



1 granted two separate requests for reexamination of the '184 Patent. The resulting  
2 reexamination proceedings were merged in February 2008.

3 The central topic of the reexamination proceedings, as they relate to Defendants'  
4 motion, is the definition of the term "laminated walls." The first sentence of Claim 1 of the  
5 '184 Patent claims "[a] method of cyclic injection molding a thin-walled hollow, plastic product  
6 having a closed end and an open end with **laminated walls** terminating in a rim at the open  
7 end . . . ." Claim 1 is the only independent claim in the '184 Patent, and thus all  
8 embodiments of the patented invention must contain "laminated walls."

9 From the outset of the reexamination proceedings, Sorensen urged that "laminated  
10 walls" should be defined as "substantially **coextensive layers in [a] face-to-face contacting**  
11 **relationship** that cover and spread over one another" ("the 'layers' definition"). The  
12 Examiner initially adopted this definition in the First (non-final) Agency Action (Oct. 31, 2008).  
13 This definition is consistent with Figures 2A and 2B of the '184 Patent, which depict the  
14 creation of a cup-like object whose side walls are composed of two overlapping layers of  
15 plastic.

16 However, in the Second (non-final) Office Action (Aug. 21, 2009), the Examiner found  
17 that the "layers" definition is not sufficiently broad to cover the plastic product depicted in  
18 Figures 4 and 5 and (according to the Examiner) described in Claims 2 and 4. The two  
19 plastic components forming the cup-like object in Figures 4 and 5 are depicted as strips  
20 running lengthwise up and down the side of the cup-like object, touching each other only  
21 along their respective edges. No part of Figures 4 or 5 shows the two plastic components  
22 overlapping in layers (as is depicted in Figures 2A and 2B).

23 Consequently, the Examiner broadened the definition of "laminated" to include  
24 edge-to-edge abutment, stating in the Second (non-final) Office Action that "for an object to  
25 be 'laminated' it must be composed of substantially **coextensive parts in [a] face-to-face**  
26 **contacting relationship**" (the "edges' definition"). According to the Examiner, the  
27 application of the edges definition enabled dependent Claims 2 and 4 (as supposedly  
28 illustrated in Figures 4 and 5) to contain "laminated walls," and thereby to fit within the



1 Sept. 26, 2011) (emphasis added); see 35 U.S.C. §§ 252<sup>2</sup> and 307(b)<sup>3</sup>. In Neupak, Inc. v.  
2 Ideal Manufacturing and Sales Corp., 41 Fed. Appx. 435 (Fed. Cir. 2002), the Federal Circuit  
3 explained:

4           The effect of a reexamined patent during the period before  
5 issuance of the reexamination certificate is governed by 35  
6 U.S.C. §§ 252 and 307(b). Under those provisions, if the  
7 patentee makes substantive changes in the claims during  
8 reexamination, there is an irrebuttable presumption that the  
9 original claims were materially flawed. . . . In that setting, the  
10 statute relieves those who may have infringed the original claims  
11 from liability during the period before the claims are validated.

12 41 Fed. Appx. at 442, 2002 WL 1363568 at \*6 (Fed. Cir. June 24, 2002) (citing Bloom  
13 Engineering Co., Inc. v. North American Mfg. Co., Inc., 129 F.3d 1247, 1249 (Fed. Cir.  
14 1997)). Defendants contend that Sorensen’s cancellation of Claims 2 and 4 during the  
15 reexamination proceedings altered the scope of Claim 1, and therefore Defendants are  
16 entitled to intervening rights with respect to products that allegedly infringed on the ‘184  
17 Patent.

18           Sorensen raises a series of objections to the application of intervening rights to the  
19 ‘184 patent. First, he argues based on 37 C.F.R. §§ 1.116(d)(2) and 1.530(j) that the  
20 Examiner could not have permitted the claim cancellations during reexamination if those  
21 cancellations substantively change the scope of the remaining claims, and that this Court is  
22 bound by the Examiner’s implied finding of no substantive change. Second, he suggests that  
23 infringers relying on intervening rights to escape liability must show detrimental reliance on

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24 <sup>2</sup>35 U.S.C. § 252 states: “[T]he reissued patent, to the extent that its claims are  
25 substantially identical with the original patent, shall constitute a continuation thereof and have  
26 effect continuously from the date of the original patent. A reissued patent shall not abridge  
27 or affect the right of any person . . . who, prior to the grant of a reissue, made . . . anything  
28 patented by the reissued patent, to continue the use of . . . the specific thing so made, . . .  
unless the making . . . of such thing infringes a valid claim of the reissued patent which was  
in the original patent.”

<sup>3</sup>35 U.S.C. § 307(b) states: “Any proposed amended or new claim determined to be  
patentable and incorporated into a patent following a reexamination proceeding will have the  
same effect as that specified in section 252 of this title for reissued patents on the right of any  
person who made, purchased, or used within the United States, or imported into the United  
States, anything patented by such proposed amended or new claim, or who made substantial  
preparation for the same, prior to issuance of [the] certificate [issued when the time for  
appeal of the reexamination has expired or any appeal proceeding has terminated.]”

1 an aspect of the original claims that was subsequently changed. Third, he contends that  
2 intervening rights apply only where there has been a textual amendment to the claim at  
3 issue. Lastly, Sorensen asks in the alternative that the Court wait until after the upcoming  
4 claim construction proceedings before ruling on Defendants' motion. The Court addresses  
5 each of these arguments in turn.

6  
7 **A. 37 C.F.R. §§ 1.116(d)(2) and 1.530(j)**

8 As a threshold issue, Sorensen argues that it is impossible, as a matter of law, for the  
9 cancellations of Claims 2 and 4 to substantively change the scope of other claims. Sorensen  
10 first relies on 37 C.F.R. § 1.116(d)(2), which states:

11 [A]n amendment made after a final rejection or other final action  
12 (§ 1.113) in an ex parte reexamination filed under § 1.510 . . .  
13 may not cancel claims where such cancellation affects the scope  
of any other pending claim in the reexamination proceeding[.]

14 "Final actions," as defined in § 1.113, include Final Office Actions. Sorensen filed his  
15 amendment canceling Claims 2 and 4 in June 2010, several months after the examiner  
16 issued its Final Office Action on January 8, 2010. Thus, Sorensen argues that "[t]he  
17 Examiner . . . thereby acknowledged that the cancellations did not affect the scope of other  
18 pending claims." (Pl. Opp. Mem. at 5.) Sorensen's only case citation supporting this  
19 conclusion states merely that "government officials are presumed to have 'properly  
20 discharged their official duties.'" (Pl. Opp. Mem. at 5 (citing In re Portola Packaging, Inc., 110  
21 F.3d 786, 790 (Fed. Cir. 1997)).)

22 Even assuming that Sorensen is correct, and the Court can presume that the  
23 Examiner necessarily determined that the cancellation of Claims 2 and 4 would not affect the  
24 scope of the other pending claims, Sorensen nowhere explains why such a determination  
25 by the Examiner would be binding on this Court. To the contrary, Sorensen concedes  
26 elsewhere in his brief that "[a] court is not bound by the PTO's interpretation of patent claims  
27 and must make its own independent determination on the legal question of claim  
28 construction." (Pl. Opp. Mem. at 16 (citing SRAM Corp. v. AD-II Eng'g, Inc., 465 F.3d

1 1351, 1359 (Fed. Cir. 2006)).) Sorensen argues instead that the Examiner's presumed  
2 determination of no substantive change is immune from challenge because Defendants, as  
3 third parties to the reexamination proceedings, lack standing. But while Defendants cannot  
4 bring a direct challenge against the PTO, they are certainly permitted to challenge relevant  
5 PTO determinations in litigation against the patent holder. Syntex (U.S.A.) Inc. v. U.S.T.P.O.,  
6 882 F.2d 1570, 1576 (Fed. Cir. 1989) (“[A] potential infringer may not sue the PTO seeking  
7 retraction of a patent issued to another by reason of its improper allowance by the PTO. A  
8 remedy must await confrontation with the patent owner. The same is true with respect to a  
9 reissued patent.”).

10 Second, Sorensen argues based on 37 CFR § 1.530(j) that where, as here, the patent  
11 expires during the reexamination proceedings, claim cancellations are the only permissible  
12 amendments to the patent. Section 1.530(j) states:

13 No amendment may be proposed for entry in an expired patent.  
14 Moreover, no amendment, other than the cancellation of claims,  
15 will be incorporated into the patent by a certificate issued after  
the expiration of the patent.

16 Sorensen concludes, based on the application of this regulation, that the Examiner  
17 necessarily found that the cancellation of dependent Claims 2 and 4 did not have the effect  
18 of amending the other claims.

19 This argument suffers from the same defect as Sorensen's § 1.116(d)(2) argument:  
20 Even if the Court can presume the Examiner must have determined that the cancellations  
21 did not amend the '184 Patent in any other way, Sorensen has failed to show why such a  
22 determination would be binding on this Court. Additionally, § 1.530(j) speaks of amendments  
23 to *patents*, not amendments to specific *claims*. The plain language of this provision bars  
24 textual amendments other than claim cancellations, not secondary effects caused by  
25 permissible cancellations.

26 Thus, neither § 1.116(d)(2) nor § 1.530(j) bind this Court to implied, necessary findings  
27 by the Examiner that the cancellations of Claims 2 and 4 did not substantively change the  
28 scope of Claim 1.

1 **B. Suggested Reliance Requirement**

2 Sorensen’s opposition brief mentions detrimental reliance in passing, stating: “[T]he  
3 court in Slimfold found . . . that the accused infringer ‘did not demonstrate that it relied to its  
4 detriment on any aspect of the original claims that was changed by reissue.’” (Pl. Opp. Mem.  
5 at 14 (citing Slimfold Mfg. Co. v. Kinkead Indus., Inc., 810 F.2d 1113, 1117 (Fed. Cir. 1987)).)  
6 However, there is no detrimental reliance requirement for infringement defendants claiming  
7 absolute intervening rights, and Sorensen’s reliance on Slimfold is misplaced.

8 First, the cases listed on pages 8 and 9 of Sorensen’s opposition brief are alleged by  
9 Sorensen to include “every instance where the Federal Circuit has applied the provisions of  
10 § 252 to a reexamined patent claim,” and none of these cases so much as mentions a  
11 reliance requirement for intervening rights. Second, there is nothing in the language of either  
12 § 307(b) or § 252 referring to a reliance requirement. Rather, § 252 is phrased in terms of  
13 rights belonging to the would-be infringer that are limited only where a post-reexamination  
14 (or reissued) patent is identical to the original patent. Thus, in Engineered Data Products,  
15 Inc. v. GBS Corp., 506 F. Supp. 2d 461, 468 (D. Colo. 2007), the court reasoned that  
16 Slimfold “cannot be read to impose [a detrimental reliance] requirement in light of the  
17 statutory language and subsequent precedent defining ‘absolute’ intervening rights . . . .”  
18 Thus, Sorensen fails to establish a detrimental reliance requirement under either § 307(b)  
19 or § 252.

20  
21 **C. Application of Intervening Rights to Claims Not Textually Amended**

22 By its plain language, 35 U.S.C. § 307(b) applies only to “proposed amended or new  
23 claims.” However, Defendants’ two primary cases, University of Virginia Patent Foundation  
24 v. General Electric Co., 755 F. Supp. 2d 709 (W.D.Va. 2010) and Marine Polymer  
25 Technologies, Inc. v. HemCon, Inc., --- F.3d ---, 2011 WL 4435986 (Fed. Cir. Sept. 26, 2011),  
26 both hold that § 307(b) can apply to an independent patent claim that has not been textually  
27 amended where cancellations of other claims in that patent substantively changed the scope  
28 of the independent claim. This proposition is consistent with the policy rationale  
for absolute intervening rights. See Bloom Engineering Co., Inc. v. North American

1 Manufacturing Co., Inc., 129 F.3d 1247, 1249 (Fed. Cir. 1997) (“Sections 307 and 252 shield  
2 those who deem an adversely held patent to be invalid; if the patentee later cures the  
3 infirmity by reissue or reexamination, the making of substantive changes in the claims is  
4 treated as an irrebuttable presumption that the original claims were materially flawed. Thus  
5 the statute relieves those who may have infringed the original claims from liability during the  
6 period before the claims are validated.”).

7 The facts of Marine Polymer closely resemble the case at bar. Marine Polymer  
8 involved a patent for a material (a “polymer”) that accelerates hemostasis (the process that  
9 causes bleeding to stop) and is useful in medical applications. 2011 WL 4435986, at \*1. The  
10 independent claims in that patent required the polymer to be “biocompatible,” i.e. not to  
11 cause a negative biological reaction. Id. The dependent claims embodied polymers with  
12 varying levels of biocompatibility, ranging from “no negative biological reactivity” to “mild  
13 biological reactivity.” After a Markman hearing in 2008, the District Court adopted a narrow  
14 construction of “biocompatibility,” defining it as “no detectable biological reactivity.” Id. at 2.

15 In 2009, during the pendency of the infringement action, the defendant filed an  
16 application for reexamination of the patent. The examiner initially adopted a broader  
17 construction of “biocompatibility” (“*little* or no detectable reactivity”), reasoning that the district  
18 court’s narrower definition was inconsistent with the numerous dependent claims allowing  
19 for mild biological reactivity. Id. at 3 (emphasis added). However, based on the broader  
20 construction, the examiner issued a preliminary rejection of all claims as invalid in light of the  
21 prior art. Id. Consequently, the patent holder canceled certain dependent claims during  
22 reexamination proceedings in order to enable the examiner to adopt the district court’s  
23 narrow definition, thereby avoiding the prior art rejections. Id.

24 Ultimately, the district court granted summary judgment of literal infringement in favor  
25 of the patent holder. The Federal Circuit vacated the district court’s decision and granted  
26 absolute intervening rights to the defendant, since “the scope of the claims actually and  
27 substantively changed because of [the patent holder’s] arguments to the PTO[.]” Id. at \*6.  
28 In light of Marine Polymer, there is no doubt that defendants in patent actions can establish  
intervening rights under §§ 252 and 307(b) as to patent claims that remain textually identical



1 to the original claim, provided that they can show a substantive change to the scope of those  
2 claims occurring during reexamination.

3  
4 **D. Need for Markman Hearing**

5 Sorensen correctly argues that the Court’s determination of whether claim  
6 cancellations during reexamination changed the scope of the ‘184 patent “is entirely  
7 dependent upon the Court adopting pre- and post-reexamination constructions of the term  
8 ‘laminated.’” (Pl. Opp. Mem. at 17.) The process for determining whether there is a  
9 substantive change between the pre- and post-reexamination versions of a patent claim  
10 requires the Court to perform the same type of analysis as when resolving a typical claim  
11 construction dispute.<sup>4</sup> Sorensen contends, and the Court agrees, that full and proper claim  
12 construction proceedings would greatly aid the resolution of Defendants’ absolute intervening  
13 rights argument.

14 In University of Virginia, Defendants’ primary case in their moving brief, the Court held  
15 full claim construction proceedings prior to resolving the intervening rights issue. That case  
16 involved a patent for magnetic resonance imaging (“MRI”) machines, which use magnetic  
17 fields to take multiple pictures of a patient. Independent Claim 1 of the patent described  
18 steps taken by the machine to create the pictures, including: (a) creating a magnetic field;  
19 (b) acquiring data; (c) allowing the magnetic field to dissipate during a “magnetization  
20 recovery period”; and (d) repeating the cycle. 755 F. Supp. 2d at 712-14. The patent defined  
21 the range of possible durations for the “magnetization recovery period” in other locations, and  
22 several of these locations indicated a possible recovery period with a time of zero. Id. at 718-  
23 19. Most notably, dependent Claim 4 claimed “[t]he method of claim 1, wherein said  
24 magnetization recovery period has a time of zero.” Id. at 719.

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26 \_\_\_\_\_  
27 <sup>4</sup>See Laitram Corp. v. NEC Corp., 163 F.3d 1342, 1346-47 (Fed. Cir. 1998) (citing  
28 Markman v. Westview Instruments, Inc., 52 F.3d 967 (Fed. Cir. 1995) (en banc), aff’d, 517  
U.S. 370 (1996)) (“This court reviews without deference the district court’s conclusion that  
the reexamined claims remained identical in scope. . . . This rule flows from the general  
principle that ‘the interpretation and construction of patent claims, which define the scope of  
the patentee’s rights under the patent, is a matter of law, exclusively for the court.’”).

1 After the initiation of the lawsuit, the defendants applied for an ex parte reexamination  
2 of the patent. Id. at 714-15. The examiner rejected all claims on the grounds that a  
3 magnetization recovery period with a time of zero was anticipated by the prior art. The  
4 plaintiff thereafter canceled Claim 4, and the examiner withdrew the objections. Id. at 715.  
5 The defendant then moved for summary judgment based on absolute intervening rights,  
6 arguing that the plaintiff's cancellation of Claim 4 substantively narrowed Claim 1, and the  
7 court granted the defendant's motion.

8 To reach its conclusion, the court conducted a Markman hearing to determine the  
9 range of recovery periods allowed under the pre-reexamination version of the patent.  
10 Following the Markman hearing, the court construed the pre-reexamination "magnetization  
11 recovery period" to cover a range of possible durations that included a time of zero. Id. at  
12 718-19. The parties agreed that the post-reexamination period did not include a time of zero.  
13 In its decision, the Court reached the intervening rights issue only after a lengthy claim  
14 construction discussion, informed by the earlier Markman hearing.<sup>5</sup>

15 In the present case, Defendants argued at the summary judgment hearing that under  
16 Marine Polymer, the mere fact that a patent holder canceled claims during reexamination in  
17 order to persuade an examiner to change its construction of a key term and withdraw prior  
18 art rejections suffices to establish a substantive change in the scope of the patent. The Court  
19 disagrees. The Federal Circuit's holding in Marine Polymer that the claim cancellations made  
20 during reexamination "actually and substantively" changed the scope of the patent rested on  
21 its finding that the PTO's narrow post-reexamination construction of the "biocompatibility"

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23 <sup>5</sup>This Court notes that the claim construction issues related to the intervening rights  
24 arguments in Marine Polymer and University of Virginia were more straightforward than the  
25 issue before this Court. Both those cases involved terms in independent claims (i.e.  
26 "biocompatibility" and "magnetization recovery period") that necessarily included a range of  
27 values. The dependent claims contained embodiments with different discrete values (i.e.  
28 specific reactivity levels and specific time periods). The patent holders in those cases  
canceled dependent claims to remove discrete values from the ranges contemplated in the  
independent claims. By comparison, the '184 Patent nowhere expressly contains a definition  
of the term "laminated walls," "laminated walls" does not refer to a range of discrete values  
that are listed in the patent's dependent claims, and the argument that the pre-reexamination  
definition of "laminated walls" should be the "edges" definition requires reference to  
illustrations in the patent rather than relying on the patent's plain language. In short, the  
elimination of Claims 2 and 4 does not have an obvious effect on the meaning of Claim 1.

1 differed from the proper pre-reexamination construction of that term. 2011 WL 4435986, at  
2 \*6. Similarly, the court in University of Virginia did not conclude that the claim cancellations  
3 alone sufficed to create intervening rights.

4 Thus, contrary to Defendants' position, the mere fact that Sorensen canceled  
5 dependent claims during the reexamination hearing in order to persuade the PTO to adopt  
6 a narrow construction of "laminated walls" does not by itself substantively change the scope  
7 of the independent claims of the '184 Patent. Rather, Marine Polymer confirms that before  
8 granting absolute intervening rights to Defendants, the Court must first determine the proper  
9 construction of "laminated walls" in the pre- and post-reexamination patent. Only then can  
10 the Court compare its pre-reexamination construction to the post-reexamination construction  
11 and determine whether any difference in the pre- and post-reexamination constructions  
12 "actually and substantively" changed the scope of the patent. The Court declines  
13 Defendants' invitation to construct "laminated walls" without the benefit of full claim  
14 construction proceedings.

15  
16 **Conclusion**

17 Based on the forgoing, the Court DENIES Defendants' motion for summary judgment  
18 without prejudice. Defendants may renew their motion after the completion of the claim  
19 construction proceedings.

20  
21 **IT IS SO ORDERED.**

22 Dated: December 22, 2011

  
**HONORABLE BARRY TED MOSKOWITZ**  
United States District Judge