

The opinion in support of the decision being entered today was not written for publication in a law journal and is not binding precedent of the Board.

Paper No. 93

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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DAVID A. McGUIRE and ROGER PATERSON

Junior Party,<sup>1</sup>

v.

REINHOLD SCHMIEDING

Senior Party.<sup>2</sup>

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INTERFERENCE NO. 104,007<sup>3</sup>

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Before URYNOWICZ, PATE and MARTIN, Administrative Patent Judges.

URYNOWICZ, Administrative Patent Judge.

FINAL DECISION

The invention at issue in this interference relates to a medical drill guide. The particular subject matter in issue is illustrated by count 1 as follows:

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<sup>1</sup> Application No. 08/478,492, filed June 7, 1995. Accorded benefit of U.S. Application No. 07/839,466, filed February 19, 1992, now Patent No. 5,520,693, issued May 28, 1996.

<sup>2</sup> Application No. 07/836,720, filed February 19, 1992, now U.S. Patent No. 5,320,626, issued June 7, 1994. Assignors to Arthrex Inc., A Corporation of Delaware.

<sup>3</sup> Although of no consequence here, the order of the parties has been changed because there is no party with the earliest effective filing date as to the count and Schmieding has the earlier filing date. 37 CFR § 1.601(m).

Count 1

An endoscopic drill guide for locating a tunnel to be drilled through a femur for endosteal fixation of a ligament graft between the femur and a tibia, said drill guide comprising:

(a) a cannulated shaft, said cannulated shaft being cannulated along its entire length and having a centrally located longitudinal axis; and

(b) an offset hook located on a distal end of said cannulated shaft and offset from said longitudinal axis of said cannulated shaft for engaging a notch in a femur and for aligning said cannulated shaft at a predetermined offset location in said notch.

The claims of the parties which correspond to this count are:

McGuire et al. (McGuire) : Claims 41-54

Schmieding : Claims 1-16

U.S. Patent No. 5,320,626 ('626 patent) to Schmieding issued June 7, 1994. The senior party applicant, McGuire, provoked this interference by copying claims from the '626 patent. This proceeding was declared on October 29, 1997. Although Schmieding is listed as the junior party, both parties enjoy the same date of constructive reduction to practice, February 19, 1992.

Motions were filed by Schmieding during the period set for filing preliminary motions. On June 9, 1999, motions of Schmieding for judgment on the ground that (1) McGuire abandoned, suppressed or concealed the invention under 35 U.S.C. § 102(g) (Paper No. 8), and (2) that Schmieding be designated senior party, or that neither party be designated junior or senior party (Paper No. 10), were denied. A motion of Schmieding to redefine the interfering subject matter by designating Schmieding claims 11-16 as not corresponding to the count (Paper No. 9) was deferred to final hearing.

Both parties took testimony, filed briefs and appeared for the oral hearing under 37 CFR § 1.654.

Schmieding's Statement of the Issues

At pages 1 and 2 of its brief, Schmieding sets forth the following issues for decision by the Board:

1. Are corresponding claims 41-54 of McGuire and corresponding claims 1-5 and 8-16 of Schmieding unpatentable under 35 U.S.C. § 102(e) over U.S. Patent No. 5,320,115 ('115 patent ) to Kenna?
2. Are corresponding claims 41-54 of McGuire and corresponding claims 1-5, 8-11 and 13-16 of Schmieding unpatentable under 35 U.S.C. § 102(b) because the invention disclosed in the '115 patent was shown at a trade seminar in January 1991, more than one year prior to the parties' common effective filing date of February 19, 1992?
3. Are corresponding claims 41-54 of McGuire and corresponding claims 1-5, 8-11 and 13-16 of Schmieding unpatentable under 35 U.S.C. § 102(g) because the subject matter of the claims was invented by Robert V. Kenna prior to March 1991, the earliest date of invention on which evidence was submitted by either party to this interference?
4. Are corresponding claims 41-54 of McGuire and corresponding claims 1-5, 8-11 and 13-16 of Schmieding unpatentable as obvious under 35 U.S.C. § 103 on the grounds set forth above in items 1-3?
5. Is Schmieding entitled to an award of attorney fees and expenses as a sanction against McGuire for (1) maintaining this interference since September 1999 after being presented with evidence uncovered by Schmieding establishing that the subject matter at issue was publicly demonstrated and used at a trade seminar prior to the critical

date and is therefore unpatentable under 35 U.S.C. § 102(b); (2) failing to disclose to the U.S. Patent and Trademark Office (PTO) the evidence of unpatentability relating to the pre-critical date public use, which Schmieding had uncovered and presented to McGuire in September 1999; and/or (3) relying upon declarations in this interference which McGuire had expressly withdrawn, which are inadmissible under 37 CFR § 1.671(e), and which McGuire had stipulated would not be relied upon because Schmieding was denied an opportunity to cross-examine the declarants?

McGuire's Statement of the Issues

McGuire provides the following statement of the issues at pages 1 and 2 of its brief:

1. Between the parties to the interference, who has priority to the subject matter of the count?
2. Has Schmieding shown sufficient cause to raise the issue of patentability regarding the '115 patent after the deadlines set by the Administrative Patent Judge (APJ) and the rules?
3. Is McGuire entitled to expenses and attorney fees, (i) for Schmieding's failure to comply with 37 CFR § 1.636(a) and the Order of the APJ dated October 29, 1997 by failing to raise the issue of patentability based on the '115 patent during the preliminary motions period, causing McGuire to incur significant attorney fees and to lose potential additional royalties, (ii) for Schmieding's insistence on presenting a case on the issue of priority, while knowing that the subject matter of the count was not patentable to him, and/or (iii) for other frivolous positions taken by Schmieding?

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Schmieding's Motion to Redefine the Interference

under 37 CFR § 1.633(c)(4) (Paper No. 9, filed February 2, 1998)

This motion to redefine the interference by designating Schmieding claims 11-16 as not corresponding to the count is not included in the statement of the issues appearing at pages 1 and 2 of the Schmieding brief as required under 37 CFR § 1.656(b)(4), and the issue is not otherwise raised in the brief. Consequently, the motion is considered as abandoned by Schmieding and it is dismissed. Irikura v. Peterson, 18 USPQ2d 1362, 1365 n.6 (Bd. Pat. App. & Int. 1990); Chai v. Frame, 10 USPQ2d 1460, 1461 n.1 (Bd. Pat. App. & Int. 1989); Photis v. Lunkenheimer, 225 USPQ 948, 950 (Bd. Pat. App. & Int. 1984).

McGuire Motion to Redefine the Interfering Subject Matter

(Paper No. 51, filed August 4, 2000)

The subject matter of this motion, to add proposed counts 2 and 3, is not included as an issue in McGuire's statement of the issues at pages 1 and 2 of its brief as required under 37 CFR § 1.656(b)(4) and the issue is not otherwise raised in the brief. Consequently, the motion is considered as abandoned by McGuire, and it is dismissed. Irikura v. Peterson, 18 USPQ2d at 1365 n.6; Chai v. Frame, 10 USPQ2d at 1461 n.1; Photis v. Lunkenheimer, 225 USPQ at 950.

Furthermore, the motion is contingent upon the granting of the motion of Schmieding under 37 CFR § 1.635 (Paper No. 44) for consideration of its belated motion for judgment under 37 CFR § 1.633(a). Whereas the Rule 635 motion is denied, below, McGuire's motion to redefine the interfering subject matter is also dismissed because the contingency upon which it is based has not occurred.

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Concession of Schmieding at the Oral Hearing under 37 CFR § 1.654

At the oral hearing held on May 16, 2002, and subsequent to the filing of briefs, counsel for Schmieding admitted that its corresponding claims are unpatentable to it and that the party McGuire is the prior inventor. Such admissions are binding. IV Rivise and Caesar, Interference Law and Practice § 715 (Michie Co. 1948). Accordingly, we hold that Schmieding's corresponding claims are unpatentable to it, and that the party McGuire is the prior inventor.

Schmieding's Rule 635 Motion for Consideration of Belated Motion

Under Rule 633(a) (Paper Nos. 44 and 45, respectively, filed July 12, 2000)

In Paper No. 44, the party Schmieding moves for consideration of an accompanying belated motion under Rule 633(a) for judgment against McGuire as to all of its involved claims (Paper No. 45) on the grounds that such claims are unpatentable over the '115 patent to Kenna.

During ex parte prosecution of its involved application, McGuire filed Rule 131 declarations to overcome a rejection over the '115 patent. Schmieding asserts to the effect that it had every reason to believe that McGuire would introduce the declarations into evidence during the testimony phase of this interference, such that Schmieding had no reason to file a motion for judgment under Rule 633(a) on the ground that all of McGuire's claims are unpatentable to it over the '115 patent during the period for filing preliminary motions.

Schmieding's motion under Rule 635 is denied to the extent that it fails to show good cause why the Rule 633(a) motion charging unpatentability of McGuire's involved claims over the '115 patent was not timely filed. 37 CFR § 1.645(b). Absent a motion filed during the preliminary motions period by Schmieding under Rule 633(a) for judgment on the grounds that

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McGuire's claims are unpatentable to McGuire over the '115 patent, there was no reason for McGuire to introduce its Rule 131 declarations into evidence in this proceeding. Without such a motion from Schmieding, an issue of patentability of McGuire's claims over the patent would not have been extant in this proceeding, and McGuire would have had no reason to introduce Rule 131 affidavits into evidence.

In accord with our decision denying the motion under Rule 635, Schmieding's motion for judgment under Rule 633(a) (Paper No. 45), to the extent it is based on the '115 patent, is dismissed as belatedly filed. 37 CFR § 1.645(b). Furthermore, we decline to exercise our discretion under 37 CFR § 1.655(c) and will not consider the issue.

Patentability of McGuire's Claims under 35 U.S.C. §§ 102(b) and 102(g)

In its brief, Schmieding argues that McGuire's claims are unpatentable to McGuire (1) under 35 U.S.C. § 102(b) because the Kenna femoral aimer instrument of the '115 patent was publicly demonstrated at a trade show by Dr. Douglas Jackson more than one year prior to McGuire's date of application for a patent in the United States, and (2) under 35 U.S.C. § 102(g) because the invention was invented in September 1988 by Robert V. Kenna.

These arguments were first made by Schmieding in its belated motion for judgment under 37 CFR § 1.633(a) filed July 12, 2000 (Paper No. 45). However, Schmieding's motion under 37 CFR § 1.635 for consideration of the belated motion for judgment, in effect, only attempts to show good cause why the paper was not timely filed with respect to the argument that McGuire's involved claims are unpatentable over the '115 patent to Kenna. Otherwise, the Rule 635 motion only states in footnote 3, page 3, that "Schmieding has discovered that: (1) the invention

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described in the Kenna patent was made in the U.S. prior to the date of invention of McGuire et al., thus rendering the claimed subject matter unpatentable under 35 U.S.C. §§ 102(a) and 102(g); and (2) the invention described in the Kenna patent was publicly shown at a trade show and published in the U.S. more than one year prior to the February 19, 1992 filing date of the McGuire application, thus rendering the claimed subject matter unpatentable under 35 U.S.C. § 102(b).” This statement is manifestly inadequate to excuse the belatedness of the Rule 635 motion with respect to the above two issues of unpatentability. It does not establish that Schmieding made the discovery after the preliminary motions period. Furthermore, even if it did, it is well settled that a late motion will not be excused merely because the basis for the motion was not discovered until it was too late to file the motion on time. Wilcox v. Newton, 1905 Dec. Comm’r Pats. 197 (Comm’r Pats. 1905), Pflingst v. Anderson, 1905 Dec. Commr Pats. 240 (Comm’r Pats. 1905), Tamura v. Theissen, 205 USPQ 551, 554 (Comm’r Pats. 1979), and 2 Rivise & Caesar, Interference Law & Practice § 267, at 1080-81 (Michie Co. 1943).<sup>4</sup> Accordingly, we will not consider the patentability of McGuire’s claims under 35 U.S.C. §§ 102(a) and (g), and § 102(b).

We decline to exercise our discretion under 37 CFR § 1.655(c) and will not consider the issues.

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<sup>4</sup> Schmieding’s belated motion is in effect three separate motions for judgment based on different grounds of unpatentability.

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McGuire Motion to Suppress Exhibits and Testimony

(Paper No. 80, filed December 13, 2000)

According to McGuire, the exhibits and testimony complained of are directed to the issue of patentability of its claims over the '115 patent. Whereas we will not consider that issue for the reason given above, McGuire's motion to suppress is dismissed as moot.

Schmieding's Motion to Suppress Evidence

(Paper No. 76, filed November 13, 2000)

In its opposition to this motion (Paper No. 81, filed December 13, 2000), the party McGuire asserts that it intends to rely on the subject evidence solely to oppose the belated preliminary motion for judgment that Schmieding filed after the close of testimony (Paper No. 45). This motion of Schmieding to suppress evidence is dismissed as moot because the belated preliminary motion stands dismissed, above.

Schmieding's Motion for Sanctions

(Item IV, Paper No. 63, filed August 21, 2000)

Schmieding argues to the effect that the continued proceedings in this interference on the issue of priority have been unnecessary and wasteful since it has been long known that neither party is entitled to a patent on the claims corresponding to the count. Schmieding's position is based on the issues raised by it of unpatentability of McGuire's involved claims under 35 U.S.C. §§ 102 (b), 102(e) and 102(g). Schmieding submits that an award under 37 CFR § 1.616 of compensatory attorney fees and expenses incurred by Schmieding since September 1999 is appropriate.

Schmieding's motion is dismissed. The motion is in effect a miscellaneous motion under 37 CFR § 1.635 but contains no certificate of consultation with the opponent as required by 37 CFR § 1.637(b). M. v. V., 6 USPQ2d 1039, 1040 (Bd. Pat. App. & Int. 1987). The motion is also dismissed because it includes no documentation establishing the dollar amount of the attorney fees and expenses incurred by Schmieding as a result of the opponent's continued prosecution of the case in spite of its alleged knowledge that the subject matter of its involved claims is unpatentable to it. Proof of any material fact alleged in a motion must be filed and served with the motion. 37 CFR § 1.639(a). Still further, the motion is dismissed because it appears that Schmieding could have timely raised at least the issue of patentability of McGuire's claims over the '115 patent during the preliminary motions period but did not. Schmieding is simply not in a position to complain of his opponent's alleged failure to have this proceeding terminated earlier where a timely filed motion for judgment by Schmieding could have been dispositive of this proceeding at an earlier stage.

Even if the motion were not dismissed, it would have been denied on its merits. Whereas none of the grounds of unpatentability under 35 U.S.C. § 102 has been found timely raised by Schmieding and considered by the Board on the merits, the charge of Schmieding to the effect that McGuire has caused Schmieding to incur unnecessary attorney fees and expenses is unsubstantiated.

McGuire's Motion for Sanctions

(Paper No. 50, filed August 4, 2000)

McGuire requests an award of compensatory expenses and/or compensatory attorney fees from October 29, 1997, the date on which this proceeding was declared, to the date on which its

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motion for sanctions was filed. The argument is made that Schmieding has wasted the time of the parties and of the Board in not filing its preliminary motion for judgment based on the '115 patent to Kenna during the preliminary motion period.

The motion is dismissed because it includes no documentation establishing the dollar amount of the attorney fees and expenses incurred by McGuire as a result of the opponent's failure to file its preliminary motion for judgment based on the '115 patent during the preliminary motion period. Proof of any material fact alleged in a motion must be filed and served with the motion. 37 CFR § 1.639(a).

Even if the motion were not dismissed, it would have been denied on the merits. A reason submitted by Schmieding for not having timely filed its motion for judgment during the preliminary motions period is that it believed McGuire would rely upon Rule 131 declarations filed during ex parte prosecution of its involved application to overcome any finding of unpatentability of its involved claims over the '115 patent. Although we have found that this explanation does not rise to the level of a showing of good cause why the paper was not timely filed under 37 CFR § 1.645(b), the showing is not frivolous or unreasonable so as to justify the imposition of sanctions.

In view of the fact that the party McGuire is the acknowledged prior inventor and that all challenges to the patentability of its corresponding claims have been dismissed as untimely, McGuire is entitled to prevail.

Judgment

Judgment as to the subject matter of the count in issue is awarded to David A. McGuire and Roger Paterson, the junior party. In view of our findings, the applicant McGuire et al. is entitled to a patent with its claims 41-54; the patentee Schmieding is not entitled to its patent with claims 1-16.

STANLEY M. URYNOWICZ, JR.	)	
Administrative Patent Judge	)	
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WILLIAM F. PATE, III	)	BOARD OF PATENT
Administrative Patent Judge	)	APPEALS AND
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