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The Federal Circuit Affirms the Use of Continuing Patent Applications to Extend the Statutory Broadening Reissue Period beyond Two Years

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In the recent decision *In re Erik P. Staats and Robin D. Lash*, No. 2010-1443 (March 5, 2012), the U.S. Court of Appeals for the Federal Circuit addressed the use of continuing applications under 35 U.S.C. §§ 120 or 121 to extend the two-year time limit imposed by 35 U.S.C. § 251 for broadening reissue patent applications. The Court held that a continuing reissue application filed after the two-year time limit and presenting broadened claims satisfies the timeliness requirement, provided that the initial reissue application is filed within the two-year time limit. The Court rejected a requirement that broadened claims added in a continuing reissue application must relate to or be directed to the same embodiment claimed in the initial reissue application. The *Staats* decision permits broadening reissue practice where the full scope of the requested broadening is not set out in a first reissue application filed within the two-year statutory period. As such, the decision provides patentees additional leeway to seek patent protection for previously unclaimed subject matter long after the original patent has issued.

Reissue Patent Applications

The reissue statute, 35 U.S.C. § 251, permits the correction of wholly or partly inoperative or invalid patents by authorizing the Patent Office to reissue corrected patents where errors in the patents were made without deceptive intention. The errors correctable through reissue include inoperability "by reason of the patentee claiming ... less than he had a right to claim in the patent." 35 U.S.C. § 251. The statute thus provides for the filing of so-called "broadening reissue applications" in which the scope of the claims sought in reissue extends beyond the scope of the patent's claims. However, the reissue statute imposes a two-year time limit, beginning on the date of the grant of a patent, within which any broadening reissue application must be filed.

The passing of the two-year statutory deadline does not preclude the filing of reissue applications seeking to correct other types of errors such as invalidity "by reason of the patentee claiming more ... than he had a right to claim in the patent." 35 U.S.C. § 251. Adding a new category of invention (*e.g.*, adding method claims to a patent containing only product claims) is generally considered broadening regardless of whether or not the technical scope of the claimed subject matter is enlarged, and the two-year limit therefore applies.

Historically, the filing of a reissue application required a formal surrender of the granted patent. However, under current law, a reissue application merely constitutes an offer to surrender the underlying patent, and actual surrender only takes effect if the patent is reissued. 37 C.F.R. § 1.178(a). Until a reissue application is granted, the original patent remains in effect and will remain so even if a reissue application is abandoned. *Id.*

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Continuing Reissue Patent Applications

The reissue statute states that the Patent Office "may issue several reissued patents for distinct and separate parts of the thing patented." This statutory language authorizes the filing of continuing reissue applications claiming priority under 35 U.S.C. §§ 120 or 121 back to an original reissue application filing. Administrative rules regarding continuing reissue applications are found at 37 C.F.R. § 1.177. As stated in the Manual of Patent Examining Procedure (MPEP), the Patent Office "has adopted a policy of treating continuations and divisionals of reissue applications, to the extent possible, in the same manner as continuations and divisionals of non-reissue applications." MPEP § 1451. Notwithstanding the statutory language, the Federal Circuit has interpreted 35 U.S.C. § 251 as permitting continuing reissue applications even where the multiple reissue applications are not for "distinct and separate parts of the thing patented," provided all other reissue application requirements, including the two-year statutory window, are satisfied. *In re Graff*, 111 F.3d 874, 877 (Fed. Cir. 1997).

In the decision *In re Doll*, 419 F.2d 925 (C.C.P.A. 1970), the Court of Customs and Patent Appeals addressed the interaction between the two-year statutory window for broadening reissue applications and the statutory authorization of continuing reissue applications. *Doll* held that if a reissue application is timely filed within two years of the original patent grant, and the reissue applicant indicates in the oath or declaration that the claims will be broadened, then the applicant may subsequently broaden the claims in the pending reissue prosecution, including in continuing reissue applications, even if the additional broadening occurs beyond the two-year limit. *Id.* at 928.

In re Staats

Staats revisits the issue believed to have been settled by *Doll*. In *Staats*, a first broadening reissue application was filed for U.S. Patent No. 5,940,600 within the two-year statutory window. While the first broadening reissue application was pending, but beyond the two-year window, a second broadening reissue application was filed as a continuation under 35 U.S.C. § 120 of the first broadening reissue application. The first and second reissue applications ultimately issued as reissue patents. While the initial continuation reissue application was pending, and well beyond the two-year window, a third broadening continuing reissue application was filed.

The first and second reissue applications presented broadened claims directed to the invention embodiments claimed in the '600 patent. The original reissue declaration filed within the two-year window indicated that the claims directed to these embodiments were being broadened in the reissue proceeding. The third reissue application, however, presented claims directed to a different invention embodiment described but not claimed in the patent. Notwithstanding an acknowledgment of *Doll*, the patent examiner rejected the third reissue application, finding that the new broadened claims were "not related in any way to what was covered in the original broadening reissue," which was directed to a different invention embodiment. The Board of Patent Appeals and Interferences (now the Patent Trial and Appeal Board) sustained the rejection, holding that a continuing reissue application could not "broaden patent claims beyond the statutory two-year period in a manner unrelated to the broadening aspect that was identified within the two-year period." The Board attempted to factually distinguish *Doll*, stating that *Doll* addressed broadening of a common embodiment, whereas the inventors in *Staats* sought to broaden in a manner related to an embodiment different from that specified in the first reissue application. The Board argued that the present broadening was

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unforeseeable from the original reissue application and, therefore, that the public notice function of § 251 was not met.

The Federal Circuit rejected the Patent Office's reading of *Doll* and the ostensible requirement that broadened claims added in a continuing reissue application filed outside the two-year statutory window must be directed or relate to the same subject matter claimed in an initial reissue application filed within the statutory window. Noting that *Doll* itself made no distinction between related and unrelated claims, the Federal Circuit reasoned that the Patent Office's approach was unworkable, stating that "[a] rule requiring that the new claims be related to the previously submitted claims, or be directed to the same embodiments, would be difficult to administer in a consistent and predictable way." Thus, *Staats* holds that the filing of a broadening reissue application within the two-year window is sufficient to satisfy the statutory time limit with respect to any subsequently filed broadening reissue applications, whether or not related to the subject matter of the original reissue application claims, provided that the copendency requirement for continuing reissue applications is satisfied.

Strategic Implications for Patent Owners

The Federal Circuit's holding in *Staats* permits a first reissue application filed within the two-year window to toll the broadening time limit and, essentially, operate as a placeholder for later-filed continuing reissue applications that broaden the claim scope of the original patent in any way. After a broadening reissue application has been timely filed, an applicant may make further broadening changes after the two-year statutory period during the course of prosecuting the original broadening reissue application or subsequent continuation reissue applications. The broadening need not relate to the claims presented in the original broadening reissue applications and, therefore, previously unclaimed subject matter may be presented in a continuing reissue application after the two-year statutory time limit.

Broadening reissue practice provides a valuable tool to refine the claims of a patent based on, for example, changed market conditions and commercial outlook, especially where no conventional continuing applications are pending. However, unlike conventional continuing applications, a broadening reissue application (and continuations and divisionals thereof) implicates patent surrender (see above), and a patent issuing from a reissue application is subject to intervening rights under 35 U.S.C. § 252 and the recapture rule. Accordingly, patent applicants should be cognizant of the significant limitations appertaining to reissue practice.

Incremental invention provides another context where reissue applications may be used strategically. Oftentimes, an invention is described in a patent application in relatively broad terms, yet the application may mature into a patent claiming a specialized or specific embodiment of the invention. A broad description of an invention in an earlier patent may pose prior art issues to a later-developed or commercially successful iteration of the invention, which the inventors or assignees now wish to patent. A broadening reissue application provides an option to go back to the original patent disclosure and seek to protect iterations and embodiments that previously were not recognized as important.

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