Commissioner of Patents and Trademarks
Patent and Trademark Office (P.T.O.)

IN RE CHAMBERS ET AL. REEXAMINATION PROCEEDINGS
Control No. 90/001,773; 90/001,848; 90/001,858; 90/002,091
June 26, 1991
***1** Filed: July 20, 1990
Filed: October 5, 1989
Filed: September 25, 1989
Filed: May 17, 1989

Harry F. Manbeck, Jr.

Commissioner of Patents and Trademarks

ORDER

Documents constituting a "Petition to the Commissioner," and styled PETITION IN REEXAMINATION PROCEEDING and PETITION TO THE COMMISSIONER PURSUANT TO 37 C.F.R. § 181 AND 1.182, have been filed with the Patent and Trademark Office in connection with the above-identified reexamination proceedings. The record reveals that a CONTINGENT NOTICE OF APPEAL, which PTO treats as a notice of appeal, was filed on May 1, 1991, and that a brief on appeal (37 CFR § 1.192) is therefore due on or before July 1, 1991. In order to assist in preparation of the appeal brief, a decision in this day being entered on the "Petition to the Commissioner." An opinion fully setting out the facts and stating the reasons in support of the decision being entered today will follow in due course. A prompt decision on the "Petition to the Commissioner" should permit orderly preparation of the brief on appeal.

Upon consideration of the PETITION IN REEXAMINATION PROCEEDING and the PETITION TO THE COMMISSIONER PURSUANT TO 37 C.F.R. § 181 AND 1.182 it is

ORDERED that the request to "strike" Reexamination Control No. 90/001,858 and Reexamination Control No. 90/002,091 is denied because the Petition to the Commissioner was not timely filed [37 CFR § 1.181(f)] and it is

FURTHER ORDERED that the request to "instruct" the examiner "to rely only on patents and other printed publications and not to rely upon the affidavits, declarations or transcripts included by the reexamination requestor in Control No. 90/002,091" is denied because each rejection made by the examiner is based on "prior art consisting of patents or printed publications" (35 U.S.C. § 301) and it is

FURTHER ORDERED that the request to "order" the examiner to hold an interview is denied because the examiner did not abuse his discretion in holding on page 2 of the final rejection that "an interview is not deemed necessary nor appropriate at this time because the issues are clearly presented in the arguments set forth in the papers submitted by the parties in this proceeding" and it is

FURTHER ORDERED that the request to "instruct" the examiner to

refrain from basing any prior art rejection on the Schroder, "Large Area Coating of Glass for Modification of its Transmission," or ECOM, "Comparison of some Physical and Chemical Properties of Vacuum Evaporated and Sputtered Nickel-Chromium Films," is denied because the correctness of any rejection based on Schroder and/or ECOM is a matter to be resolved by the Board of Patent Appeals and Interferences in the appeal and it is

***2** FURTHER ORDERED that the request to "withdraw" the final rejection is denied because the final rejection is not "tainted" by reliance on "non-patent, non-printed publications" or the Schroder and/or ECOM publications and it is

FURTHER ORDERED that the request that the examiner be "replaced" is denied because nothing has occurred in these reexamination proceedings which would justify removal of the examiner and it is

FURTHER ORDERED that the document filed May 1, 1991, and styled CONTINGENT NOTICE OF APPEAL, shall be deemed to be a notice of appeal and an appeal shall be deemed to have been filed as of May 1, 1991 (37 CFR § 1.191) and it is

FURTHER ORDERED that the brief on appeal (37 CFR § 1.192) is due on or before July 1, 1991 and it is

FURTHER ORDERED that no extension of time shall be granted extending the time for filing the brief absent the most compelling of circumstances (the press of other business shall not be deemed a compelling circumstance) and it is

FURTHER ORDERED that an opinion in support of this decision shall issue in due course and it is

FURTHER ORDERED that this order be transmitted to counsel by fax and Federal Express.

MEMORANDUM OPINION AND ORDER

This opinion sets out the facts, and more fully explains the rationale, in support of an ORDER entered on May 24, 1991, in the above-identified reexamination proceedings. The ORDER denied a PETITION IN REEXAMINATION PROCEEDING (petition), dated March 26, 1991, filed by The BOC Group Plc. The petition was received in Patent Examining Group 110 on March 27, 1991.

Facts

1. The players in this matter are:
   (a) The BOC Group Plc. (BOC);
   (b) Shatterproof Glass Corporation (Shatterproof); and
   (c) PPG Industries, Inc. (PPG).

2. BOC is the owner of record of U.S. Patent 3,826,728 (Patent). The Patent is the subject of four reexamination proceedings.

3. Shatterproof was the owner of the Patent at the time it issued on June 10, 1986.

4. Shatterproof filed for bankruptcy in May of 1987 in the U.S. Bankruptcy Court in the Eastern District of Michigan. In the Matter of Shatterproof Glass Corporation and Thermoproof Glass Co., Case No. 87-03180-B and Case No. 87-03181-B.

5. The Patent was among Shatterproof's assets. In February of 1988, the Bankruptcy Court entered an order authorizing the sale of Shatterproof's interests in a number of assets, including the Patent, to BOC, subject to the retention of certain rights described in an agreement incorporated by reference in the order.

6. In compliance with the February 1988 order, Shatterproof executed an assignment of the Patent to BOC. The assignment was recorded in the Patent and Trademark Office (PTO) on August 4, 1988.

7. Among the specific rights retained by Shatterproof in the agreement was a right to sue PPG for past and future infringement of the Patent. At this point, it will be noted that there is a dispute between BOC and Shatterproof as to the extent to which Shatterproof still owns the Patent. The dispute is before the Eastern District of Michigan.

***3** 8. On August 10, 1988, Shatterproof filed Civil Action No. 88-CV-73312- DT in the Eastern District of Michigan charging PPG with infringement of the Patent.

9. Since 1981, PPG has had a technology agreement with BOC. Pursuant to the technology agreement, PPG automatically received a license to the Patent and the right to indemnification from BOC in the event that PPG was successfully sued for infringement while acting under the technology agreement.

10. In the infringement litigation in the Eastern District of Michigan, cross motions for partial summary judgment were filed by PPG and Shatterproof to seek clarification as to title to the Patent.

11. At a June 5, 1989, hearing, the Eastern District of Michigan concluded that Shatterproof had assigned all right, title and interest in the Patent to BOC and that BOC was the owner of the Patent. Partial summary judgment on the title issue was therefore granted to PPG.

12. On July 26, 1989, Shatterproof filed a motion under Fed.R.Civ.P. 60(b) in the Bankruptcy Court to rescind the February 1, 1988, order authorizing the sale of the Patent. The motion is still pending.

13. Four requests for reexamination of the Patent are pending. If a certificate canceling the claims of the Patent is issued, PPG can avoid an adverse judgment in the Shatterproof/PPG infringement case. BOC seemingly has no interest in maintaining the Patent, perhaps because it might have to indemnify PPG if PPG loses the infringement case. Shatterproof, on the other hand, has an interest in maintaining the Patent so that it can continue with the Shatterproof/PPG infringement case. Shatterproof is not concerned with who pays any successful

judgment it might obtain, i.e., PPG or BOC.

14. A patent owner is the only entity authorized to participate in the merits phase of a reexamination proceeding. PTO rules do not permit a "third party" to participate in the merits phase of a reexamination proceeding. PPG, as a third party, is not authorized to participate in the reexamination. Shatterproof is not entitled to participate in the reexamination because it is not an owner. BOC is the only entity authorized by PTO rules to prosecute the merits phase of the reexaminations. As noted above, however, BOC seemingly has indicated that it has no desire to participate in the reexamination.

15. Shatterproof sought to prosecute the reexamination proceedings. PTO denied Shatterproof's request and PTO's denial was upheld on judicial review. Shatterproof Glass v. Samuels, Civil Action No. 90-983-A (E.D.Va. Sept. 14, 1990) ("The motion of the defendant Commissioner of Patents and Trademarks for summary judgment is granted, and the decision of the Commissioner refusing to allow the plaintiff to prosecute the re-examination of Patent No. 3,826,728 is affirmed.").

16. Throughout litigation in the Eastern District of Michigan and the Bankruptcy Court, orders have been entered seeking to maintain a semblance of status quo.

***4** 17. On October 18, 1989, the Bankruptcy Court entered an order which reads in pertinent part:

(1) As soon as practicably possible, BOC will provide Shatterproof with a copy of any paper sent to or received from ... PTO ... or another party regarding any re-examination of ... [the Patent].

(2) As soon as practicably possible after the preparation of any substantive response to any paper which BOC intends to file with the PTO, BOC will provide Shatterproof with a copy of such proposed response; it being the good faith intent of the parties hereto that BOC will provide such BOC response to Shatterproof with sufficient time that Shatterproof will be able to prepare its own remarks, if it desires, and provide a copy of the same to BOC in sufficient time that BOC's response and Shatterproof's remarks, if any, can be submitted to the PTO within whatever time limits have been set for response by the PTO.

(3) BOC shall submit Shatterproof's remarks along with its own response to the PTO as an attachment thereto.

(4) In the event BOC has not received any remarks from Shatterproof by the time BOC must respond to the PTO paper to be timely, BOC shall be free to file its own response.

(5) Even if BOC does not intend to file a response of its own, it shall nevertheless file Shatterproof's remarks to the paper if Shatterproof advises that it wishes to have remarks filed.

18. On November 28, 1990, the Eastern District of Michigan entered an order which reads in pertinent part:

IT IS ORDERED that BOC shall request an interview with the United States Patent and Trademark Examiner in which interview Shatterproof is allowed to participate.

19. On February 20, 1991, the Bankruptcy Court entered a further order which reads in pertinent part:

(1) If BOC decides to appeal from any action in the pending

reexamination of ... [the Patent], BOC shall attach to any such appeal and incorporate by reference into its appeal any remarks supplied by Shatterproof to BOC in a timely manner.

(2) If BOC decides not to file an appeal of any reexamination of ... [the Patent], it shall nonetheless formally file an appeal if requested to by Shatterproof in a timely manner and attach and incorporate into such appeal remarks prepared and signed on behalf of Shatterproof.

(3) If BOC decides to petition the Commissioner from any action in the pending reexamination of ... [the Patent], BOC shall attach to any such petition and incorporate by reference into its petition any remarks supplied by Shatterproof to BOC in a timely manner.

(4) If BOC decides not to file a petition of any reexamination of ... [the Patent], it shall nonetheless formally file a petition if requested to by Shatterproof in a timely manner and attach and incorporate into such petition remarks prepared and signed on behalf of Shatterproof.

(5) This Order does not affect the obligations set forth in the Court Order of October 18, 1989.

***5** 20. Pursuant to Paragraph (4) of the Bankruptcy Court's order of February 20, 1991, BOC filed the petition. Attached to the petition is a PETITION TO THE COMMISSIONER PURSUANT TO 37 C.F.R. § 181 AND 1.182, dated March 15, 1991, prepared by Shatterproof.

Discussion

A. A. Boc's petition

In view of In re Blaese, Reissue Application No. 07/254,260, __ U.S.P.Q.2d ___ (Comm'r Pat. May 15, 1991), PTO regards the petition, together with the attachment prepared by Shatterproof, as having been filed by BOC, the entity entitled to prosecute the reexamination proceedings. The petition contains six prayers for relief. All requests for relief were previously denied in the PTO order entered on May 24, 1991.

1. First Request for Relief

The first request for relief is:

Strike Requests for Reexamination Nos. 90/002,091, filed July 20, 1990, and 90/001,858, filed October 5, 1989, as a subterfuge for converting the pending reexamination into a testimonial inter-party [sic--inter partes] proceeding in violation of reexamination procedures required by law.

Reexamination Control No. 90/001,858 and Reexamination Control No. 90/002,091 were filed by PPG. The first request is denied because the petition was not timely filed. Under 37 CFR § 1.181(f):

Except as otherwise provided in these rules, any such petition not filed within 2 months from the action complained of, may be dismissed as untimely.

BOC argues, inter alia, that the filing of the noted requests for reexamination (i.e., the second and third requests for reexamination filed by PPG during the original reexamination proceeding) is contrary to the intent of the statute as it permits PPG to convert the original

proceeding into an inter partes proceeding. BOC's argument questions the propriety of the filing of the reexamination requests by PPG. While the patent owner is precluded under 37 CFR § 1.530 from filing a submission in a reexamination proceeding prior to a reexamination order, an appropriate submission can be filed within the two- month period following the reexamination order. The orders for reexamination sought to be "stricken" were entered over 15 months and 6 months, respectively, prior to the filing of the petition. Petitioner has presented no showing why the petition could not have been timely filed within two months of the reexamination orders.

2. Second Request for Relief

The second request for relief is:

In the alternative, instructing the Examiner to rely only on patents and other printed publications and not to rely upon the affidavits, declarations or transcripts included by the reexamination requester in Control No. 90/002,091.

BOC's second request is denied because each rejection made by the examiner is based on "prior art consisting of patents or printed publications" (35 U.S.C. § 301). BOC's argument that it is contrary to the reexamination statute for affidavits, declarations, and/or transcripts of depositions to be submitted and considered in a reexamination proceeding is not tenable. After reexamination has been ordered, the examination on the merits is dictated by § 305. Section 305 specifically provides that "reexamination will be conducted according to the procedures established for initial examination under the provisions of sections 132 and 133 of this title." See also In re Etter, 756 F.2d 852, 856, 225 USPQ 1, 4 (Fed. Cir.) (en banc), cert. denied, 474 U.S. 828 (1985).

***6** Section 132 provides:

Whenever, on examination, any claim for a patent is rejected, or any objection or requirement made, the Commissioner shall notify the applicant thereof, stating the reasons for such rejection, or objection or requirement, together with such information and references as may be useful in judging of the propriety of continuing the prosecution of his application.... (emphasis added).

A rejection of a claim in a reexamination proceeding must be based upon patents and/or printed publications. It would be contrary to § § 305 and 132 to preclude consideration of other "information" (e.g., affidavits, declarations and transcripts) to help define the scope and content of the prior art, or to establish that a claimed invention is not anticipated under 35 U.S.C. § 102 or unpatentable under 35 U.S.C. § 103 based on obviousness.

3. Third Request for Relief

The third request for relief is:

Order the Examiner to permit an interview as requested prior to final action by the record patent owner.

A decision entered on March 13, 1990, waived the provisions of 37 CFR § 1.550(e) to the extent that papers filed by BOC (the patent owner) may include remarks prepared by Shatterproof. BOC's response to the Office action of April 24, 1990, was filed on June 28, 1990, along with

comments prepared by Shatterproof. Compare In re Blaese, Reissue Application No. 07/254,260, __ U.S.P.Q.2d ___ (Comm'r Pat. May 15, 1991). Through BOC, Shatterproof requested "an interview with the Examiner prior to a final rejection if the Examiner is inclined to issue such a rejection." In recognition that the waiver of 37 CFR § 1.550(e) did not grant Shatterproof a right to attend or participate in an interview before the examiner, BOC filed a petition on December 4, 1990, requesting (1) that an interview be conducted along with a complete stenographic record, and (2) that the rules be further waived and Shatterproof be permitted to participate and discuss the patentability of the claims involved. Subsequently, in an Office action (final rejection) entered January 28, 1991, the examiner addressed the request for an interview stating:

> an interview is not deemed necessary nor appropriate at this time because the issues are clearly presented in the arguments set forth in the papers submitted by the parties in this proceeding.

In the petition, BOC now requests that the Commissioner order the examiner to permit an interview as requested prior to the final rejection. BOC argues (petition, p. 9) that due to the complexity of the case, an interview would be useful. BOC notes that:

> the United States District Judge overseeing Shatterproof's bankruptcy ordered the BOC Group, Plc. to request an interview with the examiner in which Shatterproof was to participate (emphasis added).

***7** BOC's request that the examiner be ordered to conduct an interview is denied.

PTO acknowledges that the court ordered BOC to request an interview. The court did not purport to order the PTO to grant an interview. Whether an interview should be granted in a reexamination proceeding is an issue to be decided by the PTO. Section 2281 of the Manual of Patent Examining Procedure (5th ed., rev. 4, Oct. 1986) provides that interviews in reexamination proceedings are conducted in accordance with MPEP § 713.01 through § 713.04. MPEP § 713.01 states:

> An interview should be had only when the nature of the case is such that the interview could serve to develop and clarify specific issues and lead to a mutual understanding between the examiner and the applicant, and thereby advance the prosecution of the application.

The examiner, prior to issuing the final rejection, addressed the request for an interview and decided that an interview was neither necessary nor appropriate as the issues were clearly presented by the parties. The record further shows that in the Advisory Action, mailed April 4, 1991, the examiner again addressed the request for an interview and concluded [t]he record in this reexamination proceeding is clear and an interview is not deemed necessary nor appropriate. The examiner did not abuse any discretion in denying an interview in this particular reexamination proceeding. The request for an interview is denied.

Since BOC's request for an interview is denied, BOC's earlier petition, filed December 4, 1990, requesting a complete stenographic record of any interview and a waiver of the rules to permit Shatterproof to attend and participate in any interview is dismissed as moot.

4. Fourth Request for Relief

The fourth request for relief is:

Instruct the Examiner that no rejection under 35 U.S.C. § 102 and/or 103 can be made based on the German Publication ... and/or ECOM [publication] ... by Pratt, Weintraub and Wade. These references were thoroughly discussed in the reexamination resulting in the Certificate issued B1 3,826,728....

BOC's fourth request, that the examiner be instructed that no rejection can be made based on the German or ECOM publication because these publications were thoroughly discussed in a prior concluded reexamination proceeding, is denied. BOC's fourth request relates to the merits, i.e., content of the references, and the correctness ofthe rejection. Issues involving the merits of any rejection in a reexamination proceeding, as opposed to whether reexamination should be ordered, are matters within the jurisdiction of the Board of Patent Appeals and Interferences (Board) in an appeal properly taken under 35 U.S.C. § § 134 and 306. Under the procedures established by Congress, the Board determines whether any final rejection made by an examiner is correct on the merits.

***8** 5. Fifth Request for Relief

The fifth request for relief is:

Withdraw the final rejection of January 28, 1991, as being premature.

BOC's fifth request is denied. A review of the record does not reveal that a new ground of rejection was made in the final rejection. Except for the arguments that the final action is "tainted," and therefore an interview should be granted, petitioner has set forth no reasons as to why the final rejection is premature. Shatterproof's argument, through BOC, that the final rejection "is tainted due to its reliance upon non-patent, non-printed publications" (e.g., affidavits, declarations and transcripts) and "[t]herefore, to allow an untainted review of the patents and printed publications before the Office, the final Office Action should be withdrawn and provisions made for an interview on the case" is not appropriate grounds for contesting the correctness of the finality of the rejection. Further, as noted above, the use of affidavits, declarations, and transcripts in reexamination is appropriate under the circumstances of this case.

6. Sixth Request for Relief

The sixth request for relief is:

Change the Examiner handling the pending reexaminations as to U.S. Patent No. 3,826,728.

BOC's sixth request is denied. The fact that the examiner has spent considerable time considering the affidavits, declarations, and transcripts which BOC alleges are improper prior art is not a sufficient reason for removal of the examiner. Furthermore, there is no basis in the record to conclude, and BOC has set forth no evidence to support its contention, that the examiner is "hostile" to the Patent or BOC or Shatterproof. BOC's argument that inappropriate hostility is evidenced by the examiner's refusal to grant an interview is not supported by the record. The examiner held on two occasions that because the record is clear, an interview is neither necessary nor appropriate. The examiner's holding that an interview is not appropriate, by itself, fails to show "hostility" on the part of the

examiner.

B. PPG's request to participate in these reexaminations

Under 37 CFR § 1.550(e):

> [t]he active participation of the reexamination requester ends with the reply pursuant to § 1.535, and no further submissions on behalf of the reexamination requester will be acknowledged or considered.

A petition filed on April 9, 1991, by third-party requester PPG, is an improper submission under § 1.550(e) since it was filed after ex parte reexamination on the merits started. Accordingly, PPG's petition will not be made of record in the reexamination file and is being returned herewith.

There is no showing of an extraordinary situation which would permit the entry and consideration of PPG's petition. It is noted that a third party has no right to comment or participate in a reexamination proceeding beyond the rights specifically provided for by the reexamination statute, i.e., file a request for reexamination and comment on any statement filed by a patent owner. The statutory provisions regarding the reexamination of a patent, and the rules promulgated in support thereof, do not provide for opposition to the grant of a reexamination certificate by a third party. Yuasa Battery Co. v. Commissioner, 3 U.S.P.Q.2d 1143 (D.D.C.1987). See also In re Etter, supra, 756 F.2d at 858 n. 6, 225 USPQ at 5-6 n. 6 (the reexamination per se of the claims is entirely ex parte); Syntex (U.S.A.) Inc. v. U.S. Patent and Trademark Office, 882 F.2d 1570, 1573, 11 U.S.P.Q.2d 1866, 1868 (Fed.Cir.1989) (a reexamination is conducted ex parte after it is instituted) (original emphasis); In re Opprecht, 868 F.2d 1264, 10 U.S.P.Q.2d 1718 (Fed.Cir.1989) (a third party does not participate before PTO in a reexamination); Animal Legal Defense Fund v. Quigg, ___ F.2d ___, ___, 18 U.S.P.Q.2d 1677, 1685 (Fed.Cir.1991) (five judge court) (third party may not protest grant of a patent).

ORDER

***9** Upon consideration of BOC's petition, it is

ORDERED that the request to "strike" Reexamination Control No. 90/001,858 and Reexamination Control No. 90/002,091 is denied and it is

FURTHER ORDERED that the request to "instruct" the examiner "to rely only on patents and other printed publications and not to rely upon the affidavits, declarations or transcripts included by the reexamination requester in Control No. 90/002,091" is denied and it is

FURTHER ORDERED that the request to "order" the examiner to hold an interview is denied and it is

FURTHER ORDERED that the request to "instruct" the examiner to refrain from basing any prior art rejection on the Schroder, "Large Area Coating of Glass for Modification of its Transmission," or ECOM, "Comparison of Some Physical and Chemical Properties of Vacuum Evaporated and Sputtered Nickel-Chromium Films," is denied and it is

FURTHER ORDERED that the request to "withdraw" the final rejection is denied and it is

FURTHER ORDERED that the request that the examiner be "replaced" is denied and it is

FURTHER ORDERED that the brief on appeal (37 CFR § 1.192) continues to be due on or before July 1, 1991, as provided by the ORDER entered May 24, 1991, and the further ORDER entered June 6, 1991, and it is

FURTHER ORDERED that this order be transmitted to counsel by fax and Federal Express.

20 U.S.P.Q.2d 1470

END OF DOCUMENT