

THIS OPINION WAS NOT WRITTEN FOR PUBLICATION

The opinion in support of the decision being entered today (1) was not written for publication in a law journal and (2) is not binding precedent of the Board.

Paper No. 19

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte TERUO HIEDA, NOBUHIKO SHINODA
and KOJI TAKAHASHI

Appeal No. 96-3189
Application 08/396,079¹

ON BRIEF

Before THOMAS, BARRETT and LALL, Administrative Patent Judges.

LALL, Administrative Patent Judge.

DECISION ON APPEAL

¹ Application for patent filed February 28, 1995. According to appellants, the application is a continuation of Application 08/271,558, filed July 7, 1994, now abandoned, which is a continuation of Application 08/158,159, filed November 24, 1993, now abandoned, which is a continuation of Application 07/755,449, filed September 5, 1991, now abandoned.

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This is a decision on the appeal under 35 U.S.C. § 134 from the Examiner's final rejection of claims 1 through 5 and 7 through 59, which constitute all the outstanding claims in the application, claim 6 having been canceled.

Claims 1 through 5 and 7 through 59 stand rejected under the doctrine of laches as expressed in Ex parte Hull, 191 USPQ 157 (Bd. Pat. App. 1975). There is no statutory rejection before us.

Rather than repeat the discussions of appellant or the examiner, we make reference to the briefs and the answer for the respective details thereof.

OPINION

We have considered the rejection advanced by the examiner. We have, likewise, reviewed Appellants' arguments set forth in the brief and the reply brief.

After our analysis of the facts of this case, we affirm the Examiner as to claims 1 through 5 and 7 through 23, but reverse as to claims 24 through 59. Accordingly, we affirm-in-part.

Before discussing the details of the analysis of the decision, we review the history of prosecution of the instant

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application.

History of Prosecution

The original Application, 07/755,449 ('449 application), was filed on September 5, 1991, with claims 1 through 23.

There were

two rejections based on prior art, and two substantive amendments and eventually a notice of allowance was mailed for claims 1 through 5 and 7 through 23 on August 26, 1993, claim 6 having been canceled.

Appellants did not pay the issue fee, and instead filed a file-wrapper-continuation on November 24, 1993, Application 08/158,159 ('159 application). There was no amendment to the claims, and the same claims were presented again for examination. The Examiner, on first action, sent on April 6, 1994, a notice of allowance, again allowing all of the same claims allowed in the '449 application. Again, Appellants did not pay the issue fee. They instead filed another file-wrapper-continuation Application 08/271,558 ('588 application) on July 7, 1994. Again, there was no amendment to the claims, and exactly the same claims were presented for examination.

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Again, the Examiner, finding no new issues to consider, sent another notice of allowance of all the same claims on November 30, 1994, on first action in the case. But, this time, the Examiner included in the office action a warning, the so-called "Hull warning" under Hull, 191 USPQ at 160, stating that "filing further continuing applications without allowing the present one to issue may result in a future rejection based upon the equitable doctrine of laches." [Paper no. 15, mailed on Nov. 30, 1994, page 2.]

Nevertheless, Appellants filed yet another file-wrapper-continuation, the instant Application, 08/396,079, containing the same claims 1 through 5 and 7 through 23 as before, on February 28, 1995. However, Appellants did present new claims 24 through 59. There, again, was no amendment to the originally presented claims 1 through 5 and 7 through 23 which had been allowed in the '449, '159, and '558 applications. The Examiner gave a first action rejection and a second action final rejection on the same ground of laches. Appellants again did not amend any of the claims, originally presented or the newly added claims, in response to the Examiner's two

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rejections.

The Japanese counterpart of the original patent application was published in Japan on April 28, 1992 [brief, page 5].

Analysis

The appeal here involves only a question of law, i.e., whether the rejection based on the equitable doctrine of laches is sustainable. Since no prior art rejection is before us, we do not consider any technological aspects of the case.

To begin with, Appellants argue that the PTO position regarding this ground of rejection is untenable, premised on these grounds: (1) the invention was already made known to the public via the Japanese publication, albeit in Japan [brief, page 6]; (2) prolonging of the time of disclosure was not an issue because the time has been established by publication of the Japanese application [brief, pages 6 to 7]; (3) the matter of right of a U.S. patent applicant to delay patent issuance in the pursuit of appropriate claims through the use of continuation applications is established as in Moore, infra

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[brief, page 8]; and (4) the PTO is misplaced in questioning the reason for the continuation series while the Appellant is engaged in the "arduous route" of reaching claims adequately covering the invention as in Moore [brief, pages 8 to 10].

The Examiner disagrees. The Examiner notes: (1) the publication of the Japanese counterpart application is irrelevant to the requirement of making an invention public in exchange for a U. S. Patent [answer, page 5 through 8]; (2) prolongation of a patent is effectively achieved by delaying the issuance of it [answer, pages 8 to 9]; (3) repeated filing of continuing applications where all the pending claims are allowed in the original application prolongs the time of publishing in a way that is adverse to the public interest, which is consistent with footnote no. 9 of Moore [answer, page 9]; and (4) there could be many reasons for Appellants to delay the issuance of a patent which may be relevant to determine the propriety of Appellants' conduct during prosecution according to Hull, infra [answer, page 10 to 11].

We have reviewed the arguments of Appellants and Examiner on these four points. Regarding the first point, we conclude that publication of a Japanese application on the invention is

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not necessarily the same as the publication of the invention in the form of a U.S. Patent, the disclosure requirements of which are specifically designed by the U.S. Patent Laws to appropriately disclose the invention to the U.S. public. On the second point, we agree with the Examiner. Since, in the case of the instant application having a filing date preceding June 8, 1995, the patent term does not begin until a U.S. Patent has been granted, regardless of the Japanese publication, the point in time at which the invention is dedicated to the public at the expiration of the U.S. Patent is extended. With respect to the third point, we also agree with the Examiner that whereas it is permissive to file one or more continuations under 35 U.S.C. § 120, we find that it is not proper to file repetitive continuations, with the same claims without any amendments, when all the pending claims in the successive parent applications had been allowed. That conduct is against the public policy of disclosing an invention to the public as early as possible [footnote no. 9 in Moore]. On the final point, since the PTO is responsible to administer the process of obtaining a U.S. Patent, it is incumbent upon the PTO to assure adherence of a patent applicant to the patent

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laws and regulations. This responsibility encompasses the inquiry by the PTO into the Appellants' conduct, during patent prosecution, to determine if it indeed is encompassed by or within the so-called "arduous route" of arriving at claims adequately covering the invention as in Moore, or falls within the proscribed conduct discussed in Hull. We examine the conduct of Appellants in more detail in the ensuing discussion.

Appellants raise the issue whether Hull is applicable in this case.

They argue that the Examiner's reliance on Hull is wrong, and that Moore v. United States, 194 USPQ 423 (Ct. Cl. 1977) should control, since Hull is a decision by the Board of Appeals of the Patent and Trademark Office (PTO), and Moore is binding

precedent on the Court of Appeals for the Federal Circuit and, hence, the Board of Appeals. Appellants further contend that, in Hull, the applicant had admitted that he filed the chain of continuation-in-part applications to prevent others from

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seeing his invention and improving upon it [brief, page 12], and there is no such admission in the prosecution of the Appellants' patent application.

The Examiner does not take issue with the binding authority of the Court of Appeals for the Federal Circuit. But, on the issue of distinguishing Appellants' fact situation from Hull on the basis of Hull's admission, the Examiner disagrees. The Examiner contends that it is the conduct of an applicant that is determinative of the undue delay in the patent prosecution, as stated in Hull, at 191 USPQ 159:

Conduct by an applicant who seeks to obtain the benefits of a patent ... and at the same time attempts to unduly delay the time at which the public would be entitled to the free use of the invention ... is contrary to Constitutional and statutory intent with respect to patents; ...

The Examiner further argues that even in Moore, the court contemplated the conduct of an applicant, rather than any explicit statement, and noted that the filing of numerous continuation-in-part applications was, under the circumstances,

necessary and was not the type of unconscionable conduct that

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would render the resulting patent invalid [answer, pages 14 and 15].

We believe that the instant case turns on the objective actions of Appellants during the history of prosecution of the patent application. We have closely studied the fact situations in Hull and Moore, and compared them with the fact situation in the present case. In Hull, there were six continuation-in-part applications, each succeeding application was filed with claims corresponding, either exactly or substantially, to each of the claims which had previously been allowed in each of the preceding applications as well as with claims drawn to features which were disclosed in that application for the first time, Hull, 191 USPQ at 158.

In Moore, Moore had waited for many years, from around 1942, the actual reduction to practice, to 1955, before filing his initial patent application, but once the application was filed, there was a continuous series of rejections and amendments during the prosecution. In fact, it was not until four continuation-in-part applications later that Moore overcame all the rejections, and received an indication that his application contained allowable claims.

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There were more continuation-in-part applications filed to obtain claims to new features, Moore, 194 USPQ at 434. The court concluded that it sees no conduct on Moore's part that would cause a loss of patent right, Moore, 194 USPQ at 435 and 436.

We have reviewed numerous other cases for guidance where the issues based on the doctrine of laches were discussed. We mention In re Henriksen, 399 F.2d 253, 158 USPQ 224 (CCPA 1968); In re Hogan, 559 F.2d 595, 194 USPQ 527 (CCPA 1977); Studiengesellschaft Kohle mbH v. Northern Petrochemical Co., 784 F.2d 351, 228 USPQ 837 (Fed. Cir. 1986); A.C. Aukerman Co. v. R.L. Chaides Constr. Co., 960 F.2d 1020, 22 USPQ2d 1321 (Fed. Cir. 1992); Advanced Cardiovascular Systems, Inc. v. Medtronic, Inc.; 41 USPQ2d 1770 (N. D. Cal. 1996) and Ford Motor Co. v. Lemelson; 42 USPQ2d 1706 (D. Nev. 1997), immediate appeal denied, 1997 U. S. App. Lexis 23628 (Fed. Cir. 1997). Without going in the details of the facts involved in each case, we can summarily distinguish the fact situation of the instant application from these authorities. Thus, in Henriksen, the court rejected the idea of putting an arbitrary limit on the number of continuation applications

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that an applicant can file; in Hogan, the court ruled that the PTO should accord the same treatment to a

continuation as it does to an original application; in Petrochemical, intervening rights of the parties were involved in an interference proceeding; and Aukerman and Advanced both dealt with infringement suits where laches were discussed as they related to the initiation of the suits after prolonged delay following the acts of infringements. In Lemelson, the PTO had required a seven-way restriction in the original application. Overall, though, the courts have shown a reluctance to equitably limit the patent continuation practice.

The courts gave deference to 35 U.S.C. § 120, which does not per se limit the number of continuations an applicant can file to obtain the claims that are permissible under the patent laws. For example, the court in Lemelson, 42 USPQ2d at 1711, even noted that the parties admitted that the commercial gamesmanship employed by Lemelson in this case did not run afoul of current statutes or regulations.

We do not challenge the authority of our reviewing court

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and the courts whose decisions we have looked at for guidance. However, we find that these cases did not involve a fact situation which is the same as we have in this case. In the instant case, claims 1 through 5 and 7 through 23, the claims originally presented for examination, were indicated as allowable, after two office actions and two amendments, on August 26, 1993, in the original '449 application. At that point, claim 6 had been canceled and there were no other outstanding issues remaining in the application. In fact, that remained the status of the claims until February 28, 1995. During this period, Appellants withheld paying the issue fee, and filed two file-wrapper-continuation applications, with exactly the same claims. A first action notice of allowance was sent in each case, and each case was abandoned in favor of another file-wrapper-continuation application.

The last notice of allowance was mailed on November 30, 1994. Along with this notice, the Examiner finally included a warning, the type of warning the Board had mentioned in Hull, putting Appellants on notice that "filing further continuing

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applications without allowing the present one to issue may result in a future rejection based upon the equitable doctrine of laches" [Paper no. 15, mailed on November 30, 1994, page 2]. In response, Appellants filed yet another file-wrapper-continuation application, containing exactly the same claims 1 through 5 and 7 through 23, and new claims 24 through 59.

The Examiner finally rejected all the outstanding claims, 1 through 5 and 7 through 59 under the doctrine of laches, claim 6 having been canceled back in the original '449 application. Even after the laches warning, Appellants never did make any changes in the originally allowed claims 1 through 5 and 7 through 23, indicated to be allowed in the '449, '159 and '558 applications. We find that this is a specific fact situation that was not present in the other cases as we have noted above.

Thus, we conclude that, as to the original claims 1 through 5 and 7 through 23, which were allowed by the Examiner on August 26, 1993 in the original '449 application after normal prosecution, and twice again indicated to be allowed in each first office action, on April 6, 1994 in the '159

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application and November 30, 1994 in the '558 application, and in which Appellants had never made any changes since their allowance in the original application, on August 26, 1993, the Examiner's position is consistent with the result contemplated in Hull. As we explained above, since the fact situation in this case is more akin to Hull, or even more egregious than Hull, and very different from Moore and other cases cited above, our conclusion is not inconsistent with that reached in those cases on the issue of laches. We, therefore, affirm the Examiner as to these claims².

However, as to claims 24 through 59, we reach a different conclusion. These are new claims and were added, for the first time, in the instant file-wrapper-continuation application.

There has been no prior art rejection as to these claims during the whole prosecution history, along the lines of prosecution leading to the allowance of the original claims in

² Our decision is also consistent with the recent public policy which has been translated into current patent law, where, for a patent application filed on and after June 8, 1995, U.S. Patent term is good for twenty years from the date of filing of the original application. 35 U.S.C. § 154.

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the original application. Under the "grounds of rejection", in the Examiner's answer, pages 3 to 4, the Examiner repeats the final rejection of these claims under the doctrine of laches, and observes that" . . . these new claims were not directed to an invention different from the original claims, nor are they substantially different than the original claims." [Answer, page 4].

Appellants show in the reply brief, pages 3 to 4, and further in the appendix, pages 1 to 4, to the reply brief, how these new claims are different from the original claims.

The Examiner merely acknowledged the entry of the reply brief but did not offer any rebuttal to Appellants' arguments as

to these claims [Paper no. 34, mailed on July 9, 1996]. In the absence of any rebuttal from the Examiner, we reverse the Examiner's rejection of claims 24 through 59 on the basis of the doctrine of laches.

In conclusion, the rejection of claims 1 through 5 and 7 through 23 under the doctrine of laches is sustained; however, the rejection of claims 24 through 59, on the same ground, is

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not

sustained. Therefore, the decision of the examiner rejecting claims 1 through 5 and 7 through 59 is affirmed-in-part.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 CFR § 1.136(a).

AFFIRMED-IN-PART

JAMES D. THOMAS)	
Administrative Patent Judge)	
)	
)	BOARD OF PATENT
)	APPEALS AND
)	INTERFERENCES
)	
PARSHOTAM S. LALL)	
Administrative Patent Judge)	

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BARRETT, Administrative Patent Judge, concurring.

I concur fully with the majority decision, but write separately to express additional views.

The jurisdiction of the Board to decide an equitable ground of rejection has not been challenged. Therefore, we accept the Board's decision in Ex parte Hull, 191 USPQ 157, 159 (Bd. App. 1975), that jurisdiction is proper. The Commissioner's duty to ensure that an application is entitled to a patent under the law, 35 U.S.C. § 131, provides general authority for the rejection.

Historically, there have been many ways to delay the patent grant. See Seegrist, Delay in Claiming, 21 J. Pat. Off. Soc'y 741 (Oct. 1939); Blount, The use of Delaying Tactics to Obtain Submarine Patents and Amend Around A Patent that A Competitor has Designed Around, 81 J. Pat. & Trademark Off. Soc'y 11 (Jan. 1999). One technique has been to file continuing applications, by which an applicant could delay indefinitely the final grant until such time as applicant chose. The courts have been reluctant to equitably restrict patent continuation practice. Ford Motor Co. v. Lemelson,

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42 USPQ2d 1706, 1708-10 (D. Nev. 1997). The patent law has now been amended so that abuses of continuation practice will not occur in cases filed after June 8, 1995, because the term will run 20 years from the filing date of the earliest application relied on under 35 U.S.C. § 120. Pub. L. 103-465, sec. 534, Dec. 8, 1994. This application was filed before the effective date of the law. In my opinion, given the problematic nature of a laches rejection, it would have been far better if the examiner had again noted that the claims were allowable, which would have forced appellants either to allow the case to issue or to file a continuation under the 20 year term. The rejection has just caused further delay to appellants' benefit. Nevertheless, the rejection was made, and I concur with the majority that the circumstances in this case are special and warrant a rejection under the doctrine of laches.

Laches requires an unreasonable and inequitable delay and the delay must cause prejudice. Claims 1-5 and 7-23 remained unchanged since the notice of allowance on August 26, 1993, and, therefore, there has been unreasonable delay. Appellants' justification that they were engaged in the

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"arduous route" of reaching claims adequately covering the invention (Brief, page 9) is not persuasive since appellants took no action with respect to the amending or changing the claims until after they received the Hull warning. Thus, appellants' reliance on Moore v. U.S., 194 USPQ 423 (Ct. Cl. 1977) is unavailing. The only reasonable inference we can draw from appellants' conduct is that appellants seek to unjustifiably delay the issuance of a patent to extend the beginning (and, consequently, the expiration) of the enforceable patent term.

The delay in issuance has caused harm and prejudice to the public in the United States. The public's right to freely use appellants' invention has been unjustifiably postponed because the end of the enforceable term has been delayed.

Appellants argue that there will be no term prolongation

(Brief, page 7):

The patent term for a patent issuing on the subject application is likewise invariant. . . . Applicants will enjoy no term prolongation. The public, having been apprised of the content of the invention disclosure, has been free to enjoy free use of the invention in the U.S. since the date of publication of the counterpart Japanese applications, since a U.S. patent monopoly only commences of the issue date of a patent and is then of fixed term, at the expiration of which the public again comes to

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enjoy such free use of the invention.

This argument is simply wrong. The public is not free to use appellants' invention until the term of any patent on it expires. Manifestly, by intentionally and without good reason delaying the beginning of the patent term, the end of the patent term has been unjustifiably delayed and extended.

Appellants argue that the publication of a counterpart Japanese priority document satisfies any requirement for prompt disclosure to the public under Hull. It may be questioned whether publication of a foreign counterpart application in Japan constitutes disclosure to the public in the U.S., except in the strictly legal sense that a hypothetical person of ordinary skill in the art is assumed to have perfect knowledge of all relevant prior art. The Japanese publications, being in Japanese, certainly provide less available disclosure than a U.S. patent. Assuming that the foreign counterpart applications are made known in the U.S., they provide no notice that appellants have filed for patent protection in the U.S. and the public might reasonably assume that they are free to use the invention if no U.S. patent issues within a reasonable time. In any case, however,

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the harm we rely on in this case is the delay in extending the beginning (and expiration) of the patent term and, hence, the delay in the public's right to ultimate free use of the invention.

In my opinion, the rejection of all pending claims should be sustained. Appellants state that "[a]s will be seen from Appendix I [to the Reply Brief], all of the independent claims entered in the last continuation application are broader than all of the allowed independent claims" (Reply Brief, page 5). Thus, the new claims are broader than the claims the examiner has allowed many times. In my opinion, these claims do not appear to be a bona fide attempt to advance the case to final action as required by 37 CFR § 1.111(b) (1998), but are merely another gambit to delay the issuance of the patent. Assuming the laches rejection of claims 1-5 and 7-23 is sustained in any judicial review, appellants will suffer little harm since they will still have the broader claims 24-59. Presumably, however, estoppel principles would prevent appellants from amending the claims to return to claims that are the same as, or not patentably distinct from rejected claims 1-5 and 7-23.

Lastly, it may be that a more appropriate action in this

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