



UNITED STATES PATENT AND TRADEMARK OFFICE

COMMISSIONER FOR PATENTS
UNITED STATES PATENT AND TRADEMARK OFFICE
P.O. Box 1450
ALEXANDRIA, VA 22313-1450
www.uspto.gov

Paper No. 6

Enrique G. Estevez, Esq.
Allen, Dyer, Doppelt, Milbrath & Gilchrist P.A.
255 South Orange Avenue
Suite 1401
Orlando, FL 32802

(For Patent Owner)

David K. Friedland
Lott & Friedland, P.A.
P.O. Box 141098
Coral Gables, FL 33114

(For Requester)

MAILED

AUG 20 2003

REEXAM UNIT

In re Deutsch et al.
Inter Partes Reexamination Proceeding
Control Number 95/000,019
Filed: June 3, 2003
For: U.S. Patent No. 6,467,939

:
: **DECISION**
: **VACATING**
: **REEXAMINATION**
:

The above-noted *inter partes* reexamination is before the Office of Patent Legal Administration pursuant to a notice of concurrent proceedings under 37 CFR 1.985 filed on July 28, 2003, by the third party reexamination requester. Requester advises the Office of a final decision issued by the U.S. District Court for the Southern District of Florida holding that the requester (Defendant) has not sustained its burden of proving the invalidity of any patent claim in the '939 patent. Requester notes that under the statute, in view of the court's final holding, the '019 *inter partes* reexamination proceeding may not be maintained by the Office. Requester requests a partial refund of the reexamination filing fee.

For the reasons set forth below the '019 *inter partes* reexamination proceeding is vacated; and the request for partial refund of *inter partes* reexamination filing fee is denied.

REVIEW OF FACTS

1. U.S. Patent No. 6,467,939 (hereinafter, the '939 patent), issued to Deutsch et al., on October 22, 2002, from an application filed on January 9, 2001.
2. On June 3, 2003, a request for *inter partes* reexamination of the '939 patent was filed in the Office by the third party requester. The real party in interest is Liteglow Industries, Inc.
3. The initial determination under 35 U.S.C. 312(a) as to whether or not a substantial new question of patentability is raised by the request has not yet been made.
4. On July 28, 2003, the third party requester filed a notice of concurrent proceedings under 37 CFR 1.985, advising the Office of a final decision issued by the U.S. District Court for the Southern District of Florida, which holds that the requester (Defendant) has not sustained its burden of proving the invalidity of any patent claim in the '939 patent. A copy of the Court's order is attached to the notice of concurrent proceeding.
 - a. Requester advises the Office that under 35 U.S.C. 317(b), in view of the Court's final holding the '019 *inter partes* reexamination proceeding filed by the requester (Defendant) may not thereafter (after the court's final order) be maintained by the Office.
 - b. Requester further requests a partial refund of the reexamination filing fee. Requester notes that the statute and rules provide for a partial refund of the reexamination filing fee upon a determination by the Director that no substantial new question of patentability has been raised. Requester acknowledges that no determination has been made, but urges that the Court's final holding makes the Director's determination moot and therefore, a refund is appropriate.

DECISION

I. Decision Vacating *Inter Partes* Reexamination 95/000,019.

Section 317(b) of Title 35 provides:

Once a final decision has been entered against a party in a civil action ... that the party has not sustained its burden of proving the invalidity of any patent claim in suit ... then neither that party nor its privies may thereafter request an *inter partes* reexamination of any such patent claim on the basis of issues which that party or its privies raised or could have raised in such civil action ... and an *inter partes* reexamination requested by that party or its privies on the basis of such issues may not thereafter be maintained by the Office.

The record shows that the present '019 *inter partes* reexamination request was filed on June 3, 2003, on behalf of Liteglow Industries, Inc. (the real party in interest). Reexamination is requested of all of the patent claims. The determination as to whether the cited prior art raises a substantial new question of patentability has not been made at this time.

95000019-072803
E022/0-6700056

The record further shows that Liteglow Industries, Inc. is the defendant in a civil action in the U.S. District Court for the Southern District of Florida. On July 25, 2003, the Court issued a CONSENT FINAL JUDGMENT AND PERMANENT INJUNCTION. In its Judgment the Court found and/or ordered:

1. The defendant has not sustained its burden of proving the invalidity of any patent claim in the '939 patent.
2. The Consent Final Judgment is intended to be an Order of the Court which is final, enforceable, and not appealable (emphasis added).
3. All the claims of the '939 patent are valid.
4. The defendant Liteglow Industries, Inc. is directed to take any and all action necessary to withdraw and/or terminate its Request for *Inter Partes* Reexamination Number 95/000,019 filed on June 3, 2003, in the United States Patent and Trademark Office.

The record further shows that on July 28, 2003, the third party requester Liteglow Industries, Inc. filed a notice of concurrent proceedings under 37 CFR 1.985 advising the Office of the Court's final decision. In its' notice requester does not allege that the '019 *inter partes* reexamination is based on issues which could not have been raised in the litigation.

In view of all of the above, the '019 *inter partes* reexamination is hereby vacated under the provisions of 35 U.S.C. 317(b).

II. Decision Denying Partial Refund of Reexamination Filing Fee.

Requester requests a partial refund of the *inter partes* reexamination filing fee. Congress has set forth the conditions under which the Director has discretion to refund a fee. Under 35 U.S.C. 42(d):

The Director may refund any fee paid by mistake or any amount paid in excess of that required.

This authority is further interpreted in the first sentence of 37 CFR 1.26(a):

The Director may refund any fee paid by mistake or in excess of that required. A change in purpose after the payment of a fee, such as when a party desires to withdraw a patent or trademark filing for which the fee was paid, including an application, an appeal, or a request for an oral hearing, will not entitle a party to a refund of such fee.

The requirements for a refund are not met in this case. Requester sought and received an *inter partes* reexamination proceeding based on the '939 patent claims. The Director has no discretion to accept a request for *inter partes* reexamination from a third party requester without payment of the filing fee. 35 U.S.C. 311(b)(1) and 41(d). Requester made no mistake in payment

of the reexamination filing fee. Requester intended to pay the filing fee to receive an *inter partes* reexamination proceeding based on the '939 patent claims. Requester achieved the goal sought. The filing fee required by the Office was not in excess of that required by the statute and applicable USPTO rules. Hence, requester did not pay an amount in excess of a proper filing fee. Accordingly, requester is not entitled to a refund of the filing fee under 35 U.S.C. 42(d).

Absent specific authorization under the statute, the Director has no authority to refund any part of the *inter partes* reexamination filing fee. Requester points to the authority under 35 U.S.C. 312(c) for a partial refund of the filing fee upon a determination by the Director that no substantial new question of patentability has been raised. Requester acknowledges that no determination has been made, but urges that the court's final holding makes the Director's determination moot and therefore, a refund is appropriate.

Requester's arguments are not persuasive. 35 U.S.C. 312(a) and (c) provide in part:

(a) [t]he Director shall determine whether a substantial new question of patentability affecting any claim of the patent concerned is raised by the request, with or without consideration of other patents or printed publications (emphasis added).

(c) Upon a determination that no substantial new question of patentability has been raised, the Director may refund a portion of the *inter partes* reexamination fee required under section 311 (emphasis added).

The plain language of the statute clearly shows that Congress intended for a partial refund of the *inter partes* reexamination filing fee when the Director determined that the prior art patents and printed publications cited in the request for reexamination are found not to raise a substantial new question of patentability and reexamination would be denied. This language is specifically directed to the determination as to whether a substantial new question of patentability is present and does not extend to and include other circumstances under the statute which would terminate and/or vacate a pending *inter partes* reexamination proceeding. If Congress had intended a partial refund of the *inter partes* reexamination filing fee upon a final court order under 35 U.S.C. 317(b) resulting in the prohibition of continuing an *inter partes* reexamination in the Office, Congress could have authorized the Director to make a partial refund of the filing fee. Congress did not do so. Without such authorization, the Director has no authority for refunding a portion of the *inter partes* reexamination filing fee in this case.

In view of all of the above, the request for a refund of a portion of the *inter partes* reexamination filing fee is denied.

CONCLUSION

1. Pursuant to the final order of the U.S. District Court for the Southern District of Florida holding that the requester (Defendant) has not sustained its burden of proving the invalidity of any patent claim in the '939 patent, the '019 *inter partes* reexamination is vacated under the provisions of 35 U.S.C. 317(b).

2. The request for a refund of a portion of the *inter partes* reexamination filing fee is denied.

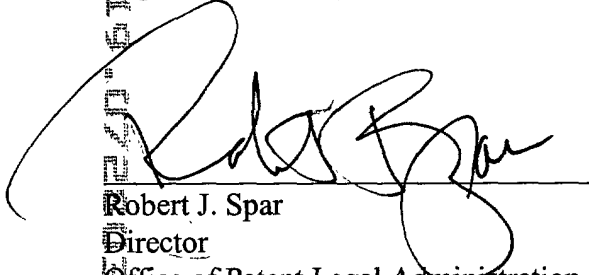
All correspondence relating to an *inter partes* reexamination proceeding should be directed:

by Mail to: Mail Stop *Inter Partes* Reexam
Central Reexamination Unit
Office of Patent Legal Administration
United States Patent & Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

by FAX to: (703) 305-1013
Central Reexamination Unit

By hand: Central Reexamination Unit
Crystal Plaza Three-Four, 3D68
2201 South Clark Place
Arlington, VA 22202

Telephone inquiries with regard to this decision should be directed to Gerald A. Dost, Senior Legal Advisor, at (703) 308-8610.


Robert J. Spar
Director
Office of Patent Legal Administration
Office of the Deputy Commissioner
for Patent Examination Policy