BoxInterferences@uspto.gov
Telephone: 571-272-9797

Paper 94
Filed: April 18, 2007

UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

CHARLES **GUTHRIE**, EDMUND SANDBERG,
DONALD WILSON, GREGORY PRIOR, and DAVID SMOLER
Junior Party
(Application 09/818,092),

v.

FREDERICK M. **ESPIAU**, CHANDRASHEKHAR J. JOSHI,
and YIAN CHANG
Senior Party
(Patent 6,737,809).

Patent Interference No. 105,393 (SCM)
(Technology Center 2800)

Before: LEE, LANE, and MEDLEY, *Administrative Patent Judges.*

MEDLEY, *Administrative Patent Judge.*

Decision - Rehearing –Bd.R. 127(d)

A. Introduction

On 22 March 2007, Espiau filed "ESPIAU MISCELLANEOUS MOTION 6 (Request for Rehearing of Espiau's Request for Leave to Prove Derivation by Guthrie)" (Paper 90). Espiau seeks rehearing of the "Decision – Interlocutory Motions – Bd.R. 125(b)," ("Decision"), specifically requesting that a panel rehear the Board's decision denying Espiau's request to amend its priority statement and

to include derivation with its priority motion. On 3 April 2007, Guthrie filed an opposition (Paper 92).

For the reasons that follow, Espiau's request for rehearing is granted-in-part.

B. Discussion

A request for rehearing must specifically identify all matters the party believes to have been overlooked, and the place where the matter was previously addressed. Bd.R. 127(d).

Espiau argues that Bd.R. 204(a) is limited to priority, that priority and derivation are separate, and that since derivation is a 'distinct concept,' Bd.R. 204(a) does not prohibit the submission of evidence of derivation without prior notice in a priority statement (Paper 90 at 5-8).

In essence, Espiau is in disagreement with the Board's interpretation of the Board's Rule 204(a). In the Decision, the Board explained that per Bd.R. 204(a), "a party seeking to raise derivation must include, in its priority statement, a statement that the party intends to establish derivation …" (Paper 86 at 6-7).

Bd.R. 204(a)(1) states:

> A party may not submit evidence of its priority in addition to its accorded benefit unless it files a statement setting forth *all bases* on which the party intends to establish its entitlement to judgment on priority. (Emphasis added).

We reaffirm that "[d]erivation is included in the 'all bases' provision of priority" (Paper 86 at 6). As also explained in the Decision, the Board's interpretation is buttressed by the comment to Bd.R. 204(a), which explains that Bd.R. 204(a) "still requires the party to state the bases on which it believes that it is entitled to relief" and that "[s]uch bases might include an intent to prove derivation … ." Federal

Register/Vol. 69, No. 155/Thursday, August 12, 2004/Rules and Regulations, 49993.

Espiau's argument that the comments provide contradictory guidance to the requirements of Bd.R. 204 is not persuasive. The comment quoted above directly and clearly states that Bd.R. 204(a) still requires the party to state the bases on which it is entitled to relief and that such bases might include an intent to prove derivation. Nothing identified by Espiau can stand against the weight of that direct instruction. Moreover, while derivation from a third party not involved in the interference may be properly regarded as a patentability issue, and not a priority issue between the two parties in an interference, derivation from the opposing party in an interference is as much a priority issue as any priority issue can be, i.e., between the two parties who was first? For these reasons, we perceive no ambiguity in the rule, and we will not change that portion of the Decision explaining the requirements of Bd.R. 204(a).

Espiau also argues that in its Motion 2, filed on the same day as its priority statement, Espiau provided notice to Guthrie of its intent to prove derivation (Paper 90 at 3). Espiau Motion 2, page 2, lines 2-3 states that "[o]n 20 April 2000, two of the Espiau inventors described their invention to three of the individuals named as inventors on the Guthrie '092 application" (Paper 34). It is apparent that Guthrie was aware of that statement, since Guthrie responded directly to the quote on page 1, lines 9-10 of its Opposition 2 (Paper 50). The statement made in Espiau Motion 2, if made in a priority statement and if made along with an alleged date and location of Espiau's earliest corroborated conception, would be sufficient notice of intent to prove derivation.

We have considered Guthrie's opposition (Paper 92). Guthrie does not dispute that it was made aware of the date alleged in Espiau Motion 2 regarding derivation. Guthrie has failed to articulate any specific and meaningful prejudice if Espiau is authorized to pursue derivation during the priority phase. Guthrie's arguments go to the merits of Espiau's derivation case (Paper 92 at 6-10). The parties' priority motions (including derivation) are not due yet. Thus, Guthrie's arguments regarding the merits of Espiau's derivation case are premature, since Espiau's derivation case has not been made by way of arguments and supporting evidence. Guthrie will have full opportunity to oppose Espiau's case for derivation if one is made.

The "Decision – Interlocutory Motions – Bd.R. 125(b)" (Paper 86) has been reconsidered. Espiau's request to prove derivation during the priority phase of the interference is granted. The request for rehearing is otherwise denied as explained above.

Ordinarily, Espiau may need to amend its priority statement. In this case, Espiau's priority statement already includes its date of its alleged conception. The sole purpose of amending its priority statement would be for Espiau to include its alleged date of the communication of the invention to Guthrie. However, that date was provided in Espiau Motion 2 as **20 April 2000**. Under the circumstances of this case, the statement made in Espiau Motion 2 will be given the same effect as if it were made in Espiau's priority statement, and therefore, Espiau is bound by that date and cannot prove an earlier date of a corroborated communication of the invention. Therefore, in this particular case, Espiau will not be required to amend its priority statement.

Accordingly, it is

ORDERED that Espiau's miscellaneous motion 6 is granted-in-part as provided in this decision;

FURTHER ORDERED that Espiau's **20 April 2000** alleged date of communication of the invention to Guthrie made in Espiau Motion 2 will be given the same effect as if it were made in Espiau's priority statement; and

FURTHER ORDERED that Espiau is authorized to include in its motion for priority, its case for derivation.

/Jameson Lee/	)
JAMESON LEE	)
Administrative Patent Judge	)
	)
/Sally G. Lane/	)BOARD OF PATENT
SALLY G. LANE	) APPEALS AND
Administrative Patent Judge	) INTERFERENCES
	)
/Sally C. Medley/	)
SALLY C. MEDLEY	)
Administrative Patent Judge	)

cc (via e-mail):

rneifeld@neifeld.com

napisano@JonesDay.com