

# Training Module: How to Read and Understand Case Law



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# Purpose of Training

- Provide a basic understanding of case law
  - What is case law?
  - What are the components of a court decision?
  - What is precedent?
  - How to cite cases?



# Purpose of Training (cont.)

- Enable examiners to better understand what case law is, how to find it, and how to respond to it in Office Actions when raised by Applicants
- Maintain and strengthen the quality of examinations
- Decrease application pendency



# Structure of Training

- Lecture by SO Attorney (2 hours)
  - 65 slides
  - 2 appendices
    - Instructions for finding case law using MPEP and BNA USPQ database
    - Dictionary of common legal terms



# Structure of Training (cont.)

- 4 laboratory exercises taught by SPEs (2 hours)
  - Variety of technologies
  - 35 U.S.C. § 101
  - 35 U.S.C. § 102
  - 35 U.S.C. § 103
  - 35 U.S.C. § 112



# Design of Content of Module

- Team of SO attorneys and SPEs
- Piloted before Patent Academy Curriculum Committee



# Recipients of Training

- New hires in Patent Academy New Examiner Program
  - Training to occur in Patent Academy at approximately week 26 of 32 week training program
  - First class on November 18, 2008
- TC 1600 examiners
  - December 2008



# Patent Academy New Examiner Program

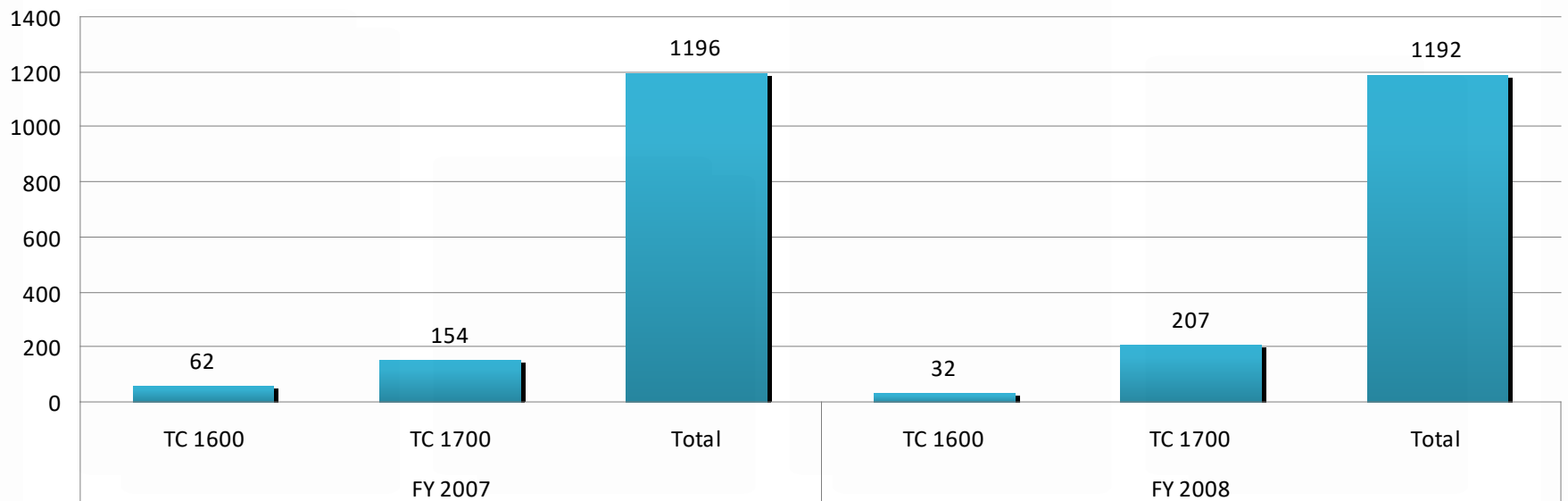
- Started in January 2006
- 2156 examiners completed training
- 857 currently enrolled





# Profile of New Hires

## New Examiner Hires





# Justification for Training

- 448,003 applications examined
- 332,617 new utility application filed
- 25.6 months average first action pendency
- 32.2 months average total pendency
- 1,765 new applications for Accelerate Examination (186 days to final action or allowance)

NOTE: All data for FY 2008



# Contents of Module

# What is Case Law?

# Case Law

- Decisions made by the courts, i.e., judge-made law
- 2 functions:
  - Interpret Constitution, statutes, and regulations—“put meat on the bones of the law”
  - Apply Constitution, statutes, and regulations to particular facts

# How Does Case Law Apply to Examiners?

- Case law is often cited by applicants to argue against a rejection. When that happens, examiners need to understand the cited case law and either:
  - explain why it does not overcome the rejection; or
  - recognize that the rejection is not correct and withdraw it.
- Case law can be relied upon to support a rejection, see e.g., MPEP § 2144.04
  - Ensure a clear and concise rejection
  - Increase chance for affirmance at Board
  - Quicker disposal of case
- Case law may not be necessary to use in all circumstances, i.e., it is not a per se rule that case law is needed to support every rejection.

# Options for How Case Law Can Help Support a Rejection

- Clarify the correct legal standard
- Compare or contrast facts in case law with those in an application and then apply result and reasoning from case law to application
- Case law does not apply to the rejection

# MPEP and Case Law

- MPEP contains case law that is consistent with Office policy.
- MPEP is the best source of case law for examiners and should always be consulted first.
- But, the MPEP is just a summary; it may be necessary to go beyond the MPEP and read the actual case to fully understand it.



# Structure of a Decision

# Why Is the Structure of a Decision Relevant to Examiners?

- Helps examiners navigate a decision to more quickly and easily identify examination tips

# The Dirty Little Secret

- It may not be necessary to read the entire case to decide whether it is relevant.
- Go to specifically the cited text and read it in context first
- If relevant, then read the other parts of the case that are pertinent to examination. *See* slide 23.

# Structure of a Decision (cont.)

(Parts Relevant to Examiners)

- Introduction
- Facts
- Procedural History
- Discussion of Issues
  - Issue #1
    - Law
    - Application of law to facts, etc.
  - Issue #2
    - Law
    - Application of law to facts, etc.

# Structure of a Decision (cont.)

(Parts Not Relevant to Examiners)

## ■ Jurisdictional Statement

- One sentence statement explaining the basis for the court's authority to decide the case

## ■ Standard of Review

- Test used by court in deciding whether to interfere with a decision of Board/lower court

## ■ Conclusion

- Statement addressing relief sought by plaintiff/appellant (e.g., affirm, reverse, affirm-in-part and reverse-in-part, or remand)

# Introduction

- One sentence summary of who is seeking review and on what issue
- One sentence summary of outcome with short reason

# Facts

- Technology in dispute
- Claims
- Prosecution history — pertinent parts
- Prior art

# Procedural History

- Description of action in lower tribunal
- Decision of lower tribunal
- Reasoning of lower tribunal
  - Be careful not to confuse reasoning of lower tribunal with that of Court issuing the decision



# Discussion

- Issue
  - Sometimes, court will present the parties' arguments before identifying the legal issue.
  - Be careful not to confuse parties' arguments with the Court's decision and reasoning
- Relevant law
- Application of law to facts with decision on issue and explanation of reasons for decision
- **Relevant legal principles, analysis, and phraseology will be found here**

# Holding

- Court's ultimate legal conclusion on an issue
- Under *this* law, with *these* facts, *this* result
- “We hold”
- Use extreme caution in classifying a statement by a court as a holding
- Courts use the “hold” sparingly; do the same
- MPEP usually captures holding for most cases

# Rationale

(a.k.a., reasoning)

- Reasons for the ultimate conclusion
- No magic words
- E.g., “We conclude,” “We determine,” “We think”

# Dicta—It's Dangerous

- Dictum (singular): Dicta (plural)
- Statement or observation made by a judge that does not form a necessary part of the court's decision, but is included in the body of the court's opinion
- Court said it, but not needed to reach decision
- Attorneys may cite dicta in arguing against a rejection
- **Dicta IS NOT A HOLDING**

# Sources of Confusion

- Syllabus — summary of decision

- Don't cite or quote because not authored by the Court

- Prepared by publisher

(Slip Opinion) OCTOBER TERM, 2005 1

Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

**SUPREME COURT OF THE UNITED STATES**

Syllabus

EBAY INC. ET AL. *v.* MERCEXCHANGE, L. L. C.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

*401 F. 3d 1323, 1339. Argued March 20, 2008. Decided May 10, 2008.*

Petitioners operate popular Internet Web sites that allow private sellers to list goods they wish to sell. Respondent sought to license its business method patent to petitioners, but no agreement was reached. In respondent's subsequent patent infringement suit, a jury found that its patent was valid, that petitioners had infringed the patent, and that damages were appropriate. However, the District Court denied respondent's motion for permanent injunctive relief. In reversing, the Federal Circuit applied its "general rule that courts will issue permanent injunctions against patent infringement absent exceptional circumstances." 401 F. 3d 1323, 1339.

*Held:* The traditional four-factor test applied by courts of equity when considering whether to award permanent injunctive relief to a prevailing plaintiff applies to disputes arising under the Patent Act. That test requires a plaintiff to demonstrate: (1) that it has suffered an irreparable injury; (2) that remedies available at law are inadequate to compensate for that injury; (3) that considering the balance of hardships between the plaintiff and defendant, a remedy in equity is warranted; and (4) that the public interest would not be disserved by a permanent injunction. The decision to grant or deny such relief is an act of equitable discretion by the district court, reviewable on appeal for abuse of discretion. These principles apply with equal force to Patent Act disputes. "[A] major departure from the long tradition of equity practice should not be lightly implied." *Weinberger v. Romero-Barcelo*, 456 U. S. 305, 320. Nothing in the Act indicates such a departure. Pp. 2–6.

401 F. 3d 1323, vacated and remanded.

THOMAS, J., delivered the opinion for a unanimous Court. ROBERTS,

# Sources of Confusion (cont.)

- Headnotes — summary of decision

- Don't cite or quote because not authored by Court

- Prepared by publisher

Results for: CASECITE(73 uspq 2d 1141)

USPO, 2d Series (1986 - Present) > U.S. Court of Appeals, Federal Circuit > In re Fulton, 73 USPQ2d 1141 (Fed. Cir. 2004)

73 USPQ2d 1141

In re Fulton

U.S. Court of Appeals  
Federal Circuit

No. 04-1267

Decided December 2, 2004

391 F3d 1195

## Headnotes

### PATENTS

[\[1\] Patentability/Validity – Obviousness – Combining references](#) ▶ [115.0905](#)

Finding of motivation to combine prior art references need not be supported by showing that claimed combination is preferred over other alternatives, since proper inquiry is whether there is something in prior art as whole to suggest desirability, and thus obviousness, of making combination, not whether there is something in prior art as whole to suggest that combination is preferred or most desirable.

[\[2\] Patentability/Validity – Obviousness – Combining references](#) ▶ [115.0905](#)

Prior art does not "teach away" from combination of references claimed in application for shoe sole with increased traction, even though prior art disclosed more than one alternative to each element of claimed invention, since such disclosure does not criticize, discredit, or otherwise discourage solution claimed in application.

[\[3\] Patentability/Validity – Obviousness – Combining references](#) ▶ [115.0905](#)

Substantial evidence supports finding by Board of Patent Appeals and Interferences that invention claimed in patent application for shoe sole with increased traction is rendered obvious by combination of prior art references, despite applicants' argument that prior

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art does not teach importance of aligning cylindrical polygonal studs in "facing" orientation on sole of shoe, in which there is predetermined, usual, or ordinary direction of travel, since references need not be combined for reasons contemplated by inventor in order to render claimed invention obvious, and since board's finding is sufficiently broad to encompass applicants' idea of using "facing" orientation for studs where predominant direction of travel is forward, and therefore recognizes importance of providing "bite" in forward direction.

# Remember the Dirty Little Secret

- It may not be necessary to read the entire opinion to decide whether a case is relevant
- Go to specifically cited text and read it in context first
- If relevant, then read the parts of the case pertinent to examiners

# Precedent



# Opinion Type

- Majority
  - Forms the opinion for the court
  - Presents the holding and rationale for the court
  
- Concurrence
  - Agrees with ultimate outcome, but for different reasons
  - Written by one or more judges
  - Judge in the majority may also be in concurrence
  
- Dissent
  - Disagrees with ultimate outcome
  - Written by one or more judges
  - Dissenting judge is not part of majority
  
- Plurality
  - No majority; fractured opinion with multiple judges going different ways for different reasons
  - Happens with appellate court sitting en banc or Supreme Court

# Importance of Opinion Type

- Decision of the court is found in the majority opinion
- Any statements in the concurrence or dissent are for a single judge only; such statements are not the opinion of the court and are not binding on the court
  - If concurrence or dissent is cited, the authoring judge should be mentioned to indicate that the cited statement is from that judge and does not represent the view of the court

# Binding v. Non-Binding Decisions

## ■ Binding

- Precedential (Court and BPAI)
  - Decision will add to body of law
  - All lower tribunals must follow

## ■ Not Binding

- Non-precedential (Court and BPAI)
  - Decision will not add to body of law
  - Binds only the parties
- Informative (BPAI only)
  - Helps clarify the law
  - Binds only the parties
- Other (BPAI only)
  - Binds only the parties

# What Decisions Are Binding on Examiners?

- Technically, all binding decisions issued by the BPAI and courts
- However, examiners are to follow the cases cited in the MPEP or those endorsed by Patent Policy
- If a decision is new or not discussed in the MPEP, consult SPE before citing
  - Why? The Office has to interpret a decision before applying it to examination, e.g., *KSR v. Teleflex*

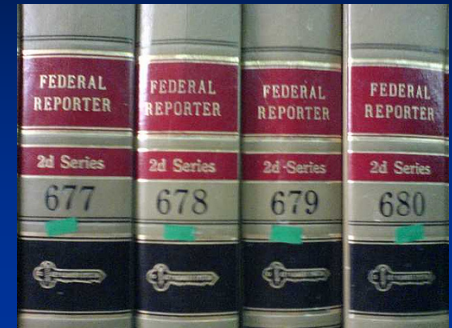
# Case Citations

# Why Are Case Citations Important to Examiners?

- Gives the address for how to find a case
- Identifies the specific pages in the case where relevant facts/holding/rationale is found
- Akin to citation format for scientific journal articles

# Where to Find a Case?

- Opinions are published in two places:
  - Books called “reporters”
  - Electronic databases (e.g., BNA publishes USPQ)
  
- USPQ electronic database
  - Used by USPTO
  - Searchable



# What Citation Convention Do Tribunals Use?

- MPEP normally uses parallel citation to reporter book and USPQ.
- BPAI decisions normally use USPQ citation.
- Court decisions use only reporter book citation.



# How Applicants Will Cite Cases to Examiners?

- Probably using reporter book citation and maybe USPQ citation.
- If applicant gives only the reporter book citation, an examiner can use the case name to find the case. An examiner does not have to have a USPQ citation to find the case.
- If applicant gives a list of cases for a proposition, review the cases beginning with the first one cited. It usually is the most relevant.

# How Examiners Should Cite Cases to Applicants?

- Use USPQ citation
- If reporter book citation is available, consider giving it too. Reporter book citation form may or may not appear in MPEP.
- Examiners likely will not have access to reporter books.
- Once an examiner provides the citation for a case, the examiner need not repeat the cite each time the case is mentioned. Instead, the examiner should give the case name and a page number for where the cited material can be found to enable the applicant to quickly find the material.
  - Analogous to short cites for journal article or patent.



# Laboratory Exercises

# Protocol (cont.)

- When case law is cited by Applicant, how should an Examiner address it?
- MPEP is always the starting point.
- 2 Step process:
  - (1) MPEP;
  - (2) Case itself, if necessary, using USPQ database

# Protocol (cont.)

- Sample strategies:

- Step 1: MPEP

- Find specific case in MPEP using MPEP Insight (narrow approach)
    - Do a “concept search” to find topic for which case is cited using MPEP Insight; should lead to specific case along with others (broad approach)

- Step 2: Retrieve and read case, if necessary, using USPQ database

# Exercise #3

## (Claim & Specification)

- Claim 1: A method of treating a bacterial infection comprising administering to a patient antibiotic X.
- Specification teaches antibiotic X is useful to treat a wide variety of infections, but not methicillin-resistant *S. aureus* infection.

# Exercise #3

(Rejection)

- Rejection under 35 U.S.C. § 102 over prior art reference that teaches treating a *S. pyogenes* infection with antibiotic X

# Exercise #3

## (Applicant Response)

- Amend claim, adding a negative limitation to exclude *S. pyogenes* infection
  - Amended Claim 1: A method of treating a bacterial infection comprising administering to a patient antibiotic X, **wherein the infection is not caused by *S. pyogenes***
- Add claim with a negative limitation to exclude *S. aureus* infection
  - Added Claim 2: A method of treating a bacterial infection comprising administering to a patient antibiotic X, **wherein the infection is not caused by a methicillin resistant *S. aureus*.**



# Exercise #3

(Final Rejection)

- Rejection of claim 1 under 35 U.S.C. § 112, ¶ 1 on grounds that the original application provided no support for excluding the treatment of a *S. pyogenes* infection
- No rejection of claim 2 because the specification expressly teaches that antibiotic X may not treat methicillin-resistant *S. aureus* infection

# Exercise #3

## (Applicant Response)

- Written description rejection is proper only when specification contains no support for negative limitation. *In re Johnson*, 194 USPQ 187, 196 (CCPA 1977).
- Negative limitation here is inherently supported by specification's teaching that antibiotic X may not treat methicillin-resistant *S. aureus* infection
- Skilled artisan knows that *S. pyogenes* and *S. aureus* are both gram positive bacteria

# Exercise #3

(Examiner's Analysis)

- Step 1: Consult the MPEP to see how/if *Johnson* is used
- Step 2: If necessary, read and understand the actual decision

# Exercise #3

## (MPEP)

- MPEP discusses *Johnson* in the following sections:
  - MPEP § 2164.08
  - MPEP § 2173.05(i)

# Exercise #3 (cont.)

## (MPEP)

- MPEP alone is probably not enough.
- It suggests that Applicant's characterization of *Johnson* is correct.
- It is necessary to read and understand the decision to figure out how to respond.

# Exercise #3

(In re Johnson Decision)

- Johnson claimed a genus, but later amended the claim to exclude two species to overcome prior art.
- CCPA found amended claim was supported by specification:
  - Specification is directed to claimed polymers
  - 26 example polymers described in specification; only 23 of them within scope of claims
  - Applicant is entitled to claim less than full disclosure

# Exercise #3

(Examiner's After Final Response)

- Applicant correctly characterizes *Johnson*; that case stands for proposition that a negative limitation may be added to claim so long as adequate written description support for it exists in the specification
- Problem here is that specification does not provide inherent support for excluding a *S. pyogenes* infection from treatment with antibiotic X
- Specification excludes only methicillin-resistant *S. aureus* infection

# Exercise #3 (cont.)

(Examiner's After Final Response)

- Nothing in specification about relationship between *S. pyogenes* infection and methicillin-resistant *S. aureus* infection
- Skilled artisan therefore would not inherently understand that antibiotic X could not be used to treat *S. pyogenes* infection





# Questions?? Suggestions??



# Thank you!