

The Role of the Solicitor's Office

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AIPA Created OGC

- General Counsel (James Toupin)
  - Oversees 5 business units:
    - **Solicitor's Office (John Whealan)**
    - Office of General Law (Bernard Knight)
    - Office of Enrollment & Discipline (Harry Moatz)
    - Board of Patent Appeals & Interferences (Mike Fleming, Chief Judge)
    - Trademark Trial & Appeal Board (David Sams, Chief Judge)

Solicitor's Office Staff

- 15 Attorneys; 8 Support Staff
- Typical Associate Solicitor Backgrounds Include :
  - CAFC experience
  - Law firm experience
    (litigation and prosecution)
  - Former examiners
    (both patent and trademark)
  - Strong science backgrounds including advanced degrees
- Case Staffing: each case is typically staffed with a team of two attorneys; more for exceptional cases

Major Responsibilities of the Solicitor's Office

1. Litigation: Represent the agency in federal court litigation & advise DOJ on I.P. cases where PTO is not a party
2. Advice: Provide legal & policy advice to senior management on complex legal/technical issues
3. OED: Prosecute practitioners who violate OED rules and assist in the administration of the registration exam

1. Federal Court Litigation

- Direct Appeals to the CAFC
- District Court Litigation
  - 145 & 1071(b) actions
  - APA actions
- Amicus Participation at the Supreme Court and Other Circuit Courts of Appeals, where USPTO Is Not a Party

Federal Circuit Litigation

- Approximately 50 appeals/year
- Includes both Patent and Trademark Cases
  - Patent cases (80-90% of docket)
  - Trademark cases (10-20% of docket)

Patent Appeals – 3 Categories

1. Likely Precedential Cases – involving significant legal issues
2. Technically Challenging Cases – fact-specific
3. Typical Cases

Goal: Handle all with the same level of consistency

Trademark Appeals

- Fewer cases, but more frequently involve legal issues likely to result in precedential opinions
  - .COM Marks (In re Oppedahl & Larsen)
  - Paris Convention (In re Rath)
  - Scandalous Marks (In re Boulevard Entertainment)
  - Color (In re Thrifty)
  - Geographic Misdescriptiveness (In re California Innov.)

District Court Cases

- 35 U.S.C. 145 -- Patents (e.g. Hyatt cases)
- 15 U.S.C. 1071(b) -- Trademarks
- Administrative Procedure Act (APA)
  - Usually challenging petition decisions or procedural actions by the Office
- AIPA changed USPTO venue to the E.D. of Virginia
  - 35 U.S.C. 1(b): "The United States Patent and Trademark Office shall be deemed, for purposes of venue in civil actions, to be a resident of the district *in which its principal office is located*, except where jurisdiction is otherwise provided by law.
  - See Boundy v. Rogan, No. 2002 WL 32166534 (D.D.C. Oct. 2, 2002)

USPTO Involvement in Supreme Court Cases

- 2 Questions to Which "NO" Is Always the Answer:
  - Am I or is the USPTO Going to File a Brief with the Supreme Court? -- No.
  - Am I or is the USPTO Going to Argue a Case at the Supreme Court? – No.

The Solicitor General of the U.S.



- The major function of the Solicitor General's Office is to supervise and conduct government litigation in the United States Supreme Court.
- Virtually all such litigation is channeled through the SG's Office.
- The United States is involved in about two-thirds of all the cases the U.S. Supreme Court decides on the merits each year.
- The Solicitor General, with input from other governmental entities, ultimately determines the cases in which Supreme Court review will be sought by the government and the positions the government will take before the Court.

Government Involvement in Supreme Court Cases – How?

- As a party (rare)
  - E.g. Dickinson v. Zurko
  - E.g. Eldred v. Ashcroft
- As an *amicus curiae* (frequent)
  - E.g. Merck KGAA v. Integra Lifesciences I, Ltd.
  - E.g. Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.

Government *Amicus* Participation – Why?

- Institutional Interest
- Unique Perspective
- CVSG



Government *Amicus* Participation -- When?

- At the cert stage – government participation is relatively rare … except in response to CVSG
- If requested by the Court at any stage – government participation is almost certain (e.g. CVSG)
- At the merits stage – government participation in I.P. cases is more common (government typically files a brief)

CVSG

- "CVSG" refers to the "call for the views of the Solicitor General"
- For the past several years, the Supreme Court has averaged approximately 15 CVSGs per term

CVSGs in Patent Cases

Patent-related cases seem to make up a greater percentage of CVSGs than any other single area of law

- 1 patent CVSG brief out of 8 total filed in 2005 term
- 4 patent CVSG briefs of 12 total filed in 2004 term
- 1 patent CVSG brief out of 12 total filed in 2003 term
- 4 patent CVSG briefs out of 22 total filed in 2002 term

Types of Patent Case the Supreme Court Seems Interested In

- **Intersection of Two Areas of Law**

  -Merck – patent/FDA

  -Independent Ink – patent/antitrust

- **Major Issues in Patent Law**

  -Festo – DOE

  -KSR – 103

  -Lab Corp. – 101?

- **Issues Not Unique to I.P. Law**

  -eBay – injunctions

  -Independent Ink – market power

Why Might the Supreme Court Be More Interested in Patent Cases?

- Increased economic importance of patents
- CAFC is now 25 years old – revisit precedent
- Good dissents by CAFC judges
- Better, more frequent cert petitions filed with the assistance of Supreme Court counsel
- Supreme Court law clerks with more I.P. coursework in law school

Supreme Court Counsel in Patent Cases

- Analogous to "local counsel" for a district court trial
- Supreme Court practice differs from CAFC practice
- Supreme Court counsel know:

  -Supreme Court rules

  -Issues the Court is interested in

  -How to write a Supreme Court brief

  -How to present to the SG and the Court

Patent Issues of Potential Interest to the Supreme Court in the Near Future

- Claim construction as a pure question of law, subject to de novo review (Markman; Cybor; Phillips)
- Written description (LizardTech; Enzo)
- Patentability of business methods (State Street; AT&T)
- Willful infringement & opinions of counsel (Knorr-Bremse Dyk dissent)

Patent Cert Petitions – Some Essentially "End Run" CAFC

- At CAFC, case is argued factually, primarily relying on current CAFC precedent (enough of a challenge to precedent for waiver purposes)
- CAFC decision issues applying CAFC precedent; no request for (or serious expectation of) en banc review
- Cert petition challenges CAFC precedent
- Not inappropriate, if waiver is avoided
- These cases lack the benefit of competing opinions defending or criticizing the current precedent
- Compare KSR with Festo

The SG's Inclusive Process – Seeking Input on I.P. Cases

-Initially coordinated by DOJ Civil Appellate

-Ultimately coordinated by the SG's Office

- USPTO
- DOJ Civil Appellate
- DOJ Antitrust
- FTC
- Copyright Office
- FDA, DOC, NIH, etc.

Meetings with Government Counsel

- Less common at the cert stage, absent a CVSG
- More common with a CVSG or at the merits stage
- Counsel for each party typically coordinate through the SG's Office, and meet (separately) for one hour at DOJ with attorneys from the interested offices/agencies
- Counsel make presentations and answer questions, attempting to persuade the SG regarding whether to file and/or to support their client's position

USPTO Participation as an *Amicus* in Other Types of Cases (cont'd)

- *Amicus* Filing at the Request of a Court – e.g., Phillips v. AWH Corp. (Fed. Cir. en banc 2004) (patent claim construction)
- *Amicus* Filing on Significant Patent Issues – e.g., Voda v. Cordis Corp. (Fed. Cir. 2005) (the CAFC granted interlocutory appeal on whether the district court properly exercised supplemental jurisdiction over foreign patent infringement claims)
- *Amicus* Filing in Petitions for Rehearing *En Banc* at the CAFC – e.g., Enzo Biochem Inc. v. Gen-Probe Inc. (Fed. Cir. 2002) (regarding permissibility of deposit of biological materials as a permissible way to meet certain patentability requirements)

USPTO Participation as an *Amicus* in Interference Appeals at the CAFC

- SG Approval Is Required
- McKechnie Vehicle Components USA v. Lacks Industries, Inc., (Fed. Cir. 2005) (Rule 660 notice to the USPTO of ongoing litigation)
- Eli Lilly v. Bd. Of Regents of the Univ. of Washington (Fed. Cir. 2003) (successfully arguing for deference to th BPAI's interpretation of interference regulation to create "two-way" interference test)
- Berman v. Housey (Fed. Cir. 2002) (successfully arguing that the BPAI has discretion whether to reach certain patentability issues where a threshold issue under §135(b is dispositive)

2. Legal Advice

- Promulgate and implement rules – e.g., proposed rules regarding continuations, claims and IDS
- Guidelines – e.g., 101 guidelines, utility guidelines
- Review petition decisions likely to be litigated
- Review patent/trademark applications raising important or unique legal questions
- Advise on complex policy questions

Latest Rules Proposals

- Latest rules proposals address (i) continuations, (ii) claims, and (iii) IDS practice (coming soon)
  - Solicitor's Office brought in early
    - Importance of rules to practitioners
    - Anticipated legal challenges
- Minimal impact on majority of cases
- Make examination more focused/efficient
- Reduce effect of atypical cases
- Will also help reduce backlog

Let's Look at the Numbers

- 384,228 applications filed in fiscal 2005
  - 30,767 were continuations (non-CIP)
  - 6,411 were 2nd or higher in a cont chain
- 54,495 Requests for Continued Examination
  - 10,370 were 2nd or higher RCEs in a series
- Thus 4-5% of applications (16,781/384,228) have already been through two or more complete examinations

a. Set reasonable limits on continuation practice

- One continuation or RCE as of right
- For 2nd and subsequent continuations
  - Petition and show why it is needed "to obtain consideration of an amendment, argument, or evidence that could not have been submitted" earlier in series
- No first action finals (4 bites at the apple)
- Office-ordered divisionals treated as separate applications

a. Limits on continuation practice --cont'd

- No voluntary divisionals
  - Presumption of double patenting when two applications
    - Filed same day
    - Same assignee
    - Common inventors
    - Substantial overlap in disclosure
  - Rebut presumption by showing that claims are patentably distinct

b. Representative Claims

- Patent Board uses Rep Claims
- District Court uses Rep Claims
- CAFC uses Rep Claims
- Examiner and Applicants will use 10 representative claims
  - Consider how much examiner time is wasted when applicants amend all independent claims in response to first office action

b. Representative Claims –cont'd

- No claim will issue without complete examination!
- Initial examination will focus on 10 representative claims
  - all independent claims
  - others as selected by applicant
  - remaining claims held in abeyance until representative claims ready for allowance
- Applicants who want immediate examination of all claims will have to:
  - Conduct a Search
  - File Examination Support Document showing patentability of all claims over closest art

Comments and Effective Dates

- Comments accepted until May 3, 2006
  - AB93Comments@uspto.gov (Cont Reform)
  - AB94Comments@uspto.gov (Rep Claims)
- Effective Date of Final Rule
  - Continuation limits apply to any application filed on or after the effective date of the final rule
  - Representative Claims used in all cases without a first office action as of the effective date of final rule

c. IDS Reform Coming Soon

- Will have little effect on the typical application
- At a certain point applicants will be required to discuss materiality of submitted references, e.g. when
  - Large references (over 30 pages)
  - Lots of references (over 25)
  - References submitted late in the application process

2. Legal Advice (cont.)

- Reexamination questions
- Reissue questions
- Interference questions
- Petitions questions

3. Office of Enrollment & Discipline (OED)

- Prosecute practitioners for alleged violations of ethical rules
  - Increasing number of cases brought in the last 2 years
    - Resulting in an increasing number of suspensions/disbarments
- Review proposed new disciplinary rules
- Review and drafting of exam questions, etc.

Summary: Unique Aspects About the Work of the Solicitor's Office

- Involved in both litigation and policy
- Diverse docket
- Work with, and learn from, bright people both within the USPTO and other government agencies.

Thank You

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S. Ct. I.P. Cases– Pending Cases/ Pending CVSGs Where Gov't Likely to File

- eBay, Inc. v. MercExchange, LLC (injunctive relief in patent cases) (pending case)
- KSR Int'l v. Teleflex Inc. (challenging the obviousness standard requiring a teaching, suggestion or motivation to combine) (pending CVSG)
- FTC v. Schering-Plough Corp. (reverse payment settlement agreements between patent holders and generic drug makers) (pending CVSG)
- SmithKline v. Apotex (inherency and anticipation)
- Empresa Cubana del Tabaco v. General Cigar (interplay between Cuban embargo, international treaty obligations and trademark law) (pending CVSG)

Recent S. Ct. I.P. Cases– USPTO Input

2005 Term

- McFarling v. Monsanto Co. (whether restrictions on sales constitute patent misuse)
- Merck KGAA v. Integra Lifesciences I, Ltd. (§ 271(e)(1) FDA "safe harbor" infringement exemption)
- Honeywell International, Inc. v. Sundstrand Corp. (whether rewriting dependent claim in independent form, combined with the cancellation of the antecedent independent claim, constitutes narrowing amendment for purposes of Festo)
- Laboratory Corp. of America Holdings v. Metabolite Labs., Inc. (patentability issues associated with diagnostic method)
- Independent Ink v. Illinois Toolworks (antitrust issue of whether someone with a patent should be presumed to have market power)

Recent S. Ct. I.P. Cases– USPTO Input (cont'd)

- 2004 Term
  - K.P. Permanent Make-Up Inc. v. Lasting Impression, Inc. (fair use defense to trademark infringement) (decision issued in 2005)
  - Metro-Goldwyn-Mayer Studios Inc., et al. v. Grokster, Ltd. (copyright infringement and peer-to-peer file-sharing) (decision issued in 2005)
  - Andrx Pharmaceuticals, Inc v. The Kroger Co. (patent settlement and antitrust) (cert. denied)

Recent S. Ct. I.P. Cases– USPTO Input (cont'd)

- 2003 Term
  - Dastar Corp. v. Twentieth Century Fox Film Corp. (Lanham Act reverse passing off) (decision issued in 2003)
  - Monsanto v. Bayer CropScience, S.A. (patent licensing and the bona fide purchaser defense) (decision issued in 2004)
  - Dethmers Mfg. Co. v. Automatic Equipment Mfg. Co. (invalidity of patent based on USPTO procedural regulation; deference to USPTO) (cert. denied)
  - So. Bldg. Code Congress Inc. v. Veeck (copyright – state code) (cert. denied)
  - Micrel, Inc. v. Linear Tech. Corp. (patent on-sale bar) (cert. denied)
  - Duke Univ. v. Madey (experimental purpose defense to patent infringement) (cert. denied)

Recent Supreme Court I.P. Cases– USPTO Input

- 2002 Term
  - Eldred v. Ashcroft (copyright term extension) (decision issued in 2003)
  - Moseley v. V Secret Catalogue, Inc. (trademark dilution) (decision issued in 2003)
  - Jazz Photo Corp. v. International Trade Com'n (repair/reconstruction) (cert. denied)
  - Fin Control Systems Pty., Ltd. v. Surfco Hawaii (repair/reconstruction) (cert. denied)
  - Holmes Group, Inc. v. Vornado Air Circulation Systems, Inc. (CAFC jurisdiction) – no pleading filed