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## Section 135(b)(2). Plain Meaning? Plainly Not.

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# Section 135(b)(2). Plain Meaning? Plainly Not.

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**3**5 USC 135 governs patent interferences, and 135(b)(1) in particular is well known among at least the interference community. Enacted over fifty years ago, 135(b)(1)<sup>2</sup> states:

A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an issued patent may not be made in any application unless such a claim is made prior to one year from the date on which the patent was granted.

Essentially, 135(b)(1) creates a one-year window within which a potential challenger must present a claim to the same invention.<sup>3</sup> In other words, any member of the public wishing to stake a claim to the same property as one of the claims of an issued patent must do so within one year of the patent's issuance or be barred from doing so.

Section 135(b) – now 135(b)(1) – was the codification of “an equitable doctrine akin to laches,” and the undisputed purpose of the statute is to make a “patentee ... more secure in his property right.”<sup>4</sup> It has been termed a statute of repose or statute of limitations on interferences, and a well-developed body of law regarding 135(b)(1) exists as a result of the interpretation of the statute over the years.

Considerably less well known is section 135(b)(2), which was enacted in 1999 in concert with legislation requiring the publication of patent applications. 135(b)(2) states:

A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an appli-

cation published under section 122(b) of this title may be made in an application filed after the application is published only if the claim is made before 1 year after the date on which the application is published.

Since 135(b)(2) creates a one-year window within which a potential challenger must present a claim to the same invention as a claim of a published application, it may seem like a simple complement to 135(b)(1). Once the surface is scratched, however, a strict plain-meaning interpretation of 135(b)(2) presents numerous difficulties, many of which arise as a result of the differences between published claims and issued claims.

For example, published claims are not property, and they can be (and often are) changed during prosecution. A strict plain-meaning interpretation of 135(b)(2) suggests application of the bar with respect to published claims that were subsequently materially amended or even abandoned during prosecution. In such a scenario, where there is no fixed property right for which to grant repose, application of the bar seems contrary to the purpose of the original statute.

Further, application claims are published without regard to patentability. As a result, under a plain-meaning interpretation of 135(b)(2), a bar could be created by published claims that clearly are not patentable (*e.g.*, claims lacking enablement or written description support). Such an interpretation would lead to the absurd result that an applicant, having invented and enabled *nothing*, could potentially bar a legitimate inventor from obtaining later claims to an invention simply by filing an application containing unpatentable claims directed to the same subject matter and letting them publish. Further, an applicant fearful of a potential bar would be forced to burden the PTO by blindly copying published claims, even claims that the applicant believes are not patentable.<sup>5</sup>

As a result of these and other potential problems, 135(b)(2) has been criticized extensively by commentators, who have described it as “ill conceived” and as an “incipient problem.”<sup>6</sup> Some, including the

PTO, have even called for its repeal.<sup>7</sup> All of the criticism, however, is based on the *assumption* of a strict plain-meaning interpretation of 135(b)(2).

Yet, 135(b)(2) has not been construed by any court.<sup>8</sup> Indeed, the authors are unaware of any decision in which the 135(b)(2) bar was applied.<sup>9</sup>

In a pending interference, however, the Board of Patent Appeals and Interferences (the “Board”) asked the parties to address the statutory construction of 135(b)(2).<sup>10</sup> In particular, the Board asked whether 135(b)(2) applies when application claims are materially amended after publication. Further, the Board asked whether 135(b)(2) would apply in a scenario where the published claims were not enabled.

## THE ORIGIN OF 135(b)(2)

In recent years, Congress has amended U.S. patent law in an effort to “harmonize” it with international practice. As part of that trend, The American Inventors Protection Act of 1999 (“AIPA”) was enacted.<sup>11</sup> Among other things, AIPA introduced pre-issuance publication of most patent applications into U.S. patent law. Codified at 35 USC 122(b), the AIPA provision requires that certain otherwise confidential patent applications be published eighteen months after the claimed effective filing date.

This was a significant change to the law because – prior to AIPA – U.S. patent applications were kept confidential unless and until a patent ultimately issued. With AIPA, patent applications are now typically publicly available prior to issuance.

While perhaps harmonizing U.S. patent law with international standards, the enactment of pre-issuance publication (without any remedial measures) had the potential to affect other sections of the patent code, including the then-existing one-year window (or limitations period) under section 135(b).

With the advent of pre-issuance publication, an applicant's claims typically become publicly available before issuance and, therefore, before the traditional 135(b) limitations period even begins to run. For example, if a patentee's application was published two years before it issued into a patent – a not uncommon situation now – then the claims of that patent would have been available to the public for three years before the traditional 135(b) bar would kick in. In this particular scenario, under the terms of the traditional 135(b) bar, a potential challenger would have *three years* (instead of one) to copy the publicly available claims in order to provoke an interference. In fact, not only would the limitations

period be enlarged, but it would also vary from patent to patent, depending on the length of time from publication to issuance.

In an apparent attempt to avoid the above-described consequences, Congress amended 135(b) to account for pre-issuance publication. More specifically, Congress created another limitations period – one that was also one year in length but which would be triggered by the *publication* of a patent application – and codified it at 135(b)(2).

## STATUTORY CONSTRUCTION OF 135(b)(2)

Although the plain-meaning of a statute typically controls, the Supreme Court has made clear that a statute should not be construed in a manner that could lead to absurd results or that would be inconsistent with Congressional intent:

Unquestionably the courts, in interpreting a statute, have some “scope for adopting a restricted rather than a literal or usual meaning of its words where acceptance of that meaning would lead to absurd results . . . or would thwart the obvious purpose of the statute.”<sup>12</sup>

In order to understand Congress’s intent and the purpose of 135(b)(2), the legislative history must be examined.

As mentioned above, 135(b)(2) and the publication statute (122(b)) were enacted simultaneously as part of AIPA. While 122(b) was enacted as the cornerstone provision of AIPA’s “Subtitle E—Domestic Publication of Patent Applications Published Abroad”, 135(b)(2) was merely a “conforming amendment” to AIPA’s Subtitle E.<sup>13</sup> The enactment of 135(b)(2) as a “conforming amendment” has considerable significance because “Congressional designation of an amendment as a ‘conforming amendment’ evidences legislative intent that the amendment should be read as non-substantive.”<sup>14</sup>

As a conforming amendment, 135(b)(2) is presumed to have been enacted for the purpose of bringing the previous 135(b) into conformity with the new publication statute and not for the purpose of making any substantive change.<sup>15</sup> Accordingly, 135(b)(2) should be interpreted consistent with the purpose of the prior 135(b). The Federal Circuit has defined that purpose, holding:

[S]ection 135(b) was enacted to codify a legal principle akin to laches, imposing a “statute of limitation, so to speak, on interferences so that the

patentee might be more secure in his property right.”<sup>16</sup>

In other words, 135(b) is intended to: (1) grant a patentee repose in his property rights (2) one year after his claims have been disclosed in a published document. As a conforming amendment, 135(b)(2) should be construed to have the same purpose.

## A WORKABLE INTERPRETATION FOR 135(b)(2)?

Prior to AIPA, 135(b) had always been triggered by the *issuance* of a patent and the subsequent passing of one year’s time. The 135(b) limitations period always started upon the issuance of a patent because that is when the claims first became available to the public, including a potential challenger. Thus, the one-year clock always started on the date of the patent grant, *i.e.*, when an application matured into a property right, which was always the same date that the patent claims became publicly available. With pre-issuance publication, however, those two occurrences typically fall on different dates, with publication preceding issuance.

As these two occurrences are now separated in time, application of the 135(b)(2) bar becomes awkward when, as is common, an application is published more than one year before it matures into a patent. In this circumstance, what is the effect, if any, of 135(b)(2) from the first anniversary of publication until a patent issues? (During this period of time, the one-year window has elapsed yet there is still no property right for which to grant repose.) Similarly, what is the effect, if any, of 135(b)(2) after a patent issues if the patent does not include any of the published claims, *e.g.*, because they were cancelled or materially amended? Furthermore, what if a patent never issues at all?

One could suggest that 135(b)(2) applies in all of these circumstances. After all, taken strictly on its face, 135(b)(2) appears to limit a potential challenger to one year within which he must present a claim to the same invention as that of a published claim without regard to whether the published claim issues in a patent. As explained above, however, such a construction creates numerous problems that appear to be at odds with patent policy and the purpose of 135(b).

Also, a literal interpretation is inconsistent with the manner in which 135(b)(2) was enacted, as a “conforming amendment” to an existing statute whose stated objective had always been to make a *patentee* more secure in his *property right*.

A more plausible and workable construction for the statute may be that, regardless of how much time elapses after publication, 135(b)(2) is inapplicable unless a published claim issues. In practice then, while the 135(b)(2) one-year window begins on the date of publication, the 135(b)(2) bar would arise only upon issuance. Often times, this will mean that 135(b)(2) will have a retroactive effect. For example, if Party B presents a claim to the same invention more than a year after Party A’s claim has published but before A’s claim issues, B’s claim would not be barred at the time of filing. However, B’s claim would be barred retroactively if A’s claim subsequently issued.

The authors’ proposed interpretation of the statute is consistent with the stated purpose of the traditional 135(b) bar and the legislative history of 135(b)(2) as a conforming amendment. It also bodes wells for avoiding the hypothetical problems presented at the outset of this article. If a published claim is required to issue for 135(b)(2) to apply, then materially amended and abandoned claims will not create a bar under 135(b)(2). Additionally, the 135(b)(2) bar will not apply when the published claims are not patentable. Instead, only issued claims, which have already been examined and allowed by the PTO, could effect a bar.<sup>17</sup>

The proposed interpretation of 135(b)(2) also complements 135(b)(1) well. If a published claim is materially amended before it issues in a patent, that claim will not create a bar under 135(b)(2). But, the claim as issued will create a bar under 135(b)(1). In other words, a patentee that cannot benefit under 135(b)(2) because he amended his claim after it was published can, nonetheless, get repose under 135(b)(1) for his amended claim one year after it issues. Accordingly, the proposed interpretation of 135(b)(2) does not deny a patentee repose because he is still entitled to repose under 135(b)(1). Together then, the two provisions offer repose for patent claims, but not before potential challengers have had their year-long opportunity to see those claims in a published document – be it a published patent application or an issued patent – and to present their own claims without risk of being barred.

## THINKING IT THROUGH

The proposed interpretation of 135(b)(2), while workable, is not without its peculiarities.

For example, consider a situation in which Party B copies Party A's claim more than one year after A's claim published. If an interference is declared *before* A's claim issues, under the proposed interpretation, A would not be able to use the 135(b)(2) bar against B. Yet, if an interference is declared *after* A's claim issued, the 135(b)(2) bar would apply. At first glance, this may seem unfair considering that application of the bar would depend on whether the PTO declares an interference before or after the issuance of A's claims. This seemingly arbitrary effect, however, is neither unfair nor arbitrary.

The statute is designed to give patentees peace of mind that their proprietary patent claims are safe from potential challengers. If Party A has received a patent, he has been awarded property by the United States government, and, when the requirements of the statute are met, he can be assured that no one can obtain his property via an interference. On the other hand, if A has claims that are allowed but not issued, he does not have any property at risk of being taken.

Further, in the scenario where Party A's claims are allowed but not issued, the proposed 135(b)(2) interpretation does not mean that he will necessarily lose his claims; it means only that he will be unable to invoke 135(b)(2) to avoid a priority contest with Party B. Ultimately, the party with the earlier priority date, assuming his interfering claims are patentable, will receive the patent. Considering that U.S. patent laws are based on a first-to-invent system, such a result is far from troubling.

## AN ENABLEMENT REQUIREMENT INSTEAD?

As explained above, a plain-meaning interpretation of 135(b)(2) is fraught with problems, the most disturbing of which is that a published claim that is not enabled or adequately described would nonetheless create a bar. One possible solution to this dilemma could be a court-created doctrine that 135(b)(2) applies only if the published claims satisfy 35 USC 112 (much like the current doctrine that requires a prior art reference to be enabling in order to qualify as prior art).

While a serious problem with the statute would be solved with such a doctrine, the problem of 135(b)(2) granting "repose" for published claims that are materially amended or abandoned during prosecution would remain. As explained above, such a result would be out of step with the purpose of the statute.

Moreover, attaching an enablement requirement to 135(b)(2) would present another issue for interference parties to litigate. Whenever faced with a 135(b)(2) challenge, a party would undoubtedly seek to establish that the published claim was not enabled, a scenario that not only would be burdensome for the Board, but inconsistent with 135(b)(1), which has no enablement requirement. Section 135(b)(1) does not need a separate enablement requirement because it does not apply unless a claim survives prosecution (*i.e.*, unless the PTO has determined that the claim is patentable). Similarly, if the 135(b)(2) bar were to apply only if a published claim has issued, a separate judicially-created enablement requirement would likewise be unnecessary.

## CONCLUSION

When considering principles of statutory construction, the legislative record of 135(b)(2), and the history and purpose of 135(b)(1), it appears that a plain-meaning construction may not embody the Congressional intent behind 135(b)(2). A more plausible construction of 135(b)(2) may be that it does not create a bar unless the published claim issues in a patent. Until the matter is resolved by a court and/or the Board, however, the construction of 135(b)(2) will remain in question.

## ENDNOTES

1. The authors are partners at McAndrews, Held & Malloy, Ltd. ([www.mcandrews-ip.com](http://www.mcandrews-ip.com)) in Chicago. They can be reached via telephone at (312) 775-8000. Mr. Fitzpatrick can be reached via email at [mfitzpatrick@mcandrews-ip.com](mailto:mfitzpatrick@mcandrews-ip.com), and Mr. Abramic can be reached at [jabramic@mcandrews-ip.com](mailto:jabramic@mcandrews-ip.com). The views expressed in this article are those of its individual authors and not necessarily those of McAndrews, Held & Malloy, Ltd. or its clients.
2. Section 135(b)(1) was formerly 135(b). Upon the enactment of 135(b)(2) in 1999, 135(b) became 135(b)(1).
3. While section 135 governs interfering claims, the 135(b) bar relates to claims that are directed to the "same or substantially the same subject matter." There is support in the case law for the proposition that the legal test for whether two claims interfere is not coterminous with the legal test for whether two claims are directed to the same or substantially the same subject matter in the context of 135(b). See *In re Berger*, 279 F.3d 976, 982 (Fed. Cir. 2002). That topic, however, is beyond the scope of this article. In the interest of brevity for this article, the authors refer to claims to the "same invention" as opposed to claims to the "same or substantially the same subject matter."
4. *Corbett v. Chisolm*, 568 F.2d 759, 765 (CCPA 1977).
5. "To protect against future possible bars under § 135(b)(2), it is anticipated that applicants will file applications with a large number of claims, thus

- further draining the Office's scarce resources." *Elimination of the Interference Bar Created by Application Publications*, <http://www.uspto.gov/web/offices/com/strat21/acton/tr1dp52.htm>.
6. Jerry D. Voight *et al.*, *Patent Interference Practice Under The PTO's Current Procedure*, Chapter 1, p. 38 (Patent Resources Group, 2006); Bruce H. Stoner Jr., *A Modest Proposal: Repeal 35 U.S.C. § 135(b)(2)*, Vol. 3, Issue 2, *The Patent Lawyer*, p. 3 (Summer 2006).
  7. Bruce H. Stoner Jr., *A Modest Proposal: Repeal 35 U.S.C. § 135(b)(2)*, Vol. 3, Issue 2, *The Patent Lawyer*, p. 3 (Summer 2006); *Elimination of the Interference Bar Created by Application Publications*, <http://www.uspto.gov/web/offices/com/strat21/acton/tr1dp52.htm>.
  8. In a case relating to 135(b)(1), the Federal Circuit made reference to 135(b)(2) in a footnote. The Court mentioned that aside from the fact that (b)(1) is related to patent claims and (b)(2) is related to published claims, the "two paragraphs are the same." *Regents of the Univ. of California v. University of Iowa Research Found.*, 455 F.3d 1371, 1374, n. 1 (Fed. Cir. 2006). The statement is inaccurate. The 135(b)(2) bar only applies to applications filed after the publication date. Section 135(b)(1) has no such limitation.
  9. In *Ding v. Singer*, Interference No. 105,436, the Board held in an unpublished decision that section 135(b)(2) is subject to 35 USC 120. Accordingly, a published application cannot effect a 135(b)(2) bar against claims with effective filing dates prior to the application's publication date.
  10. *Ryan v. Young*, Interference No. 105,504 (McK). The authors' firm represents the party Young in the interference.
  11. 106 Pub. L. 113, § 4001.
  12. *Commissioner v. Brown*, 380 U.S. 563, 571 (1965) (quoting *Helvering v. Hammel*, 311 U.S. 504, 510-511 (1941)); *Public Citizen v. Department of Justice*, 491 U.S. 440, 455 (1989) ("Looking beyond the naked text for guidance is perfectly proper when the result it apparently decrees is difficult to fathom or where it seems inconsistent with Congress' intention, since the plain-meaning rule is 'rather an axiom of experience than a rule of law, and does not preclude consideration of persuasive evidence if it exists.'") (quoting *Boston Sand & Gravel Co. v. United States*, 278 U.S. 41, 48 (1928) (Holmes, J.))
  13. 106 Pub. L. 113, § 4507(11)(B).
  14. *Gorbach v. Reno*, 219 F.3d 1087, 1101 (9th Cir. 2000).
  15. *International Trading Co. v. United States*, 306 F. Supp. 2d 1265, 1273 (Ct. Int'l Trade 2004) ("The Supreme Court has implied 'that when Congress designates an amendment a 'conforming amendment' this constitutes valid evidence of legislative intent that the amendment should be read as a nonsubstantive [sic] reaction to related legislation.'") (citing *Springdale Memorial Hosp. Ass'n v. Bowen*, 818 F.2d 1377, 1386, n.9 (8th Cir. 1987) and *CBS, Inc. v. FCC*, 453 U.S. 367, 381-82 (1981)) (bracketed material in original).
  16. *In re Berger*, 279 F.3d 976, 982 (Fed. Cir. 2002).
  17. sIt is true that patent claims, while presumed valid, do not always hold up as valid, or patentable, under additional scrutiny in a later court, or Board, proceeding. This scenario, however, is not limited to situations involving 135(b)(2). The 135(b)(1) bar is also created by issued (as opposed to necessarily valid) claims. Thus, if an issued claim suffices for 135(b)(1), it should also suffice for 135(b)(2).