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

HOLUB ET AL.
v.
ROBESON ET AL.
Interference No. 101,485
July 22, 1988
***1** Dated: July 20, 1988

Donald J. Quigg

Assistant Secretary and Commissioner of Patents and Trademarks

DECISION ON PETITION

Robeson et al. have filed a petition, stated to be under 37 CFR 1.644(a)(3), [FN1] requesting that the Commissioner:

[1] ... exercise his supervisory authority so that the issue of suppression, concealment and/or abandonment be decided by the Board of Patent Appeals and Interferences or remanded to the Examiner-in-Chief for further proceedings to reach a decision.

[or 2] ... invoke the provisions of 37 CFR 1.183, and suspend or waive the appropriate rules so that the issue of suppression, concealment and/or abandonment may be decided.

The petition is opposed.

Background

On May 23, 1986, Robeson et al. filed a motion for judgment under 37 CFR 1.633 (Paper No. 10) on the ground, inter alia, that Holub concealed and/or suppressed the invention in contravention of 35 U.S.C. 102(g). In his decision of October 20, 1986 (Paper No. 27), the Examiner-in-Chief dismissed the motion as to this ground because:

The issue of suppression and concealment cannot arise until such time as a party has established a reduction to practice. The issue is one of priority, not patentability within the meaning of § 1.633(a). See Panduit Corp. v. Dennison Mfg. Co., 774 F.2d 1082, 277 USPQ 337, 350 (Fed.Cir.1985) and Piher S.A. v. CTS Corp., 210 USPQ 806 (N.D.Ind.1981).

The time for Holub to complete testimony expired on January 16, 1987. Holub submitted testimony in the form of affidavits; Robeson et al. did not cross- examine, but filed an affidavit in rebuttal.

In part IVB of their brief (filed August 10, 1987), Robeson et al. argued that Holub had concealed and/or suppressed the invention. A motion by Holub to strike the part of the Robeson et al. brief directed to the issue of concealment or suppression was dismissed by the Examiner-in-Chief on October 30, 1987 (Paper No. 58), but it was indicated in the decision that Robeson et al. were not entitled to be heard at final hearing on the issue for failure to comply with the notice requirement of 37 CFR 1.632. [FN2] In its decision after final

hearing (Paper No. 61, March 10, 1988), the Board reviewed the decision in Paper No. 58 and confirmed that the issue would not be considered, holding that the dismissed preliminary motion filed by Robeson et al. (Paper No. 10, supra) would not suffice in lieu of properly filed notice under § 1.632.

Opinion

Considering first the request to exercise supervisory authority, it is noted initially that the junior parties contend that the question of compliance with § 1.632 is "a matter for appeal and not petitionable subject matter" (opposition, p. 5). However, since the question is one of procedure, and, in the words of § 1.644(a)(2), "does not relate to (i) the merits of priority of invention or patentability or (ii) the admissibility of evidence under the Federal Rules of Evidence," it may be considered in the context of a petition under § 1.644(a)(2) to invoke the supervisory authority of the Commissioner. Cf. Omori v. Ohsemachi, 230 USPQ 633 (Comr.1986). Such authority will not normally be exercised absent an abuse of discretion by the Board. See Woods v. Tsuchiya, 207 USPQ 228 (Comr.1979).

***2** Robeson et al. assert that the issue of suppression and concealment did not arise until March 10, 1988, the date on which the Board issued its final decision finding that the junior parties actually reduced the respective inventions to practice. They apparently believe, therefore, that the notice required by § 1.632 need not have been given earlier.

This position is untenable. Section 1.632 provides (see note 2, supra) that a party who intends to argue the issue of suppression or concealment must file a notice, and § 1.654(c) provides that a party shall not be entitled to argue the issue unless a notice under § 1.632 was timely filed. Having devoted a large portion of their brief to the issue, Robeson et al. clearly intended to argue it, and thus fell squarely within the requirements of § 1.632.

In the notice adopting the new interference rules (37 CFR 1.601 to 1.688), 49 Fed.Reg. 48416, 48423 (Dec. 12, 1984), 1050 Official Gazette 385, 392 (Jan. 29, 1985), the following appears with regard to § 1.632:

> Under current practice where notice is not required, it is possible that a party may learn for the first time that abandonment, suppression, or concealment is an issue when the party receives an opponent's brief at final hearing. See Klug v. Wood, 212 USPQ 767, 771 n. 2 (Bd.Pat.Int.1981). At that point, it is often too late to reopen proceedings in the interference. The purpose of requiring the notice under § 1.632 is to make the parties and the Board aware during the interlocutory stage of an interference that abandonment, suppression, or concealment may be an issue in the interference. Early notice will permit the parties to ask for and the examiner-in-chief to set appropriate testimony periods for a party to present evidence related to abandonment, suppression, and concealment, particularly in those cases where long unexplained delays tend to prove the allegation of suppression concealment. Early notice will also eliminate the need for the party moving to reopen the testimony period. Klug v. Wood, supra.

To hold that notice is not required until the Board has made a final determination of actual reduction to practice would not only be contrary to the provisions of the rule itself, but also contrary to its purpose, as expressed in the foregoing quotation.

Petitioners further assert that supervisory authority should be exercised because the Board indicated in footnote 6 of its final decision (Paper No. 61) that it had, for completeness, reviewed the suppression or concealment issue. It appears however that petitioners have misread the footnote, since the "matter" referred to therein as being reviewed by the Board was not the issue of suppression and concealment per se, but rather the Examiner-in-Chief's decision (Paper No. 58) holding that Robeson et al. were not entitled to raise the issue at final hearing.

***3** No basis is found for the exercise of supervisory authority.

Turning to petitioner's request that the "appropriate rules," presumably 37 CFR 1.632 and 1.654(c), be suspended or waived under § 1.183, the junior parties assert that the petition is improper and untimely because it did not comply with the third sentence of § 1.644(b), which reads:

> Any petition under paragraph (a)(3) of this section shall be timely if it is made as part of, or simultaneously, with, a proper motion under § 1.633, § 1.634, or § 1.635.

The junior parties' position is not well taken, because § 1.644(b) does not provide that a petition under § 1.644(a)(3) which is not accompanied by a motion will necessarily be dismissed as untimely. In the present case, the filing of a motion with the petition would not have been appropriate, since the petition does not seek a waiver with respect to a matter which is now being raised for the first time by way of a motion. The petition is therefore considered timely.

Rule 1.183 provides that for the suspension or waiver of a rule there must be an extraordinary situation, and the interest of justice must require the relief requested. Chauvette v. Scartazzini, 206 USPQ 764 (Comr.1979). Petitioners assert that these criteria are met in this case because the junior parties' record and the case law "clearly establishes that [the junior parties] abandoned, suppressed and/or concealed the invention" (petition, p. 3), that the record "certainly makes the validity of any patents granted on the [junior parties'] applications of questionable validity" (id., p. 5), and the provisions of § 1.632 are vague.

Upon review of the record in the present proceeding, it does not appear that the situation is extraordinary, or that the interest of justice requires the suspension or waiver of 37 CFR 1.632 and/or 1.654(c). Insofar as petitioners' assertions concerning what the record shows are concerned, the junior parties note in their opposition to the petition that:

> Because of Robeson's failure to provide notice of his intention to rely on a suppression/concealment theory, as required by 37 C.F.R. § 1.632, Junior Parties had no opportunity to present rebuttal evidence or argumentation on that issue. Therefore the Board did not have before it a sufficient record to decide the suppression/concealment issue.

As discussed above, the purpose of § 1.632 was to give a party an

opportunity to present evidence to rebut an inference of abandonment, suppression or concealment. The purpose of the rule would be subverted if a party who did not comply with the rule could obtain waiver of the rule on the ground that the interest of justice required the waiver because the record did not contain any such rebuttal evidence.

It is not considered that the provisions of § 1.632 are vague. However, if Robeson et al. were uncertain about what notice was required by the rule, it would seem that as a matter of ordinary prudence they would have served a notice on the junior parties within ten days of the close of the latters' testimony-in-chief, rather than relying on the dismissed motion for judgment as constituting sufficient notice.

***4** The request for waiver or suspension of any rules is denied. The petition is denied.

FN1. Section 1.644(a)(3) relates only to petitions seeking relief under § 1.183. The current petition also appears to have been brought under § 1.644(a)(2). The $140.00 fee set by 37 CFR 1.17(h) has been charged to the deposit account specified in the petition.

FN2. Section 1.632 Notice of intent to argue abandonment, suppression or concealment by opponent.

A notice shall be filed by a party who intends to argue that an opponent has abandoned, suppressed or concealed an actual reduction to practice (35 U.S.C. 102(g)). A party will not be permitted to argue abandonment, suppression, or concealment by an opponent unless the notice is timely filed. Unless authorized otherwise by an examiner-in-chief, a notice is timely when filed within ten (10) days of the close of the testimony-in-chief of the opponent.

8 U.S.P.Q.2d 1440

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