

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NICHOLAS GROUGAN,
Petitioner Application 16/210,724,
Petitioner,

v.

NICHOLAS GROUGAN and CARL MARSHALL,¹
Respondent Application 15/835,456,
Respondent.

DER2019-00007

Before JAMESON LEE, JOSIAH C. COCKS, and JUSTIN T. ARBES,
Administrative Patent Judges.

LEE, *Administrative Patent Judge.*

DECISION
Dismissal Prior to Institution of Trial
and Denial of Requests to Correct Inventorship
35 U.S.C. § 135(a)

¹ Nicholas Grougan was added as a co-inventor to Respondent's Application 15/835,456 on August 6, 2020. Exs. 3003, 3004.

I. Introduction

Section 135(b) of Title 35, United States Code provides: “In a derivation proceeding instituted under subsection (a), the Patent Trial and Appeal Board shall determine whether an inventor named in the earlier application derived the claimed invention from an inventor named in the petitioner’s application and, without authorization, the earlier application claiming such invention was filed.” 35 U.S.C. § 135(b). Section 135(d) provides: “The final decision of the Patent Trial and Appeal Board, if adverse to claims in an application for patent, shall constitute the final refusal by the Office on those claims.” 35 U.S.C. § 135(d).

When Petitioner filed its Petition on June 14, 2019, Respondent’s Application 15/835,456 already was abandoned, and thus there were no pending claims in Respondent’s Application 15/835,456 for the Office to refuse. Because Respondent’s Application was published on June 14, 2018, prior to the filing of Petitioner’s Application 16/210,724 on December 5, 2018, however, that published application potentially stood in the way of allowance of claims in Petitioner’s Application 16/210,724. For that reason, we refrained from dismissing the Petition and waited for indication of allowable subject matter in Petitioner’s Application 16/210,724 but for Respondent’s published application prior to proceeding further.²

² “Prior to instituting a proceeding that is both costly and time consuming to the parties and the Office, a determination will be made to ensure that each party is claiming subject matter that is actually patentable but for the potential derivation issue.” Changes to Implement Derivation Proceedings, 77 Fed. Reg. 56,068, 56,076 (September 11, 2012).

On May 19, 2020, all pending claims in Petitioner's Application 16/210,724, i.e., claims 1–3, 5, 7, and 8, were indicated as allowable. Ex. 3005. On August 4, 2020, Petitioner filed a request in Respondent's Application 15/835,456 to add Petitioner, Nicholas Grougan, as an inventor in Respondent's Application 15/835,456. Ex. 3002. That request was accepted on August 6, 2020 (Ex. 3003), and an updated filing receipt issued on August 6, 2020, which identifies the named inventors of Respondent's Application 15/835,456 as Carl Marshall and Nicholas Scott Grougan (Ex. 3004).

Under these circumstances, on November 18, 2020, we issued an Order for Petitioner to show cause ("OC") why the Petition should not be dismissed. Paper 4. On November 24, 2020, Petitioner filed a Response to the Order. Paper 5 ("Response to OC"). For reasons discussed below, the Petition is dismissed as moot.

II. Analysis

Petitioner responds to the OC by indicating that the Petition is not moot because Petitioner also, in the Petition, has requested relief that Petitioner, Nicholas Grougan, be named as the sole inventor in Respondent's Application 15/835,456, and also in Provisional Application 62/431,781 to which Respondent's Application 15/835,456 has claimed priority. Paper 5, 1; *see* Paper 2, 4 ("Pet.").

The effect of prevailing in a derivation proceeding against claims in another application is the final refusal by the Office of the challenged claims in that other application. 35 U.S.C. § 135(d). Correction of inventorship is not required even if the petitioner prevails. Section 135(b) of the statute

states that “[i]n a derivation proceeding instituted under subsection (a), . . . [i]n appropriate circumstances, the Patent Trial and Appeal Board *may* correct the naming of the inventor in any application or patent at issue.” 35 U.S.C. § 135(b) (emphasis added). The statutory language regarding correction of inventorship is permissive, not mandatory, and only permits correction after institution (i.e., after the petitioner has made a threshold showing of derivation sufficient for purposes of institution).

Although Petitioner desires to make himself, Nicholas Grougan, the sole named inventor in Respondent’s Application 15/583,456, the facts are: (1) Respondent’s Application 15/583,456 is abandoned, and (2) Petitioner already successfully requested the Commissioner of Patents to have Nicholas Grougan added as a co-inventor to that application (Exs. 3002–3004). Correcting inventorship has now become the only proposed reason for us to review whether Petitioner has met the threshold burden to have a derivation proceeding instituted and to institute such a derivation proceeding if the Petition meets that threshold.

There is, however, no entitlement to have a derivation proceeding instituted with respect to a respondent’s application solely to determine if inventorship has been properly named in that application and, if not, to make a correction. We decline, in the circumstances of this case, where Petitioner just recently successfully corrected the named inventorship in Respondent’s abandoned Application 15/583,456, to conduct a derivation proceeding just to determine whether that already corrected inventorship should still be further changed to name Petitioner as the sole inventor. A possible ancillary relief that may be awarded in an appropriate circumstance depending on the

evidence presented in a derivation proceeding during trial, apart from a final refusal of the challenged claims, should not be the sole reason for instituting a derivation proceeding.

Although Petitioner also desires to make himself, Nicholas Grougan, the sole named inventor in Provisional Application 62/431,781 to which Respondent's Application 15/835,456 has claimed priority, Provisional Application 62/431,781 is not an application at issue because it is not involved in this proceeding. Thus, even if we institute a derivation proceeding and Petitioner prevails, it would provide no basis to have the named inventorship changed in Provisional Application 62/431,781.

Finally, Petitioner argues that once a derivation proceeding is instituted, the Board "can immediately proceed to a final decision, given Mr. Marshall's failure to participate." Response to OC 2. For that reason, Petitioner asserts that resolving the inventorship question "will be simple for the Board to do in this instance." *Id.* Petitioner, citing 37 C.F.R.

§ 42.73(b),³ asserts that the Board may treat Respondent's failure to participate as an abandonment of the proceeding, which may be treated as a request for entry of adverse judgment. The suggestion is misplaced for two reasons. First, it does not change the thrust of the above-discussion on why we should not proceed further in this case. Second, it is an oversimplification of the circumstances here, as we explain below.

³ Section 42.73(b) of 37 C.F.R. provides that "[a] party may request judgment against itself at any time during a proceeding[.]" and that "[a]ctions construed to be a request for adverse judgment include: . . . [a]bandonment of the contest."

Although Respondent has not yet filed a Mandatory Notice despite being required to do so under 37 C.F.R. § 42.8 and having been ordered to do so in Paper 4, we decline to treat this pre-institutional failure to file the required Mandatory Notice as abandonment of the contest and, in turn, a request for entry of adverse judgment. In the circumstances of this case as discussed above, that is not a reasonable action to take and is also not yet a reasonable sanction to impose. And even if we do treat the failure as a request for entry of adverse judgment, that does not mean it necessarily is an “appropriate circumstance[]” to have inventorship further corrected on Respondent’s Application 15/835,456. Respondent could abandon the derivation contest without agreeing to Petitioner’s assertion that Nicholas Grougan is the sole inventor on Respondent’s Application 15/835,456. Further, it is speculative to assume that if a derivation proceeding actually is instituted, Respondent will still not respond. It is premature to assume that will be the case.

III. Order

For the foregoing reasons, it is

ORDERED that the Petition is *dismissed* as moot;

FURTHER ORDERED that no derivation proceeding is instituted;

FURTHER ORDERED that Petitioner’s requests to correct inventorship of Respondent’s Application 15/835,456 and to correct the inventorship of Provisional Application 62/431,781 are *dismissed*; and

FURTHER ORDERED that a copy of this Decision shall be placed in the files of Petitioner’s Application 16/210,724 and Respondent’s Application 15/835,456.

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Petitioner Application 16/210,724

Respondent Application 15/835,456

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