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Correcting an Incorrect Priority Chain During PGR/IPR

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In a case decided yesterday, the Federal Circuit found that the Board abused its discretion by denying Honeywell's request to file a motion for leave to file a certificate of correction. *Honeywell International Inc. v. Arkema Inc.*, Case Nos. 2018-1151, -1153. After institution of a post grant review ("PGR") Honeywell discovered an error in its priority claim and requested leave to file a petition for certificate of correction. *Id*. at *2. The Board denied the request because "at this juncture there has been a failure to show that [the] requirements of 255 have been met." *Id*. at 8.

On appeal Honeywell argued that, while the mistake was not a clerical or typographical error, a certificate of correction is a permissible means for changing the priority claim and that the change was "minor" because it did not alter the substance of the claims or the specification. *Id*. at 4. Honeywell also argued that it satisfied the "good faith" requirement of 35 U.S.C. § 255 because it sought leave promptly after discovering the error, and Arkema did not contest this assertion. *Id*. Rather, Arkema countered that allowing Honeywell to correct the priority claim would be "extremely prejudicial" since the window to file another PGR with different prior art had closed. *Id*.

The Federal Circuit first rejected Arkema's argument that the Board's decision was unreviewable under 5 U.S.C. § 701(a)(2) as agency action "committed to agency discretion by law." *Id*. at 5. On the merits, the Court determined 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 6. The Court noted that a patent owner wishing to file a petition for certificate of correction must: (1) seek authorization from the Board to file a motion; (2) file a motion with the Board, if authorized, asking the Board to cede exclusive jurisdiction over the matter; and (3) if the motion is granted, petition the Director under 35 U.S.C. § 255. Id. (citations omitted). Once those steps are complete, it is the Director, not the Board, who evaluates the petition for certificate of correction. *Id*. at 7. The Court instructed the Board, on remand, to authorize Honeywell to file the motion and then review it in accordance with 37 C.F.R. § 1.323 and MPEP § 1485. *Id*. at 10-11.

This case provides a reminder to both parties to consider whether the priority chain is correct. Patent Owners, in particular, must remember to be prompt in requesting leave to file a motion for leave to petition for certificate of correction. The longer Patent Owner waits, the higher the likelihood that the motion will be denied. Petitioners too must by cognizant that a Patent Owner may use a certificate of correction to correct a priority claim to antedate prior art.