

**DECISION**



19224  
**THE COMPTROLLER GENERAL  
OF THE UNITED STATES  
WASHINGTON, D. C. 20548**

**FILE:** B-193272

**DATE:** August 21, 1981

**MATTER OF:** Homer E. Jackson - Attorney fees for patent interference action against the Government

**DIGEST:** Claims Division's disallowance of attorney fees for inventor who successfully prosecuted patent interference action against NASA is affirmed. Board of Patent interference findings do not support conclusion that NASA breached its contract with the inventor so attorney fees may not be considered damages for a breach. Moreover, under the American Rule, a prevailing party is not entitled as a matter of right to attorney fees in the absence of a statutory or contractual provision therefore.

This decision is in response to a request by Mr. Homer E. Jackson, that we review our Claims Division's settlement of August 31, 1978 (Claim No. Z-2755008), which disallowed Mr. Jackson's claim for attorney fees. Mr. Jackson incurred the fees in protecting his patent in an interference action against the Government Jackson v. Steele, Interference No. 98,292, May 30, 1975. We affirm denial of the claim for the reasons discussed below.

In 1967, Mr. Jackson, then an employee of the National Aeronautics and Space Administration (NASA) disclosed to NASA an invention entitled "Aircraft Collision Warning System" (ACWS). Mr. Jackson's invention was not related to his employment, nor was it sponsored by Government funding. Therefore, NASA in accordance with 37 C.F.R. Part 100 and Executive Order No. 10096 (January 23, 1950, 15 C.F.R. § 391) as amended, determined that title to the invention should rest with Mr. Jackson. On June 18, 1968, the Commissioner of Patents concurred with NASA's determination of ownership.

Mr. Jackson and NASA entered into a "License and Agreement", NASA Form 427, NASA Case No. HON-10149 on March 28, 1969. This agreement provided that, in exchange for NASA incurring all costs required for securing a patent, Mr. Jackson would grant the Government a non-exclusive, irrevocable, royalty-free license in the invention and under any patents which might issue from it. In addition, Mr. Jackson agreed that NASA would have the irrevocable and exclusive right to prosecute the patent application in the U.S. Patent and Trademark Office and authority to prosecute and make adjustments and settlements of any interferences in which the application or patent might become involved. Accordingly, NASA filed United States patent application No. 811,287 on March 28, 1969.

[Claim for Attorney Fees]

~~018185~~

116199

During the period that Mr. Jackson's disclosure was being processed, another NASA employee, Mr. Ernest R. Steele, disclosed his related invention, "Satellite Aided Vehicle Avoidance System" (SAVAS). Mr. Steele's invention was conceived in the course of his employment. Thus, the rights to SAVAS were assigned to NASA. NASA filed United States patent application No. 811,542 (Steele Application) on March 28, 1969, the same day that the Jackson patent application was processed.

NASA retained the law firm of Lowe and King to prosecute Mr. Jackson's application (Jackson Application I) in the U.S. Patent and Trademark Office. On July 3, 1969, Mr. Jackson executed an additional power of attorney to Lowe and King.

The patent examiners informed NASA on April 3, 1970, that the claims as drafted in the patent application indicated four different inventions. Patent law permits only one invention per patent. NASA determined that the invention defined 26 claims, and that claims 1-15 and 22-32 best described the invention. (Claims 37 and 38 were later added to the patent application during its pendency.) One of the factors leading to the selection of claims by NASA was that other claims cited contained certain aspects of the Steele invention, which might raise questions as to the identity of the inventor. The attorneys at Lowe and King concurred in the selection of these claims. Lowe and King, then, was representing the Government as well as Mr. Jackson.

The record is unclear about when Mr. Jackson informed NASA that he believed that certain claims in the Steele application belonged to him. At any rate, NASA made the determination that it would not pursue any further patents in connection with the Jackson invention. On November 18, 1971, NASA instructed Lowe and King not to do any continuation, division, or any other work on Jackson Application I beyond preparing and filing the original application.

On December 21, 1971, Lowe and King, on behalf of Mr. Jackson, filed a "continuation-in-part" patent application, No. 29-322 (Jackson Application II). Filing Jackson Application II invoked the interference action as the application contained nine claims of NASA's Steele-issued patent. The patent interference action placed NASA in an adversary position to Mr. Jackson, giving rise to his allegation that NASA had a conflict of interest. NASA, for its part, states that at this point it could not represent Mr. Jackson in his interference action or it could justly have been accused of a conflict.

Pending the Interference decision, and pursuant to the original agreement between NASA and Mr. Jackson, Mr. Jackson conveyed to the Government a license to patents which might issue from Jackson

Application II. On May 30, 1975, the Board of Patent Interference filed its decision and awarded priority of invention on all claims in dispute to Mr. Jackson.

Subsequently, Mr. Jackson filed a claim against the Government for \$6,091.64 representing attorney fees he incurred in prosecuting the interference. Mr. Jackson contended that the claim arose because of a failure by NASA to honor the terms of the contract. This failure, argued Mr. Jackson, necessitated his action to protect his property.

Mr. Jackson's claim was denied by our Claims Division on August 31, 1978. It found that NASA had complied with its obligation to Mr. Jackson. NASA had filed the application for the patent and paid all costs incurred. Further, the Claims Division determined that NASA's decision not to pursue the interference was within its discretion under the agreement.

Mr. Jackson now appeals this settlement. Mr. Jackson argued that issues in the original claim were not addressed. He makes three major allegations: (1) the Government breached its agreement by allowing or causing his invention to be placed or incorporated into a patent application of a third party; (2) the Government had a conflict of interest that did not allow it to meet its obligations to Mr. Jackson; and (3) the Government seized Mr. Jackson's property without due process of law. In essence, then, Mr. Jackson is claiming attorney fees as the damages for the alleged breach of contract by NASA. We will discuss each of his allegations in turn.

1. The Government breached its agreement with Mr. Jackson by allowing part of his invention to be incorporated into the Steele patent.

The Board of Patents found " \* \* \* there is not even a shadow of allegation or proof that Steele may have derived the information from Jackson either directly or through the vehicle of NASA attorneys \* \* \*. (The decision of the Board of Patents, No. 98,292 p. 5.) Thus, it appears that NASA did not facilitate the taking of any of Mr. Jackson's property.

2. Mr. Jackson contends that the Government had a conflict of interest in protecting his patent claims and that issuance of the Steele patent without determination of the true inventor was gross negligence. The license agreement between NASA and Mr. Jackson gave NASA the right to control the prosecution of the patent application and it was not obligated to prosecute all interference actions.


Rather, NASA had the discretion on how to proceed. NASA indicated that its decision to prosecute only the original Jackson patent was based on the questionable workability of the Jackson invention. The record cannot support a finding that NASA's decision was an abuse of discretion, nor can NASA's reluctance to determine the true inventor be considered "gross negligence." Even accepting that NASA was in a precarious position, in that it had a vested interest in both the Steele and Jackson patents, as mentioned above, Mr. Jackson has not established an adequate basis for his claim that NASA subordinated his patent to Mr. Steele's.

Finally, Mr. Jackson argues that his property was seized without due process of law. The Board of Patents, however, found no evidence to support this accusation and we have no reason to dispute this finding. Therefore, the Government seized no property from Mr. Jackson and owes him no compensation. The license to Jackson patent II was issued to the Government pursuant to the agreement and was not obtained by devious means.

We, therefore, find that NASA fulfilled its contractual obligations to Mr. Jackson under the license agreement. The contract between Mr. Jackson and NASA required NASA to prepare, file, and prosecute the patent application and to be responsible for all costs. NASA met these obligations. NASA was not obligated to pursue the interference action and had adequate justification for not doing so. Attorney fees, therefore, cannot be awarded on a breach of contract theory.

Further, there is no basis to reimburse Mr. Jackson as the prevailing party in the administrative proceeding against NASA. (1) In general, the rule followed by American courts is that a successful plaintiff is not entitled to attorney fees, absent specific statutory authority or a contractual provision so providing. See Fleischmann Corp. v. Maier Brewing, 386 U.S. 714, 717 (1967). (2) We find no statutory authority for NASA to reimburse a successful party plaintiff for attorney fees incurred in an interference proceeding where NASA is the defendant. See Turner v. FCC, 514 F.2d 1354 (D.C. Cir. (1975)). Therefore, reimbursement to Mr. Jackson cannot be justified on a prevailing party theory either.

In view of the foregoing, we must affirm our Claims Division's settlement.

  
Acting Comptroller General  
of the United States