

The opinion in support of the decision being entered today was **not** written for publication and is **not** binding precedent of the Board.

Paper No. 19

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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Ex parte JAMES D. BRUGMAN and PAUL L. TASSON

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Appeal No. 2001-1041  
Application No. 09/219,475<sup>1</sup>

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ON BRIEF

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Before FRANKFORT, NASE, and BAHR, Administrative Patent Judges.  
NASE, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on appeal from the examiner's final rejection (Paper No. 12, mailed June 7, 2000) of claims 1 to 8 and 16 to 29. Claims 9 to 15, the only other claims pending in this application, have been allowed.

We REVERSE.

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<sup>1</sup> Application filed December 22, 1998, for reissue of U.S. Patent No. 5,588,491 (Application No. 08/513,436, filed August 10, 1995 ("the original application")), which patent issued on December 31, 1996.

BACKGROUND

The appellants' invention relates to blowout preventers and, more particularly, relates to a rotating blowout preventer with spherical packing elements for use in hydrocarbon recovery operations. The blowout preventer of this invention is able to reliably withstand high pressure while maintaining sealed engagement with a tubular member rotating at relatively high speeds, and also may be used to seal with a non-rotating tubular member (specification, p. 1). A copy of the claims under appeal is set forth in the appendix to the appellants' brief.

U.S. Patent No. 5,588,491 contains 20 claims. Independent claims 1 and 16, read as follows:

1. A rotatable blowout preventer for use in a hydrocarbon recovery operation including a tubular member passing through the blowout preventer, the rotatable blowout preventer assembly comprising:

a stationary outer housing defining a bore therein for receiving the tubular member, the outer housing have a central axis generally concentric with an axis of the tubular member, and the outer housing including a fluid closing port and a fluid output port therein;

an inner housing rotatable within the outer housing and having an inner curved surface thereon substantially defined by a portion of a sphere having a center substantially adjacent the central axis of the bore;

an annular sealing assembly supported within the inner housing for sealed engagement with the tubular member, a sealing assembly including a plurality of rigid elements circumferentially arranged about the bore of the outer

housing, each rigid element having an outer surface for sliding engagement with the inner curved surface of the inner housing, and the sealing assembly including a resilient member for sealed engagement with the tubular member;

a rotatable piston axially movable within the outer housing in response to pressurized fluid in the fluid closing port for causing both axial and radial movement of the annular sealing assembly;

a lower rotary seal between the piston and a lower portion of the stationary outer housing for sealing pressurized fluid within the stationary outer housing from a lower end of the bore in the outer housing;

a flow restriction member between the rotatable inner housing and an upper portion of the stationary outer housing for reducing fluid pressure downstream of the flow restriction member to less than 40% of the pressure upstream from the flow restriction member; and

an upper rotary seal between the rotatable inner housing and the upper portion of the stationary outer housing and downstream from the flow restriction member for sealing the reduced pressure fluid within the outer housing from an upper end of the bore in the outer housing.

16. A method of controlling actuation of a rotatable blowout preventer for use in a hydrocarbon recovery operation including a tubular member passing through the blowout preventer, the rotatable blowout preventer including a stationary outer housing defining a bore therein for receiving the tubular member, an inner housing rotatable within the outer housing, an annular sealing assembly supported within the inner housing for sealed engagement with the tubular member, a piston movable within the outer housing for causing radial movement of the annular sealing assembly, and a fluid closing port and a fluid output port in the outer housing for passing pressurized fluid to the piston, the method comprising:

providing a lower rotary seal between the piston and a lower portion of the outer housing for sealing pressurized fluid within the stationary outer housing from a lower end of the bore in the outer housing;

providing a flow restriction between the rotatable inner housing and an upper portion of the stationary outer

housing for reducing fluid pressure downstream of the flow restriction member to less than 40% of the pressure upstream from the flow restriction; and

providing an upper rotary seal between the rotatable inner housing and an upper portion of the stationary outer housing and downstream from the flow restriction for sealing the reduced pressure fluid within the stationary outer housing from an upper end of the bore in the outer housing.

A review of the file of the original application shows that claims 1 to 20 were allowed in the first Office action (Paper No. 3, mailed May 13, 1996). The claims allowed were as originally filed. Page 2 of the action included the following paragraph under the heading of EXAMINER'S STATEMENT OF REASONS FOR ALLOWANCE:

Claims 1 to 15 have been allowed primarily because the prior art of record fails to disclose or suggest a rotatable blowout preventer for use in a hydrocarbon recovery operation, having a lower rotary seal between a rotatable piston and a lower portion of a stationary outer housing for sealing pressurized fluid within the stationary outer housing from a lower end of the bore in the outer housing; a flow restriction member between the rotatable inner housing and an upper portion of the stationary outer housing for reducing fluid pressure downstream of the flow restriction member to less than 40% of the pressure upstream from the flow restriction member; and an upper rotary seal between the rotatable inner housing and the upper portion of the stationary outer housing--and downstream from the flow restriction member for sealing the reduced pressure fluid within the outer housing from an upper end of the bore in the outer housing, as specifically called for in the respective claimed combinations. Claims 16 to 20 have been allowed primarily because the prior art of record fails to disclose or suggest the steps of providing the above-noted

elements in a method of controlling actuation of a rotatable blowout preventer for use in a hydrocarbon recovery operation.

In the present reissue application, the appellants seek to amend patent claims 1 and 16 to read as follows with additions underlined and deletions bracketed:

1. A rotatable blowout preventer for [use in a hydrocarbon recovery operation] sealing pressure in a well including a tubular member passing through the blowout preventer, the rotatable blowout preventer assembly comprising:

a stationary outer housing defining a bore therein for receiving the tubular member, the outer housing have a central axis generally concentric with an axis of the tubular member, and the outer housing including a fluid [closing] input port and a fluid output port therein;

an inner housing rotatable within the outer housing [and having an inner curved surface thereon substantially defined by a portion of a sphere having a center substantially adjacent the central axis of the bore];

an annular sealing assembly supported within the inner housing for sealed engagement with the tubular member, [a sealing assembly including a plurality of rigid elements circumferentially arranged about the bore of the outer housing, each rigid element having an outer surface for sliding engagement with the inner curved surface of the inner housing, and] the sealing assembly including a resilient member for sealed engagement with the tubular member;

[a rotatable piston axially movable within the outer housing in response to pressurized fluid in the fluid closing port for causing both axial and radial movement of the annular sealing assembly;]

a lower rotary seal [between the piston and a lower portion of the stationary outer housing] for sealing pressurized fluid within the stationary outer housing from a lower end of the bore in the outer housing;

a flow restriction member [between the rotatable inner housing and an upper portion of the stationary outer housing] for reducing fluid pressure downstream of the flow restriction member to less than 40% of the pressure upstream from the flow restriction member; and

an upper rotary seal [between the rotatable inner housing and the upper portion of the stationary outer housing and] downstream from the flow restriction member for sealing the reduced pressure fluid within the outer housing from an upper end of the bore in the outer housing.

16. A method of controlling actuation of a rotatable blowout preventer for [use in a hydrocarbon recovery operation] sealing pressure in a well including a tubular member passing through the blowout preventer, the rotatable blowout preventer including a stationary outer housing defining a bore therein for receiving the tubular member, an inner housing rotatable within the outer housing, an annular sealing assembly supported within the inner housing for sealed engagement with the tubular member, [a piston movable within the outer housing for causing radial movement of the annular sealing assembly,] and a fluid [closing] input port and a fluid output port in the outer housing for passing pressurized fluid [to the piston] through the rotatable blowout preventer, the method comprising:

providing a lower rotary seal [between the piston and a lower portion of the outer housing] for sealing pressurized fluid within the stationary outer housing from a lower end of the bore in the outer housing;

providing a flow restriction [between the rotatable inner housing and an upper portion of the stationary outer housing] for reducing fluid pressure downstream of the flow restriction member to less than 40% of the pressure upstream from the flow restriction; and

providing an upper rotary seal [between the rotatable inner housing and an upper portion of the stationary outer housing and] downstream from the flow restriction for sealing the reduced pressure fluid within the stationary outer housing from an upper end of the bore in the outer housing.

On page 1 of the original reissue declaration (filed December 22, 1998), the appellants assert that they believe "the claims of the original patent are unduly narrow because they include limitations not required to distinguish the invention over the prior art." The appellants then proceed on pages 2-4 of the original reissue declaration to specifically set forth the errors in regards to claims 1 and 16. Thus, this reissue application seeks to enlarge the scope of claims 1 and 16 of the patent, and was properly filed within two years from the grant of the patent, as provided by the fourth paragraph of 35 U.S.C. § 251. However, the examiner considers claims 1 and 16, as well as claims 2 to 8 and 17 to 29 dependent thereon, to be unpatentable under 35 U.S.C. § 251 because they are "an improper recapture of broadened claimed subject matter surrendered in the application for the patent upon which the present reissue is based" (answer, page 3). Specifically, the examiner takes the position that (answer, pages 3 to 4):

The record of the application for the patent shows that the broadening aspect (in the reissue) relates to subject matter that applicant previously surrendered during the prosecution of the application. Accordingly, the narrow scope of the claims in the patent was not an error within the meaning of 35 U.S.C. § 251, and the broader scope surrendered in the application for the patent cannot be recaptured by the filing of the present reissue application.

Specifically, the limitations including: The lower rotary seal being located between the piston and a lower portion of a stationary outer housing; a flow restriction member being located between the rotatable inner housing, and an upper portion of the stationary outer housing; as well as the upper rotary seal being located between the rotatable inner housing and the upper portion of the stationary outer housing, were present in the claims of the original application. The examiner's reasons for allowance in the original application stated [quoted supra] that it was those limitations which distinguished over a potential combination of the prior art. Applicant did not present on the record a counter statement or comment as to the examiner's reasons for allowance, and permitted the claims to issue. The omitted limitations are thus established as relating to subject matter previously surrendered.

Rather than reiterate the conflicting viewpoints advanced by the examiner and the appellants regarding the above-noted rejection, we make reference to the answer (Paper No. 15, mailed December 27, 2000) for the examiner's complete reasoning in support of the rejection, and to the brief (Paper No. 14, filed September 14, 2000) and reply brief (Paper No. 16, filed January 16, 2001) for the appellants' arguments thereagainst.

#### OPINION

After reviewing the record in light of the arguments presented in appellants' briefs and in the examiner's answer, we conclude that the rejection is not well taken.

35 U.S.C. § 251 provides that a patent may be reissued if it is deemed wholly or partly inoperative or invalid "through error without any deceptive intention." Under the recapture rule, there cannot be said to be an "error" within the meaning of 35 U.S.C. § 251 "[i]f the patentee tries to recapture what he or she previously surrendered in order to obtain allowance of original patent claims." Mentor Corp. v. Coloplast Inc., 998 F.2d 992, 995, 27 USPQ2d 1521, 1524 (Fed. Cir. 1993).

The reissue statute is "based on fundamental principles of equity and fairness, and should be construed liberally." Hester Industries, Inc. v. Stein, Inc., 142 F.3d 1472, 1479, 46 USPQ2d 1641, 1647 (Fed. Cir. 1998), quoting In re Weiler, 790 F.2d 1576, 1579, 229 USPQ 673, 675 (Fed. Cir. 1986). When the Office action allowing the claims in the original application was issued on May 13, 1996, the rule concerning reasons for allowance, 37 CFR § 1.109, provided in its last two sentences (emphasis added):

The applicant or patent owner may file a statement commenting on the reasons for allowance within such time as may be specified by the examiner. Failure to file such a statement shall not give rise to any implication that the applicant or patent owner agrees with or acquiesces in the reasoning of the examiner.

Effective Dec. 1, 1997, 37 CFR § 1.109 was removed and its substance incorporated into 37 CFR § 1.104 as § 1.104(e) (1203 O.G. 63, 79 (Oct. 21, 1997)). Subsequently, effective Nov. 7, 2000, 37 CFR § 1.104(e) was amended by deleting its last sentence (underlined above), the accompanying discussion stated that this statement in the rule was inconsistent with recent decisions by the United States Supreme Court and the Court of Appeals for the Federal Circuit<sup>2</sup> which decisions highlight the crucial role the prosecution history plays in determining the validity and scope of a patent (1238 O.G. 77, 103 (Sep. 19, 2000)).

Appellants argue that, in not filing a statement or comments in response to the examiner's reasons for allowance, they were entitled to rely on the above-noted provision of the last sentence of 37 CFR § 1.109/1.104(e), i.e., that failure to file such a statement would not give rise to any implication that they agreed with or acquiesced in the examiner's reasoning. We agree. It has

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<sup>2</sup> Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 520 U.S. 17, 41 USPQ2d 1865 (1997); Markman v. Westview Instruments, 52 F.3d 967, 34 USPQ2d 1321 (Fed. Cir. 1995), aff'd, 517 U.S. 320, 38 USPQ2d 1461 (1996); Vitronics Corp. v. Conceptoronic Inc., 90 F.3d 1576, 39 USPQ2d 1573 (Fed. Cir. 1996); Zenith Labs., Inc. v. Bristol-Myers Squibb Co., 19 F.3d 1418, 30 USPQ2d 1285 (Fed. Cir. 1996).

been held that an applicant should be entitled to rely on the statutes, Rules of Practice and provisions of the MPEP in the prosecution of his/her patent application. In re Kaghan, 387 F.2d 398, 401, 156 USPQ 130, 132 (CCPA 1967). The examiner here appears to be of the opinion that the 37 CFR § 1.109/1.104(e) provision negating any implication of acquiescence from the applicant's failure to respond to the examiner's reasons for allowance was in some manner invalid because it was contrary to case law. However, it is well settled that the rules of the USPTO have the force and effect of law unless they are inconsistent with statutory provisions, In re Rubinfeld, 270 F.2d 391, 395, 123 USPQ 210, 214 (CCPA 1959), cert. denied, 362 U.S. 903 (1960), and neither any of the cases cited in footnote 2, supra,<sup>3</sup> nor any

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<sup>3</sup> The first three cases cited in footnote 2, supra, do not even deal with an examiner's reasons for allowance. As to the fourth case cited in footnote 2, supra, while it supports the proposition that an examiner's reasons for allowance is part of the prosecution history, it does not, in our view, support the proposition that an examiner's reasons for allowance in a first action allowance of the originally filed claims as in the application before us for review can alone give rise to prosecution history estoppel. From a historical perspective, the Supreme Court stated that "[o]ur prior cases have consistently applied prosecution history estoppel only where claims have been amended for a limited set of reasons, and we see no substantial cause for requiring a more rigid rule invoking an estoppel regardless of the reasons for a change." Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 520 U.S. at 32, 41 USPQ2d at 1872. This  
(continued...)

other decision of which we are aware,<sup>4</sup> has specifically held this provision of 37 CFR § 1.109/1.104(e) to be inconsistent with the statute or otherwise invalid. To penalize the appellants for having relied on a provision of the rules which was in effect at the time of their reliance would be contrary to the fundamental principles of equity and fairness on which the reissue statute is based. Hester Industries, supra.

In effect, the examiner seems to be retroactively applying the November 7, 2000 amendment of the rules, supra, by which this provision was removed from 37 CFR § 1.104(e), but an agency does not have the authority to promulgate retroactive rules unless expressly given that authority by Congress, Motion Picture Assn. of America Inc. v. Oman, 969 F.2d 1154, 1156, 23 USPQ2d 1447, 1449 (D.C.Cir. 1992), and the USPTO has not been given such authority.

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<sup>3</sup>(...continued)  
statement exemplifies the caution and restraint with which our courts view estoppel.

<sup>4</sup> A lack of response was considered as a factor in the prosecution history limiting the interpretation of the patent claims in Elkay Mfg. Co. v. Ebco Mfg. Co., 192 F.3d 973, 979, 52 USPQ2d 1109, 1113-14 (Fed. Cir. 1999).

Moreover, even if present 37 CFR § 1.104(e) had been in effect when the appellants' original application was pending, we do not consider that the recapture rule would preclude them from obtaining the claims now on appeal.

Discussing what may constitute a surrender for purposes of the recapture rule, the Court in Hester Industries, 142 F.3d at 1481, 46 USPQ2d at 1648, stated that:

as a general proposition, in determining whether there is a surrender, the prosecution history of the original patent should be examined for evidence of an admission by the patent applicant regarding patentability. . . . In this regard, claim amendments are relevant because an amendment to overcome a prior art rejection evidences an admission that the claim was not patentable. . . . Arguments made to overcome prior art can equally evidence an admission sufficient to give rise to a finding of surrender. . . . Logically, this is true even when the arguments are made in the absence of any claim amendment. Amendment of a claim is not the only permissible predicate for establishing a surrender.

In the present case, the claims in appellants' original application were, as noted previously, allowed in the first Office action. Consequently, the prosecution history of the original application contains none of the evidence relevant to surrender discussed in Hester Industries, supra, in that it contains neither any amendments to the claims, nor any arguments made by the appellants to overcome prior art or for any other

purpose. Under the facts of this case, we know of no decision which holds either that (1) under the recapture rule, a surrender resulted from the appellants' failure to file a statement or comments in response to the examiner's statement of reasons for allowance, or (2) under prosecution history estoppel, a surrender resulted from the appellants' failure to file a statement or comments in response to the examiner's statement of reasons for allowance.

Lastly, we note that the decision reached herein is consistent with the Board of Patent Appeals and Interferences' decision rendered on July 31, 2001 in Ex parte Yamaguchi on reissue Application No. 09/296,102, which has been made publically available on our web site at <http://www.uspto.gov/web/offices/com/sol/foia/bpai/fd011596.pdf>.<sup>5</sup>

#### CONCLUSION

We conclude, based on the facts before us in this case, that the appellants surrendered nothing during the prosecution of

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<sup>5</sup> This is the only decision that we are aware of dealing with the issue of whether an examiner's statement of reasons for allowance in a first action issue constitutes a surrender under either the recapture rule or prosecution history estoppel.

their original application. Consequently, the recapture rule is inapplicable here, and the decision of the examiner to reject claims 1 to 8 and 16 to 29 under 35 U.S.C. § 251 is reversed.

REVERSED

CHARLES E. FRANKFORT	)	
Administrative Patent Judge	)	
	)	
	)	
	)	
	)	BOARD OF PATENT
JEFFREY V. NASE	)	APPEALS
Administrative Patent Judge	)	AND
	)	INTERFERENCES
	)	
	)	
JENNIFER D. BAHR	)	
Administrative Patent Judge	)	

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