of the invention may be required to be settled before an appeal can be considered.

(d) The time periods set forth in paragraphs (a)(1) through (a)(3) of this section are extendable under the provisions of § 1.136 of this title for patent applications and § 1.550(c) of this title for ex parte reexamination proceedings.

OPINION

Petitioners argue that their application concerns hydrogen-lithium plasma fusion, but that the Office Action of August 26, 2016 includes boilerplate text written at least as early as 2012 concerning the Fleischmann and Pon's electrolytic interaction of deuterium with a palladium or nickel electrode (also known as "cold fusion"), which boilerplate text is being used without adaptation to hydrogen-lithium plasma reactions, and that the Office Action of August 26, 2016 fails to distinguish hydrogen-lithium plasma fusion from the Fleischmann and Pon's electrolytic interaction. Petitioners contend that their application reports of a series of experiments over seven years at four different facilities, and of later successful experiments and replication at three facilities, but that the Office action of August 26, 2016 makes no mention of lithium-hydrogen plasma fusion or of the energetic helium nuclei reaction byproducts observed at three different facilities. Petitioners further contend that pages 6 through 13 of the Office Action of August 26, 2016 should be retracted because they do not satisfy United States Patent and Trademark Office (USPTO) standards for quality examination, in that they were written in 2012 or earlier and were not adapted to petitioners' hydrogen-lithium plasma reactions, and that they contain statements that are untrue and misdirected toward a different technology. Petitioners further contend there is no technological overlap between the Fleischmann and Pon's electrolytic interaction or electrolytic-driven reactions and petitioners' hydrogen-lithium plasma reaction, and thus the evidence pertaining to the Fleischmann and Pon's electrolytic interaction does not meet the Federal Rules of Evidence standard for scientific evidence (citing *Daubert v. MerrellDow Pharmaceuticals, Inc.*, 509 U.S. 579 (1993)), does not meet the Administrative Procedures Act (APA) standard under 5 U.S.C. § 556(d) for admission into an administrative proceeding (citing William H. Kuehnle, *Standards of Evidence in Administrative Proceedings*, 49 N.Y.L. Sch. L. Rev. 829 (2005)), and does not satisfy constitutional due process standards.

Petitioners request (alternatively): (1) that the examiner be directed to issue a new non-final Office action without reintroducing the discussion on pages 6 through 13 of the Office action of August 26, 2016 (discussion in question); (2) a ruling that none of the evidence cited on pages 6 through 13 of the Office action of August 26, 2016 (evidence in question) is admissible on the grounds that it is irrelevant, lacks of probative value, and/or unfairly prejudices petitioners; or (3) that the examiner be directed that the evidence in question is to be given zero or minimal weight in weighing the evidence of operability of hydrogen-lithium plasma fusion.

With respect to petitioners' request that the examiner be directed to issue a new non-final Office action without reintroducing the discussion in question in the Office action of August 26, 2016:

35 U.S.C. § 132 provides that "if a patent examiner finds that a patent application does not comply with the standards of patentability, the examiner will issue an office action with respect to the application, 'stating the reasons for such rejection, or objection or requirement, together with such information and references as may be useful in judging of the propriety of continuing the prosecution of his application.'" *See Pfizer v. Lee*, 811 F.3d 466, 469 (2016) (quoting 35 U.S.C. § 132(a)). With respect to sufficiency of an Office action under 35 U.S.C. § 132:

> Section 132 merely ensures that an applicant "at least be informed of the broad statutory basis for [the rejection of] his claims, so that he may determine what the issues are on which he can or should produce evidence." Section 132 is violated when a rejection is so uninformative that it prevents the applicant from recognizing and seeking to counter the grounds for rejection.

See Chester v. Miller, 906 F.2d 1574, 1578 (1990) (citations omitted).

The mere inclusion of "boilerplate" information in an Office action does not render an Office action in violation of 35 U.S.C. § 132. The Manual of Patent Examining Procedure (MPEP) contains numerous template form paragraphs for use by examiners (and which examiners are expected to use). An Office action will typically contain certain template or form information that will appear in other Office actions of that type, as well as information that is unique to the specifics of the application under examination. A review of the Office action of August 26, 2016 reveals that, although it contains template passages that also appear in other applications with earlier filing dates, it contains enough information specific to the above-identified application to be sufficiently informative as to place petitioners on notice of the basis for the rejection(s) so as to allow petitioners to recognize and counter the rejection(s). Accordingly, the Office action of August 26, 2016 satisfies the procedural requirements of 35 U.S.C. § 132.

A review of the Office action of August 26, 2016 indicates that the discussion in question is being relied upon for the examiner's objection to the specification, the examiner's rejection of claims 1 through 3 and 5 through 27 under 35 U.S.C. § 101 for failing to comply with its utility requirement, and the examiner's rejection of claims 1 through 3 and 5 through 27 under

35 U.S.C. § 112(a) for failing to comply with its enablement requirement. The discussion in question does not involve language that is offensive or otherwise inappropriate for inclusion in an official U.S. government document. Rather, the discussion in question is reasonably germane to the position taken in the Office action of August 26, 2016 that: (1) the invention defined by claims 1 through 3 and 5 through 27 is inoperative and thus lacks utility under 35 U.S.C. § 101; and (2) the invention defined by claims 1 through 3 and 5 through 27 is not enabled under 35 U.S.C. § 112(a). *See* MPEP 2107.02 (IV) (to properly reject a claimed invention under 35 U.S.C. § 101 for lacking utility, "the Office must (A) make a *prima facie* showing that the claimed invention lacks utility, and (B) provide a sufficient evidentiary basis for factual assumptions relied upon in establishing the *prima facie* showing). While petitioners challenge the reliability, accuracy, and pertinence of the discussion in question, differences in opinion between an applicant and the examiner as to the nature of the invention, scope of the claims, adequacy of the disclosure, or scope and content of the prior art are typical during the patent examination process, and such differences of opinion are not the basis for a petition under 37 CFR 1.181. Petitioners' issues with the reliability, accuracy, or pertinence of the discussion in question are matters that are appropriately addressed in petitioners' reply under 37 CFR 1.111 to the Office action of August 26, 2016 (not via petition under 37 CFR 1.181). *See In re Jung*, 637 F.3d 1356, 1363 (Fed. Cir. 2011) (applicant's procedural arguments are the same arguments that would have been made on the merits). Stated simply, petitioners are free to challenge the reliability, accuracy, or pertinence of this evidence, by argument that the rejections under 35 U.S.C. §§ 101 and 112 in the Office action of August 26, 2016 fail to establish a *prima facie* case of unpatentability, by evidence in support of patentability (37 CFR 1.132), or both, in their reply under 37 CFR 1.111.[2]

Petitioners are reminded that (in the event they are unable to persuade the examiner to withdraw the rejections in the above-identified application) review of the propriety of a rejection *per se* (and its underlying reasoning) is by way of an appeal as provided by 35 U.S.C. § 134 and 37 CFR 41.31, and not by way of petition under 37 CFR 1.181, even if a petitioner frames the issues as concerning procedure versus the merits. *See Boundy v. U.S. Patent & Trademark Office*, 73 USPQ2d 1468, 1472 (E.D. Va. 2004). An applicant dissatisfied with an examiner's decision in the second or subsequent rejection may appeal to the Patent Trial and Appeal Board. *See* 37 CFR 41.31(a)(1). As stated by the Court of Customs and Patent Appeals (a predecessor of the U.S. Court of Appeals for the Federal Circuit), the adverse decisions of examiners which are reviewable by the Board are those which relate, at least indirectly, to matters involving the rejection of claims. *See In re Hengehold*, 440 F.2d 1395, 1404 (CCPA 1971). It is well settled

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[2] Petitioners state that the inclusion of the discussion in question is intended to shift the burden of proof from the examiner's burden by a preponderance of the evidence to an applicant's burden beyond a reasonable doubt. The burdens of production and of persuasion applicable during the patent examination process are set by the case law of the U.S. Court of Appeals for the Federal Circuit. See, *e.g.*, *In re Oetiker*, 977 F.2d 1443 (Fed. Cir. 1992), *In re Piasecki*, 745 F.2d 1468, 1472 (Fed. Cir. 1984); *see also* MPEP § 2107.02. The burdens of production and of persuasion applicable during the patent examination process are not affected by a discussion included in an Office action.

that the Director will not, on petition, usurp the functions or impinge upon the jurisdiction of the Patent Trial and Appeal Board. *See In re Dickerson*, 299 F.2d 954, 958 (CCPA 1962) (The Board will not ordinarily hear a question that should be decided by the Director on petition, and the Director will not ordinarily entertain a petition where the question presented is a matter appealable to the Board). *See also* MPEP 1201.

Petitioners' contentions concerning the "quality" of the Office action of August 26, 2016 and their pursuit of improving the quality of examination of the above-identified application, and discussion of the consultations within the Patent Examining Corps to informally resolve their concerns with the quality of examination of the above-identified application, are noted. The USPTO's quality initiatives (e.g., the Enhanced Patent Quality Initiatives (EPQI) and the Patents Ombudsman Program) do not create any basis for relief via petition under 37 CFR 1.181 that does not already exist under the patent statutes, regulations, and examining procedures. *See*, e.g., *Patents Ombudsman Pilot Program*, 75 *Fed. Reg.* 17380, 17381 (Apr. 6, 2010) (Patents Ombudsman Program cannot be used as an alternative forum for resolution of disagreements between the applicant and a USPTO official that are currently resolved via appeal, petition, or other procedures). A petition under 37 CFR 1.181 is not a forum for resolving this type of disagreement between an applicant and the Patent Examining Corps. *See, e.g., May 2016 Subject Matter Eligibility Update*, 81 *Fed. Reg.* 27381, 27382 (May 6, 2016) ("[f]ailure of [USPTO] personnel to follow the USPTO's guidance materials is not, in itself, a proper basis for either an appeal or a petition").

With respect to petitioners' alternative requests concerning the evidence in question:

Petitioners' contention that the evidence in question would not be admissible in court (and reliance upon *Daubert*) is immaterial as the Federal Rules of Evidence are not applicable in proceedings before administrative agencies or specifically before the USPTO. *See In re Epstein*, 32 F.3d 1559, 1565 (1995).

Petitioners' reliance upon the provisions of 5 U.S.C. § 553(d) are similarly misplaced. 5 U.S.C. § 553(d) provides in part that: "Any oral or documentary evidence may be received, but the agency as a matter of policy shall provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence." Petitioners, however, misapprehend the role of the Director (or Director's designee) under 37 CFR 1.181 in the examination process. The patent examination process is not akin to a jury trial, in which the patent examiner functions as the jury, but the Director (or Director's designee) functions as the judge, deciding whether evidence is or is not admissible and instructing the patent examiner on what weight to give to each piece of evidence. Rather, an administrative adjudication process operates more like a nonjury trial, in which the decision maker acts as both factfinder and judge, and thus the provisions of 5 U.S.C. § 553(d) are not directed to protecting the decision maker from prejudice, but rather to facilitate efficiency in the process as wholesale admission of all evidence would unnecessarily prolong and burden the process. *See U.S. Steel Mining Co. v. Director, Office of Worker's Compensation Programs*, 187 F.3d 384, 388 (4th Cir. 1999). The courts considering this provision of 5 U.S.C. § 553(d) have indicated that it empowers decision makers to consider all relevant evidence, erring on the side of

inclusion. *See Underwood v. Elkay Mining, Inc.*, 105 F.3d 946, 951 (1997). Specifically, since agency decision makers are presumably competent to disregard that evidence which should be excluded or to discount that evidence which has lesser probative value, it makes little sense, as a practical matter, to apply strict exclusionary evidentiary rules in agency proceedings covered by 5 U.S.C. § 556. *See id.* at 949. Thus, petitioners' arguments concerning the evidence in question are properly directed to the decision maker (the patent examiner in the first instance) in a reply under 37 CFR 1.111 (or in an appeal to the Board if unsuccessful before the patent examiner), rather than to the Director in a petition to exclude the evidence. *See U.S. Steel Mining Co.*, 187 F.3d at 389 (in an agency proceeding, the gatekeeping function to evaluate evidence occurs when the evidence is considered in decision making rather than when the evidence is admitted).

In any event, petitioners' arguments are not persuasive that the evidence in question is "irrelevant, immaterial, or unduly repetitious evidence" within the meaning of 5 U.S.C. § 556(d). The evidence concerning the Fleischmann and Pon's electrolytic interaction may be directed to a "different chemistry," but it is still relevant to the general field of the subject matter of the above-identified application: hydrogen fusion. The patent regulations and rules of practice provide for inclusion of discussions of the general background of an invention (37 CFR 1.77(b)(7) and MPEP 608.01(c)) and for citation and submission of documents (evidence) pertaining to the general background of an invention (37 CFR 1.97 and 1.98 and MPEP 707.05 and 609). Put simply, even assuming petitioners' arguments concerning the distinction between their invention and the Fleischmann and Pon's electrolytic interaction are correct, evidence does not need to prove the point for which it is being proffered to be relevant and material.

Finally, petitioners' constitutional due process arguments have been considered. The Office action of August 26, 2016, however, places petitioners on notice of the reasons and evidence for the rejection of claims 1 through 3 and 5 through 27 under 35 U.S.C. §§ 101 and 112, and petitioners may challenge these rejection and the evidence cited in support of these rejections by argument, by evidence, or both, in their reply under 37 CFR 1.111. This notice in the Office action of August 26, 2016 of the reasons and evidence for the rejection of claims 1 through 3 and 5 through 27 under 35 U.S.C. §§ 101 and 112, and petitioners' right to rebut and present evidence to challenge the statements and evidence cited in the Office action of August 26, 2016, satisfies constitutional due process requirements. *See Abbott Laboratories v. Cordis Corp.*, 710 F.3d 1318, 1327-28 (Fed. Cir. 2013) (the notice and rebuttal opportunity of the patent examination process complies with constitutional due process requirements).

DECISION

For the previously stated reasons, the petition is granted to the extent that the Technology Center Director decision of February 9, 2017 has been reviewed, but the petition is **DENIED** with respect to: (1) directing the examiner to issue a new non-final Office action without reintroducing the discussion on pages 6 through 13 of the Office action of August 26, 2016; (2) ruling that none of the evidence cited on pages 6 through 13 of the Office action of

August 26, 2016 is admissible; or (3) directing the examiner that this evidence be given zero or minimal weight in weighing the evidence of operability of hydrogen-lithium plasma fusion request that the aforementioned decision be overturned.

This constitutes a final decision on this petition. No further requests for reconsideration will be entertained. Judicial review of this petition decision may be available upon entry of a final agency action adverse to the petitioner in the instant application (e.g., a final decision by the Patent Trial and Appeal Board). *See* MPEP 1002.02.

The application is being referred to Technology Center 3600 for further processing.

Telephone inquiries concerning this decision should be directed to Petitions Examiner Brian W. Brown at (571) 272-5338.

Robert W. Bahr
Deputy Commissioner
for Patent Examination Policy