

The opinion in support of the decision being entered today is not binding precedent of the Board.

Paper 33

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

FRANK SEVER, JR.,

Junior Party,
(Application 09/340,437),

v.

MORTON G. GLICKMAN,

Senior Party,
(Patent 5,897,533).

Patent Interference No. 104,722

**MEMORANDUM OPINION
AND ORDER FOR SUMMARY JUDGMENT
AGAINST SEVER**

Before TORCZON, GARDNER-LANE, and MEDLEY, Administrative Patent Judges.

MEDLEY, Administrative Patent Judge.

A. Introduction

This interference is before a merits panel for a determination of whether summary judgment should be entered against Sever, the junior party applicant in the interference. We conclude that entry of summary judgment is appropriate.

The interference was declared on July 10, 2001 (Paper 1). At that time it was determined that Sever's showing submitted under 37 CFR § 1.608(b)¹ was insufficient to demonstrate that Sever is prima facie entitled to judgment relative to Glickman. An Order to Show Cause under 37 CFR § 1.617(a)² accompanied the Notice Declaring Interference (Paper 2). Sever was ordered to show cause why judgment should not be entered against it.

On August 14, 2001, Sever filed a response to the Order to Show Cause (Paper 20). Glickman filed a statement concerning the Sever response (Paper 23). Sever filed a reply to Glickman's statement (Paper 26). Oral argument was held on October 16,

¹ Rule 608(b) states that:

When the effective filing date of an application is more than three months after the effective filing date of a patent, the applicant, before an interference will be declared, shall file evidence which may consist of patents or printed publications, other documents, and one or more affidavits which demonstrate that applicant is prima facie entitled to a judgment relative to the patentee and an explanation stating with particularity the basis upon which the applicant is prima facie entitled to the judgment.

² Rule 617(a) provides that:

An administrative patent judge shall review any evidence filed by an applicant under § 1.608(b) to determine if the applicant is prima facie entitled to a judgment relative to the patentee...

If in the opinion of the administrative patent judge the evidence fails to show that the applicant is prima facie entitled to a judgment relative to the patentee, the administrative patent judge shall, concurrently with the notice declaring the interference, enter an order stating the reasons for the opinion and directing the applicant, within a time set in the order, to show cause why summary judgment should not be entered against the applicant.

2001.

B. Findings of fact

1. Sever is involved in the interference on the basis of application 09/340,437, filed 28 June 1999.

2. Glickman is involved in the interference on the basis of Patent 5,897,533, granted 27 April 1999, based on application 08/922,236, filed 2 September 1997.

3. Count 1, the sole count of the interference, is claim 6 of the Glickman patent.

4. Sever claim 6 is identical to claim 6 of the Glickman patent.

5. Claim 6 of the Glickman patent is as follows:

An arrangement for selectively restricting the flow of a fluid through the annular [sic] space between an elastomeric tube and a substantially rigid tube disposed within it and for selectively restricting lateral movement if [sic] said substantially rigid tube relative to said elastomeric tube, comprising:

a substantially rigid telescoping tube for supporting said elastomeric tube therewithin, which includes an arrangement for variably fixing said substantially rigid telescoping tube to a desired length;

a first clamping arrangement for fixing one end of said elastomeric tube to one of said substantially rigid telescoping tube; and,

a second clamping arrangement for fixing the other end of said elastomeric tube to the other end of said substantially rigid telescoping tube;

wherein said substantially rigid tube is disposed with said elastomeric tube; and

said elastomeric tube is disposed within said substantially rigid telescoping tube; and,

whereby the inner diameter of said elastomeric tube is selectively varied in direct proportion to said desired length of said substantially rigid telescoping tube.

6. In the Order to Show Cause, the administrative patent judge designated to handle this interference, determined that Sever's showing submitted under 37 CFR § 1.608(b) was insufficient to demonstrate that Sever is prima facie entitled to judgment relative to Glickman.

7. Specifically, it was determined that:

(A) Sever failed to allege or establish an actual reduction to practice that is prior to the Glickman effective filing date (Paper 2 at 4);

(B) For purposes of priority, Sever sufficiently demonstrated that Sever conceived of the invention sometime prior to Glickman's 2 September 1997 filing date (Paper 2 at 5);

(C) Sever failed to sufficiently demonstrate that it exercised reasonable diligence from a time prior to Glickman's 2 September 1997 filing date to its own reduction to practice (Paper 2 at 5-6); and

(D) Sever failed to sufficiently demonstrate that Glickman had derived the invention from Sever since (Paper 2 at 6-7):

(1) Sever failed to sufficiently demonstrate that the alleged communication of its conception was to Glickman;

(2) Sever failed to sufficiently demonstrate that the alleged communication to Glickman's attorney of the invention was corroborated;

(3) the date of the alleged communication of the invention to Glickman's attorney was apparently prior to the conception.

8. In response to the Order to Show Cause, Sever submits no new evidence.

C. Discussion

Rule 608(b)

Rule 608(b) was codified to protect a senior party patentee from the expense and hardships of an interference. In order to proceed with an interference, the junior party applicant must show that it is prima facie entitled to judgment relative to the senior party patentee.

The purpose of Rules 608(b) and 617 were discussed in Kistler v. Weber, 412 F.2d 280, 285, 162 USPQ 214, 218-219 (CCPA 1969). In Kistler v. Weber, the Court of Customs and Patent Appeals rejected junior party's argument that then Rule 228 (predecessor of Rule 617) and then Rule 204(c) (predecessor of Rule 608(b)) place an undue burden on the junior party or are contrary to the rights of the first inventor. The CCPA stated that:

[t]he expense involved in a protracted interference, and the special hardships workable on a patentee involved therein,

are notorious, and to minimize both, where possible, would appear to be the laudable purpose of these rules. Kistler v. Weber, 412 F.2d at 285, 162 USPQ at 218-219 (CCPA 1969).

Thus, Rule 608(b) was designed primarily to protect the patentee.

Sever's burden of proof

The appropriate evidentiary standard to be applied in determining whether an applicant has met its prima facie burden, where the applicant's effective filing date is after the issue date of the patent, is by the clear and convincing standard. Basmadjian v. Landry, 54 USPQ2d 1617, 1624 (Bd. Pat. App. & Int. 1997). 37 CFR § 1.657(b). Thus, in response to the order to show cause, Sever must demonstrate by clear and convincing evidence that it is prima facie entitled to a patent vis-a-vis Glickman.

Sever's response to the Order to Show Cause

Sever concedes that priority is not at issue in this proceeding (Paper 20 at 9). The sole issue, Sever argues, is one of fraud/derivation. As the junior party, the burden is upon Sever to demonstrate with sufficient evidence that Glickman derived the invention from Sever. Until that is done, there is no occasion to address the issue of fraud.

Sever presents no additional evidence in support of its response to the Order to Show Cause. Instead, Sever presents unsupported allegations made by Sever's attorney. At the outset, we note that attorney argument alone is insufficient to overcome

Sever's burden, as argument of counsel cannot take the place of evidence lacking in the record. Estee Lauder Inc. v. L'Oreal, S.A., 129 F.3d 588, 595, 44 USPQ2d 1610, 1615 (Fed. Cir. 1997).

Derivation

To prove derivation, a party must establish conception of the claimed subject matter and communication of the conception to the opponent. Price v. Symsek, 988 F.2d 1187, 1190, 26 USPQ2d 1031, 1033 (Fed. Cir. 1993). As with conception, corroboration is required to support testimony of the communication. Id. at 1196, 26 USPQ2d at 1038. See also Davis v. Reddy, 620 F.2d 885, 889, 205 USPQ 1065, 1068 (CCPA 1980).

Sever has failed to sufficiently demonstrate that Glickman derived the invention from Sever. Sever has failed to demonstrate that: (1) Sever communicated the invention to Glickman; (2) the alleged communication made (to Glickman's attorney - Feldman) was corroborated; and (3) Sever's alleged conception occurred prior to the alleged communication (Finding 7). The insufficiency of Sever's Rule 608(b) showing was set forth in the Order to Show Cause. In response to the Order to Show Cause, Sever has failed to sufficiently explain how it meets any of the missing elements (1)-(3).

Instead, Sever argues that the Order to Show Cause establishes that Glickman stole the invention from Sever. Sever reasons that since the board has accepted that Sever conceived the invention prior to Glickman, then one would necessarily

conclude that Sever's invention was communicated to Glickman.

Sever's argument is misplaced. The Order to Show Cause indicated that for purposes of priority, Sever "has demonstrated that Sever conceived of the invention sometime prior to Glickman's 2 September 1997 filing date" (Paper 2 at 5). That Sever demonstrated that it conceived the invention prior to the filing date of the Glickman patent does not mean that Sever is the first to conceive the invention. Glickman could properly demonstrate conception prior to Sever's conception. Logically, if Sever's "conception" was sufficient to proceed with the interference, the Order to Show Cause would not have been made.

Still further, the Order to Show Cause stated that for purposes of derivation, Sever failed to sufficiently demonstrate that its conception was prior to its alleged communication date. Sever provides no explanation in its response to this point raised in the Order to Show Cause.

Since Sever has failed to sufficiently demonstrate that Glickman derived the invention from Sever, we conclude that this interference should not proceed and that entry of summary judgment against Sever is appropriate. We address, however, Sever's additional arguments as follows.

Fraud

Sever argues that since the Sever application and the Glickman patent are nearly identical, it is obvious that someone

stole the invention, and that the proper place to resolve the fraud upon the PTO, e.g. the theft of the invention, is through this interference (Paper 20 at 3). Even if we were to agree that the Glickman patent and the Sever application are nearly identical, that does not relieve Sever from its burden to demonstrate that it is entitled to a patent relative to the patentee. The burden is still upon Sever as the junior party to demonstrate that Glickman derived the invention from Sever.

Sever has failed to sufficiently demonstrate that Glickman derived the invention from Sever. The condition precedent to addressing the fraud issue is for Sever to establish that Glickman did derive the invention from Sever. Without derivation there can be no showing of fraud.

Questions of fraud and inequitable conduct require a showing of materiality and intent. "Inequitable conduct includes affirmative misrepresentations of a material fact, failure to disclose material information, or submission of false material information coupled with an intent to deceive." PerSeptive Biosystems, Inc. v. Pharmacia Biotech, Inc., 225 F.3d 1315, 1318, 56 USPQ2d 1001, 1003 (Fed. Cir. 2000).

"Applied to patent prosecution, fraud requires (1) a false representation or deliberate omission of a fact material to patentability, (2) made with the intent to deceive the patent examiner, (3) on which the examiner justifiably relied in

granting the patent, and (4) but for which misrepresentation or deliberate omission the patent would not have been granted."

C. R. Bard, Inc. v. M3 Systems Inc., 157 F.3d 1340, 1364, 48 USPQ2d 1225, 1242 (Fed. Cir. 1998).

Sever has failed to establish that Glickman derived the invention from Sever, and thus, Sever has failed to demonstrate that Glickman knew of the Sever invention. Without demonstrating that Glickman had such knowledge, there is no demonstration of materiality or intent.

Further, in response to a show cause order, a party is not entitled to file a preliminary motion seeking judgment against another party³. Sever is essentially seeking judgment against Glickman on the theory that Glickman committed a fraud against the PTO. Sever is impermissibly reconstructing the rules.

Furthermore, interferences are not cancellation proceedings. The Supreme Court has rejected the notion that "there is a fundamental and basic right of opposition on the part of any applicant, whether junior or senior, to prevent the wrongful grant of a patent to his opponent." Ewing v. Fowler Car Co., 244 U.S. 1, 10-11 (1917).

Allowing a junior party who did not meet the requirements of Rule 608(b) to continue in an interference contest would ignore

³ An applicant may file a response to the order, which may include an appropriate preliminary motion under § 1.633(c), (f) or (g), and state any reasons why summary judgment should not be entered. 37 CFR § 1.617(b).

the meaning and purpose behind Rule 608(b) and the decision in Kistler v. Weber. The intent of Rule 608(b) is to protect the patentee from invalid attacks upon its patent; not to allow an applicant to challenge the patentability of the patent when it has no right to do so.

Estoppel

Sever additionally argues that because he relied on the statements of Feldman, Glickman's attorney, Sever did not earlier file its application (Paper 20 at 10-11). According to Sever's declaration, Feldman told Sever that Glickman would not file an application on the involved subject matter. Apparently, Sever relied on this statement and also did not pursue the invention. Sever allegedly filed its application only after Sever saw Glickman's patent on the Internet (Sever Dec., ¶¶ 17-18).

Sever's argument appears to be based on a theory of common law estoppel. Sever fails to direct us to precedent that suggests that the board may decide issues of common law estoppel. Further, Sever's declaration is hearsay. There is no corroborating witness that testified as to the conversation that allegedly took place between Sever and Feldman. For these reasons, Sever's "estoppel" theory is not persuasive.

Business to be conducted with decorum and courtesy

Parties and counsel appearing before the Office must conduct themselves with decorum and courtesy. 37 C.F.R. § 1.3. Sever's conduct, particularly its reply (Paper No. 26), has fallen well

short of that mark. Sever accuses Glickman and its former counsel of being "liars and thieves" and impugns the competence and character of Glickman's present counsel (id. at 2). Sever also employs a pejorative phrase. Since judgment will be entered against Sever, no further sanction will be contemplated by the Board, but the nature of Sever's improper conduct warrants a little further exploration as a caution to Sever's counsel and those who might follow his path. .

Ethical violations by counsel

Sever suggests misconduct by both former and present Glickman counsel. Sever's accusations implicate several provisions of 37 C.F.R. § 10.23, particularly §10.23(c)(10). Sever has not, however, filed a complaint with the Office of Enrollment and Discipline against either counsel. Cf. Hoffmann-La Roche, Inc. v. Invamed, Inc., 213 F.3d 1359, 1366, 54 USPQ2d 1846, 1850 (Fed. Cir. 2000) (leaving consideration of professional ethics violations to the relevant bar). Both Sever [] and Sever's counsel [] are registered patent practitioners. As such, they are ethically obligated to provide any unprivileged information regarding a disciplinary rules violation to the Director of Enrollment and Discipline. 37 C.F.R. § 10.24(a). Their failure to do so in the present case is a disturbing fact. Indeed, the ease with which counsel bandy about accusations of inequitable conduct against registered practitioners versus their inaction in reporting such conduct to the Director may well

deserve weight in evaluating such accusations. As explained above, we need not reach the question. Nevertheless, the conduct of Sever and Sever's counsel is at best irresponsible.

Pejorative language

Sever states that "Glickman's patent is a virtual Chinese copy of Sever's application" (Paper No. 26 at 4). It is not clear precisely what Sever means by the phrase "virtual Chinese copy", but in context it is clear that it is intended pejoratively. While it is not the responsibility of the board to police political correctness, the use of such phrases falls well below the required standard of decorum and courtesy expected of all practitioners. The Office is an equal opportunity employer and the possibility of having a Chinese-American administrative patent judge hear any given interference motion is pretty high. The comment was unnecessary, irrelevant, and (to the extent it means anything) literally untrue and, hence, all the more prejudicial to the administration of justice in this interference. See Standing Cmte. on Discipline v. Yagman, 55 F.3d 1430 (9th Cir. 1995) (reversing sanctions but noting the potential harm to the administration of justice when counsel engage in conduct hostile to a presiding judge). Counsel will not be permitted to engage in this sort of misconduct.

D. Judgment

Upon consideration of the record, it is

ORDERED that summary judgment is entered against the junior party FRANK SEVER, JR. 37 CFR § 1.617.

FURTHER ORDERED that judgment on priority as to Count 1 (Paper 1 at 5) is awarded against junior party FRANK SEVER, JR. 35 U.S.C. § 102(g).

FURTHER ORDERED that junior party FRANK SEVER, JR. is not entitled to a patent containing claims 1-7 (corresponding to Count 1) of application 09/340,437, filed 28 June 1999. 35 U.S.C. § 102(g).

FURTHER ORDERED that a copy of this paper shall be made of record in files of SEVER application 09/340,437, and GLICKMAN U.S. Patent 5,897,533.

FURTHER ORDERED that if there is a settlement agreement, attention is directed to 35 U.S.C. § 135(c) and 37 CFR § 1.661.

RICHARD TORCZON)	
Administrative Patent Judge)	
)	BOARD OF PATENT
SALLY GARDNER-LANE)	APPEALS AND
Administrative Patent Judge)	INTERFERENCES
)	
SALLY C. MEDLEY)	
Administrative Patent Judge)	