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January 26, 2004

Mail Stop Interference  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
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**VIA EMAIL**

Notice of Proposed Rulemaking  
Rules of Practice Before the Board of Patent Appeals  
and Interferences  
68 Fed. Reg. 66648 (November 26, 2003)

Dear Mr. Director:

In the Federal Register Notice dated November 26, 2003, the U.S. Patent and Trademark Office requested public comments regarding the above identified Notice of Proposed Rulemaking. I have extensive experience practicing before the Board of Appeals and Interferences and in the past I have held, in various bar groups, positions that were relevant to interference practice. Nevertheless, the present comments are submitted solely on my own behalf.

Moreover, my comments are directed solely to **§ 41.203 Declaration**. This section defines interfering subject matter and adopts a “two-way test,” specifying that “[a]n interference exists if the subject matter of a claim of one party would, if prior art, have anticipated or rendered obvious the subject matter of a claim of the opposing party and vice versa.”

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Previously, I submitted a paper to the USPTO opposing a two-way test. A copy of this paper may be found at <http://www.uspto.gov/web/offices/dcom/bpai/rule/jvoight.htm>. Since this paper was submitted, the Federal Circuit, in Eli Lilly & Co. v. Board of Regents of the University of Washington, 334 F.3d 1264 (Fed. Cir. 2003), has approved the two-way test. The Court's opinion, however, does not prohibit the PTO from adopting a different test, should it be inclined to do so. I remain of the view that a better test is available. Some of the shortcomings of the two-way test are set forth below, as is the proposed alternative.

**A. A Two-Way Test can Lead to Unappealing Results**

As a practical matter, whether a one-way or a two-way test of patentable distinctness is applied makes little difference in most cases. Usually, if a one-way test is satisfied, a two-way test is also satisfied. There are important exceptions, however, such as when one party is claiming a species and the other party is claiming a genus that subsumes the species. Of course, a species falling within a genus would always render the genus unpatentable, but the reverse is not necessarily true. In such cases, applying a two-way test can lead to unappealing results.

As an example of an unappealing result, assume Party A reduces to practice, and files a patent application for, a species invention. Party B subsequently files an application for a generic invention embracing the species of Party A. Further assume that (1) neither of the reduction to practice of Party B nor the application of Party B includes the species of Party A, (2) the species of Party A is patentable distinct from the genus of Party B, and (3) Party B can antedate Party A's filing date but not Party A's date of invention. Such an example is illustrated in the timeline

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attached hereto. In the example illustrated by the timeline, Party B does not even file its generic application until after Party A's application has been published or issued.

If a strict two-way test is applied to determine if an interference should be declared, no interference will result, because the species of Party A is patentable over the genus of Party B. Moreover, Party B can swear back of Party A's filing date, thus avoiding the prior art effect under 35 U.S.C. § 102(a) or (e) of any patent issuing to Party A. Accordingly, presumably if Party B swears back to Party A's filing date, patents would issue to both Party A and Party B. In permitting this to happen, the PTO grants a dominant (genus) patent to Party B, the second party to invent, and ignores the prior art effect under 35 U.S.C. § 102(g) of Party A's prior invention.

I find this hypothetical result very unsatisfactory, particularly to Party A. It seems unfair to grant a dominant patent to the late comer (Party B), while leaving Party A with no recourse in the PTO merely because the PTO declines to consider the potential prior art effect to Party A's prior invention.

The example set forth above is only one situation where a two-way test is unappealing. Consider a situation where both Party A and Party B file applications containing claims of substantially identical scope. Party B's application, the latter filed case, issues first with claims of broad scope. During the prosecution of Party A's application, relevant prior art is cited that was not cited against Party B, causing Party A to obtain allowance of only claims much narrower than those of Party B. Under a two-way test, Party A may not be able to provoke an interference. Where is

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the fairness in allowing Party B to maintain its broad, presumptively valid, patent merely because Party A's application was subjected to a more rigorous examination?

It is not a satisfactory answer to say that Party A has other remedies. These remedies are not equally as satisfactory as an interference. Party B's patent is presumptively valid in any subsequent litigation in a U.S. District Court, while this presumption does not apply in an interference. Moreover, at least at the present time, there is no proceeding available in the PTO which provides a satisfactory forum in which Party A can challenge Party B's patent.

The examples set forth above are realistic events that occur on a regular basis. Although the examples discussed above assume the party claiming its narrower invention is first to file, the order of filing should not make a difference, as long as the party claiming the narrower subject matter can meet the requirements for provoking an interference with the party claiming more broadly.

**B. A Better Alternative**

A better test for determining interference-in-fact, consistent with 37 C.F.R. § 1.601(n) and prior case law, is a one-way patentability test, but with the burden of proof properly assigned. Specifically, a party arguing for an interference-in-fact should have the burden of showing that its claims render the other party's claims unpatentable. A party would not be able to provoke or maintain an interference by showing its opponent's claims render the party's claims unpatentable.

Moreover, a party arguing there is no interference-in-fact should have the burden of showing that its claims are separately patentable from the other party's claims. Thus, by providing

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“directionality” to the test of 37 C.F.R. § 1.601(n) for determining the presence of interference-in-fact, in any given interference, arguments of interference-in-fact and no interference-in-fact present substantially the same issues.

The tests for both interference-in-fact and no interference-in-fact are set forth in 37 C.F.R. § 1.601(i) and (n). A possible problem with a one-way test for both interference-in-fact and no interference-in-fact, in the absence of requiring directionality in the test, is that one party theoretically could establish the existence of an interference-in-fact while the other party simultaneously establishes no interference-in-fact.

Assume, for example, that Party A claims a species within a genus claimed by Party B. Party A can argue that Party B’s genus is not patentable over the species of Party A, and thus a one-way test of interference-in-fact is met. Simultaneously, Party B can argue that there is no interference-in-fact because Party A’s species is patentably distinct from the genus of Party B. If Party B’s argument is well taken, and directionality is not a factor, the parties have simultaneously shown that both the test of interference-in-fact and the test of no interference-in-fact have been met.

Any potential for such a paradox is avoided by applying directionality to the test of 37 C.F.R. § 1.601(n). If, in the example set forth above, directionality is applied, Party B must argue there is no interference-in-fact because its claim is patentably distinct from Party A’s claim. Therefore, the parties are required to address the opposite side of the same question, and may not address two different questions that may lead to an illogical and incompatible result.

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Another problem that has been suggested from use of a one-way patentability test is that a holder of a generic claim will use that claim to prevent latter applicants from obtaining claims to patentably distinct species. I am not aware of any situations where a holder of an early patent containing a generic claim has used that claim to provoke interferences with latter applicants claiming patentably distinct species. In any event, the one-way directional test proposed would foreclose any such potential abuse.

It has also been suggested that a one-way test is a problem because a party claiming a species can assert that the species renders a genus claimed by another unpatentable, and therefore, provides a basis for an interference, while simultaneously asserting that the species is patentable over the genus, and therefore, even if the party claiming the species loses the interference, that party is still entitled to receive claims to his species. 37 C.F.R. § 1.601(n) appears to permit such a result, and the directionality test proposed herein would not prevent the result. However, I am not aware that this has ever happened, nor do I see anything wrong with it in any event.

If a party is first to invent a species, a late comer is not entitled to claim a genus embracing that species. On the other hand, the inventor of a patentably distinct species is entitled to a patent on that species over a prior art genus embracing the species. Why shouldn't an inventor of a species be able to prevent a late comer from receiving a dominant claim without having to forego the right to a species claim if the other party proves not to be a late comer?

The view has been expressed by members of the Trial Section that interferences are not intended to be opposition proceedings or used merely as a vehicle for attacking the patent of

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another. The one-way directional test proposed herein is not believed to be incompatible with such a view. Moreover, not conducting interferences between species and genus inventors is inconsistent with a basic function of the PTO -- to evaluate pending claims in light of relevant prior art and issue valid patents. Any time non-statutory bar prior art is applied to reject claims, the possibility exists that subsequent events will require a determination of whether the "prior art" is in fact prior art.

Why should interferences be any different?

**C. Conclusion**

I appreciate the opportunity to comment on the proposed rules of practice before the Board of Appeals and Interferences. If there are any questions regarding these comments, please contact me.

Sincerely,



Jerry D. Voight\*

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Attachment

# Possible Result of Two-Way Test

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