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Glenn E. Von Tersch  
TIPS GROUP/BALLY  
PO Box 1639  
Los Altos, CA 94023

CENTRAL REEXAMINATION UNIT : For Patent Owner

Marc S. Kaufman  
Nixon Peabody LLP  
401 9<sup>th</sup> St., NW, Suite 900  
Washington, DC 20004-2128

: For Third Party Requester

In re *Ex Parte* Reexamination  
Proceeding 90/006,601  
U.S. Patent No. 5,816,918 to Kelly et al.  
Filed: April 15, 2003  
For: PRIZE REDEMPTION SYSTEM FOR  
GAMES

: **DECISION ON PETITION  
UNDER 37 CFR 1.183 DENYING  
REQUEST FOR DIRECTOR  
TO SUSPEND THE RULES**

This is a decision on patent owner's Renewed Petition to Director Under 37 CFR § 1.183 filed August 18, 2008, requesting that the Director suspend the rules.

This petition is before the Office of Patent Legal Administration. The fee under 37 CFR 1.17(f) of \$400 has been charged to applicant's deposit account.

The petition requesting that the Director suspend the rules in the reexamination proceeding 90/006,601 is **DENIED**.

**BACKGROUND**

1. On April 15, 2003, a third party requested *ex parte* reexamination of claims 34, 35, and 37-46 of U.S. Patent 5,816,918 (the '918 patent) issued October 6, 1998. The resulting reexamination proceeding was assigned control number 90/006,601 (the '601 proceeding).
2. In an Order Granting Request for *Ex parte* Reexamination mailed June 3, 2003, it was determined that a substantial new question of patentability of claims 34, 35, and 39-44 of

the '918 patent was raised. The order stated that the remainder of the patent claims would also be reexamined, i.e., claims 1-77 would be reexamined.

3. Prosecution in the '601 proceeding has progressed to appeal, during which claims 78-82 were added. A final Office action rejecting claims 34-45 and 78-82 and confirming claims 1-33 and 46-77 of the '918 patent was issued on February 2, 2008. The rejection of claims 34-35 and 78-82 was appealed on April 5, 2008, and is detailed below. . For the purpose of this decision, the relevant facts pertaining to the prosecution are as follows:
  - a. All of the outstanding rejections are based on U.S. Patent 5,711,715 to Ringo, which is applied under 35 U.S.C. § 102(e) and also under 35 U.S.C. § 103(a) in combination with other prior art references.
  - b. Ringo was filed Nov. 8, 1995, and issued as a patent on Jan. 27, 1998. The Ringo patent expired due to non-payment of maintenance fees on March 5, 2002.
  - c. A declaration under 37 CFR 1.131 was filed by patent owner on May 14, 2004, and supplemented on Dec. 7, 2004, for the purpose of establishing priority of invention of the claims of record (in the present '601 proceeding) to overcome the rejections based on Ringo.
  - d. The declaration was considered by the examiner, but it was not deemed to be effective in overcoming the rejections, because Ringo claims the same invention as do the rejected claims of the '918 patent. The examiner's Office action states that Ringo can only be overcome by establishing priority of invention through interference proceedings (if not commonly owned) or with a declaration under 37 CFR 1.130 (if commonly owned).
4. On Sept. 7, 2007, prior to the final rejection, patent owner filed a petition under 37 CFR §§ 1.181 – 1.183 requesting the Director to invoke supervisory authority and/or to suspend the rules in order to waive the requirements of 37 CFR 1.131, or to suspend the rules to allow confirmation of the unconfirmed claims in the present '601 proceeding. A decision dismissing the petition from the Director of Technology Center 3700 was mailed on February 5, 2008, after the final rejection was mailed.
5. On April 7, 2008, an amendment after final rejection was filed. On the same date, a petition under 37 CFR 1.183 requesting that the Director suspend the rules (the Rule 1.183 petition) and a petition under 37 CFR 1.181 requesting that the Director invoke supervisory authority (the Rule 1.181 petition) were filed.
6. An appeal brief was filed June 5, 2008.
7. On June 17, 2008, a decision dismissing the Rule 1.183 petition and a decision denying the Rule 1.181 petition were issued by the Office.

8. On June 20, 2008, an advisory action was issued indicating that the April 7, 2008 amendment did not overcome all of the rejections and that the amendment would not be entered for purposes of appeal.
9. A notification that the appeal brief filed June 5 was non-compliant was mailed July 3, 2008. In response, a corrected appeal brief was filed Aug. 8, 2008.<sup>1</sup>
10. The subject "Renewed Petition to Director Under 37 CFR § 1.183" was filed Aug. 18, 2008.

### **STATUTE, REGULATION, AND EXAMINING PROCEDURE**

37 CFR 1.183 states:

In an extraordinary situation, when justice requires, any requirement of the regulations in this part which is not a requirement of the statutes may be suspended or waived by the Director or the Director's designee, *sua sponte*, or on petition of the interested party, subject to such other requirements as may be imposed. Any petition under this section must be accompanied by the petition fee set forth in § 1.17(f).

37 CFR 1.131 states:

(a) When any claim of an application or a patent under reexamination is rejected, the inventor of the subject matter of the rejected claim, the owner of the patent under reexamination, or the party qualified under §§ 1.42, 1.43, or 1.47, may submit an appropriate oath or declaration to establish invention of the subject matter of the rejected claim prior to the effective date of the reference or activity on which the rejection is based. The effective date of a U.S. patent, U.S. patent application publication, or international application publication under PCT Article 21(2) is the earlier of its publication date or date that it is effective as a reference under 35 U.S.C. 102(e). Prior invention may not be established under this section in any country other than the United States, a NAFTA country, or a WTO member country. Prior invention may not be established under this section before December 8, 1993, in a NAFTA country other than the United States, or before January 1, 1996, in a WTO member country other than a NAFTA country. Prior invention may not be established under this section if either:

(1) The rejection is based upon a U.S. patent or U.S. patent application publication of a pending or patented application to another or others which claims the same patentable invention as defined in § 41.203(a) of this title, in which case an applicant may suggest an interference pursuant to § 41.202(a) of this title; or

(2) The rejection is based upon a statutory bar.

(b) The showing of facts shall be such, in character and weight, as to establish reduction to practice prior to the effective date of the reference, or conception of the invention prior to the effective date of the reference coupled with due diligence from prior to said date to a subsequent reduction to practice or to the filing of the application. Original exhibits of drawings or records, or photocopies thereof, must accompany and form part of the affidavit or declaration or their absence must be satisfactorily explained.

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<sup>1</sup> A certificate of mailing showing a mail deposit date of Monday, August 4, 2008 was included in the filing.

MPEP § 1201 Appeal Introduction states (in part):

The United States Patent and Trademark Office (Office) in administering the Patent Laws makes many decisions of a substantive nature which the applicant may feel deny him or her the patent protection to which he or she is entitled. The differences of opinion on such matters can be justly resolved only by prescribing and following judicial procedures. Where the differences of opinion concern the denial of patent claims because of prior art or other patentability issues, the questions thereby raised are said to relate to the merits, and appeal procedure within the Office and to the courts has long been provided by statute (35 U.S.C. 134).

The line of demarcation between appealable matters for the Board of Patent Appeals and Interferences (Board) and petitionable matters for the Director of the U.S. Patent and Trademark Office (Director) should be carefully observed. 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.

MPEP § 2284 Copending *Ex Parte* Reexamination and Interference Proceedings states:

Although a *patent* being reexamined via a reexamination proceeding may become involved in an interference proceeding, the reexamination proceeding itself can never be involved in an interference proceeding. See 35 U.S.C. 135 subsection (a) which states that "[w]hen an application is made for a patent which, in the opinion of the Director, would interfere with any pending *application*, or with any unexpired *patent*, an interference may be declared" (emphasis added). The reexamination proceeding is neither an application nor a patent.

## DECISION

Petitioner patent owner requests confirmation of the unconfirmed claims and requests that the Director "suspend the rules." Specifically, patent owner requests suspension of the rules to either confirm the claims or declare an interference between Ringo and the '918 patent. Petitioner further requests suspension of the requirement of 37 CFR 1.131 that an affidavit not be applicable against a U.S. patent claiming the same invention, or a suspension of requirements of "various regulations" excluding reexamination proceedings from interferences. Petitioner has only specifically identified 37 CFR 1.131 in the request for suspension.

I. The request for suspension of requirements of "various regulations":

Requesting suspension of requirements of "various regulations" to confirm the claims or declare an interference does not sufficiently identify the vehicle for providing the relief which petitioner requests. This inadequacy was identified in the June 17, 2008 decision and has not been remedied herein. Since the "various regulations" have not been identified, such relief cannot be granted.

In addition, no suspension of any rule could result in the relief requested. The petition requests that the Office declare an interference in the present '601 reexamination proceeding and the claims of Ringo. First, an interference cannot be declared in the '601 proceeding, because a

reexamination proceeding may never be involved in an interference, as it is neither an application nor a patent. 35 U.S.C. § 135. Second, the Office does not have jurisdiction to declare an interference between issued patents. Rather, the owner of an interfering patent may request relief against the owner of another patent by a civil action. 35 U.S.C. § 291. There is no rule that could be waived or suspended to effect relief for an issue over which the Office lacks jurisdiction.

Petitioner cites *Regents of University of California v. University of Iowa Research Foundation*, 455 F.3d 1371, 79 USPQ2d 1687 (Fed. Cir. 2006) for the proposition that when the regulations prohibit an interference, the Commissioner should declare the interference and thus (implicitly) suspend the rules. Petitioner states that this situation is no different. This is not correct. First, *Regents* related to declaring an interference between an application and a patent where an interference exists. In this proceeding, no application exists. Second, *Regents* does not involve an implicit suspension of the rules. Rather, the case relates to the proper interpretation of the interference statute, specifically § 135(b)(1) and the required demonstration of a nexus between pre- and post-critical date claims.

## II. The request for suspension of the requirements of 37 CFR 1.131:

The petition also requests that use of Ringo as a reference under 35 U.S.C. § 102 and/or § 103 be reconsidered and that the requirements of 37 CFR 1.131 be suspended so that the declaration can be used to show priority of invention. The propriety of the rejection under 35 U.S.C. § 102(e) and/or § 103 as the Ringo reference is applied is an issue to be addressed by appeal and is inappropriate for a petition. See MPEP § 1201. The effectiveness of the declaration under 37 CFR 1.131 depends on the resolution of that appealable issue. It is not directed to a petitionable issue. Moreover, patent owner has already filed the notice of appeal and appeal brief relating to this issue.

In addition, it is to be noted that, in order for grant of any petition under 37 CFR 1.183, a petitioner must show (1) that this is an extraordinary situation where (2) justice requires waiver of the rule. *In re Sivertz*, 227 U.S.P.Q. 255, 256 (Comm'r Pat. 1985). Petitioner has not shown that either conditions (1) and (2) exists in this case. Although petitioner states that the extraordinary nature of the facts requires suspension of the rules, the rejection of the claims is not extraordinary and is well handled in the ordinary course of an appeal. In fact, petitioner has already availed himself of this remedy by commencing an appeal of the examiner's rejection to the Board of Patent Appeals & Interferences.

## III. Additional point:

Also, as to any question of declaring an interference between Ringo and the '918 patent, and establishing priority of invention, petitioner patent owner's failure to request an interference proceeding with Ringo when the '918 patent was an application does not provide an extraordinary situation, when justice requires rule waiver. Ringo issued as a patent on Jan. 27,

1998. The '918 patent did not issue until October 6, 1998. Petitioner patent owner's failure to timely request an interference proceeding with Ringo when the '918 patent was an application is an exercise of a lack of diligence, and such does not provide an extraordinary situation, when justice would require Office intervention, even if there was petition-relief available in this instance (which there is not, as discussed above).

For the reasons set forth above, the present petition will not be granted.

### CONCLUSION

1. The petition under 37 CFR 1.183 to suspend the rules is **denied**.
2. Jurisdiction over this proceeding is being returned to the Central Reexamination Unit for further handling and reexamination not inconsistent with this decision.
3. This decision may be viewed as a final agency action within the meaning of 5 U.S.C. § 704 for purposes of seeking judicial review. See MPEP § 1002.02.
4. Telephone inquiries concerning this decision should be directed to Caroline Dennison at (571) 272-7729 or, in her absence, Kenneth M. Schor at 571-272-7710.



Robert A. Clarke  
Director, Office of Patent Legal Administration

September 5, 2008

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