TROY v. SAMSON MFG. CORP., Appeal No. 2013-1565 (Fed. Cir. July 11, 2014). Before Prost, Bryson and Moore. Appealed from D. Mass. (Judge Young).

Background:

The Board of Patent Appeals and Interferences declared an interference between Troy's patent (451 Patent) and Samson's patent application (665 Application). The 451 Patent claims priority to a provisional application filed on February 11, 2005. The 665 Application claims priority to a provisional application filed on January 18, 2005. Samson was named the senior party because the 665 Application had an earlier priority date. Troy alleged reduction to practice in early February 2004 and conception on several dates prior to February 2004. Samson alleged reduction to practice in late February or early March 2004 and conception in early February 2004. The Board found that Troy failed to prove actual reduction to practice in February 2004 and ordered all claims of the 451 Patent canceled.

Troy challenged the Board's decision in district court by a suit under § 146. Troy introduced new evidence of prior conception and actual reduction to practice in February 2004, including an affidavit and deposition testimony. Troy also alleged that Samson misappropriated his company's trade secrets and derived its alleged invention from Troy. The district court refused to consider the new evidence and found that Troy should be precluded from raising new issues not previously raised before the Board. As such, the district court affirmed the Board's decision to cancel all claims of Troy's patent. Troy appealed.

Issue/Holding:

Did the district court err in refusing to consider evidence pertaining to new issues not previously raised before the Board? Yes, vacated and remanded.

Discussion:

The Federal Circuit, deferring to the Supreme Court's decision in *Hyatt v. Kappos*, determined that new evidence is admissible without regard to whether the issue was previously raised before the Board. *Hyatt* held that "there are no evidentiary restrictions beyond those already imposed by the Federal Rules of Evidence and the Federal Rules of Civil Procedure."

Samson argued that *Hyatt* applies to § 145 actions only and is not applicable to an interference arising under § 146. The Federal Circuit disagreed and found that there is no reason why evidentiary rules that apply to § 145 actions should not similarly apply to § 146 actions. The Federal Circuit further opined that §§ 145 and 146 provide a remedy by civil action, and thus, *Hyatt* should apply with equal force to both sections.