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Dissymmetry of Intervening Rights in the AIA and Marine Polymer

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Dissymmetry of Intervening Rights in the AIA and *Marine Polymer*  
by J. Villar, Esq.

This article relates to the procedural pathways afforded by the patent statutes to the granting of intervening rights to infringers of patents, the claims of which may have been altered in post-grant proceedings. It is explained how the road to intervening rights differs according to the post-grant proceeding one starts from.

Just about six months to the day after the President signed the Leahy-Smith America Invents Act (AIA),\(^1\) the Federal Circuit *en banc* handed down one of the more surrealistic decisions in the field of patent law in *Marine Polymer*.\(^2\) In that opinion, involving a Chapter 30 *ex parte* reexamination, it was declared that the term “amended”—as it is used in the patent law with reference to making changes to a patent claim—refers only to changes to the actual text of a claim, regardless of any change in scope or meaning.\(^3\) In other words, so called “constructive amendment”\(^4\) or “amendment by implication”\(^5\) has no application to the patent statute.\(^6\) Given the term “amend” is also applied to written descriptions in the patent art, it follows that the written description may also be altered in scope and meaning without alteration to the text and, in fact, that is just what occurred in *Marine*.\(^7\)

The precise statutory language at issue is to be found in §307(b), which reads:

(b) Any proposed *amended or new claim* determined to be patentable and incorporated into a patent following a reexamination proceeding will have the same effect as that specified in section 252 of this title for reissued patents on the right of any person

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3 *Id.* at 1365.
6 *Marine Polymer*, 672 F.3d at 1374, 1375.
7 *Id.* at 1354.
who made, purchased, or used within the United States, or imported into the United States, anything patented by such proposed amended or new claim, or who made substantial preparation for the same, prior to issuance of a certificate under the provisions of subsection (a) of this section.\(^8\) (emphasis added).

*Marine Polymer* confirms the existence of an “Amended or New Claim” filter that the 96\(^{th}\) Congress inserted into the reexamination provisions since their enactment in 1980. No such requirement exists within §252, and Congress has not seen any need to change the language of §307(b) in over thirty years.

**35 U.S.C. §252 Reissue**

Before analyzing *Marine Polymer*, however, we proceed with an analysis of the statute that has codified intervening rights with little amendment since its enactment in 1952. 35 U.S.C. §252, entitled “Effect of reissue”, reads:

The surrender of the original patent shall take effect upon the issue of the reissued patent, and every reissued patent shall have the same effect and operation in law, on the trial of actions for causes thereafter arising, as if the same had been originally granted in such amended form, but in so far as the claims of the original and reissued patents are *substantially identical*, such surrender shall not affect any action then pending nor abate any cause of action then existing, and the reissued patent, to the extent that its claims are *substantially identical* with the original patent, shall constitute a continuation thereof and have effect continuously from the date of the original patent.

A reissued patent shall not abridge or affect the right of any person or that person’s successors in business who, prior to the grant of a reissue, made, purchased, offered to sell, or used within the United States, or imported into the United States, anything patented by the reissued patent, to continue the use of, to offer to sell, or to sell to others to be used, offered for sale, or sold, the specific thing so made, purchased, offered for sale, used, or imported *unless* the making, using, offering for sale, or selling of such thing infringes a valid claim of the reissued patent which *was in the original patent*. The court before which such matter is in question may provide for the continued manufacture, use, offer for sale, or sale of the thing made, purchased, offered for sale, used, or imported as specified, or for the manufacture, use, offer for sale, or sale in the United States which *substantial preparation* was made before the grant of the reissue, and the court may also provide for the continued practice of any process patented by the reissue that is practiced, or for the practice of which *substantial preparation* was made, before the grant of the reissue, to the extent and under such terms as the court

\(^8\) 35 U.S.C. §307(b) (enacted, 1999).
deems equitable for the protection of investments made or business commenced before
the grant of the reissue. (emphasis added)⁹

Outlining, three major categories of legal consequences are revealed, namely (I) litigative
effects, (II) absolute intervening rights, and (III) equitable intervening rights. Equitable
intervening rights may be further broken down into the two subclasses of equitable intervening
rights for things, and equitable intervening rights for processes.

I. Litigative Effects. The original patent is surrendered and is replaced by the reissued patent,
which:
A. has the same legal effect in actions and causes of actions arising after reissue as if the
reissued patent were the original patent;
B. any claims in the reissued patent that are substantially identical to those in the
original patent;
   1. will not affect any action pending at the time of reissue;
   2. will not abate any cause of action existing at the time of reissue; and
C. claims in the reissued patent that are substantially identical to those in the original
patent constitute a continuation of the original patent and have effect continuously from
the date of the original patent.

II. Absolute Intervening Rights. A person or his successors
A. has the right to continue
   1. the use of,
   2. to offer to sell, or
   3. to sell to others to be used, offered for sale, or sold, a specific thing patented
      by the reissued patent,
B. if that person or his successors, prior to reissue
   1. made within the United States,
   2. purchased within the United States,
   3. offered to sell within the United States, or
   4. used within the United States, or
   5. imported into the United States, that specific thing, and
C. is not liable for infringement of the reissued patent for such acts performed prior to
   reissue,
D. unless the
   1. the making,

1948sec. 4507(8)).
2. using,
3. offering for sale, or
4. selling of such specific thing infringes a claim of the reissued patent which was in the original patent.

III. Equitable Intervening Rights

A. Equitable intervening rights for things. The court may provide for the continued
   1. manufacture,
   2. use, 
   3. offer for sale, or
   4. sale of the thing, if prior to reissue the thing was
      a. made within the United States,
      b. purchased within the United States,
      c. offered for sale within the United States,
      d. used within the United States, or
      e. imported into the United States, or
   5. for which substantial preparation was made before reissue.

B. Equitable intervening rights for processes. The court may provide for the continued practice of any process patented in the reissued patent that was:
   1. practiced prior to the reissue, or
   2. for which substantial preparation was made prior to reissue, as the court deems equitable for the protection of investments made or business commenced prior to reissue.

Six interesting points are immediately apparent. From the first paragraph of §252:
1. for suits or causes of action that arise before reissue, you can continue that suit or file on that cause of action after reissue on any claims that are substantially identical to those in the original patent. This right accrues to both the patent owner and the accused infringer; and

from the second paragraph of §252:
2. with respect to tangible “things”, the absolute intervening right not only absolves an accused infringer of his activities prior to the reissue, but he also gets to continue to use and sell whatever infringing “things” he has in stock after reissue. Notice that if he rents his “things” instead of selling them, he seems to have a limitless stream of future income
if he is otherwise unable to obtain equitable rights. The absolute right does not include the right to manufacture after reissue, only equitable rights may allow continued manufacture. The absolute right is only available with regard to claims in the reissued patent which were “not in the original patent.” This implies that such claims were not amended upon reissue, and that turns on what “amended” means, which this paper address below;

3. the equitable intervening right with respect for infringing “things” allows the manufacture of an infringing thing after reissue, in addition to those rights that are automatically granted to holders of absolute rights (i.e., using, offering to sell, and selling). These rights are equitable in nature, meaning the court may grant them if it is found just to protect “substantial preparation” made by the infringer prior to reissue;

4. the equitable intervening right with respect for infringement of a process claim allows a patented process to be continued to be practiced, or for which “substantial preparation” was made, where equity calls for the protection of investments and ongoing operations made or started before reissue;

5. the presence of a claim in a reissued patent that was in the original patent is not a bar to equitable intervening rights, only to absolute rights;

6. it is not entirely clear if absolute rights are available for a process claim, but appears likely if the process is for the making, using, or selling of a claimed “thing.”

Condensing this into a table, here are the “filters” you have to get through to get to a particular intervening right:

<table>
<thead>
<tr>
<th>FILTER</th>
<th>INTERVENING RIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>substantially identical claim</td>
<td>litigative rights</td>
</tr>
<tr>
<td>claim not in the original patent</td>
<td>absolute rights</td>
</tr>
<tr>
<td>substantial preparation prior to reissue</td>
<td>equitable rights (things/processes)</td>
</tr>
</tbody>
</table>

Now, in interpreting phrases like “substantially identical” and “not in the original patent” to figure out how these filters work, we can start off with a simple enough thought experiment: consider a case where a patent originally issued with the following two claims:
1. A widget, comprising:
   \[\text{[element 1, element 2, \ldots]}, \text{ wherein}\]
   \[t = 0, 1, \text{ or } 2.\]

2. The widget of claim 1 wherein \(t = 0\).

An infringer making widgets of the invention wherein \(t = 0\) petitions for reexamination. The Examiner determines that \(t = 1\) and \(t = 2\) are anticipated and he rejects claim 1, but allows claim 2. The patent owner then amends the claims as follows:

1(amended). A widget, comprising:
   \[\text{[element 1, element 2, \ldots]}, \text{ wherein}\]
   \[t = 0, 1, \text{ or } 2.\]

2(cancelled). The widget of claim 1 wherein \(t = 0\).

so now claim 2 is gone, claim 1 is amended, and the patent reissues. Claim 1 is not a claim in the original patent, so the infringer gets absolute intervening rights, right? Well, maybe not. All of this depends on what is meant by “identical.”

There is no question that the amended claim 1 has no *formal* or *verbatim* identical existence in the original patent because it is textually different from every original claim. Claim 1 is, however, *substantively* identical to dependent claim 2 of the original patent. Every single element of the original claim 2 is in the new claim 1. It is, in fact, “substantively” identical.

Yet, are the claims *substantially* identical within the meaning of paragraph 1 of §252? “Substantially” can mean “substantive” in a narrowed legal sense, or just “approximately,” or “mostly,” or perhaps “closely enough.” It’s absence from paragraph 2 is interesting. Where we expect to find it, we find the phrase “which was in the original patent” instead.

Nevertheless, the issue appears to be settled at the Federal Circuit level. As far as §252 is concerned:
(a) “identical” ≡ “was in the original patent”

(b) “essentially identical” < “identical” ≤ “without substantive change”

(c) “without substantive change” = “substantially identical”

(d) “substantially identical” = “identical”

(e) “substantially identical” ≡ “was in the original patent”

which we might refer to as the Laitram-Foxboro (LF) equations for some of the more relevant cases indicated in notes 10–14. The five equations are enough to establish that all four phrases, “identical,” “without substantive change,” “was in the original patent,” and “substantially identical” are equalities by definition.

10 Laitram Corp. v. NEC, Inc., 163 F.3d 1342 (hereinafter, Laitram IV) at 1346 (Fed. Cir. 1998); Seattle Box Co., Inc. v. Industrial Crating & Packing, Inc., 731 F.2d 818 at 829, 830 (Fed. Cir. 1984). The logic here is that the conditional (“identical”) of paragraph 1 of §252 that preserves causes of action (e.g., infringement) must necessarily be exactly the same as the conditional (“was in the original patent”) that bars intervening rights, otherwise the infringement action would not possibly be preserved. Hence, the conditionals are not merely equalities, they are equalities by definition.

11 Laitram Corp. v. NEC, Inc., 952 F.2d 1357 (hereinafter, Laitram I) at 1360, 1361 (Fed. Cir. 1991); Kaufman Co. v. Lantech, Inc. 807 F.2d 970 at 977 (Fed. Cir. 1986), though here the court settles in to an apparently firmer definition of “identical” = “without substantive change” as compared to the somewhat lax “at most” (≤) definition set forth in Seattle Box, 731 F.2d at 827, 828. Seattle Box rejected the trial court’s application of an “essentially identical” standard that allowed for some moderate substantive change.

12 Slimfold, supra at 1115, citing Foxboro Co. v. Taylor Instrument Cos., 157 F.2d 226, 228, 70 USPQ 338, 340 (2d Cir.), cert. denied, 329 U.S. 800, 67 S.Ct. 494, 91 L.Ed. 684 (1946) (“Although that amendment uses the word ‘identical,’ we read this as ‘substantially identical,’ . . .”) referring to an amendment to 35 U.S.C. §64 of the patent statute, the second sentence of which reads:

> “Such surrender shall take effect upon the issue of the reissued patent, but in so far as the claims of the original and reissued patents are identical such surrender shall not affect any action then pending nor abate any cause of action then existing, and the reissued patent to the extent that its claims are identical with the original patent shall constitute a continuation thereof and have effect continuously from the date of the original patent.” 45 Stat. 732, 70th Cong., Sess. I, Ch. 730, (May 24, 1928).

which the reader may compare to the first paragraph of present-day 35 U.S.C. §252.

13 The story does not end with note 13. The current 35 U.S.C. §252 is the result of Title IV, Subtitle E, Section 4507(8) of P.L. 106-113 (Nov. 29, 1999), which reads quite simply:

> “Section 252 is amended in the first undesignated paragraph by inserting ‘substantially’ before ‘identical’ each place it appears.”

and it should be noted that this provision was enacted in November of 1999, just eleven months after the decision in Laitram IV was handed down. A perfectly reasonable interpretation is that of congressional validation of the Foxboro doctrine as it comes down to us through Slimfold.
identical” are identities and equivalents in meaning for intervening rights purposes and from which we derive “substantive” = “substantial” when discussing “substantially identical.”

The Dissymmetry

Those are some of the more salient issues the parties are immediately confronted with in litigation involving intervening rights upon reissue of a patent, but reissue under chapter 25 is not the only way to amend and correct an issued patent. *Ex parte* reexamination under chapter 30 was added to the patent statute in 1982. *Inter partes* proceedings were added under chapter 31 in 1999, as “Inter partes reexamination” and then thoroughly overhauled in the AIA, effective September 16, 2012, emerging as “Inter partes review.” Post-grant review under chapter 32 and supplemental examination under chapter 25 are also added by the AIA and also became effective September 16, 2012. That’s a total of five (or possibly only four) different statutory and procedural pathways to the coveted Second Paragraph of Section 252, and they are schematically displayed in the flowchart, entitled “Dissymmetry of Intervening Rights in the AIA,” accompanying this article. Circles represent each of the five available post-grant proceedings, rectangles represent filters, and rounded squares represent the available rights your client is either targeting or desperately struggling to avoid.

Something to take note of. Of the five post-issue proceedings shown, *it is only during a reissue proceeding under chapter 25 that claims broader than those in the original patent may emerge.*

The Reissue proceeding under §251 is the *grande dame* of the post-grant proceedings, its inception dating back to that of the Patent Act of 1952. In the flowchart, the Reissue proceeding is shown at node 10. If upon conclusion of the reissue a new patent is granted in accordance with §251(a) or (b) the judicial process flows directly into the Section 252 node 100 shown by the large grey box. Note that grey box node 100 is actually two grey boxes, the one on the left labeled “First Paragraph” – concerned with the litigative effects of reissue – and that on the right “Second Paragraph” – concerned with intervening rights, both corresponding to their respective paragraphs in §252. The newly granted patent from the reissue process 10 is presented in §252 to three filters 110, 120, and 130.

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15 §251(d); §257(b) (referring to ch.30,§305); §305; §316(d)(3); §326(d)(3).
The Substantially Identical filter 110 found in the first paragraph of §252 requires that the claims of the new patent be compared against the claims of the original patent and, for those found to be “substantially identical,” control flows to node 115 where any litigation pending regarding those claims will continue unabated and entitled to be the basis of any cause of action already existing. Not so for non-identical claims. These are the litigative effects of §252, which are not the subject of this article.

The Not In the Original Patent filter 120 found in the first sentence of the second paragraph of §252 checks if any new claims of the new patent are not in the original patent. If so, control flows to node 125 and absolute intervening rights become available for the right to do almost everything but manufacture some infringing “thing” so long as one or more acts infringing those claims were performed prior to grant of the new patent. No absolute intervening rights are available for acts infringing new claims that are “in the original patent.”

Lastly, the Substantial Preparation Before Reissue/Grant filter 130 found in the second sentence of the second paragraph of §252 looks to see if substantial investment or activity was invested in infringing activity. If so, control flows to node 135 where equitable relief may be available for infringing manufactures and processes.

Turning our attention to Supplemental Examination 20, it can be seen in the flowchart that §257 supplemental examination has no provision for intervening rights. Does that mean that Congress intends that there not be any, or are the courts supposed to fall back on the common law that existed at the time of the enactment of the Patent Act of 1952?

Not that the common law would be much help to an infringer. The patent owner cannot broaden a claim through supplemental examination, so that leaves identical and narrowed claims. Under the common law, the Doctrine of Intervening Rights only applies to new claims of broader scope over those of the original patent. Identical claims are unavailing to provide intervening rights whether through common law or statutory law. The common law does not recognize equitable intervening rights, nor does it recognize intervening rights in the face of a

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16 *Soda Fountain Co. v. Zwietusch*, 85 Fed. 968 (7th Cir. 1898); *Ashland Fire Brick Co. v. General Refractories Co.*, 27 F.2d 744 (6th Cir. 1928).

Dissymmetry of Intervening Rights in the AIA

§251
Reissue
Initiated by Patentee*

§257
Supplemental Examination
Initiated by Patent Owner

§301 et seq.
Ex Parte Reexamination
Initiated by Anyone

§311 et seq.
Inter Partes Review
Initiated by Non-Owner

§321 et seq.
Post-Grant Review
Initiated by Non-Owner

Is §307(b) procedure?
N
Common Law Intervening Rights?

§307(b)
Amended or New
“Offered for Sale” Insufficient

§318(e)
Amended or New
“Offered for Sale” Insufficient

§328(e)
Amended or New
“Offered for Sale” Insufficient

100

10

20

30

40

50

140

25

35

45

55

110

$252, ¶1
Substantially Identical

$252, ¶1
Litigative Effects

$252, ¶1
First Paragraph

$252, ¶2
1st sentence

$252, ¶2
Absolute Intervening Rights

$252, ¶2
Second Paragraph

$252

115

120

125

130

135

$252, ¶2
Substantial Preparation Before Reissue/Grant

$252, ¶2
Equitable Intervening Rights

$252, ¶2
Second Paragraph

*Under 35 U.S.C. §251(c) an assignee of the entire interest in the original patent may initiate a reissue, but will be barred from enlarging the scope of the claims unless the assignee was also the named applicant in the original patent application.
narrowed reissue, except in the unusual circumstance where it is certain that the new narrowed claim effectively “broadened” the patent by replacing invalid and unenforceable claims. All of this is good news for the patent owner, who is the only party who can initiate a supplemental examination, for there is no common law relief for an infringer absent a broadening of claims.

While the idea of conjuring the common law Doctrine of Intervening Rights back from the dead is a romantic one, such a scenario is problematic. The obstacle to reanimation may be 35 U.S.C. §257(b), which states that “the reexamination shall be conducted according to procedures established by chapter 30 . . . ,” (emphasis added), which is the Reexamination chapter. Does that mean a §257 supplemental examination necessarily invokes §307(b)? Is §307(b) “procedure” or is it simply a statement of applicable law? After all §307(b) and its analogs, §§318(c), 328(c), do not instruct the Examiner, or the PTO for that matter, to do anything during the conduct of a reexamination, and isn’t the very definition of “procedures” a set of instructions to do something?

So whether intervening rights after conclusion of a §257 supplemental examination is to be controlled by the common law or §252 will be determined by what the courts adjudicate at decision node 25. Another issue for the attorneys to argue and the courts to decide.

That leaves us with chapter 30 ex parte reexamination, chapter 31 inter partes review, and chapter 32 post-grant review. Each has an intervening rights provision, namely §§307(b), 318(c), and 328(c) that are not quite textually identical, but nevertheless are “identical,” “substantively identical,” “substantially identical,” and pretty much the same. Sections 318(c) and 328(c) are verbatim identical.

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18 Id. at pp. 625-627, 632, 633.


21 35U.S.C. §§301-307, the famed Ex Parte Reexamination section of the patent law where strangely the phrase “ex parte reexamination” never appears.
Each of these intervening rights provisions have the same “amended or new claim” clause:

“Any proposed amended or new claim determined to be patentable and incorporated into a patent following a reexamination proceeding will [shall]22 have the same effect as that specified in section 252 of this title for reissued patents, . . .”

Here we have the “Amended or New Claim” filters 35, 45, 55 that block the way to §252 intervening rights. To determine if a claim has been amended, most refer to Laitram I and Laitram IV.23 Laitram I summed up the case law on this topic and Laitram IV confirmed its application to amendments made during reexaminations. With regard to such amendments we can gather up these “filter rules” from the Laitram series:

- An amendment made to overcome an examiner’s rejection is not per se “substantive.”
- A reexamination is an examination done afresh, without the burdens and presumptions that accompany litigation.
- Recovery of damages for an asserted infringement during the period between issuances of the original and reexamined patents requires that the original and reexamined claims be “identical.”
- The word “identical” in §252 means, at most, without substantive change.”
- “Identical” does not mean “verbatim.”
- “Identical in §252 means without substantive change in the scope of the claims.
- The standard applied is that of whether a particular change to the claims is substantive, such that the scope of the claims is no longer substantially identical.
- A claim made more definite by adding a term from the specification, without change in scope, is “legally identical.”

In addition, certain activities prior to the issuance of the new patent in a post grant proceeding are required to get through these filters, namely:

- made within the U.S., or
- purchased within the U.S., or
- used within the U.S., or
- imported into the U.S., or

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22 “will” in the ex-parte provision of §307(b), “shall” in the inter partes and post-grant provisions of §318(c) and §328(c).

23 Laitram I, supra at 1360-1363; Laitram IV, supra at 1347 (Fed. Cir. 1998).
• made substantial preparation to make within, purchase within, use within, or import into the U.S., anything patented by such amended or new claim.

Notice that these prior activity requirements are nearly identical to those of the reissue section 252 itself except that a prior offer to sell alone is not enough to afford absolute or equitable intervening rights for an infringing article.

On the flowchart, you may take all these bulleted points above and squeeze them into each of the little “Amended or New Claim” nodes 35, 45, 55. A new claim is presumably an added claim that is not substantively identical to a claim already in the application, so the above rules apply to them as well.

Notice how the existence of the “Amended or New Claim” filters 35, 45, 55 introduce a dissymmetry into the system. Rights for intervenors after supplemental reexamination differ from those after reissue, which in turn differ from those after ex parte, inter partes, and post-grant reissues. One of the dissenters in Marine Polymer wrote that “Congress was explicit that section 307(b) should be identical in scope to section 252: . . .”24 If that’s the case, then Congress has a lousy way of showing it. The dissenter then cites a House Report excerpt to support his position:

“Subsection 307(b) provides intervening rights similar to those provided by patent law section 252 with respect to reissued patents.”25 (emphasis added).

The LF equations26 dictate that one must accept that “identical” equals “substantially identical” equals “substantively identical” equals “was in the original patent,” but if we cross the border into “similar” = “identical,” then what word or phrase do we resort to when we mean “similar, but not identical” other than, of course, “similar, but not identical?” One would think that Congress, if it wanted to grant an identical scope of intervening rights, would have simply drafted §307(b) as follows:

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24 Marine Polymer, 672 F.3d at 1372.


26 see notes 10, 11, and 12, supra.
(b) Any claim published in the certificate will have the same effect as that specified in section 252.

and that would be the end of that. Perhaps the best evidence that Congress intended §307(b) to be “similar, but not identical” in scope is the wording stating that §252 was to have effect

“... for reissued patents on the right of any person who made, purchased, or used within the United States, or imported into the United States, anything patented by such proposed or amended new claim, ...”

prior to issuance of a certificate. Compare that to §252, paragraph 2 limiting eligibility to “any person or that person’s successors in business who”

(1) made,
(2) purchased,
(3) **offered to sell**, or
(4) used within the United States, or
(5) imported into the United States,\(^{27}\)

and you see that access to intervening rights through §307(b) filters out an “offer to sell” prior to issuance as an eligibility criterion. The Dissenting Opinion’s theory that “Section 307(b) thus specifically incorporates the intervening rights provisions of reissued patents found in section 252”\(^{28}\) is thereby untenable. Section 307(b) is demonstrably separate and apart from §252 and all the conditions of §307(b) must be satisfied before the court proceeds to even consider those of §252.\(^{29}\) An offer to sell alone is insufficient to meet the requirements of any of the “Amended or New” filters 35, 45, 55.

Section 307(b) is therefore a “gateway” or “filter” interposed between the issuance of the reexamination certificate and the possibility of obtaining intervening rights. It is the entry to Gate 252 and the party seeking intervening rights must first get past the metal detectors before boarding the plane.

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\(^{28}\) *Marine Polymer*, 672 F.3d at 1372.

\(^{29}\) The requirement that the claim be “amended” or “new” is of course among those requirements ( “*Only if the claim at issue is new or has been amended may the court proceed to the second step in the analysis ... pursuant to §252.*”), *Id.* at 1363.
**Marine Polymer**

The *en banc* “Majority” opinion handed down by J. Lourie in *Marine Polymer* consisted of two parts, I and II, the first dealing with subparts (a) jurisdiction and standard of review, (b) claim construction, (c) infringement and (d) damages, all but the first subpart of which was opposed by the Dissent in a 5 to 5 split decision. Part II of the Majority opinion dealt with the subject matter of this paper, namely intervening rights, and prevailed by a vote of 6 to 4 over part III of the Dissenting opinion by virtue of a swing vote from J. Richard Linn (now senior status).

In *Marine Polymer* the patent under reexamination contained twenty two claims, each and every one with the term “biocompatible” in the preamble. So, an independent claim begins with either:

“A biocompatible poly-β-1→4-N-acetylglucosamine comprising . . .,” or
“A biocompatible poly-β-1→1-glucosamine comprising . . .”

and every dependent claim begins with either:

“The biocompatible poly-β-1→4-N-acetylglucosamine of claim . . .,” or
“The biocompatible poly-β-1→1-glucosamine of claim . . .”³⁰

The “biocompatibility” of a substance in the pharmaceutical world refers to how much damage a substance does when it comes in contact with living tissue. This is determined by what is known in the field as an “elution test,” the standards for which are promulgated by the U. S. Pharmacopeial Convention, an organization that describes itself as:

“... a scientific nonprofit organization that sets standards for the identity, strength, quality, and purity of medicines, food ingredients, and dietary supplements manufactured, distributed and consumed worldwide. USP’s drug standards are enforceable in the United

States by the Food and Drug Administration, and these standards are developed and relied upon in more than 140 countries.31

Test results on the elution test are scored for “reactivity” on a scale of 0 to 4. The substance is placed in contact with a culture of cells, in this case mice fibroblasts, and then taking a look under the microscope. If the cells show no adverse effect whatsoever, the reactivity score is 0. If the cells are dead, the score is 4. In other words the higher the reactivity score, the lower the “biocompatibility.” According to the disclosure, the substance is “biocompatible” if the elution test score is no higher than 2.32 So, a reading of the disclosure makes it clear that the term biocompatible means an elution test score of 0, 1, or 2 and no higher.

In writing the claims the drafter set forth his broad independent claims and proceeded to lay the ever narrowing dependents as patent attorneys do, but most of these are of ever narrowing scope of molecular structure with no narrowing of “biocompatibility.”33

Nine of the dependent claims, however, are multiple-dependent claims that cover all of the remaining claims, limiting them to either a score of 0, 1, or 2, which is to say that three of these multiple-dependents limit the elution test score to exactly 0.34

Not one of these claims says anything about how these “biocompatible” molecules are obtained. The specification does, though:

The importance of the present invention resides in the fact that the problem of unpredictable raw material variability has been overcome. It is, for the first time, possible to produce, by simple means, and on a commercial scale, biomedically pure, p-GlcNAc of high molecular weight and consistent properties. The material produced in the present invention is highly crystalline and is produced from carefully controlled, aseptic cultures of one of a number of marine microalgae, preferably diatoms, which have been grown in a defined medium.35

Nor do any of the claims recite anything about the purity of the material, the lack of organic contaminants that result in elution tests = 0.

31 http://www.usp.org/about-usp
32 Vournakis, et al., at col. 42, ll. 42-44.
33 Id. at cols. 71,72.
34 Id. at cols.71-72, claims 3, 12, and 20.
35 Id. at col.4, ll.16-26.
Instead, the claim drafter uses a term already in the art, “biocompatible,” which, when the patent application was being drafted, existed in the pharmaceutical world to describe contaminated p-GlcNAc with elution test scores of 1 or higher. In other words, the original claims were not directed to the invention, namely a p-GlcNAc prepared by a process that guaranteed that an elution test score greater than zero was impossible. It is probable that more than one attorney worked on this application and that the one who drafted the claims had little to nothing to do with preparing the written description.

HemCon was already making and selling a poly-β-1→N-acetylglucosamine showing an elution score = 0 when Marine Polymer filed suit in the district court in Concord, New Hampshire. In August of 2009, while the litigation was still pending, HemCon petitioned for ex-parte reexamination, submitting three references establishing that poly-β-1→N-acetylglucosamine showing elution scores of 1 or 2 anticipated US 6,864,245. The examiner agreed and all twenty-two claims were cancelled as anticipated or obvious.36

Most practitioners would have rewritten the claims to include the elution test = 0 limitation and cancel the elution test = 1 or 2 claims, then argue that an elution test = 0 limitation is not obvious. Unfortunately, that would cause the amended claims to no longer be identical, nor even substantially identical, to those in the original patent, thereby opening the door to absolute intervening rights in the pending litigation. Though rewriting the claims to include the elution test = 0 limitation of the multiply dependent claims would have resulted in no substantive change, it would almost guarantee court battle, given that the existing definition of “biocompatible” was terribly flawed.

Instead, the attorney for Marine Polymer cancelled all claims to elution test results greater than zero and then argued that he had miraculously changed the definition of “biocompatible.” This truly was miraculous for, in a ballet of perfect timing, the same argument was made to the judge in the parallel infringement suit, who bought the argument and entered summary judgment against HemCon, which judgment was submitted to the Examiner who was thereby persuaded to reissue the claims not cancelled without amendment. Truly brilliant.

The reissued patent didn’t issue until after final judgment and notice of appeal, but by the time the case was heard en banc, both were before the court and the justices split evenly, 5 to 5.

36 Marine Polymer, 672 F.3d at 1356.
on the issues of claim construction and denial of Defendant’s motions for new trial and JMOL. The court brought back a 6 to 4 decision, however, that the term “amend” in the patent law requires a change in the text of a claim regardless of any changes in meaning of a claim. In this case, that means intervening rights are denied. The split votes on claim construction and the 6 to 4 vote denying intervening rights to HemCon resulted in the district court’s judgments to be upheld in their entirety.37

**Possible Impact**

Generally, when a court is evenly split the Supreme Court prefers that no opinion be issued.38 That would negate the value of the claim construction portions of the Majority decision of *Marine Polymer*, namely part I(B) Nevertheless, the slim majority on the issue of intervening rights in part II of the Majority opinion seems the stuff of Supreme Court review, if only HemCon had filed for *cert* instead of for bankruptcy in the wake of the decision.39 We might expect, though, that the High Court will someday address the issue question at the very center of the case, which might be put as:

In a post-grant proceeding, if the exact wording of a claim remains untouched, but the meaning of one or more of its words has been redefined so as to effect a substantive change to the claim, has the claim been amended?

The slim majority says “No” 6 to 4. The odd thing about this question is that it was not even properly before the court and not even needed to resolve the case,40 but when a black hole comes into town and takes a seat, wherever that seat is is the new center of town.

If upheld someday41, it means that no claim in the original patent verbatim can make it through any of the “Amended or New Claim” filters to get to §252.42 You can get there through

37 *Marine Polymer*, supra.

38 *Id.* at 1372, citing *inter alia Ohio ex rel. Eaton v. Price*, 364 U.S. 263, 264, 80 S.Ct. 1463, 4 L.Ed.2d 1708 (1960).

39 http://hemcon.com/LinkClick.aspx?fileticket=1dy14Vy26-Q%3D&tabid=54 .

40 *Marine Polymer* at 1371.

41 If this case goes to the Supreme Court, it is highly unlikely the Court will address it because it was not properly before the Federal Circuit to begin with. Instead, we all wait for a trial judge to use it in a relevant context and then go through the appeals process.
reissue, though, and the dissymmetries are that much more pronounced. An affirmation on appeal would mean that, in Patent World, a change of text is not necessarily an amendment, but an amendment always requires an accompanying change of text and a new filter rule to be added to the Amended or New Claim box in the flowchart:

- A claim is not amended without a change to its text.

**Conclusions**

That a dissymmetry exists in the five post-issuance procedures now available, supplemental examination, reissue, *ex parte* reexamination, *inter partes* review, and post-grant review is confirmed. It first arose with the establishment of *ex parte* examination procedures in 1982, when an “Amended or New Claim” filter was interposed between the certification of new claims and the rights set forth in 35 U.S.C. §252. It was reinforced when *inter partes* proceeding were established in 1999, it is written in kryptonite with the introduction of post-grant procedures. There can be no question that Congress intended the access to §252 rights to be easier through a reissue than through the remaining procedures, though the legislative history has nothing to say about it. You would be hard put to find even a mention of it in the House Reports.

Your author’s suspicion is that reissue has a special place because it is the only one of the five post-issue procedures that permits a broadening of the scope of the claims. It is *broadened* claims in reissue that spurred the Doctrine of Intervening Rights to arise in the first place.43 The rest deal with narrowed claims and many are unsure whether intervenors in those cases are worthy of intervening rights and there are many who are absolutely sure that narrow-claim intervenors are not worthy of intervening rights. After all, they do infringe subject matter that is still valid after reexamination, albeit not in an identically worded claim. Worse, they fight for the right to continue to do so at great expense to the patent owner.

It is not so terribly difficult, then, to see how intervening rights in the face of narrowed claims would appear as a license to steal to the inventor and why Congress might be hesitant to grant Letter of Marque.

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42 *Marine Polymer* at 1364. “Only if the claim at issue is new or has been amended may the court proceed to the second step in the analysis and assess the substantive effect of any such changes pursuant to §252.”

43 *Soda-Fountain v. Zwietusch*, 85 Fed. 968 (7th Cir. 1898). The first case ever to use the phrase “intervening rights.”
ABSTRACT

This article relates to the procedural pathways afforded by the patent statutes to the granting of intervening rights to infringers of patents, the claims of which may have been altered in post-grant proceedings. It is explained how the road to intervening rights differs according to the post-grant proceeding one starts from. It is argued that this is the plain intent of Congress as affirmed by the Federal Circuit, 6 to 4, in *Marine Polymer v. HemCon.*