

**Notice of Clarification of Office Policy
To Exercise Discretion in Reexamining Fewer Than All the Patent Claims**

A. Summary: The United States Patent and Trademark Office (Office) is clarifying its general policies on addressing requests for reexamination of fewer than all the claims in a patent, and on conducting examination following requests that fail to raise a substantial new question of patentability (SNQ) for some of the claims requested (but do raise a SNQ as to at least one claim requested).

1. The request for reexamination: If reexamination is requested for fewer than all of the patent claims, the Office's determination on the request (the order granting or denying reexamination) will generally be based on a review on the merits of only the claim(s) for which reexamination was requested.

2. The examination stage of a reexamination proceeding: In the examination stage of the proceeding, the Office will generally only examine claims for which a) reexamination was requested, and b) a substantial new question of patentability (SNQ) was raised.

This policy facilitates the Office's compliance with its statutory mandate for special dispatch in handling reexamination proceedings. In appropriate instances, however, the Office may (in its sole discretion) decide to examine some or all of the non-requested claims (provided that at least one SNQ has been established by the request or has been sua sponte determined to exist by the Office).

B. Background:

The Office receives requests for reexamination that do not request reexamination for all of the patent claims, with a statement of a SNQ provided for only the claims for which reexamination is requested. If the Office addresses the claims for which reexamination was not requested, the Office does so without the benefit of input or guidance from the reexamination requester as to how the prior art would be applied to the non-requested claims. Often, this consumes significant resources on the part of the Office. Further, both the ex parte and the inter partes reexamination statutes mandate special dispatch within the Office in resolving the SNQ for the requested claims (35 U.S.C. §§ 305 and 314(c), respectively); yet, the additional time expended by the Office to address claims for which reexamination was not requested generally adversely affects the "dispatch" provided to the requested claims. Even further, the non-requested claims may be claims that are being currently litigated, thus introducing complexities delaying the proceeding as to the requested claims, and, in the case of inter partes reexamination, may require determinations as to whether the non-requested claims are barred by estoppel under 35 U.S.C. 317. This even further runs counter to the statutory mandate to address the requested claims with special dispatch.

Recently, the Office issued an interim rule making Clarification of Filing Date Requirements for Ex Parte and Inter Partes Reexamination Proceedings, 71 FR 9260 (Feb. 23, 2006), 1304 Off. Gaz. Pat. Office 95 (Mar. 21, 2006), requiring that a request for reexamination must meet all the applicable statutory and regulatory requirements before a filing date is accorded to the request for reexamination. (A final rule making has now issued, - 71 FR 44219 (Aug. 4, 2006), 1309 Off. Gaz. Pat. Office 216 (Aug. 29, 2006).) As a result of the interim rule making, the Office has been experiencing an increasing volume of reexamination requests that present a SNQ for only a limited number of the patent claims, instead of all of the claims of the patent.

Prior to the August 2006 Revision 5 of the eighth edition of the Manual of Patent Examining Procedure (MPEP), MPEP § 2258(IV)(B) (8th ed. 2001)(Rev. 3, August 2005) stated for ex parte reexamination that “[e]ven when a request for reexamination does not present a substantial new question as to all ‘live’ claims (i.e., each existing claim not held invalid by a final decision, after all appeals[]), each claim of the patent will be reexamined.” Likewise, MPEP § 2658(IV)(B)(supra), stated for inter partes reexamination that “[a]lthough a request for reexamination may not specify all claims as presenting a substantial new question, each ‘live’ claim (i.e., each existing claims not held invalid by a final decision, after all appeals) of the patent will be reexamined.” This language has resulted in a public perception that the Office is required to examine all claims of a patent, once ex parte reexamination pursuant to 35 U.S.C. 302, or inter partes reexamination pursuant to 35 U.S.C. 311, is requested for at least one claim of a patent and the Office then determines that a SNQ is raised for at least one claim. This perception is not, however, correct, as the Office is not required to examine the remaining claims; rather, the Office has the discretion to do so, or not to do so. See (8th ed. 2001)(Rev. 3, August 2005) MPEP § 2240 (“In the examination stage of the reexamination, normally all patent claims will be reexamined...”[Emphasis added]), § 2640 (“In the examination stage of the reexamination, usually all the patent claims will be reexamined...”[Emphasis added]), §§ 2243 and 2643 (“...reexamination will be ordered and will normally cover all claims” [Emphasis added]), and §§ 2288 and 2688 (“The certificate will...identify any patent claims not reexamined.”).

This matter was squarely addressed on May 22, 2006, by the U.S. District Court for the Eastern District of Virginia, in *Sony Computer Entertainment America Inc., et al. v. Jon W. Dudas*, Civil Action No. 1:05CV1447 (E.D.Va. May 22, 2006), Slip Copy, 2006 WL 1472462. The District Court upheld the Office’s discretion to not reexamine the non-requested claims of two patents in an *inter partes* reexamination proceeding. The District Court stated as follows:

“AIPA §§ 311-313 make clear that inter partes reexamination is not an all-or-nothing proposition; rather, the scope of reexamination need not exceed those claims for which inter partes review has been requested. To begin with, 35 U.S.C. § 311(b)(2) makes clear that “[t]he request [for inter partes review] shall ... set forth the pertinency and manner of applying cited prior art to every claim for which reexamination is requested.” (emphasis added). Similarly, § 312 provides that “[n]ot later than 3 months after the filing of a request for inter partes reexamination under Section 311, the [PTO] shall determine whether a substantial new question of patentability affecting any claim of the patent concerned is raised by the request” (emphasis added). By referencing § 311, Congress made clear that the “request” for inter partes review mentioned in § 312 is claim-

specific, not: patent-wide. Section 313 supports the inference that Congress intended inter partes review to be claim-specific, as it provides that "[i]f, in a determination made under section § 312(a), the [PTO] finds that a substantial new question of patentability affecting a claim of a patent is raised, the determination shall include an order for inter partes reexamination for the patent for resolution of the question." (emphasis added). By referencing § 312, which itself references § 311, § 313 makes clear that the scope of the PTO's investigation extends only to those claims (i) for which reexamination has been requested; and (ii) for which the PTO has determined there exists a substantial question of validity. Had Congress intended reexamination to extend to all claims under the patent, it would have left out the final phrase "resolution of the question." Thus, § 313 would have read "... [when] the [PTO] finds that a substantial new question of patentability affecting a claim of a patent is raised, the determination shall include an order for inter partes reexamination for the patent." Yet Congress did not draft § 313 in this manner. Read in conjunction with § 312 and 311, then, § 313 makes pellucidly clear that the scope of inter partes review is limited only to those claims for which review is requested and as to which the PTO finds a substantial question of validity. Because Sony's proffered interpretation would effectively read the final phrase of § 313 out of the statute, it must be rejected. See Discover Bank v. Vaden, 396 F.3d 366, 369 (4th Cir.2005) ("It is a classic canon of statutory construction that courts must give effect to every provision and word in a statute and avoid any interpretation that may render statutory terms meaningless or superfluous....")

"To be sure, a party may seek, and the PTO may grant, inter partes review of each and every claim of a patent. Moreover, while the PTO in its discretion may review claims for which inter partes review was not requested, nothing in the statute compels it to do so. To ensure that the PTO considers a claim for inter partes review, § 311(b)(2) requires that the party seeking reexamination demonstrate why the PTO should reexamine each and every claim for which it seeks review. Here, it is undisputed that Sony did not seek review of every claim under the '213 and '333 patents. Accordingly, Sony cannot now claim that the PTO wrongly failed to reexamine claims for which Sony never requested review, and its argument that AIPA compels a contrary result is unpersuasive."

[Sony, Slip opinion, at 8, 9] [Footnotes omitted][Emphasis is original]

The court then pointed out that there is no conflict of the MPEP with the statute and regulations,

"because other provisions of the MPEP provisions make clear that the PTO need not always review all of a patent's claims during an inter partes reexamination.... §§ 2640, 2643, and 2688 make clear that while the PTO will generally reexamine all of a patent's claims once it determines that a substantial question of patentability exists as to one or more of the claims for which inter partes reexamination is sought, the PTO has not committed itself to do so in all cases. Here, the reason the PTO did not reexamine all claims under the ... patents is pellucidly clear: Sony never asked the PTO to do so, as it was required to do pursuant to 35 U.S.C. § 311(b)(2)."

[Sony, Slip opinion, at 10, 11]

In short, the court found that neither the statute nor the MPEP requires the Office to examine, on the merits, the non-requested claims. While the Office has discretion to examine non-requested claims, the Office may also choose not to examine non-requested claims.

C. Policy: The Office is clarifying its practice to make it clear that, where reexamination is requested for fewer than all of the patent claims, the Office's determination on the request (the order granting or denying reexamination) will generally be limited to a review on the merits of only the claim(s) for which reexamination was requested. In the examination stage of the

proceeding, the Office will generally examine only those claims for which reexamination was requested, and for which a substantial new question of patentability (SNQ) was raised.

Additionally, where a final decision of a federal court, after all appeals, holds some of (one or more of) the patent claims invalid or unenforceable, the claims held invalid or unenforceable will not be reviewed on the merits in any reexamination proceeding. Further, review on the merits of claims is barred in an inter partes reexamination proceeding for any patent claim whose validity is upheld in a final decision of a federal court, after all appeals, if the person who filed the request was a party to that federal court litigation (or in privity with a party to that federal court litigation). 35 U.S.C. 317(b). If reexamination of all the patent claims becomes barred as a result of a federal court decision, a reexamination proceeding cannot be initiated based on the patent, and the Office will discontinue reexamination, if it has already been initiated.

Additional Information -


1. The present clarification in policy is made for both ex parte reexamination and inter partes reexamination. The Sony decision's reasoning and statutory interpretation apply analogously to ex parte reexamination, as the same relevant statutory language applies to both inter partes and ex parte reexamination. 35 U.S.C. § 302 provides that the ex parte reexamination "request must set forth the pertinency and manner of applying cited prior art to every claim for which reexamination is requested" [emphasis added], and 35 U.S.C. § 303 provides that "the Director will determine whether a substantial new question of patentability affecting any claim of the patent concerned is raised by the request..." [Emphasis added]. These provisions are analogous to the language of 35 U.S.C. 311(b)(2) and 35 U.S.C. 312 applied and construed in Sony, and would be construed in the same manner. As the USPTO Director can decline to reexamine non-requested claims in an inter partes reexamination proceeding, the Director can likewise do so in ex parte reexamination proceeding.

2. It is noted that, in an instance where reexamination is not requested as to a claim, the requester cannot complain as to the Office's decision not to examine that claim in the reexamination, since requester was free to request reexamination of all the claims of the patent, but made the choice not to do so. In other words, if the requester was interested in having all of the claims reexamined, requester had the opportunity to do so when it filed its request for reexamination but chose not to do so. In addition, 35 U.S.C. 302 requires that "[t]he request must set forth the pertinency and manner of applying cited prior art to every claim for which reexamination is requested." [Emphasis added]. Likewise, 35 U.S.C. 311(b)(2) requires that a requester "set forth the pertinency and manner of applying cited prior art to every claim for which reexamination is requested." [Emphasis added].

3. The Office has recently incorporated the substance of this Notice, in MPEP Chapter 2200 for ex parte reexamination, and MPEP Chapter 2600 for inter partes reexamination in the August 2006 Revision 5 of the eighth edition of the MPEP.

D. Inquiries: Inquiries regarding this matter may be directed to Kenneth M. Schor, Senior Legal Advisor, Office of Patent Legal Administration at telephone: (571) 272-7710.

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