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THE LIMITS OF EXPANDING PATENT CLAIM SCOPE TO PROVOKE AN INTERFERENCE WITH A COMPETITOR

Christopher L. Kuyper

Abstract

Businesses that launch new products or services generally understand the risk of suits for patent infringement from competitors and other patent holders. Such risks are especially high when the first business ("challenger,") holds no patents on the product or service. However, commercializers that do have patents or patent applications covering their new product or service may be less aware of another lurking risk: a competitor or other party ("challenger,") owning a separate patent application. In such a scenario, a challenger may provoke a patent interference proceeding to challenge the date of invention for the commercializer's patent or patent application. This Article explores these potential scenarios and analyzes limitations to a challenger's ability to aggressively provoke an interference proceeding.
commercializer’s product. However, a frequent and less understood risk relates to situations where a different patent applicant, or “challenger,” provokes an “interference” proceeding under 35 U.S.C. § 135. In some instances, such an effort may appear to “steal” the exclusive rights to a new product or service being brought to market by a commercializer, by modifying an earlier application to include matters covered by the latter’s application. From the commercializer’s perspective, the challenger simply waits to see the new product or service and then effectively amends its patent application to read on the new product or service.

However, commercializers can take heart in the fact that the patent laws do not generally allow this gambit. Instead, the challenger has to argue that its application actually reads on the new product or service from its first date of filing, if it seeks to use that date of filing as the “priority” date showing its possession and enablement of the invention. Thus, the requirements of an adequate “written description” and “enablement,” as set forth in 35 U.S.C. § 112, can act as an effective hedge against unscrupulous challengers who try to provoke an unjustified interference.

In addition, future limitations may result as Congress moves towards harmonizing the U.S. patent system with global standards. Future legislation could transition the United States from its current unique “first-to-invent” patent system to the more common “first-to-file” system, which is employed by most other developed countries and eliminates interference proceedings altogether. In the absence of new legislation, however, companies and their counsel should be aware of the potential threat surrounding the use of interference practice to acquire rights to a competitor’s later developed technology. In light of these current issues and developments, this Article will address the unique aspects of a first-to-invent system, briefly describe interference proceedings, and discuss the current state of case law regarding written description requirements for patent interferences. Finally, this Article will discuss recent developments with future legislation from Congress.

FIRST-TO-INVENT AND INTERFERENCE PROCEEDINGS

The first-to-invent approach for determining priority of invention is unique to the United States. A first-to-invent system rewards the first true inventor that conceives of the invention and diligently reduces it to practice, regardless of whether the inventor was the first to file a patent. In contrast, the first-to-file system confers patent rights to the first inventor to file an
application. To some in the patent community, the first-to-invent system more effectively encourages innovation. Critics of a first-to-file system argue that a company with vast resources will likely win any "race" to the patent office for most inventions. Therefore, according to first-to-invent supporters, the first-to-invent system should protect the small, independent garage inventor, who may not have the resources to rush to file a patent. The small inventor can prevail over larger, more patent-savvy companies. Whether or not this approach actually enhances innovation is open to debate, but it is one that will likely continue as global harmonization continues to play itself out.

Despite pending changes, the current patent code grants protection to a first inventor by establishing the concept of interference proceedings. In practice, patent interferences are procedurally and substantively complex. A patent interference involves a comparison of the claims in one pending patent application, with the claims in another pending application or previously issued patent. Interferences can result by mere chance, for example, when two (or more) applicants independently invent the same technology. Indeed, during examination, a patent examiner may find that two sets of claims in separate applications substantially overlap; accordingly, the examiner can suggest an interference. In the alternative (and as highlighted within this Article), challengers can purposefully provoke interferences by amending claims in a pending application to cover another commercializer’s identical subject matter.

One method used to provoke an interference includes copying the exact terms of the claims presented in a commercializer’s issued patent, or otherwise pending application. In some cases, however, identical claim language fails to guarantee that two inventions are, in fact, the same inventions or patentably indistinct. In each application, each specification may define or limit the claims differently through explicit or implicit language. Thus, to provoke an interference with a second application, a challenger may have to draft claims that are not identical to, but still cover, the commercializer’s claimed invention. This latter “overlap” strategy can be particularly useful when a challenger’s patent specification needs to sufficiently describe and enable the new claims containing the exact terms of a commercializer’s claims.

Once a challenger presents claims that provoke an interference, the USPTO’s Board of Patent Appeals and Interferences (“the Board”) defines the interfering subject matter through what is
called a “count.” In particular, the Board analyzes facts and
data representing when each party invented the subject matter
within the scope of a particular count. In most interferences, the
party that filed first (the senior party) will be challenged by a
later filing party (the junior party), who believes she invented
first. An inventor can prove priority of invention by showing:
(1) conception, and (2) diligent reduction to practice, the
invention in a workable or patentable form. An inventor
establishes conception when he describes his invention so as “to
enable one skilled in the art to reduce it to practice without the
exercise of extensive experimentation or the exercise of
inventive skill.”

Moreover, the first inventor that conceives of the invention must
also show reasonable diligence in working towards reducing the
invention to practice. Generally, reduction to practice can be
described as making the invention workable, which is an actual
reduction to practice, or filing a patent application, which is a
constructive reduction to practice. The process of proving the
necessary substantive elements is intensive, and both parties
will rely heavily on in-depth analysis of inventor records,
drawings, and notebooks.

While inventor records are vital to winning an interference, a
challenger’s case may instead hinge on whether its patent
application adequately supports the claims in the count that
encompasses a commercializer’s product or device. The
subsequent discussion addresses this potential issue in light of
recent cases on written description and enablement in the
context of patent interferences.

LIMITS ON WRITTEN DESCRIPTION UNDER 35 U.S.C. § 112

The federal patent code and the common law dictate the
requirements for patentability. For example, 35 U.S.C. § 112
states that a patent’s “specification shall contain a written
description of the invention, and of the manner and process of
making and using it, in such full, clear, concise, and exact terms
as to enable any person skilled in the art to which it pertains . .
. to make and use the same.” This is otherwise known as the
written description and enablement requirements. Stated
another way, the patent must be written such that a person
having ordinary skill in the art (“PHOSITA”) can practice the
invention based solely on this written disclosure in the
application, any included drawings, and the presumed average
background knowledge and skill.
In the context of patent interferences, written description can serve its traditional function for "policing priority and to prevent applicants from claiming 'new matter.'"\(^\text{20}\) For example, a patent that describes X cannot be used to claim some new element, Y, which could be a competitor's later novel invention. However, there may be no clear boundary on what the patent describes or adds as new matter in newly filed claims used to provoke an interference. This lack of clarity requires significant costs and time for a company to determine whether the invoking party has a plausible claim. With each of these possibilities, however, written description may be a strength or liability. Depending on the types of technology, the standard required to satisfy written description can vary. Recent appeals on interferences decided by the Federal Circuit have tended to limit an inventor's ability to expand claims past the scope of the specification. Thus, invoking interference proceedings appears to have become increasingly difficult or, at least, more unpredictable.

For example, in Mukherjee v. May-Ying Chu, the Federal Circuit held that the patentee's application did not support the claimed subject matter in the count.\(^\text{21}\) As presented in the application, the technology at issue related to batteries that contained an Electroactive Transition Metal Chalcogenide ("ETMC") composition.\(^\text{22}\) In the interference, however, the patentee was attempting to cover a competitor's invention relating to non-ETMC batteries.\(^\text{23}\) The court concluded that the patentee's written description did not "support the broad cathode limitation recited in Mukherjee's claims because the disclosure of the application is limited to cathodes that contain ETMC."\(^\text{24}\) In other words, a challenger's claim may be vulnerable to a written description argument if it attempts to cover a scope that does not include a feature essential for its patentability.

In contrast, the Federal Circuit in Falkner v. Inglis affirmed the Board's finding that the senior party Inglis' specification adequately described the vaccine for poxvirus, even though it did not disclose "essential regions" of any poxvirus.\(^\text{25}\) The court specifically reiterated that examples or actual reduction to practice were not required for adequate description, and that "there is no per se rule that an adequate written description of an invention that involves a biological macromolecule must contain a recitation of known structure [i.e., the essential regions]."\(^\text{26}\)

The Falkner ruling is particularly curious in light of Regents of the University of California v. Eli Lilly & Co., in which the court held a patent invalid for not adequately describing a DNA invention.\(^\text{27}\) The application in that case did not include a
“structure, formula, chemical name, or [description of] physical properties.” For the Falkner Court, however, the prior art already included the allegedly "essential regions," and the court was able to distinguish this fact to conclude that Eli Lilly was not binding.

Additional uncertainties may be also due to the general flux of the written description doctrine. As highlighted in Judge Rader’s dissent in LizardTech, Inc. v. Earth Resource Mapping, Inc., the “court has [been] search[ing] for a proper standard for its revised and evolving written description doctrine.” In LizardTech, the patent covered methods for storing and retrieving digital images using discrete wavelet transform (“DWT“)-based compression. The panel’s decision ruled that some of the claims invalid for failing to provide adequate written description. It is unclear, however, whether the court’s applied standard intertwined enablement and written description together, which, in the past, have been distinct requirements. Such lack of clarity may affect the risk equation for challengers and commercializers alike when dealing with interference proceedings.

Also, for patent interferences, the level of risk for each party may depend on the predictability of the technological art at issue. Another case, Capon v. Eshhar, suggests that written description may be different for each field of technology: the laws “application will vary with differences in the state of knowledge in the field and differences in the predictability of the science.” In the mechanical arts, outcomes are more predictable than outcomes in biotechnology. For example, if an inventor wants to make a mechanical part with a protrusion that extends at an angle, the piece can be manufactured relatively easily. However, if a scientist wants to make a particular modification to a biological compound, the results of the modification may be unpredictable and can depend on less certain natural forces. Thus, written description requirements for biotechnology inventions may be stricter than those of the mechanical arts because the patent may not clearly account for unpredictability. If a biotechnological feature is missing from the later filed application, then written description support is less likely due to less predictability in the art.

A review of the recent case law on written description with respect to interferences in particular, as well as other cases, suggests that the Federal Circuit may be limiting a patentee’s ability to expand the scope of interference proceedings in most instances. However, uncertainties exist as the written description doctrine continues to evolve. Counsel should address these
considerations when discussing the scope of possible interference claims.

LEGISLATIVE DEVELOPMENTS

In addition to judicial limitations on interference claims, Congress has proposed changes to the patent system that would not only limit, but effectively wipeout interference practice altogether. In March 2009, three bills were introduced and are currently being considered in both the House and Senate. Each bill presents drastic changes that will likely have a profound influence on the U.S. patent system. One of the biggest relevant changes is a proposed move to the first-to-file approach. Such implications are beyond the scope of this article; however, years of pending applications would likely still fall under the previous first-to-invent system. Practitioners will need to be aware of issues in interference practice during the coming years, even if the United States shifts to a first-to-file system.

CONCLUSION

As with infringement claims, innovative companies must also face the risk of competitors invoking interference proceedings to acquire exclusive rights to a later developed and better technology. Currently, adequate written descriptions present a potential weakness in many competitors’ strategies, and should be considered in such circumstances. Recent legislative developments offer certain new limits to these claims, but have yet to go into effect. Counsel should account for such risks when managing patent portfolios and discussing strategies on how to proceed against a competitor’s provoked interference.

Footnotes

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5. Dickey, supra note 4, at 296.

6. Id.


10. Id.

11. Patent Interference Definitions, 37 C.F.R. § 41.201 (2008). The “count” is the scope of the invention that is being claimed by both parties. The party that can prove first invention of the count will win rights to that part of the patented technology. Id.

12. Under 35 U.S.C. § 135, patentees have a year from the issue date of an issued patent or a year after publication of an application. The statute provides as follows: (1) A claim which is the same as, or for the same or substantially the same subject matter as, a
claim of an issued patent may not be made in any application unless such a claim is made prior to one year from the date on which the patent was granted. (2) A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an application published under section 122(b) of this title may be made in an application filed after the application is published only if the claim is made before 1 year after the date on which the application is published. 35 U.S.C. § 135(b)(1)-(2) (2006).


15. Oka, 849 F.2d at 584 (citing Bey v. Kollonitsch, 806 F.2d 1024, 1030–31 (Fed. Cir. 1986)).

16. Id.

17. See, e.g., id. at 583 (depicting structural formula recorded in defendant’s co-inventor’s notebook).


22. Id. at *1-2.

23. Id.

24. Id. at *4.


26. Id. at 1366.

28. Id. at 1566.

29. Falkner, 448 F.3d at 1367-68.


32. Id. at 1366–67.

33. LizardTech 2, 433 F.3d at 1374 (Lourie, J., concurring) ("Our case law has been quite consistent in holding that the patent law requires that a patent contain a written description of a claimed invention independent of the requirements to enable one skilled in the art to make and use the invention."); id. at 1380 (Rader, J., dissenting) (criticizing LizardTech for using enablement “as a proxy for” written description).

34. Capon v. Eshhar, 418 F.3d 1349, 1357 (Fed. Cir. 2005) (discussing the fact that the interference related to chimeric DNA, a less predictable biotechnological invention).

trying to determine which individual or team was "first" (even if only by a day), the "first inventor to file" system allows the first inventor individual or team who files at the patent office to receive the patent. Nevertheless, "first inventor to file" paradigm disallows individuals or groups who have misappropriated an invention from others to receive a patent on that invention simply because the individual or group got to the patent office first. To deal with such an event, the Patent Reform Act would create a "derivation" proceeding in which a true inventor could show that a patent applicant or owner misappropriated the invention from her and was thus not a true inventor, and thereby ineligible to receive the patent.