

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ARKEMA INC. AND ARKEMA FRANCE,
Petitioner,

v.

HONEYWELL INTERNATIONAL INC.,
Patent Owner.

PGR2016-00011
PGR2016-00012¹
Patent 9,157,017 B2

Before MICHAEL P. TIERNEY, *Vice Chief Administrative Patent Judge*,
GRACE KARAFFA OBERMANN, and KRISTI L. R. SAWERT,
Administrative Patent Judges.

SAWERT, *Administrative Patent Judge*.

ORDER

Granting Patent Owner's Motion for Leave to File a Certificate of
Correction

37 C.F.R. §§ 1.323, 42.20

¹ We exercise our discretion to issue a single Order to be entered in each case using a joint caption. The parties are not permitted to use this caption unless authorized by the Board. For convenience, and unless otherwise indicated, we use the paper and exhibit numbers from PGR2016-00011.

I. INTRODUCTION

These proceedings are on remand from the United States Court of Appeals for the Federal Circuit. *See Honeywell Int’l Inc. v. Arkema Inc.*, 939 F.3d 1345 (Fed. Cir. 2019) (vacating the Board’s Final Written Decision and remanding the proceedings to the Board). Following issuance of the Federal Circuit’s mandate, the panel held a teleconference with counsel for the parties on January 12, 2020, to discuss remand procedure. A transcript of that conference call has been entered into the record. Ex. 1189. On our authorization, Patent Owner filed a Motion for Leave to Request a Certificate of Correction. Paper 61 (“Motion” or “Mot.”); *see also* Ex. 1198, 24:8–12 (authorizing briefing on remand). Petitioner filed an Opposition to Patent Owner’s Motion. Paper 71 (“Opposition” or “Opp.”). Patent Owner filed a Reply in Support of its Motion, Paper 74 (“Reply”), and Petitioner filed a Sur-Reply in Opposition, Paper 76 (“Sur-Reply”). For the reasons provided below, Patent Owner’s Motion is *granted*.

II. BACKGROUND

Petitioner filed two Corrected Petitions for post-grant review of claims 1–20 of U.S. Patent No. 9,157,017 B2 (“the ’017 patent”). *See* PGR2016-00011 (“PGR11”), Paper 3; PGR2016-00012 (“PGR12”), Paper 7. On September 2, 2016, pursuant to 35 U.S.C. § 324, we instituted post-grant reviews of claims 1–20 of the ’017 patent on certain grounds of unpatentability alleged in the Petitions. *See* PGR11, Paper 13; PGR12, Paper 13.

Following institution, Patent Owner requested a conference call with the Board to seek authorization to file a motion for leave to petition the Director for a Certificate of Correction to correct the priority claim for the

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'017 patent. The Board conducted conference calls on November 28, 2016, and November 29, 2016, transcripts of which were entered into the record as Exhibits 2040 and 2041, respectively. At the conclusion of the second conference call, we denied Patent Owner's request to file a motion for leave. Ex. 2041, 32:12–33:6. In particular, we stated:

The panel has conferred and has determined at this juncture there has been a failure to show that [the] requirements of 255 have been met. This is not a typographical or clerical error. It's been also failed [*sic*] to show that the minor character prong has been met. We do not need to reach the issue of whether there is a good faith effort here. Furthermore, we believe that to the extent of showing prejudice in this case, it would be improper to allow such a motion to be filed at this juncture, due to the prejudice that would arise to Petitioner.

Id. at 32:12–33:2.

We issued a Final Written Decision on August 31, 2017, concluding that Petitioner had shown by a preponderance of evidence that all claims of the '017 were unpatentable under 35 U.S.C. § 102(a) for prior public use. Paper 54 at 56. Patent Owner appealed to the Federal Circuit. Paper 55.

The Federal Circuit vacated our Final Written Decision and remanded. *Honeywell*, 939 F.3d at 1351. The court “conclude[d] that the Board abused its discretion by assuming the authority that 35 U.S.C. § 255 expressly delegates to the Director: to determine when a Certificate of Correction is appropriate.” *Id.* at 1348. The court explained that a patent owner with a patent subject to a post-grant proceeding must take the following three steps to seek a Certificate of Correction:

(1) seek authorization from the Board to file a motion, 37 C.F.R. § 42.20(b);

(2) if authorization is granted, file a motion with the Board, asking the Board to cede its exclusive jurisdiction so that the patentee can seek a Certificate of Correction from the Director, 37 C.F.R. § 1.323; MPEP § 1485; and

(3) if the motion is granted, petition the Director for a Certificate of Correction under 35 U.S.C. § 255.

Id. at 1349. The court further explained that, “[a]fter those three steps are completed, the Director—not the Board—will evaluate the merits of the patentee’s petition, including whether the mistake is of ‘minor character’ or ‘occurred in good faith.’” *Id.* (citing 35 U.S.C. § 255).

The court continued that “[s]ection 255 does not grant the Board authority to determine whether a mistake in an issued patent is of ‘minor character’ or ‘occurred in good faith.’” *Id.* Rather, the Board’s role is “to ‘determine whether there is *sufficient basis* supporting Patent Owner’s position that the mistake *may* be correctable.” *Id.* (quoting *Plastic Dev. Grp., LLC v. Maxchief Investments, Ltd.*, IPR2017-00846, Paper 16 at 2 (PTAB Nov. 13, 2017)). The court determined that we abused our discretion “[b]y requiring that [Patent Owner] show that the requirements of [§] 255 have been met before authorizing [Patent Owner] to file a motion for leave to seek a Certificate of Correction from the Director.” *Id.* at 1350 (internal quotation omitted). We also abused our discretion “by assuming the authority that § 255 delegates to the Director and deciding the merits of [Patent Owner’s] petition for a Certificate of Correction.” *Id.*

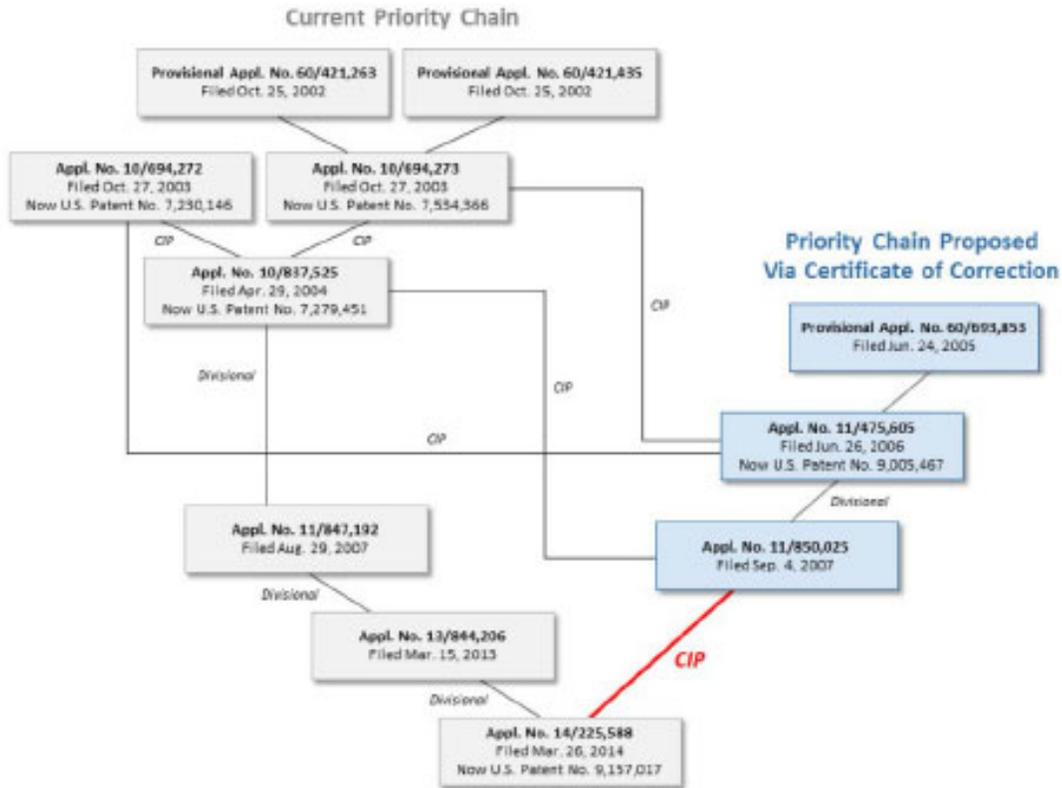
The Federal Circuit concluded that “nothing in the record, or in the Board’s conclusory decision, . . . warrants denying [Patent Owner’s] request to file a motion for leave.” *Id.* And, although “unable to meaningfully review the parties’ prejudice arguments,” the court “express[ed] doubt over

[Petitioner’s] assertion that [Patent Owner] knew about the mistake in priority for at least nine months but, to obtain a strategic advantage, declined to pursue correction of the mistake.” *Id.* Thus, on remand, the court ordered us to “authorize Honeywell to file a motion seeking leave to petition the Director for a Certificate of Correction,” and review that “motion for leave in accordance with 37 C.F.R. § 1.323 and MPEP § 1485, including to evaluate whether prejudice to [Petitioner] requires accommodation.” *Id.* at 1351.

III. ANALYSIS

Patent Owner has fulfilled steps (1) and (2) of the three-step process for seeking a Certificate of Correction. *Honeywell*, 939 F.3d at 1349; *see also* 37 C.F.R. § 1.323; MPEP § 1485 (where necessary, requiring motion to Board to cede jurisdiction). Under the Federal Circuit’s guidance, we must now “determine whether there is *sufficient basis* supporting Patent Owner’s position that the mistake *may* be correctable.” *Honeywell*, 939 F.3d at 1349 (quotation omitted). We must also determine whether granting Patent Owner’s Motion would cause Petitioner prejudice that requires accommodation. *Id.* at 1351.

Patent Owner, through its proposed Certificate of Correction, seeks to add three applications to the ’017 patent’s chain of priority: (1) U.S. Provisional Application No. 60/693,853, filed June 24, 2005 (“the ’853 application”); (2) U.S. Application No. 11/475,605, filed June 26, 2006 (“the ’605 application”); and (3) U.S. Application No. 11/850,025 (“the ’025 application”), filed September 4, 2007. Mot. 4. The following illustration depicts Patent Owner’s proposed correction:



See Ex. 2168, 5 (Patent Owner's proposed Request for a Certificate of Correction Under 35 U.S.C. § 255 and 37 C.F.R. § 1.323); see also Mot. 4. In the above illustration, the patent applications listed in the gray boxes represent the '017 patent's current priority chain; the patent applications listed in the blue boxes represent those that Patent Owner seeks to add to the '017 patent's priority chain with a Certificate of Correction. Mot. 4.

Pursuant to § 255,

Whenever a mistake of a clerical or typographical nature, or of minor character, which was not the fault of the Patent and Trademark Office, appears in a patent and a showing has been made that such mistake occurred in good faith, the Director may, upon payment of the required fee, issue a certificate of correction, if the correction does not involve such changes in the patent as would constitute new matter or would require re-examination.

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35 U.S.C. § 255. Patent Owner asserts that it “can amend its priority claim through a certificate of correction” because it satisfies these requirements—i.e., “a mistake . . . of minor character . . . appears in the patent,” that mistake “occurred in good faith,” and “the correction does not involve such changes as would constitute new matter or would require reexamination.”

Mot. 7 (quoting 35 U.S.C. § 255).

Specifically, as to the mistake of “minor character” requirement, Patent Owner asserts that its failure to claim priority to the proposed chain of applications is the type of minor mistake that “[r]egulations, court decisions, and over forty years of PTO practice confirm” is correctable with a Certificate of Correction. *Id.* at 7–9 (citing, e.g., MPEP §1481.03(II)(A)(1), *Honeywell*, 939 F.3d at 1350; *United Servs. Auto Ass’n v. Asghari-Kamrani*, CBM2016-00063, Paper 10 at 5 (PTAB Aug. 4, 2016)); *see also* Reply 1–4 (asserting that failure to claim priority to proposed chain of patent applications was a “mistake” of “minor character”).

As to the “good faith” requirement, Patent Owner asserts that it “did not intentionally ‘delay’ seeking a certificate of correction after it discovered its mistake.” Mot. 10 (citing 37 C.F.R. §1.78(c)(3), (e)(3)); Reply 7–8.

Patent Owner points out that the examiner examining the application leading to the ’017 patent never rejected the claims for lack of written description under 35 U.S.C. § 112, and accordingly, Patent Owner “did not believe that the claims had any § 112 problems when they issued.” Mot. 10. Patent Owner asserts that it “has pursued its requested correction with undisputed diligence,” since our institution decisions preliminarily finding a lack of written description support for the challenged claims. *Id.* at 11. Patent

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Owner also asserts that it “could not have intentionally delayed seeking its correction before it discovered its mistake in the first place.” Reply 7–8.

Finally, as to the requirement that the correction not add new matter or require reexamination, Patent Owner asserts that its correction meets this requirement because it “would only add references to the ‘Related Applications’ section of the ’017 patent” and “‘reexamination’ in § 255 self-evidently refers to the PTO’s reexamination procedures—i.e., to re-examination *of the patent*.” Mot. 11. And here, Patent Owner asserts, “there is a sufficient basis to conclude that the Director may decide [Patent Owner’s] correction does not merit reexamination.” Reply 5.

Patent Owner also asserts that granting its Motion will not prejudice Petitioner. Mot. 13–15; Reply 9–10. In particular, Patent Owner asserts that by “taking the benefits of the choice Congress offered through PGR,” Petitioner has “necessarily accepted the consequences, including that [Patent Owner] could take advantage of Congress’s option to correct minor-character mistakes in chains of priority under § 255.” Mot. 14. But even if Petitioner is prejudiced, Patent Owner asserts, that prejudice could be accommodated by, for example, allowing additional briefing while the Director considers Patent Owner’s petition for a Certificate of Correction. *Id.* at 15.

Petitioner argues that the Board should deny Patent Owner’s Motion because Patent Owner has failed to show “mistake, good faith, unintentional delay, inadvertence, and minor character, not to mention the absence of prejudice to Petitioner.” Opp. 1–2. Petitioner argues that Patent Owner’s failure to show a sufficient basis for any one of these elements is fatal to its Motion. *Id.*

Petitioner first argues that Patent Owner’s failure to claim priority is no “mistake,” because Patent Owner “never intended to claim priority to the ’025 and ’605 applications” during prosecution. *Id.* at 2; *see also* Sur-Reply 1. Instead, Petitioner argues, Patent Owner made a deliberate choice to claim priority to some applications, but not to others. *Opp.* 3–4. As support, Petition points to cross-examination testimony of Patent Owner’s prosecution attorney, who “testified that ‘it was never [his or Honeywell’s] intent [n]or [his] law firm’s intent during the prosecution of the ’017 patent to claim priority to any alternate priority chain.’” *Id.* at 4 (quoting Ex. 1197, 25:3–26:16, 71:8-20 (brackets in original)). Petitioner also argues that Patent Owner cannot “rely on the absence of a § 112 rejection during prosecution” to claim mistake, because Patent Owner “alone had the burden of presenting a correct priority claim.” *Id.* at 6. Petitioner argues that Patent Owner cannot establish unintentional delay for essentially the same reasons, i.e., that Patent Owner “made deliberate, strategic, and repeatedly reaffirmed choices reflecting its intent to claim and rely on the [another] application for priority.” *Id.* at 12–13.

Next, Petitioner argues that, even if the ’017 patent has a mistake, that mistake is not of “minor character.” *Id.* at 6–8; Sur-Reply 2–4. Instead, Petitioner argues, “the changes [Patent Owner] seeks have major, not minor case-dispositive consequences” and “will require reexamination.” *Opp.* 6. As to the latter, Petitioner argues that Patent Owner’s correction would require reexamination because it “would significantly *expand* the universe of applicable prior art.” *Id.* at 8. Petitioner points out that, during prosecution, the Examiner relied on only pre-2002 prior art to examine the claims, but the proposed priority chain dates to 2005, three years later. *Id.* at 9–10.

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Petitioner argues the Certificate of Correction, therefore, would “require reexamination to consider the nearly three additional years of prior art not considered during prosecution.” *Id.* at 10.

Petitioner argues that, in any event, Patent Owner’s Motion is “futile and a waste of the Office’s resources” because a Certificate of Correction “cannot be applied retroactively to this proceeding.” *Id.* at 13. Relying on the Board’s reasoning in *Emerson Electric Co. v. SIPCO, LLC*, IPR2016-00984, Paper 52 at 17–26 (PTAB Jan. 24, 2020), Petitioner argues that Patent Owner’s proposed Certificate of Correction “would have no effect in this PGR even if granted.” *Id.*; *see also* Sur-Reply 5 (arguing that “[t]he ultimate futility of [Patent Owner’s Certificate of Correction] does not . . . alleviate the prejudice to [Petitioner] of further drawing out the proceeding”).

Finally, Petitioner argues that granting Patent Owner’s Motion would be prejudicial because Petitioner can no longer assert, e.g., intervening art in a new post-grant or *inter partes* review proceeding. *Opp.* 14. And further delaying these post-grant review proceedings, Petitioner argues, “contravenes [Petitioner’s] statutory right to file PGRs and have them decided within the statutory time frame.” *Id.* at 15. In particular, Petitioner argues that “[g]ranted [Patent Owner’s] unmeritorious request will unnecessarily delay the already long-stalled but inevitable invalidation of the ’017 patent.” *Id.*

As the Federal Circuit recognized, the Office “has previously allowed patentees to correct priority claims through Certificates of Correction.” *Id.* at 1350; *see* MPEP § 1481.03(II)(A)(1). We defer to the Director’s judgment as to whether Patent Owner’s proposed request should be granted.

See Honeywell, 939 F.3d at 1350 (stating that “the Director—not the Board—will evaluate the merits of the patentee’s petition” for a Certificate of Correction).

Although we have carefully considered Petitioner’s Opposition and Sur-Reply, we find Petitioner’s arguments unpersuasive, or determine that those arguments are outside our authority to consider. *Id.* For example, we are not persuaded, on this record, by Petitioner’s argument that Patent Owner could not have committed a “mistake” because neither Patent Owner nor its prosecuting attorney intended to claim an alternative priority chain of applications. *See* Opp. 2–6, 12–13; Sur-Reply 1–2. On the law, Petitioner does not provide us with persuasive authority that a “mistake” in the context of § 255 is necessarily limited to an “unintentional” mistake. On the facts, we are not persuaded that Patent Owner’s failure to claim priority to the ’853, ’605, and ’025 applications was a deliberate and *knowing* choice. *See* Ex. 1197, 10:12–11:2 (testimony of prosecuting attorney that, after going “through [the] files very carefully,” he “found no information relating in any way to a decision to, to make a claim or not make a claim”). We lack authority to determine whether that mistake is of minor character or occurred in good faith. *Honeywell*, 939 F3d at 1349.

Whether Patent Owner’s request constitutes new matter or would require reexamination is another question reserved for the Director under § 255. *See id.* (stating that “[t]he Director has not delegated its Section 255 authority to the Board”). We note, however, that § 255’s reference to “reexamination” is not limited to the reexamination statutes in Chapter 30 of the patent law, but also includes, for example, further examination under 35 U.S.C. § 131. *See In re Arnott*, 19 U.S.P.Q.2d 1049, 1052 (Comm’r Pat.

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1991) (explaining that the term “reexamination” in § 255 triggers a question of examination under § 131, even for reissue applications). And, in some cases, “if the correction sought would require further examination, the filing of a reissue application may be appropriate to pursue the desired correction of the patent for benefit claims under 35 U.S.C. 119(e), 120, 121, 365(c), or 386(c).” MPEP § 1481.

As to Petitioner’s futility argument (Opp. 13, Sur-Reply 5), we need not decide now whether Patent Owner’s request for a Certificate of Correction, if granted, would apply to these proceedings. We note that these proceedings are distinguishable from those in *Emerson Electric*, on which Petitioner relies, in that our Final Written Decisions in these proceedings have been vacated, *see Honeywell*, 939 F.3d at 1351, whereas in *Emerson Electric*, the Board’s Final Written Decision was not vacated. Indeed, in *Emerson Electric*, the Federal Circuit remanded the proceeding to the Board specifically for the purpose of “issu[ing] an order addressing what, if any, impact the certificate of correction has on its final written decision in this case.” *Emerson Elec.*, Paper 52 at 3–4 (citing Order on Mot. for Remand, *SIPCO, LLC v. Emerson Elec. Co.*, No. 2018-1364, slip op. at 4 (Fed. Cir. June 27, 2018)).

Finally, we recognize that granting Patent Owner’s Motion will necessarily result in some prejudice to Petitioner in terms of time to final judgment. At this point in the proceedings, however, we find that any prejudice to Petitioner is outweighed by prejudice that Patent Owner will experience should it not be allowed to pursue its request for a Certificate of Correction with the Director. Indeed, the Federal Circuit “express[ed]

doubt” that Patent Owner’s actions were designed to “obtain a strategic advantage.” *Honeywell*, 939 F.3d at 1345.

To accommodate prejudice to Petitioner, we instruct Patent Owner to submit copies of the documents submitted to, or generated from, the Board in connection with this matter—including, but not limited to, Patent Owner’s Motion, Petitioner’s Opposition, Patent Owner’s Reply, Petitioner’s Sur-Reply, Exhibit 1197 (Deposition of Joseph Posillico, Esq.), and this Order—with its request for a Certificate of Correction. “Other Board panels faced with similar or analogous circumstances have determined that such instructions were appropriate.” *Intuitive Surgical, Inc. v. Ethicon LLC*, IPR2020-00050, -00051, Paper 13 at 5 (PTAB Feb. 6, 2020); *see also ASM IP Holding B.V. v. Kokusai Elec. Corp.*, IPR2019-00378, Paper 17 at 5–6 (PTAB July 5, 2019) (requiring a patent owner seeking a Certificate of Correction to provide briefing submitted in an *inter partes* review to the Director “in the interests of transparency”).

We further find that requiring Patent Owner to file its request for a Certificate of Correction and accompanying papers quickly will lessen any prejudice to Petitioner, and, thus, order Patent Owner to file its request and accompanying documents within seven (7) business days from the date of this Order.

IV. CONCLUSION

Upon consideration of the Motion for Leave to Request a Certificate of Correction, the Opposition, the Reply, the Sur-Reply, and the evidence before us, Patent Owner’s Motion is *granted*.

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V. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner's Motion for Leave to Request a Certificate of Correction in each proceeding (PGR11, Paper 61; PGR12, Paper 41) is *granted*;

FURTHER ORDERED that Patent Owner shall file with the Director its request for a Certificate of Correction and accompanying documents, as outlined above, within seven (7) business days of the entry of this Order and shall file a copy of the request as an exhibit in each of these proceedings; and

FURTHER ORDERED that when a decision is rendered on Patent Owner's request for a Certificate of Correction, Patent Owner shall file, within five (5) business days of the date of such decision, a copy of the document as an exhibit in each proceeding.

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