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Paper No. 351

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

ROBERT F. LEVEEN

Junior Party,
(Application 08/559,072),

v.

STUART D. EDWARDS, RONALD G. LAX
and HUGH SHARKEY

Senior Party
(Patent No. 5,536,267)

Patent Interference No. 104,290

Before McKELVEY, Senior Administrative Patent Judge, SCHAFER and LEE, Administrative Patent Judges.

PER CURIAM.

MEMORANDUM OPINION

On April 23, 2002, we issued an order (Paper No. 348) requiring Edwards to show cause why we should not impose sanction in the form of compensatory attorney fees against Edwards in connection with its brief at final hearing seeking review of an interlocutory decision based on alleged abuse of discretion. We

found that the brief contained new and frivolous arguments. Edwards filed a response on May 7, 2002 (Paper No. 349).

We find that Edwards has not shown good cause.

Edwards' response does not overcome the main part of what we regard as inexcusable in Edwards' brief, i.e., the submission of new arguments which had nothing to do with the rationale initially presented in Edwards' miscellaneous motion 29 and preliminary motion 28. In Paper No. 348, we stated:

> We have substantial difficulty understanding Edwards' presentation of the issues for review and its reasons for relief. Edwards' arguments are disjointed and are based on a wide assortment of principles without adequate explanation as to how they undermine or defeat the explanation and rationale of the decision sought to be reviewed.
>
> Off the cuff and aimless rambling about a variety of matters, whether or not they correspond to the reasons for relief presented in Edwards' miscellaneous motion 29 and preliminary motion 28 and whether or not they undermine or defeat the rationale of the decision, characterizes the major portion of Edwards' brief.

In Paper No. 348, we identified the reasons for relief as presented by Edwards in its motions, pointed out the rationale explained in the interlocutory decision, and noted that the arguments presented by Edwards do not track either the reasons presented for relief or the rationale of the interlocutory decision. What Edwards has done is to use a final hearing review of an interlocutory decision as a pretext to submit new and

independent arguments about a separate matter that was not previously raised before the Administrative Patent Judge. That is not acceptable and is sanctionable without regard to whether the new arguments are frivolous. We also stated in Paper No. 348:

> Party Edwards changed counsel subsequent to the rendering of the APJ's decision on Edwards' miscellaneous motion 29 and preliminary motion 28. That, however, does not mean Edwards' new counsel can take the opposing party and the board back in time and start afresh from the very beginning as if nothing had occurred before the coming on scene of new counsel.

Edwards' arguments about 37 CFR § 1.4(b), 37 CFR § 1.48(b), and alleged insufficient notice of inventorship change do not bear a reasonable relationship to the propriety of the interlocutory decision's finding -- that nothing was uncovered during the April 20, 2001 cross-examination of Dr. Robert F. LeVeen, which gives rise to a threshold level of suspicion that Robert F. LeVeen cannot be the sole inventor in LeVeen's involved application, sufficient to justify the taking of testimony from Mr. Randy Fox to possibly support a belated motion for judgment.

That finding in the interlocutory decision cannot be contrary to law due to any part of Edwards' new arguments.

As for Edwards' assertion that its new arguments should not be deemed frivolous, we are satisfied that counsel for Edwards

did not make the arguments in bad faith and that the lack of merit of the arguments does not rise to the level of frivolity. The holding of frivolousness is hereby withdrawn. Thus, the basis justifying the imposition of a sanction is solely that the final hearing brief was used as a pretext to raise new arguments not previously presented to the administrative patent judge.

Whether it is the version of 37 CFR § 1.48(b) which reads "When the application is involved in an interference . . . " or "If the application is involved in an interference . . .," our opinion on that rule remains the same -- that a Rule 1.634 motion is not required to accompany a petition under 37 CFR § 1.48(b) so long as the application is not involved in an interference at the time the petition is filed. It should be noted that Edwards' final hearing brief made no distinction between the words "when" and "if" and did not discuss any change in the wording of Rule 1.48(b) or the reasons for such change.

As for Edwards' response that only the Commissioner may waive the requirements of a rule, our opinion did not depend on the waiver of any rule. We indicated that Edwards is in no position to complain about the lack of a Rule 1.634 motion when Edwards' own attorney agreed to a remand of the LeVeen application for immediate entry of a formal decision on the

petition to change inventorship. In this circumstance, even if a Rule 1.634 motion is required, which is not under the facts of this case, the absence of such a motion is without consequence.

Notwithstanding the lack of showing of good cause not to impose a sanction in the form of compensatory attorney fees, we will not impose the sanction in this case against Edwards. Instead, we choose to use this opinion as notice to practitioners not to change the thrust of arguments previously made when review of an interlocutory order is sought at final hearing. We do this in the interest of providing an "abundance of fairness" to parties who somehow might not have appreciated the impropriety of changing arguments on review. See, e.g., Hockerson-Halberstadt v. Converse Inc., 183 F.3d 1369, 1374 (Fed. Cir. 1999).

FRED E. McKELVEY, Senior Administrative Patent Judge	)	
RICHARD E. SCHAFER Administrative Patent Judge	)	BOARD OF PATENT APPEALS AND INTERFERENCES
JAMESON LEE Administrative Patent Judge	)	