

Perils of Reissue - Recapture Doctrine Has Teeth!

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Article By

[Constance Gall Rhebergen](#)

Jeffrey S. Whittle

[Bracewell LLP](#)

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Patent owners beware! Over the past year, the Federal Circuit has issued two major rulings¹ which stand as a warning to patent owners that when requesting reissue of an arguably defective patent, if you attempt to broaden aspects of the claims relating to subject matter surrendered during prosecution of the defective patent,² courts (and now likely the **U.S. Patent Office** as well) will extensively examine the "entire" prosecution history of the defective patent and its family to determine if you are attempting to recapture the surrendered subject matter.³ This means that the review will not only include the prosecution history of the "defective" patent undergoing reissue, but also the prosecution history of any and all "ancestor patent applications."⁴ The warning is out. Improper recapture of surrendered subject matter will not be tolerated.

The unfortunate result of the Federal Circuit's zealous desire to prevent improper recapture, however, is that: pursuit of claims of a broader or mixed scope through the reissue process can be tantamount to walking through a mine field that grows with the number of patent applications added to the patent's family. If patent owners and portfolio managers desire to enlarge the scope of the claims of an issued patent,⁵ the reissue application must be applied for within two years from the grant date of the issued patent. Due to these broaden reissue difficulties, it may be prudent to make a determination of whether broader claims are desired much earlier in an application process and prior to patent grant/issuance to avoid the broaden reissue route.

One of the better available routes or strategies, for example, appears to be to pursue such broadened or mixed-scope claims through use of one or more continuation or divisional applications at some point prior to issuance/grant of the patent, e.g., after issuance of a notice of allowance. This continuation or divisional strategy can help patent owners avoid the reissue process, which under certain circumstances, arguably now seems to be best reserved for neutral or narrowing claim amendments⁶ such as: to account for newly discovered prior art, changes in the legal landscape⁷ or other impetus which may cause there to be a question as to the validity of the patented claims, to correct an error in the patent disclosure,⁸ to correct a foreign or domestic priority claim, or to add an additional non-surrendered species, thereby leaving broaden reissue reserved only as a procedure of last resort.

Rule Against Recapture

Section 251 of Title 35 of the U.S. Code allows patent owners to "enlarge the scope of the claims of the original patent" if "through error without any deceptive intention...the patentee claim[ed]...less than he had a right to claim in the [original] patent." Deliberate withdrawal or amendment of claims or specific arguments limiting the scope of terms used in a claim to obtain a patent, however, are not considered to involve the type of "error" contemplated by Section 251.⁹ As such, in accordance with the statute, the patentee may not utilize the reissue process to broaden the claims of a patent to recapture subject matter surrendered¹⁰ through deliberate amendments or through specific arguments made during prosecution to overcome prior art.

Two recent court rulings out of the Federal Circuit, **In re Mostafazadeh**¹¹ and **MBO Laboratories Inc.**¹² further highlight and explain this requirement.

***In re Mostafazadeh* ("Mostafazadeh")**

In April 1998, inventors Mostafazadeh and Smith filed a patent application directed to semiconductor packaging, which issued as a patent in March 2000. During prosecution, the inventors amended the independent claims to add a claim element describing a "circular attachment pad" and argued that "circular" attachment pads were novel—no assertions were made that non-circular attachment pads were novel.¹³ The application was allowed as a result of the amendment and the patent issued as U.S. Patent No. 6,034,423 ("the '423 patent"). The inventors did not file a continuation application in order to pursue claims of a broader or different scope prior to the patent issuing.

In December 2001, the inventors filed a reissue application, deleting the "circular" shape requirement and declaring that the original claims of the '423 patent were partially inoperative because the "circular" shape feature of the attachment pad limitation was unduly limiting. The examiner rejected the reissue claims as violating the recapture doctrine, noting that the circular attachment pad limitation was argued during prosecution of the '423 patent "to be both critical to the invention and distinguishing over the prior art." The inventors appealed to the Board of Patent

Appeals and Interferences ("Board"), which affirmed the examiner's rejection. Having been rebuffed by the Board, the inventors appealed to the Federal Circuit, asserting, in essence, that the reissue claims were materially narrower than the pre-amended version of the patent claims because they retained the "attachment pad" limitation.¹⁴

The Federal Circuit, however, disagreed, finding that the inventors failed to demonstrate material narrowing because use of a non-circular attachment pad was "well known in the prior art."¹⁵ The court also found that additional narrowing features unrelated to the surrendered subject matter were insufficient to avoid recapture.¹⁶ In other words, to avoid the effects of the recapture doctrine, the reissue claims must retain at least material portions of the surrendered subject matter, and the remaining portions must serve the purpose of the addition of the original surrendered subject matter - *i.e.*, to differentiate the reissue claims from the prior art. Even substantial material narrowing to other elements of the reissue claims will not allow patent owners to avoid this requirement.

MBO Laboratories Inc. ("MBO")

Beginning in November 1990, MBO's inventors submitted a series of patent applications covering a hypodermic safety syringe designed to minimize needle-stick injuries through the use of a needle positioned within a guard sleeve. These patent applications included a continuation-in-part application ("the '013 application") which issued as U.S. Patent No. 5,395,347 ("the '347 patent"), and a continuation application ("the '772 application") claiming priority to the '013 application filed one day prior to issuance of the '347 patent. After receiving a notice of allowance for the '772 application, MBO subsequently abandoned it and filed a new continuation application ("the '803 application") with additional claims, which issued as U.S. Patent No. 5,755,699 ("the '699 patent") without objection. MBO did not file a continuation application in order to pursue claims of a broader or different scope prior to the patent issuing, and no other applications in the application chain or family were pending.¹⁷

Slightly more than one year after issuance of the '699 patent, MBO requested a broadening reissue of the '699 patent, apparently fearing that the claims could be interpreted to cover only a retractable needle that retracts into a fixed guard, and not the arguably equivalent feature of a fixed needle and slidable guard. Surprisingly, in spite of the fact that during prosecution of the '772 application, MBO distinguished its invention from cited prior art, in essence, by arguing that MBO's invention included the retractable needle limitation, the USPTO allowed the reissue without objection, which resulted in U.S. Patent No. RE 36,885 ("the RE '885 patent").¹⁸

In 2003, MBO filed suit against Becton, Dickinson & Co. ("Becton") asserting infringement of various claims of the RE '885 patent, which included three original claims copied without amendment from the '699 patent and four claims added during the reissue process. During the course of the litigation, Becton challenged the four reissue claims as being invalid under the recapture rule—arguing that the reissue claims recaptured subject matter surrendered during patent prosecution. The

District Court agreed, holding that the four added claims were invalid. The District Court, however, also held that all claims including the original claims were invalid.¹⁹ MBO in an appeal to the Federal Circuit requested clarification.²⁰

In discussing whether the patentee surrendered any subject matter, which necessarily requires a review of prosecution history, the Federal Circuit clarified that the determination of the existence of surrender of a claim's scope, includes surrendered subject matter made not only while prosecuting the original application directly resulting in the original patent (i.e., the '699 patent), but also subject matter surrendered in any precedent divisional, continuation, or continuation-in-part application (here both the '722 and '013 applications).²¹ The original claims, however, remain unaffected by the recapture rule.²²

Moral of This Story

As shown by these recent Federal Circuit cases, violation of the recapture rule results in invalidity of the offending reissue claims, but does *not* result in invalidity of claims that are not subject to the rule (i.e., original and non-violating amended claims). Depending upon the outcome of a review of the file history of the patent application that would result in the original patent (if still pending), any pending child, ancestor, or sister applications, and issued patents, as well as a determination of whether or not either of the pending ancestor or sister patent applications have a written description that would adequately support claims having the desired scope,²³ there often is a likelihood that a broaden reissue would not provide the ability to achieve the same claim scope as could be achieved through the filing of one or more continuation or divisional applications or by amending the claims of the respective pending application. As such, one can surmise that had there been a child, ancestor, or sister patent application pending at the time the respective patent owners in these cases determined that their respective issued patents had insufficient claim scope, the claims of any such pending patent application could have been amended; or additional claims could have been added, or an additional continuation or divisional application claiming priority to the respective patent application strategically could have been filed, to provide broader scope of coverage. Accordingly, these recent Federal Circuit cases highlight the perils of the reissue process, show that the Recapture Doctrine still has teeth, emphasize the importance and benefits of strategic use of continuation or divisional applications and other actions by applicants prior to patent grant/issuance, and of course, warn of the potential hazards lurking in patent prosecution file histories.

¹ *In re Mostafazadeh*, __F.3d__, 98 USPQ2d 1639 (Fed. Cir. 2011); and *MBO Laboratories Inc. v. Becton, Dickinson & Co.*, 602 F.3d 1306, 94 USPQ2d 1598 (Fed. Cir. 2010).

² Under 35 U.S.C. § 251, patent owners may seek reissue of a defective patent through filing of a reissue application to correct an error in the patent. The error must be made without any deceptive intention and must be to an extent that, as a result of the error, the patent is deemed wholly or partly inoperative or invalid.

³ *MBO Laboratories Inc.*, 94 USPQ2d at 1606.

⁴ *Id.*

⁵ 35 U.S.C. § 251 explicitly limits the submission of claims having an enlarged scope to the two years from the grant of the original patent, reissue applications that do not enlarge the scope of the claims may be submitted until patent expiration. *In re Morgan*, 990 F.2d 1230, 26 USPQ2d 1392, 1393 (Fed. Cir. 1992).

⁶ In *In re Tanaka*, __F.3d__, 98 USPQ.2d 1331 (Fed. Cir. 2011), the majority of a three-judge panel ruled that, as a hedge against possible claim invalidity, patent holders may file reissue applications having only narrower dependent claims without having to amend any of the original patented claims.

⁷ See, e.g., *In re Wadlinger, Kerr, and Rosinski*, 181 USPQ 826 (C.C.P.A. 1974); *Rohm & Haas Co. v. Roberts Chemicals, Inc.*, 245 F.2d 693, 113 USPQ 423 (4th Cir. 1957); *Moist Cold Refrigerator Co., Inc. v. Lou Johnson Co., Inc., et al.*, 217 F.2d 39, 103 USPQ 410 (9th Cir. 1954).

⁸ Examples include amendments to disclose "functions, properties, theories or advantages inherent in what was originally disclosed" (*In re Hay*, 189 USPQ 790 (C.C.P.A. 1976)) and to correct errors in translation from a foreign language (*In re Oda, Fujii, Moriga, and Higaki*, 170 USPQ 268 (C.C.P.A. 1971)).

⁹ *Haliczer v. United States*, 356 F.2d 541, 545, 148 USPQ 565, 569 (Ct. Cl. 1966) ("[D]eliberate withdrawal or amendment of claims in order to obtain the original patent cannot be said to involve the inadvertence or mistake contemplated by 35 U.S.C. § 251, and is not an error of the kind which will justify the granting of a reissue patent which includes the matter withdrawn.").

¹⁰ Surrender can occur, for example, when the patentee during prosecution narrows the claims in order to distinguish the patentee's claimed invention from prior art.

¹¹ *In re Mostafazadeh*, __F.3d__, 98 USPQ2d 1639 (Fed. Cir. 2011).

¹² *MBO Laboratories Inc. v. Becton, Dickinson & Co.*, 602 F.3d 1306, 94 USPQ2d 1598 (Fed. Cir. 2010).

¹³ *In re Mostafazadeh*, 98 USPQ2d at 1641.

¹⁴ *Id.* (discussing the prosecution history of the '423 patent).

¹⁵ *Id.* at 1644.

¹⁶ *Id.* (stating "narrowing limitations...unrelated to the surrendered subject matter... [are] insufficient...").

¹⁷ See file histories of the '013, '772, and '803 applications for additional prosecution-related information.

¹⁸ *MBO Laboratories Inc.*, 94 USPQ2d at 1601.

¹⁹ *Id.* at 1602.

²⁰ *Id.*

²¹ *Id.* at 1606. As justification for such a broad definition of what constitutes a surrender, the court pointed out that if such were not the case, "a patentee could deliberately surrender subject matter during prosecution of an earlier patent, obtain a continuation patent without mentioning the surrendered subject matter, and then seek a reissue patent based on the continuation so as to recapture the subject matter...facilitat[ing] 'immense frauds against the public.'" In other words, the court's rationale was that the reissue process should not be available to help a patentee clean the prosecution history slate.

²² *Id.*

²³ In order to achieve a valid patent having claims with the desired claim scope by either amending the claims of an ancestor or sister patent application or filing a continuation or divisional application claiming priority to the respective ancestor or sister patent application, the respective patent application must contain a written description that supports the claims having the desired scope. 35 U.S.C. §112, first paragraph; 35 U.S.C. §120; and *Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555, 1560, 19 USPQ2d 1111, 1114 (Fed. Cir. 1991).

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