



UNITED STATES PATENT AND TRADEMARK OFFICE

COMMISSIONER FOR PATENTS
UNITED STATES PATENT AND TRADEMARK OFFICE
P.O. Box 1450
ALEXANDRIA, VA 22313-1450
www.uspto.gov

NIELDS, LEMACK & FRAME, LLC
176 E. MAIN STREET
SUITE #5
WESTBOROUGH, MA 01581

(For Patent Owner)

MAILED

APR 04 2012

CENTRAL REEXAMINATION UNIT

Peter K. Sollins
FOLEY HOAG, LLP, PATENT GROUP
155 SEAPORT BLVD.
WORLD TRADE CENTER WEST
BOSTON, MA 02110

(For Third-Party Requester)

In re Flaherty et al.
Reexamination Proceeding
Control No. 95/001,775
Request Deposited: October 4, 2011
For: U.S. Patent No. 8,028,491

: DECISION ON
: PETITION TO VACATE ORDER
: GRANTING *INTER PARTES*
: REEXAMINATION
: AS ULTRA VIRES

This is a decision on the patent owner petition under 37 CFR 1.181(a)(3) filed on February 16, 2012 by which Patent Owner requests the Order Granting the Request for reexamination of claims 1-13 of US Patent No 8,028,491 be vacated as an *ultra vires* act and on requester's opposition petition thereto filed February 27, 2012. The petitions are before the Director of the Central Reexamination Unit for decision.

The patent owner petition is **DISMISSED** for the reasons set forth below.

The requester's opposition petition is **GRANTED** to the extent that patent owner's petition is dismissed.

REVIEW OF RELEVANT FACTS

1. On October 4, 2011, a request for *inter partes* reexamination of all of the claims (claims 1-13) of U.S. Patent No 8,028,491 to Flaherty et al. was filed by a third party requester. The real party of interest was identified as ADA Solutions, Inc. The request was assigned Control no. 95/001,775 (“the ‘775 proceeding”).
2. On December 16, 2011, the Office issued an order granting the ‘775 request for *inter partes* reexamination of claims 1-13. The Office also issued a first Office action on the merits on the same day.
3. On February 16, 2012, patent owner submitted a response to the first Office action of December 16, 2011. On the same day, patent owner also filed a petition entitled “PETITION TO THE DIRECTOR UNDER 37 C.F.R. § 1.181 TO VACATE THE PENDING INTER PARTES REEXAMINATION,” the subject of this instant decision.
4. On February 27, 2012, third party requester filed an opposition to the patent owner’s petition (of February 16, 2012) to vacate the order granting reexamination.

APPLICABLE STATUE(S) AND RULE(S)

35 U.S.C. § 312 provides

(a) REEXAMINATION. – Not later than 3 months after the filing of a request for inter parted reexamination under section 311, the Director shall determine whether the information presented in the request shows that there is a reasonable likelihood that the requester would prevail with respect to at least 1 of the claims challenged in the request, with or without consideration of other patents or printed publications. A showing that there is a reasonable likelihood that the requester would prevail with respect to at least 1 of the claims challenged in the request is not precluded by the fact that a patent or printed publication was previously cited by or to the Office or considered by the Office. (Emphasis added.)

35 U.S.C. § 313 provides

If, in a determination made under section 312(a), the Director finds that it has been shown that there is a reasonable likelihood that the requester would prevail with respect to at least 1 of the claims challenged in the request, the determination shall include an order for inter partes reexamination of the patent for resolution of the question. The order may be accompanied by the initial action of the Patent and Trademark Office on the merits of the inter partes reexamination conducted in accordance with section 314.

37 C.F.R. § 1.915(b)(3) provides

A statement pointing out, based on the cited patents and printed publications, each showing of a reasonable likelihood that the requester will prevail with respect to at least one of the claims challenged in the request, and a detailed explanation of the pertinency and manner of applying the patents and printed publications to every claim for which reexamination is requested.

37 C.F.R. § 1.923 provides

Within three months following the filing date of a request for *inter partes* reexamination under 1.915, the examiner will consider the request and determine whether or not the request and the prior art establish a reasonable likelihood that the requester will prevail with respect to at least one of the claims challenged in the request. The examiner's determination will be based on the claims in effect at the time of the determinations, will become a part of the official file of the patent, and will be mailed to the patent owner at the address as provided in 1.33(c) and to the third party requester. If the examiner determines that the request has not established a reasonable likelihood that the requester will prevail with respect to at least one of the challenged claims, the examiner shall refuse the request and shall not order *inter partes* reexamination.

37 C.F.R. § 1.931 provides

(a) If it is found that there is a reasonable likelihood that the requester will prevail with respect to at least one of the claims challenged in the request, the determination will include an order for *inter partes* reexamination of the patent for resolution of the question of whether the requester will prevail.

DECISION

Patent owner petitions under 37 C.F.R. § 1.181(a)(3) to vacate the order granting reexamination mailed on December 16, 201 as an *ultra vires* act. Petitioner asserts that the Office does not have jurisdiction to initiate or continue this reexamination because, according to patent owner, the rejections proposed by the request for reexamination rely on the same teachings which were considered in the original prosecution.

Patent owner relies on 35 U.S.C. § 302 to support the assertion that the order granting reexamination is an *ultra vires* act. However, the requirements of 35 U.S.C. § 302 is limited to *ex parte* reexamination and does not apply to *inter partes* reexamination. For *inter partes* reexamination, the relevant statute is 35 U.S.C. § 312, which was recently amended, as reproduced above. For this reason, petitioner's arguments that the order is an *ultra vires* act because the request for *inter partes* reexamination fails to meet the requirements of 35 U.S.C. § 302 is not persuasive.

Patent owner also relies upon the policy set forth in MPEP § 2616, which discusses the requirement for the request to include "a statement pointing out each substantial question of patentability ..." under 37 C.F.R. § 1.915(b)(3) to support the argument that because there is no


new teachings presented in the request, the Office had no discretion to order the reexamination. Under the “substantial new question of patentability” (SNQ) standard, a request must present a question of patentability that is substantially different from those raised in the previous examination of the patent before the Office. Patent owner reasons that since the request was filed after the recent enactment of the America Invents Act of 2011 which “elevated” the threshold for determining whether there should be an order granting the request for reexamination from the SNQ standard to the “reasonable likelihood to prevail” (RLP) standard, the request should fail because it does not pass the SNQ threshold which is lower than the RLP threshold.

Patent owner’s reliance on the SNQ standard is misplaced. As patent owner noted, for *inter partes* reexamination, the SNQ standard has been replaced with the RLP standard. The relevant rules of practice have been revised accordingly and are reproduced above. (See “Revision of Standard for Granting an Inter Partes Reexamination Request”, 76 Fed. Reg. 185 September 23, 2011.) Whether the issue being brought forth for consideration has been addressed in a previous Office proceeding does not preclude reexamination under the current standard for ordering *inter partes* reexamination. See the second sentence of 35 U.S.C. 312(a) emphasized above. Under 35 U.S.C. § 312, the Office has the discretion to reconsider issues that have been addressed in the past, provided the estoppel provisions of 35 U.S.C. 317 do not apply. The determination of whether the questions presented in the request are new is no longer a prerequisite to the determination of whether to order *inter partes* reexamination.¹

After a review of the present record, and based upon the above discussion, it is found that petitioner patent owner has not shown the Office to have “clearly exceeded its statutory authority” nor acted “in brazen defiance of its statutory authorization” in the Office’s determination to order re-examination. See *Heinl v Godici*, (E.D.Va. 2001), 143 F. Supp. 2d 593. Accordingly, patent owner’s petition does not demonstrate that the granting of *inter partes* reexamination was *ultra vires*, and therefore, the petition is dismissed.

CONCLUSION

1. Petitioner’s request to vacate the reexamination is **dismissed**.
2. The requester’s opposition petition is **granted** to the extent that patent owner’s petition is dismissed.
3. Telephone inquiries related to this decision should be directed to Supervisory Patent Examiners, Andres Kashnikow, at (571) 272-4361, or Eileen Lillis, at (571) 272-6928.



Irem Yucel
Director, Central Reexamination Unit

¹ Accordingly, this decision does not address the arguments in requester’s opposition that the issues raised are new because such determination is not relevant to deciding this petition.