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

JOSEPH T. MENKE, APPELLANT
v.
DEPARTMENT OF THE ARMY, APPELLEE
GPB No. 10-4366
June 19, 1991

Robert M. White, Ph.D.

Under Secretary for Technology

DECISION ON APPEAL FROM GOVERNMENT EMPLOYEE RIGHTS DETERMINATION

***1** This is an appeal by Joseph T. Menke (Menke) under 37 CFR 501.8 from a determination by the Department of the Army (Army) that the Government shall obtain the entire right, title and interest in an invention made by Menke. The invention is described in U.S. Patent Application No. 07/594,538, filed on October 9, 1990 by the Army.

The determination is affirmed.

Background

A. The Invention

The invention relates to a process for preparing corrosion resistant stainless steel alloys at a low temperature with a uniform black oxide coating without degrading the hardness or other physical properties of the alloys.

B. The Invention Rights Questionnaire

An Invention Rights Questionnaire, Form DA 2871, signed by Menke on August 4, 1987, reveals the following:

(1) Twenty-four hours of his own time were spent by Menke making the invention.

(2) A hood in the chemistry laboratory at Rock Island Arsenal was used in addition to a thermometer, a blaster and a gas hot plate, all belonging to the Government. Menke also used parts supplied by a Government contractor and chemicals from the Army laboratory, which were estimated to cost about $10.

(3) A blackening process was described in Government literature as not working but Menke knew that Barney Faust, another Arsenal employee, had successfully used a different blackening process almost thirty years ago although no one knew why it worked.

(4) The making of the invention was prompted by the desirability of depositing a permanent black oxide layer on stainless steel to minimize glare and reflective surfaces on weapons.

(5) Menke was neither employed nor assigned to do any of the following:

(a) invent, improve or perfect any process;
(b) conduct or perform research or development;
(c) supervise, coordinate or review research and development; or
(d) act in a liaison capacity for research and development.

(6) William D. Fortune (Fortune), a supervisory chemical engineer who was Menke's supervisor since 1981, concurred with Menke's statements and indicated that Menke did not work in a laboratory but was a consultant to other Army activities about corrosion, corrosion prevention and material finishes for production items. As a consultant, Menke would be expected to answer questions about material finishes that would prevent corrosion or provide a protective coating, including for example, solving the problem of blackening stainless steel. Menke would not need approval to work on an idea but could proceed on his own. Fortune concluded that the invention was "related, but not directly" to Menke's duties. However, he felt that Menke's going to the laboratory and demonstrating the blackening solution was "over and above his normal duties."

***2** (7) Menke's job description submitted with the questionnaire indicates that he is a chemist (GS-1320-13), who has, as one of his major duties, the providing of material science support to resolve material problems through the review/evaluation and recommendations for approval/disapproval of proposed product or process changes to the technical data packages. His duties also are to conceive, prepare data, initiate and defend Product Improvement Programs.

C. Rationale of the Army Justifying the Taking of Title

In its determination, the Army relied on the presumption in the Executive Order of an assignment to the Government arising from the inventor's duties. The Army also found that the invention was made as a consequence of the official duties of the inventor. It noted that Menke had used Government equipment, materials and information.

DISCUSSION

There are three issues in this appeal:

1. Whether prior decisions on employee rights by the Army are relevant to this appeal;
2. Whether the presumption in the Executive Order was properly applied by the Army; and
3. Whether the invention was made as a consequence of the official duties of the inventor.

A. Prior Rights Decisions

Menke questions whether the Army's decision on rights in his invention is consistent with those made on inventions by other Army employees. [FN1] As noted by the Army in its reply under 37 CFR 501.8(b), rights determinations turn on the facts of a particular case and so are made on a case-by-case basis. We agree. However, this does not mean that an agency should render decisions in an inconsistent manner. In other words, the decision on rights by an agency should be the same if the surrounding facts are the same. [FN2] We note that under procedures adopted in 1988, rights determinations are only reviewed outside of the agency if the inventor appeals. [FN3]

Since 1985, it has been the practice of the Commissioner and now of the Under Secretary to publish various rights decisions in the United States Patents Quarterly. [FN4] The purpose of publication is to inform the public on how the decisions are made. As such, these cases are considered to be precedent and we intend to follow all prior published decisions.

B. Presumptions in the Executive Order

Paragraph 1(a) of Executive Order 10096, as amended, provides that the Government shall obtain the entire right, title, and interest in and to all inventions made by any Government employee (1) during working hours, or (2) with a contribution by the Government of facilities. equipment, materials, funds or information or of time or services of other Government employees on official duty, or (3) which bear a direct relation to or are made in consequence of the official duties of the inventor. See also 37 CFR 501.6(a)(1).

Paragraph 1(c) of the Executive Order provides that an invention made by an employee hired to (i) invent, (ii) conduct research, (iii) supervise Government financed or conducted research, or (iv) act as liaison among Government or non- government agencies conducting such research, shall be presumed to be made under Paragraph 1(a). [FN5] See also 37 CFR 501.6(a)(3). Inventions made by other employees are presumed to fall under the scope of Paragraph 1(b). [FN6] Either presumption may be overcome by the facts and circumstances of a given case.

***3** On the basis of Menke's position as a GS-13 chemist, there is a presumption that the Government is entitled to an assignment. See In re Phillips, 2 U.S.P.Q.2d 1644, 1645 (Comm'r Pat.1987). As pointed out by the Army in its reply, Menke failed to present [FN7] any argument disputing the use of the specific presumption or evidence to overcome the presumption. The fact that Fortune, his supervisor, agreed with Menke's statement on the questionnaire that he was not employed nor assigned to improve any process or machine is not dispositive in view of the clear statements in Menke's job description.

In particular, Menke was expected to resolve material problems and make recommendations of proposed product or process changes. Fortune specifically indicated that "[t]he problem of blackening stainless steel is typical of the problem Mr. Menke is asked to solve." In

addition, Menke was supposed to conceive and initiate Product Improvement Programs. Emphasis on problem solving appears in Factor 3 of the job description, which specifies that Menke "must use initiative, resourcefulness, and past experience in the specialty area to develop and modify new methods and procedures which deviate from established approaches." These requirements are certainly appropriate for a GS-13 chemist who is to manage the integrity of various systems "based upon broad professional knowledge of a combination of Industrial Chemistry, Electrochemistry, and Material Science, [and] awareness of current developments in technology and manufacturing methods."

C. Was Invention Made as a Consequence of Inventor's Official Duties?

Fortune indicated that invention was related, but not directly, to Menke's duties. Although an invention may not be directly related to the inventor's duties, the Government may still be entitled to an assignment if the invention was made in consequence of the inventor's official duties. "In consequence of" in the Executive Order means that the invention is made as an obvious and direct result of the performance of the inventor's duties. In re Philips, 2 U.S.P.Q.2d 1641, 1642-3 (Comm'r Pat.1987), citing Government Patents Board, Interpretations and Opinions No. 4 (proposed) dated July 8, 1953.

In this case, according to Menke's statement on appeal, he became aware of the blackening problem when in June 1987, the Government canceled the specification for the black finish on stainless steel (MIL-C-13924 Class 2). This knowledge appears to have come to him in connection with his Army job. In addition, he adopted an approach used many years ago by another Army employee at the Arsenal but never published. Although no one asked Menke specifically to solve the blackening problem, it was within the general scope of his job description. Further, he did not need permission to work on the problem.

Therefore, we agree with the Army that the invention was made in consequence of Menke's official duties. See In re Phillips, 230 USPQ 351 (Comm'r Pat.1986), where the Army's determination to take title was affirmed because the inventor became aware of the problem through Government information and used Government material and equipment even though he spent $5000 of his own money and used 540 hours of his own time in making the invention.

***4** The fact that Menke said he made the invention while on annual leave does not necessarily mean that the Government is not entitled to an assignment. An inventor cannot control the rights to an invention which is directly related to or made in consequence of his or her duties just by choosing to make the invention at home. See In re Wynne, 229 USPQ 842 (Comm'r Pat.1986), where the Navy's decision to take title was affirmed although the inventor maintained that he conceived the invention in the evening at home because the invention was found to have been made in consequence of his official duties.

Further, the use by Menke of a hood in the Army laboratory and a Government blaster and gas hot plate suggests that at least some part of the invention was done on Government premises. If the invention was

first reduced to practice on Government premises when Menke tested the process on July 3, 1987, the Government is entitled to an assignment. In re King, 3 U.S.P.Q.2d 1747 (Comm'r Pat.1987) and In re Scalese, 3 U.S.P.Q.2d 1231 (Comm'r Pat.1986). See also In re Schroeder, 3 U.S.P.Q.2d 1058, 1059 (Comm'r Pat.1986) ("It would be curious indeed if a Government employee could decide on his own to use Government time and facilities to test an invention while at the same time contend that he is entitled to title subject to a license to the Government").

DECISION

The determination by the Army that the Government is entitled to an assignment in the above-identified invention is affirmed. Any request for reconsideration or modification of this decision must be filed within 30 days from the date below. This decision is not intended to affect the right of the inventor to receive royalties under 15 U.S.C. § 3710c from the licensing of the invention by the Army.

FN1. However, Menke did not provide any details of other Army rights determinations, which the Army could address. Nor did Menke submit evidence about the policy at the Arsenal towards rights in inventions. Accordingly, we do not consider either matter. But to the extent that a prior rights determination or agency policy may be inconsistent with the Executive Order, they are not relevant to this appeal.

FN2. Of course, this would also apply to decisions made by different agencies as the purpose of the Executive Order was to achieve uniformity among the agencies.

FN3. 37 CFR Part 501, 53 Fed.Reg. 39734 (Oct. 11, 1988), effective Nov. 1, 1988.

FN4. The first decision published was In re Smeh, 228 USPQ 49 (Comm'r Pat.1985). The first decision published by the Under Secretary for Technology was In re Morrison, 15 U.S.P.Q.2d 1392 (Commerce Dep't 1989).

FN5. I.e., that which entitles the Government to take title to such inventions.

FN6. I.e., that which entitles the Government to take a license in such inventions.

FN7. We did not receive a response from Menke to Army's reply.

20 U.S.P.Q.2d 1386

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