

## MARKMAN HEARINGS FOR INTERFERENCES?

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### I. Introduction

We had a panel hearing recently on the issue of priority in one of the Trial Section's new "priority first-preliminary motions later" interferences.<sup>3</sup> The most striking thing about the hearing from my perspective was the parties' flatly inconsistent interpretations of the count. Each side had put in its priority testimony based on its interpretation of the count, and a great deal of each party's priority testimony would be irrelevant (because outside the scope of the count) if the panel accepts the other party's interpretation of the count. This "ships passing in the night" situation got me to thinking, why not have Markman hearings during the administrative phases of interferences?<sup>4</sup>

### II. The Traditional Way vs. the New Way

In interferences handled the traditional way (preliminary motions first-priority,

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<sup>3</sup> *Ginter v. Benson*, Int. No. 105,193. My colleagues Michael Casey, Todd Baker, and Kurt Berger represent Benson. Linda Thayer, Jerry Voight, and Ross Franks of Finnegan, Henderson's Palo Alto office represent Ginter.

<sup>4</sup> As the district courts do in 35 USC 146 proceedings.

derivation, and inventorship<sup>5</sup> later), the preliminary motions period often decide what a count means, either explicitly or implicitly. However, even in interferences handled the traditional way, the preliminary motions period does not always do that. Accordingly, I respectfully submit this suggestion for use in both interferences handled the traditional way and in interferences handled in the new way.

III. Do the APJs Have the Authority to Order a Markman Hearing?

37 CFR 41.104(a) reads as follows:

The Board may determine a proper course of conduct in a proceeding [i.e., in a contested case, which includes interferences] for any situation not specifically covered by this part and may enter non-final orders to administer the proceeding.

In the “Discussion of Comments” published with the new rules at 69 Fed. Reg. 49969 (Aug. 12, 2004), the PTO repeatedly and emphatically emphasizes the enormous discretion that this section gives the APJs. I don’t think that there is any question but that the APJs could order Markman hearings--if they want to do so.

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<sup>5</sup> Re decisions on inventorship in interferences, see Sewall v. Walters, 21 F.3d 411, 30 USPQ2d 1356 (Fed. Cir. 1994) (Rich, J.), discussed in Gholz, A Critique of Recent Opinions in Patent Interferences, 77 JPTOS 427 (1995) § II.A., “Determining Inventorship is Nothing More Than Determining Who Conceived the Subject Matter at Issue.”

#### IV. Why Should the APJs Order Markman Hearings?

In the first place, the APJs are supposed to be serving the PTO's "customers." In the case I mentioned at the outset, putting in evidence that may turn out to be irrelevant cost both parties enormous amounts of money. Counsel for neither party dared forego cross-examination of their opponent's witnesses on the supposition that their opponent's declaration would be held irrelevant. Much of the cost of the testimony period to both parties could have been saved if, before the testimony period, a panel of the Trial Section had either interpreted the language in question or, better yet, had substituted a new count that did not contain the language in question.<sup>6</sup>

In the second place, it seems likely to me that it is going to take the panel more time and effort to sort out the parties' conflicting arguments now than it would have taken a panel to interpret the count or to substitute a better count at T=0.

#### V. When Should the APJs Order Markman Hearings?

In an order faxed on September 29, 2004 in the same interference but on a different issue, APJ Lee wrote:

As no one can accurately predict the future, and interference proceedings are usually unpredictable, it is possible that prior to a decision on all the other priority issues it will become apparent to party Benson that the

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<sup>6</sup> As the reader may have surmised, I am not a fan of the Trial Section's new "priority first-preliminary motions later" interferences.

attorney diligence period relied upon by Benson [sic; Ginter] will be crucial to a decision on priority.

As there, so here. While I think that it would usually be appropriate to hold a Markman hearing before the first phase of each interference, whether the first phase is a traditional preliminary motions phase or a new-fangled priority-derivation-inventorship phase, I am not advocating an inflexible rule to that effect--or even that there should be a Markman hearing in every case.<sup>7</sup> Just as there is a wide variety of practices with respect to when and whether formal Markman hearings are held by different district court judges in both 35 USC 146 actions and infringement actions and by the same district court judge in different cases, I think that this question should be resolved on an APJ-by-APJ and case-by-case basis. All that I am advocating is that, in each case, the APJ to whom the case is assigned discuss with the counsel handling the case the desirability of having a Markman hearing in that specific case and, if so, when the Markman hearing should be held.

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<sup>7</sup> See Gechter v. Davidson, 116 F.3d 1454, 1460, 43 USPQ2d 1030, 1035 (Fed. Cir. 1997) (“Claim construction must... be explicit, at least as to any construction disputed by [the] parties to the interference....”).