



Tips for Success Before the BPAI

PRESENTED TO: WSPLA



INTELLECTUAL PROPERTY LAW
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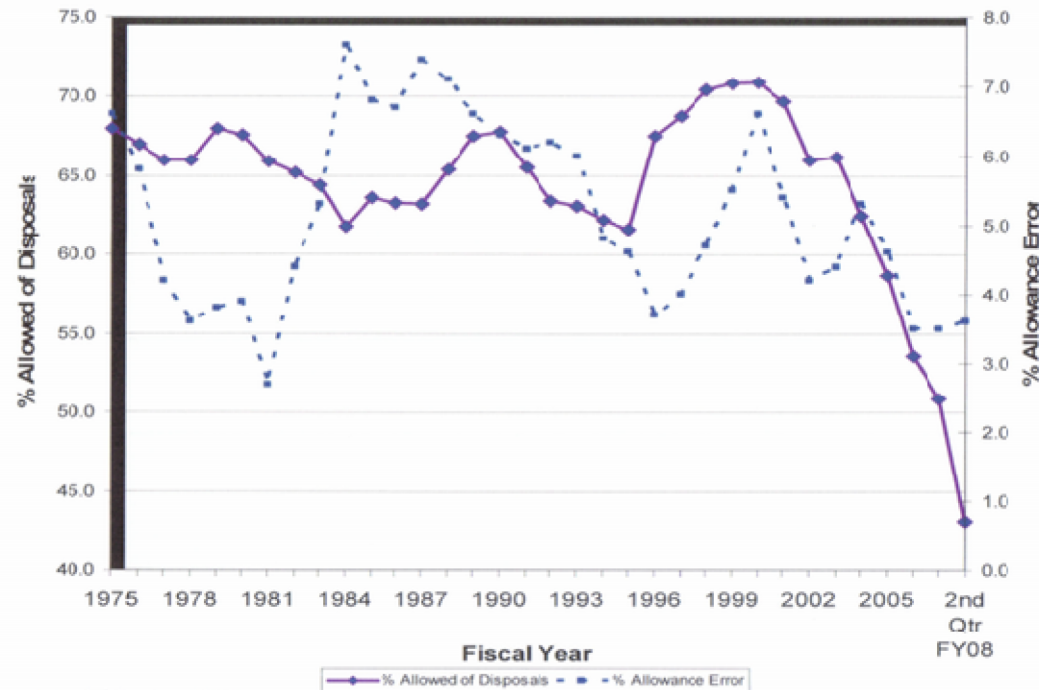
Overview

- The Appeal Process
- Pre-Appeal Considerations
- Appeal Brief
- Examiner's Answer
- Reply Brief
- Oral Argument
- Post Decision Practice

Should you appeal?



Error and Allowance Rates



Data is through the 2nd Quarter of 2008.

Why the drop?

- “Quality” crackdown
 - Myriad opaque layers of “quality review”
- RCE churn
 - Cases are not being allowed but neither are they being abandoned

Cases likely to need an appeal

Cases involving rejections such as:

- Utility
- Subject matter eligibility
- Written description, especially biotech and pharma cases
- Significant legal issues including declarations under 37 CFR § 1.131 and 132
- Business methods
- Obviousness

Considerations in Deciding Whether You Should Appeal

- Have you worked with the examiner?
- Business needs of client
- Timeliness of BPAI decision
- Possible outcome of appeal
- Claim scope
- Evidentiary record

Timeliness of BPAI Decisions

As of February 28, 2010, the number of ex parte appeals awaiting decision at the Board is 14,138, up from 3,956 on October 1, 2008.

Outcome of Board Decisions

In FY 2009, the Board affirmed 52.1%, affirmed-in-part 14% and reversed 25.2%. The reversal rate trended upwards during FY 2009.

Resources

- 35 U.S.C. §§ 6 and 134
- 37 CFR § 41.1 et seq., proposed amendment
December 22, 2009
- MPEP Chapter 1200
 - To be extensively revised by PTO if rules amended
- Board web site--
<http://www.uspto.gov/web/offices/dcom/bpai/index.html>
- Board opinions are available at the website and may be searched to some degree

New rules

The new proposed rules are significantly less onerous than the previous proposal.

Merits panels

- Typically APJs are assigned to merits panels for ex parte appeals on a random basis with the APJ's technical background taken into account.
- Related appeals will typically be assigned to the same panel.
- Expanded panels can involve a cross-section of APJs having various technical backgrounds.

Merits Panel Review--On Brief

- A typical appeal is assigned to a panel of three APJs; APJ 1, APJ 2 and APJ 3
- APJ 1 is responsible for initial review of record
- APJ 1 and APJ 2 will confer
 - If APJ 1 and APJ 2 agree on disposition of all rejections, APJ 1 will draft opinion for panel review
 - If APJ 1 and APJ 2 do not agree on disposition of all rejections, conference is had with APJ 3 and a vote is taken.

Merits Panel Review—Heard

- A pre-hearing conference is conducted by all APJs assigned to panel
- Post-hearing conferences typically are conducted on a panel basis
- Opinion drafting is similar to the procedures followed in on brief appeals

Should you appeal?

Old advice--Not every case that is eligible for appeal under the statute and rules is necessarily ready for appeal.

New advice—Appeal early and often. Response to first Office action can be seen as the beginning of an Appeal Brief.

Appeal or Petition

Know what matters are subject to review by way of petition instead of appeal, e.g.,

- Restriction or election of species
- Entry of amendments and evidence after final rejection and/or NOA
- Undesignated new ground of rejection in Examiner's Answer

Arguing a petitionable matter in the briefs or at hearing is futile and can cause loss of credibility

Pre-Appeal Claim Construction in the USPTO

In reaching the decision of whether to appeal, you must have a realistic view of the scope of each claim based upon the correct standard for construing claims in the USPTO.

Pre-Appeal Claim Construction in the USPTO

“[A]s an initial matter, the PTO applies to the verbiage of the proposed claims the ***broadest reasonable*** meaning of the words in their ***ordinary usage*** as they would be ***understood by one of ordinary skill in the art***, taking into account whatever ***enlightenment by way of definitions or otherwise that may be afforded by the written description*** contained in the applicant’s specification.”

In re Morris, 127 F.3d 1048, 1054 (Fed. Cir. 1997)

Claim 1— Eats shoots and leaves.

Claim 2— Eats, shoots and leaves.

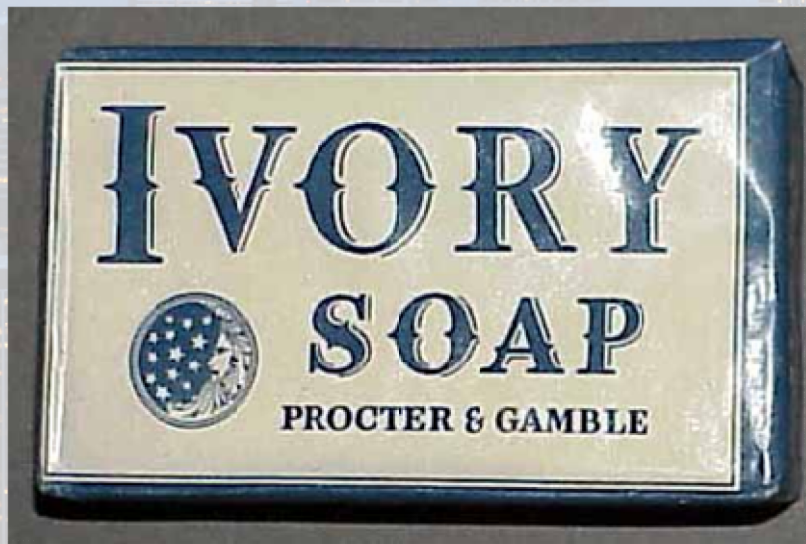
Claim 1— Eats shoots and leaves.



Claim 2— Eats, shoots and leaves.



Claim 1. An abrasive composition comprising soap.



Amendments after appeal (proposed)

37 CFR § 41.33(a)--After NOA is filed and prior to filing of Appeal Brief, amendments are admitted pursuant to the provisions of 37 CFR § 1.116.

Amendments after appeal (proposed)

37 CFR § 41.33(b)--Amendments filed on or after the date of filing the Appeal Brief will only be admitted:

- To cancel claims, where such cancellation does not affect the scope of any other pending claim in the proceeding,
- To rewrite dependent claims into independent form

Evidence after appeal (proposed)

37 CFR § 41.33(d)(1)--Evidence filed after the NOA and prior to the filing of the Appeal Brief may be admitted if (1) the examiner determines that the evidence would overcome at least one rejection under appeal and does not necessitate any new ground of rejection and (2) presentation of a showing of good cause why the evidence is necessary and was not presented earlier.

Pre-Appeal Brief Conference?



Procedures governing pre-appeal brief are found at:
<http://www.uspto.gov/web/offices/com/sol/og/2005/week28/patbref.htm>

Pre-Appeal Brief Conference?

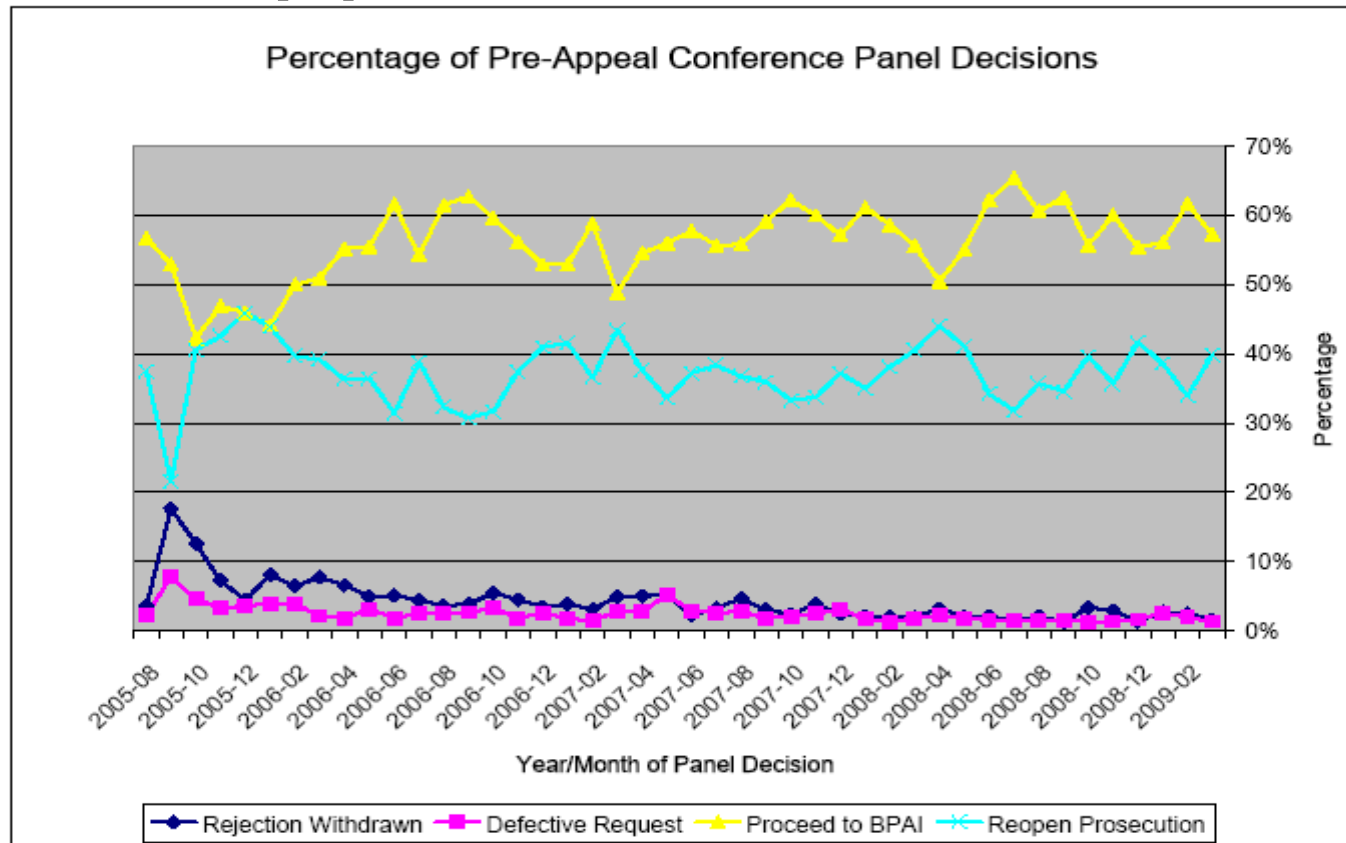
Pros:

- Two conferees review case with examiner

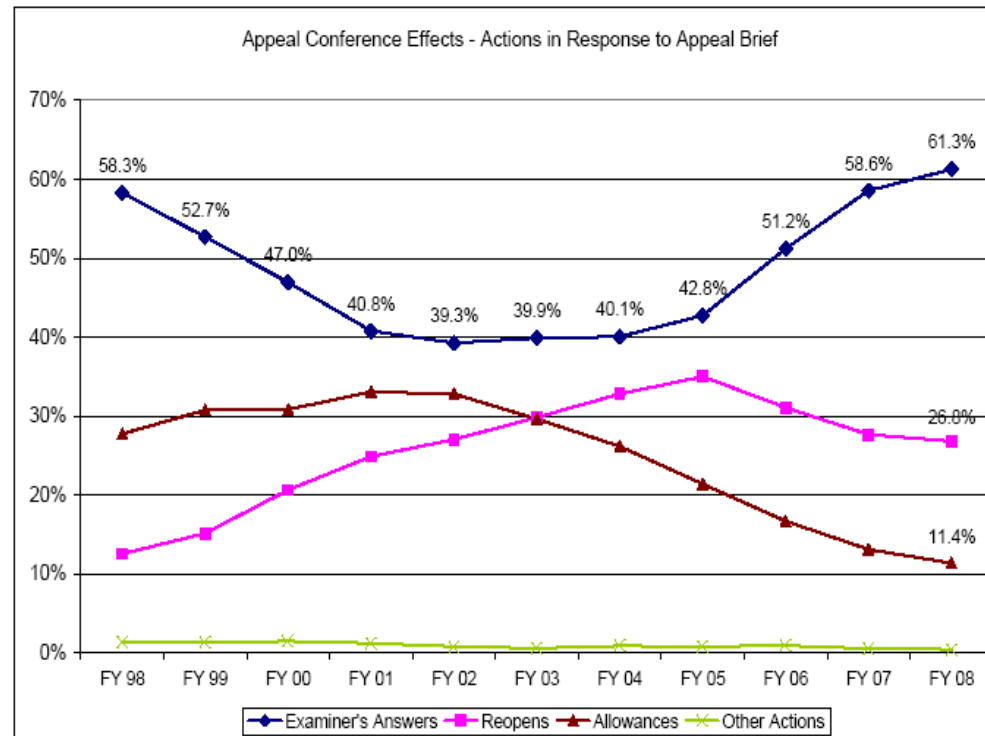
Cons:

- If unsuccessful, will appeal conference be pro forma?
- No specific feed back as to why arguments were not persuasive
- Over 70% of requests are ineffective

Pre Appeal Brief Outcomes



Appeal Conference Outcomes



Proposed changes in the Appeal Brief

What remains the same

- Real Party In Interest
- Related Proceedings/Related Cases
- Status of Claims
- Status of Amendments After Final Rejection
- Rejections to be Reviewed

What is new

- Presumption of examiner correctness and BPAI review for examiner error
- A revised and expanded appendix
 - Claims section
- Sanctions

What was removed

- Summary of claimed subject matter in lieu of new claims section in appendix
- Parallel citation to USPQ no longer required

Appeal Brief-Argument (proposed)

Only those arguments set forth in the argument section of the appeal brief will be considered. Arguments which appellant could have made but chose not to make in the briefing will not be considered. See 37 C.F.R. § 41.37(0)(2)

Appeal Brief-Argument

It is helpful to structure arguments as follows:

1. Separate argument for claim 1
 - a. Legal standard
 - b. Claim construction
 - c. Argument

Appeal Brief-Separate argument of claims, 37 CFR § 41.37(o)(1) (proposed)

- A separate heading is required for each ground of rejection.
- Any claim(s) argued separately must be placed under a subheading identifying the claim by number.

Appeal Brief-Separate argument of claims, 37 CFR § 41.37(o)(1)

- When multiple claims subject to the same ground of rejection are argued as a group, the Board may select a single claim from the group to decide the appeal with respect to the group of claims as to the ground of rejection on the basis of the selected claim alone.
- A statement which merely points out what a claim recites will not be considered an argument for separate patentability of the claim.

Appeal Brief-Separate argument of claims-Independent claims

You should separately argue each independent claim since the Board will review each one. If each independent claim is not separately argued, the panel will pick what they determine to be the broadest claim or the claim most vulnerable to the examiner's rejection regardless of the merits of the remaining independent claims.

Appeal Brief-Separate argument of claims

Separately argue a dependent claim. If rejection of one claim is reversed, patent term is adjusted per 35 U.S.C. § 154(b)(1)(C)(iii).

Sources of Examiner error--*Prima facie* case of unpatentability

- Examiner must construe each claim under review using standards appropriate for claims under review before the USPTO.
- Examiner must apply the correct legal standards for the section of the statute the rejection is based upon.

Sources of Examiner error--*prima facie* case of unpatentability

- Examiner must make facts of record relevant in determining the patentability of the claim under review.
- Examiner must set forth a fact-based statement of rejection from the examiner setting forth the reasons why the facts relied upon, using the correct legal standard, render the claim under review unpatentable.

Examiner's Answer

See MPEP 1207 for requirements of an Answer

Review the Examiner's Answer and ensure the examiner agrees with you as to:

- The claims to be reviewed
- A correct copy of the claims is present
- The rejections to be reviewed
- The evidence relied upon

Examiner's Answer

The examiner may make a new ground of rejection by shifting the factual basis and/or reasoning of the rejection.

Examiner's Answer

Indicia that an undesignated new ground of rejection has been made:

- Examiner significantly shifts which portion(s) of reference(s) are relied upon
- Examiner “sneaks in” new reference or evidence
- Examiner responds to record evidence for the first time or significantly expands or changes reasoning why such evidence is not persuasive

Examiner's Answer

A test of whether the examiner made a new ground of rejection is whether appellant has had a fair opportunity to react to the thrust of the rejection. In re Kronig, 503 F.2d 1300, 1302-03, (CCPA 1974)

Reply Brief

- Point out any arguments and evidence relied upon in the Appeal Brief that the examiner did not directly answer
- Reply to each new point of argument and reference citation made by the examiner

Docket Notice 37 CFR 41.35(a)

The rules now provide for a docket notice. Keep track of your case on PAIR. If you have not received a docketing notice within two months of the Examiner's Answer if no Reply Brief was filed, or one month after the examiner noted the Reply Brief, call the examiner to make sure the case was electronically forwarded to the Board.

Oral Hearing



Hearing Request

The Request for Oral Hearing must be in a separate paper. 37 CFR § 41.47(a)

Oral Hearing

- Hearings in *ex parte* appeals are open to the public if the underlying application has been published or is otherwise publicly available
- *Ex parte* hearings will be recorded and transcribed with a copy of the transcript placed in the official record

Oral Hearing

You are entitled to a 20 minute presentation although most panels are lenient with time depending on the calendar and whether the argument is constructive.

Have a two minute opening statement prepared that covers your strongest point.

Oral Hearing

- Be prepared to answer questions about the entire record, especially questions concerning claim scope and references of record but not relied upon by the examiner.
- Answer hypothetical questions carefully as answers will become part of the record.
- Do not try to guess the outcome by the nature of questions as questions are most often directed to the perceived weaknesses in your position.

Oral Hearing Electronic File Wrapper

Consider bringing a bench book for each of the APJs so they can follow your argument. At a minimum the book should contain:

- A copy of the claims
- Copies of the references
- Copies of any evidence you intend to reference in your argument
- A statement that all materials are true copies of materials of record and have been entered by the examiner

Oral Hearing

- Do not deny the undeniable Credibility counts.
- Demonstratives and demonstrations must be based upon the record before the examiner
- Make sure any demonstration will work in the hearing room

Should inventor or representative of assignee attend the hearing?

Pros

- Can explain complex technology
- Provide helpful background information

Cons

- May be too emotionally involved
- May make statements that can be construed as admissions

Post-Decision Practice

Review decision to see:

- **If** all claims and all rejections were considered
- **If** all arguments and evidence were considered

Post-Decision Practice

If a rejection is affirmed, compare the facts and reasons the Board used in the affirmance with the facts and reasons used by the examiner in the Examiner's Answer. The Board may have made a new ground of rejection without designating it as such. See, In re Kronig, supra.

Post-Decision Practice

You have **two** options if a new ground of rejection under 37 CFR § 41.50(b), present rule, changed to 41.50(d) in the proposed rules, is designated:

- Request rehearing by the Board upon the same record, 37 CFR § 41.50(b)(2) or
- Reopen prosecution before the examiner, 37 CFR § 41.50(b)(1)

The two options are alternatives. You cannot request rehearing from the Board, and if unsuccessful, have prosecution reopened.

Post-Decision Practice

If you decide to reopen prosecution before the examiner under the provisions of 37 CFR § 41.50(b)(1), the examiner is bound by the Board's decision unless an amendment or evidence not already of record is presented.

Post-Decision Practice

If a rejection is affirmed and not designated as a new ground of rejection, you may file a single request for rehearing under 37 CFR § 41.52.

Remands

Under 37 CFR § 1.702(e) certain Board remands are eligible for patent term adjustment.



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