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EXAMINER

ART UNIT PAPER NUMBER

DATE MAILED: 06/22/2009

Please find below and/or attached an Office communication concerning this application or proceeding.



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(Third Party Requester EBAY,
Now Patent Owner)

MAILED

JUN 22 2009

CENTRAL REEXAMINATION UNIT

In re Woolston
Reexamination Proceeding
Control No.: 90/008,362
Filed: April 3, 2007
For: U.S. Patent No.: 6,202,051

:
: **DECISION**
: **ON**
: **PETITION**
:
:

This is a decision on the February 13, 2009 patent owner petition under 37 CFR 1.182 requesting reopening of prosecution and entry of an amendment after Notice of Intent to Issue a Reexamination Certificate.

The petition is before the Office of Patent Legal Administration (OPLA) for decision.

The petition is **denied**.

Petitioner EBAY has already made a prior non-compliant submission including a request to reopen prosecution, and has, to date, not placed the present proceeding in a condition where reopening would resolve issues consistent with the statutory requirement of special dispatch. To the contrary, EBAY has submitted an informal amendment which includes an attempt to re-prosecute an issue previously addressed in related *ex parte* reexamination proceeding 90/006984 (the '6984 proceeding), and has failed to explain the relevance of the art/information (both of record and newly submitted in EBAY's companion petition submitted on even date) *to the newly proffered set of claim limitations*. On the other hand, a completed extensive prosecution exists as to the claims which were previously presented of record, which is ready to enter the reexamination certificate printing cycle. Accordingly, this decision is made a final agency action.

The \$400 fee required by 37 CFR 1.182 and 37 CFR 1.17(f) for the February 13, 2009 patent owner petition was charged to Deposit Account no. 14-1437, as authorized by the February 13, 2009 petition.

BACKGROUND

1. Patent number 6,202,051 (the '051 patent) issued on March 13, 2001.
2. On March 15, 2001 the Office received and processed a recordation of assignment of the '051 patent, assigning the '051 patent to MERCEXCHANGE LLC.

3. A request for reexamination, assigned control No. 90/008,362 (the '8362 proceeding), was filed on April 3, 2007, by third party requester, EBAY.
4. On June 28, 2007, the Office issued an order granting the '8362 reexamination request.
5. The '8362 proceeding progressed to the point where a Notice of Intent to Issue a Reexamination Certificate (NIRC) issued on August 31, 2007.
6. On February 29, 2008, the Office received, for recordation in its assignment records, assignments of ownership of the '051 patent from patent owner MERCEXCHANGE LLC to the third party requester EBAY executed on February 25, 2008. The assignments were recorded by the Office at real/frame numbers 020609/0318 and 020609/0321.
7. On May 9, 2008, the new patent owner, EBAY, submitted, for the present reexamination proceeding, a revocation and power of attorney, a certificate under 37 CFR 3.73(b) and a change of correspondence address.
8. On May 16, 2008, patent owner submitted an authorization to act in a representative capacity.
9. On July 14, 2008, patent owner submitted an IDS containing several references and petitioned under 37 CFR 1.182, requesting, *inter alia*, post NIRC entry and consideration of the IDS.
10. On August 8, 2008, the Office dismissed patent owner's request for entry and consideration of an IDS submission after NIRC.
11. On November 6, 2008, patent owner submitted a petition requesting withdrawal of the NIRC and a reopening of prosecution in the present proceeding.
12. On January 15, 2009, patent owner's November 6, 2008 petition was expunged from the record as improper.
13. On February 4, 2009, patent owner submitted a petition requesting an emergency stay of the '8362 reexamination proceeding.¹
14. On February 6, 2009, the Office issued a decision granting patent owner's request to stay the proceeding to permit patent owner an opportunity to "cure" matters of inequitable conduct.
15. On February 13, 2009, patent owner filed a petition under 37 CFR 1.182 requesting a reopening of prosecution and entry of an amendment after NIRC (the § 1.182 petition).² This petition is the subject of the instant decision, which addresses petitioner's request for reopening of prosecution and entry of an amendment after NIRC.
16. Also on February 13, 2009, patent owner submitted a petition under 37 CFR 1.182

¹ The petition was signed by counsel who is not of record in the '8362 proceeding. The petition was signed by a practitioner who set forth their name and registration number. Therefore the petition was accepted as in accordance with 37 CFR 1.34.

² *Id.*

requesting entry and consideration of information submitted concurrent with the petition and previously filed, all of which were filed after issuance of a NIRC.³

17. On February 14, 2009, patent owner submitted additional information in support of the petitions.

RELEVANT LAW AND PROCEDURE

35 U.S.C. 305 states (in part):

... All reexamination proceedings under this section, including any appeal to the Board of Patent Appeals and Interferences, will be conducted with **special dispatch** within the Office. [Emphasis added.]

MPEP 2256 states (in part):

.....Once the NIRC has been mailed, the reexamination proceeding must proceed to publication of the Reexamination Certificate as soon as possible. Thus, when the patent owner provides a submission of patents and printed publications, or other information described in 37 CFR 1.98(a), after the NIRC has been mailed, the submission must be accompanied by **(A) a factual accounting providing a sufficient explanation of why the information submitted could not have been submitted earlier, and (B) an explanation of the relevance of the information submitted with respect to the claimed invention in the reexamination proceeding.** This is provided via a petition under 37 CFR 1.182 (with petition fee) for entry and consideration of the information submitted after NIRC. The requirement in item (B) above is for the purpose of facilitating the Office's compliance with the statutory requirement for "special dispatch," when the requirement in item (A) above is satisfied to provide a basis for interrupting the proceeding after the NIRC. [Emphasis added]

Once the reexamination has entered the **Reexamination Certificate printing cycle (452 status)**, pulling the proceeding from that process provides an even greater measure of delay. 37 CFR 1.313 states for an application [Emphasis added]:

"(c) Once the issue fee has been paid, the application will not be withdrawn from issue upon petition by the applicant for any reason except:

- (1) Unpatentability of one of more claims, which petition must be accompanied by an unequivocal statement that one or more claims are unpatentable, an amendment to such claim or claims, and an explanation as to how the amendment causes such claim or claims to be patentable;"

The printing cycle for an application occurs after the payment of the issue fee (there is no issue fee in reexamination), and thus 37 CFR 1.313(c) applies during the printing cycle for an application. Based on the statutory requirement for "special dispatch," the requirements for withdrawal of a reexamination proceeding from its printing cycle are at least as burdensome as those set forth in 37 CFR 1.313(b) and (c). Accordingly, where a submission of patents and printed publications, or other information described in 37 CFR 1.98(a), is made while a proceeding is in its printing cycle, the patent owner must provide an unequivocal statement as to why the art submitted makes at least one claim unpatentable, an amendment to such claim or claims, and an explanation as to how the amendment causes such claim or claims to be patentable. This is in addition to the above-discussed (see item (A) above) factual accounting providing a sufficient explanation of why the information submitted could not have been submitted earlier. The submission of patents and printed publications must be accompanied by a petition under 37 CFR 1.182 (with petition fee) for withdrawal of the reexamination proceeding from the printing cycle for entry and consideration of the information submitted by patent owner. A grantable petition must provide the requisite showing discussed in this paragraph.

DECISION

I. Untimely Submissions

Patent owner was given until NO LATER THAN close of official business on Friday, February 13, 2009, at 5:00 P.M. Eastern Standard Time, to submit a petition to cure issues of inequitable conduct. A petition to reopen prosecution was received, as evidenced by the EFS-web time and date stamp, by the Office on Friday, February 13, 2009 at 9:48 PM EST. Therefore the

³ *Id.*

submissions are untimely. However, while jurisdiction had technically transferred to the Central Reexamination Unit (CRU), such transfer had not occurred as it was after business hours. As the Office of Patent Legal Administration retained actual jurisdiction and the submissions were received on the last day of the response period, and in the interest of the equities of the situation, the petition to reopen prosecution has been considered.

II. Previous Decisions Regarding Submissions of Information after Issuance of a NIRC

Patent owner has stated on page 4, second half of the first full paragraph of section (I) of their petition,

“After becoming the patent owner [*sic* eBay], began an analysis of the claims that had been confirmed as being patentable. While that analysis was proceeding, eBay also undertook to submit information disclosure statements on August 2, 2008 [*sic* July 14, 2008] and November 6, 2008, but the Office refused to consider the submissions.” [Emphasis added.]

The above statement by patent owner is not a complete and accurate statement of the procedural facts referred to by patent owner. In addition to the submission of information disclosure statements on the noted dates, patent owner also submitted petitions under 37 CFR 1.182 requesting, *inter alia*, the entry and consideration of the information reflected in the information disclosure statements. The dates on which patent owner submitted information disclosure statements, i.e., July 14, 2008 and November 6, 2008, are both after issuance of the NIRC. In decisions mailed August 8, 2008 and January 15, 2009, petitioner was referred to the relevant sections of the MPEP and advised of the necessary actions to meet the standard for papers to qualify for entry and consideration at this point in prosecution. Despite MPEP guidance and the aforementioned decisions, petitioner to date has not complied with the requirements.

The decisions mailed August 8, 2008 and January 15, 2009 do not constitute a “refusal to consider.” Instead, they evidence petitioner’s failure to comply with clearly outlined procedure. The entry and consideration of information disclosure statements submitted after issuance of a NIRC requires the submission of a grantable petition that satisfies all relevant requirements that are set forth in MPEP 2256 for the purpose of furthering the statutorily mandated requirement of special dispatch in resolving reexamination proceedings. Neither petition that accompanied patent owner’s information disclosure statements submitted on July 14, 2008 and November 6, 2008 satisfied all the relevant requirements as set forth in MPEP 2256. Therefore, to the extent that patent owner/petitioner did not submit a grantable petition under MPEP 2256, the Office did not enter and consider the information submitted on July 14, 2008 and November 6, 2008. However, the information submitted on July 14, 2008 was placed in the file. The information submitted on November 6, 2008 was expunged due to the petitioner raising issues beyond the scope of reexamination.

III. Decision on February 13, 2009 Petition to Reopen Prosecution under 37 CFR 1.182

In the present petition, it is requested that the Office continue the prosecution of the ‘8362 reexamination proceeding to provide consideration of a two page paper consisting of a set of claims with underlined annotations adding language to a listed set of claims. No attempt is made to style the paper in the form of a response compliant with the rules for submission of a response.⁴ Nor does the paper or the petition state to which Office action in the record patent

⁴ See 37 CFR §§ 1.550(a), 1.530(e) and 1.104 through 1.116.

owner is attempting to respond, and how these claims would define over the art/information previously of record, and the art/information petitioner is trying to make of record via the petition filed on even date with this petition.

In March of 2005, the Office issued a Notice titled "Notice of Changes in Requirement for a Substantial New Question of Patentability for a Second or Subsequent Request for Reexamination While an Earlier Filed Reexamination is Pending."⁵ Notice was provided therein that a patent owner could file a petition under 37 CFR 1.182 requesting continued prosecution on the merits in the reexamination proceeding to seek entry of an amendment and/or evidence that was denied entry after a final rejection in an *ex parte* reexamination proceeding. The § 1.182 petition must further the prosecution of the reexamination proceeding, rather than delay it, and must provide a submission toward that end. This is critical in the reexamination setting, where 35 U.S.C. 305 mandates that *ex parte* reexamination proceedings must be conducted "with special dispatch within the Office." Accordingly, a patent owner must make a *bona fide* effort, in the submission accompanying the § 1.182 petition, to resolve issues, because this is a key factor in reducing pendency of a reexamination proceeding. Stated another way, the § 1.182 petition practice includes a requirement that the filing of the § 1.182 petition be accompanied by a submission that provides a *bona fide* effort to advance the prosecution, rather than one which would delay prosecution.

In the present case, petitioner's submission is in the form of an informal amended claim set with a few minimal remarks/comments in support of the "amendment," found in the petition's text bridging pages five and six. It does not include an explanation of the relevance, to the newly proffered set of claim limitations, of the large volume of art/information of record and newly submitted art/information in EBAY's companion petition submitted on even date. Petitioner simply wishes the Office to reopen prosecution and newly analyze the submission in terms of the record, for a re-prosecution of the proceeding. Such is not found to be a *bona fide* effort to advance prosecution, and as such, the granting of the present petition is inconsistent with the requirement of 35 U.S.C. 305 to conduct *ex parte* reexamination proceedings "with special dispatch within the Office."

It is further observed that petitioner's sole argument to justify the granting of the *extraordinary* relief of a request for continued reexamination is that the language added regarding "trusted consignment nodes" is believed to more clearly distinguish over the known prior art. Petitioner concedes that this language was previously raised by prior patent owner MERCEXCHANGE LLC in the '6984 proceeding during an interview conducted on November 2, 2005.⁶ However, petitioner patent owner fails to disclose that, in the '6984 proceeding, the claim limitations which embrace the "trusted consignment nodes" subject matter were determined to not render the claims patentable.^{7,8} Patent owner, in the '6984 proceeding, obviated the rejections of record related to the issues of unpatentability regarding the claims containing limitations to the "trusted consignment node" subject matter by cancelling the claims, *i.e.* acquiescing and conceding to the propriety of the rejections regarding the unpatentability of the "trusted consignment node"

⁵ 1292 *Off. Gaz. Pat. Office* 20, March 1, 2005.

⁶ See the text bridging pages five and six of the February 13, 2009 patent owner petition that is the subject of this decision. The '6984 proceeding being an earlier filed, but unmerged, reexamination proceeding of the '051 patent between the same parties as the '8362 proceeding.

⁷ '6984 proceeding Office action dated October 2, 2006 finding that patent claims with limitations regarding "trusted consignment node" subject matter were unpatentable under 35 USC § 112 and § 103.

⁸ Patent owner is reminded that they have a duty of candor and good faith in prosecution before the Office in a reexamination in accordance with 37 CFR 1.55(a) in regards to omissions as well as positive statements and actions taken before the Office.

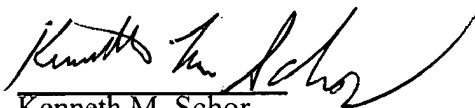
subject matter.⁹ In other words patent owner, instead of presenting a submission that is a *bona fide* effort to advance the prosecution toward a rapid resolution, is now attempting to prosecute an issue that has already been addressed and resolved.¹⁰ The presentation of an issue of record that has already been addressed and resolved during prosecution of a reexamination proceeding regresses the proceeding and thus does not advance prosecution, and is therefore inconsistent with the statutory mandate of special dispatch. Therefore, in view of the above, and the fact situation presented by the record, the petition is denied, and jurisdiction over the '8362 proceeding is returned to the CRU to take immediate action toward publication of the reexamination certificate in accordance with Office's mandate of special dispatch.

CONCLUSION

1. The petition is denied.
2. This decision is designated as a final agency action under 5 U.S.C. § 704.
3. Any further correspondence with respect to this matter should be addressed as follows:

By mail: Mail Stop
 Commissioner for Patents
 Post Office Box 1450
 Alexandria, VA 22313-1450

4. Jurisdiction over the proceeding is transferred to the Central Reexamination Unit (CRU) for immediate forwarding to Publications Branch for reentry into the printing cycle and issuance of a reexamination certificate in accordance with the statutory mandate of special dispatch.
5. Telephone inquiries related to this decision should be directed to Joseph F. Weiss, Jr., Legal Advisor Office of Patent Legal Administration at (571) 272-7759 or in his absence Pinchus M. Laufer, Legal Advisor at (571) 272-7726 or in his absence the undersigned at (571) 272-7710.



Kenneth M. Schor
Senior Legal Advisor
Office of Patent Legal Administration

⁹ See patent owner's response to the October 2, 2006 Office action in the '6984 proceeding, dated December 8, 2006 which cancelled all claims containing the "trusted node" subject matter, specifically claims 53-104.

¹⁰ *Id.*