

**Keywords:** evidence, admissibility, appeal, enablement, written description, 35 U.S.C. § 145

**General:** Evidence not submitted by an applicant during prosecution or appeal is not admissible as a matter of right, and may not be admissible at all in a subsequent court appeal. The Federal Circuit will likely apply an equity-like standard when considering the admissibility of such evidence.

*Hyatt v. Doll*

No. 2007-1066 (Fed. Cir. Aug. 11, 2009)

**I. Facts**

Hyatt is an inventor with longstanding experience in prosecuting his own patent applications in the PTO (and in fighting decisions of the PTO in court). In 1995 (2 days before the change in the patent statute that would have forced a 20-year-from-filing life limitation on his application), Hyatt filed a patent application relating to an improved memory architecture with multiple buffer output. The application was a continuation and continuation-in-part of earlier applications dating back to 1984. The application had 15 claims and over 200 pages of specification, and incorporated a number of technical documents by reference. After several rounds of amendments and argument, the original claims were eventually canceled and some 117 new claims added.

In 1997, the examiner held an office action response “non-responsive” because Hyatt did not point out where in the specification support may be found for claim elements added by amendment, as the examiner had required. *See* MPEP 714.02. Hyatt then responded with a general statement of where certain terms could be found. The examiner then issued a final office action with prior art rejections, as well as rejections for enablement and written description, but specifically listing a number of limitations and groups of limitations that seemed to lack written description and enablement.

Hyatt appealed to the PTO Board and, representing himself, argued that the rejections were erroneous as the disclosure is “presumptively valid and correct”, and produced a table of terminology, number of occurrences of each term, and representative citation pages for each. After a thorough review of the specification, the Board reversed some of the prior art, enablement and written description rejections, but sustained the enablement and written description rejections of many claims, rejecting the table as unhelpful and even misleading. Hyatt requested a rehearing, which was denied.

Hyatt then filed a district court action (now employing counsel) under 35 U.S.C. § 145 (relating to the right to appeal to the district court, as opposed to direct appeal to the Federal Circuit under 35 U.S.C. § 141). The Director filed a motion for summary judgment, which Hyatt opposed, proffering his own declaration. The Director opposed admission of the Hyatt declaration as untimely because it was not previously submitted to the Board. The district court excluded the declaration because it found that Hyatt had been “negligent” in failing to submit it to the PTO during examination or appeal, and proceeded to uphold the Board’s decision (as supported by substantial evidence). It granted summary judgment in favor of the Director, and Hyatt filed this appeal.

**II. Issues**

- A. Is evidence proffered in a court appeal to a PTO decision admissible as a matter of right?
- B. Was the Hyatt declaration properly excluded by the district court in this case?

**III. Discussion**

- A. No. Chief Judge Michel, writing for the court retraced procedures for the examination, rejection, and appeal of decisions on patent applications since the inception of the U.S. patent system in 1790. Historically, there was an opportunity to appeal decisions rejecting applications to a court in equity, essentially leading to a de novo review of the issues involved (and a possibility to introduce new evidence not previously considered). The court also looked to differences between bills in equity, as permitted by the patent statute, relating to ex parte appeals versus inter partes disputes in cases of interference. The court also looked to a series of Supreme Court cases (most relating to appeals of decisions on interference), but concluded that the cases were inapposite here, as they did not relate to suits under § 145.

The court did recognize that Supreme Court precedent established that some circumstances exist in which new evidence *may* be submitted, but refused to recognize that this implies an unfettered right to introduce new evidence. After examining practices in a number of circuit courts, including a strict exclusionary rule of the 3<sup>rd</sup> Circuit, and Judge Learned Hand's refusal to follow such rules, the court went to lengths to observe that most courts do reserve the right to exclude some evidence, particularly if it could and should have been produced during proceedings in the PTO. While phrasing the basis for such exclusions somewhat differently, the courts have applied "negligence", "gross negligence", "bad faith", or "unclean hands" standards (consistent with standards in cases of bills in equity).

The court also looked to the Administrative Procedures Act (APA) and its history. Supreme Court rulings on review of administrative decisions under the APA set forth certain bases for de novo review (e.g., the adjudicatory nature of the action), but found that appeals from decisions of the PTO did not fall under any of those exceptions. Moreover, an earlier Federal Circuit holding that the APA did not apply Federal Circuit review of PTO decisions was overruled by the Supreme Court, which held that the Federal Circuit must review fact-finding by the PTO using the framework of the APA.

In "hybrid" actions under § 145, which go to a district court before appeal to the Federal Circuit, the court has recognized that new evidence may be before the district court. However, it held here that some limits should be placed on the ability to introduce new evidence and that "admitting new evidence without restriction would defeat the purpose of the APA." Observing that "[n]othing in the language of § 145 requires a de novo trial," the court effectively followed an equity standard in cases where an applicant seeks to overcome the consequences of his own refusal to adhere to the rules of prosecuting a patent application in the PTO.

It should be noted that Judge Moore wrote an extensive dissent, strongly arguing for the admissibility of "all competent evidence" under Supreme Court precedent. Moreover, in this case, the Judge Moore fears that the majority decision may make it impossible for an applicant even to testify in a court action for review of a PTO decision (here Hyatt's declaration was at issue).

- B. Yes. The court, while not formulating the point in such terms, was clearly not predisposed to allow Hyatt to introduce evidence that he could have produced during the earlier prosecution and appeal of his application. The fact that Hyatt was experienced in patent practice, that he represented himself, and that his consideration of the rejection was somewhat cavalier seem to have influenced the court's decision. In keeping with an equity-like standard, the court held that Hyatt could have and should have introduced the evidence earlier, and was now precluded from doing so in the court.

**IV. Conclusion**

Prosecution note: On the issue of requests by an examiner to point out support for claim recitations in accordance with MPEP 714.02, regardless of apparent reasonableness of the request, applicants should comply to avoid further complications and expense. A best practice is to point out support for amendments at the time they are made (relying on specific language when possible, and supported by the drawings when useful).

Appeal note: For appeals to the PTO Board, every attempt should be made to have evidence “of record” prior to the appeal, or if possible, during the appeal process. Even the Board will be reticent to allow new evidence to be introduced to reverse a decision of the examiner. On appeals to the courts, applicants should be aware that this decision could result in exclusion of newly proffered evidence in the event a court may find that the applicant could have and should have introduced the evidence into the PTO record.