UNITED STATES
PATENT AND TRADEMARK OFFICE

Patent Trial and Appeal Board Boardside Chat: Options after a final rejection

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UNITED STATES
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Question/comment submission

- To send in questions or comments during the webinar, please email:
  - PTABBoardsideChat@uspto.gov

Topics

- Options after a final rejection
  - Request for Continued Examination (RCE);
  - Appeal to the Patent Trial and Appeal Board (PTAB).
- Petitionable versus appealable matters
  - Filing a petition to the Director.

Michael Kim, Vice Chief Administrative Patent Judge
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Options after a final rejection

Today's objectives

- From a final rejection, providing you with the latest information to make an informed decision on whether to file:
  - (1) a Request for Continued Examination (RCE); or
  - (2) an appeal to the Patent Trial and Appeal Board (PTAB).

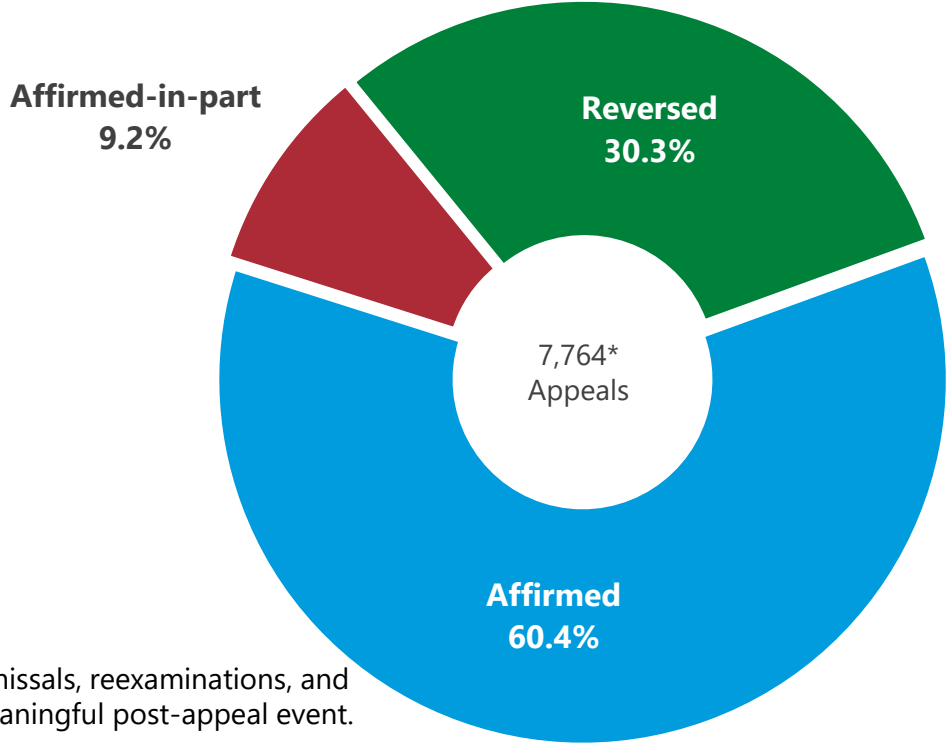
Today's objectives

- Comparing RCEs and appeals to PTAB:
  - (a) Decision makers;
  - (b) Scope of evidence and arguments;
  - (c) Timing; and
  - (d) Costs.

Decision makers

- RCEs:
  - Decided by same patent examiner familiar with claims and technology.
- Appeals to PTAB:
  - Decided by three PTAB administrative patent judges (APJs) seeing claims and record for the first time.

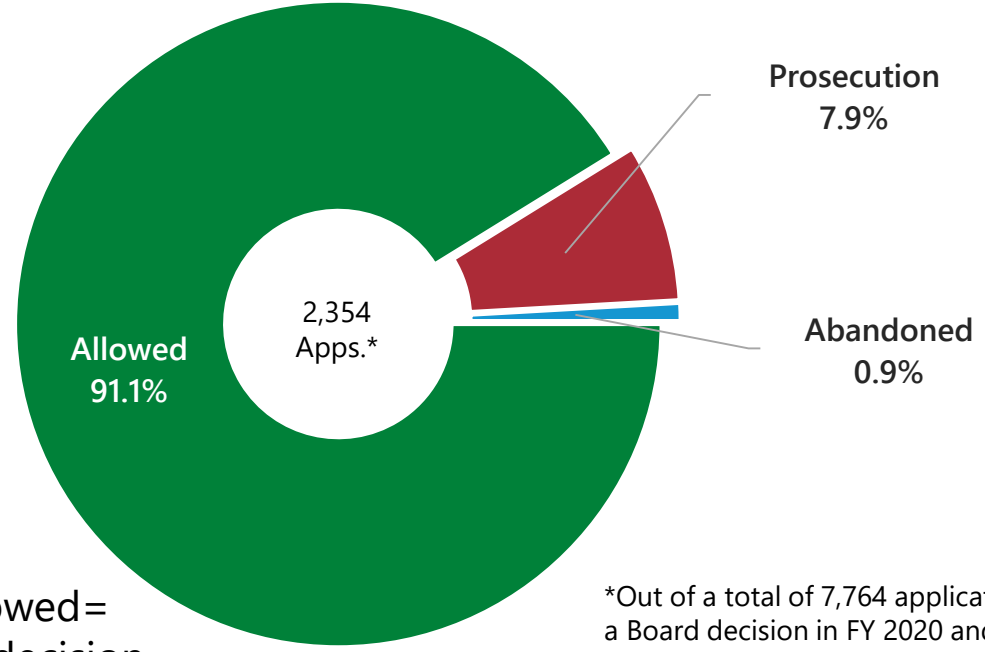
Outcomes of decisions on appeal issued by PTAB in FY 2020
(Oct. 1, 2019 – Sept. 30, 2020)



*Excludes remands, dismissals, reexaminations, and applications with no meaningful post-appeal event.

Slide 41 of https://www.uspto.gov/sites/default/files/documents/boardside_chat_20210218_one_year_fasttrack_postappeal.pdf updated with FY20 data.
Slide 6 of https://www.uspto.gov/sites/default/files/documents/appeal_and_interference_statistics_sept2020.pdf with items in * removed, and based on mail date.

What happens in the application after the rejection of the claims is reversed?
(Oct. 1, 2019 – Sept. 30, 2020)



30.3% reversal * 91.1% allowed=
~27% allowance after PTAB decision

*Out of a total of 7,764 applications that received a Board decision in FY 2020 and had a meaningful subsequent action

Parts of slide 44 of
https://www.uspto.gov/sites/default/files/documents/boardside_chat_20210218_one_year_fasttrack_postappeal.pdf
updated with FY20 data.

Scope of evidence and arguments

- RCEs:
  - In accompanying paper, can present new evidence, new arguments, and new claim amendments.
  - Can request an examiner interview.
- Appeals to PTAB:
  - Can only refer to evidence and claims of record before the examiner.
  - Can request an oral argument, some of which are held in regional offices.

Timing: overview

- RCEs:
  - Examiner responds to RCE in about 2.5 months.
- Appeals to PTAB:
  - PTAB issues a decision on appeal about 13 months after the appeal forwarding fee is paid.

Timing: the one-year appeal

Document	Typical (months)	Prompt Appellant (months)	Prompt + PTAB Fast-Track
Final Rejection	4	1	1
Notice of Appeal	3	1.5	1.5
Appeal Brief	~2.5	~2.5	~2.5
Examiner's Answer*	2	1	1
Reply Brief	~12	~12	<6
Decision			
Final-to-Decision (months):	**~23**	**~18**	**<12**

- Where an Appellant would like to conclude an appeal quickly, the time frames for the briefing stage show how such appeals may proceed. It is not appropriate for all appeals.

https://www.uspto.gov/sites/default/files/documents/boardside_chat_20210218_one_year_fasttrack_postappeal.pdf

Timing: how fast is fast track?

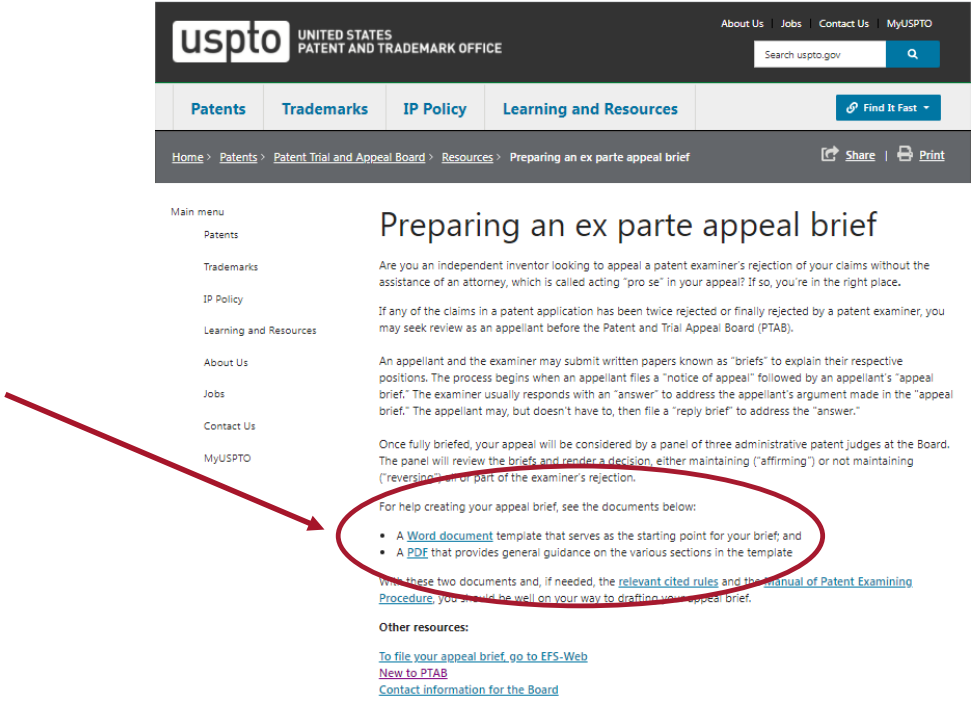
- Much faster than usual
  - Target of 6 months;
  - Faster than the approximate 13–14 month average time to decide appeals overall (https://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/statistics).
- Current average time to decide petition: **1.4 days.**
- Current average time to decision on appeal: **2.2 months.**

https://www.uspto.gov/patents/ptab/fast-track-appeals-pilot-program

Costs

- RCEs:
  - 1st request: $1,360;
  - 2nd and subsequent requests: $2,000;
  - Costs to prepare response to final rejection.
- Appeals:
  - Notice of appeal fee: $840;
  - Appeal forwarding fee: $2,360;
  - Fast-Track Appeals petition fee: $420 ($0 if COVID-19 Related);
  - Costs to prepare appeal brief and reply brief;
  - Request for oral hearing fee: $1,360.

Location of appeal brief tool: preparing an ex parte appeal brief page



https://www.uspto.gov/patents/patent-trial-and-appeal-board/resources/preparing-ex-parte-appeal-brief

https://www.uspto.gov/sites/default/files/documents/ptab_boardside_chat_preparing_an_appeal_brief.pdf

Other benefits of an appeal to PTAB:

- For a reversal, receive patent term adjustment.
- May take a potential post grant challenge off the table.

Advanced Bionics two-part framework for application of 35 U.S.C. § 325(d):

1. whether the same or substantially the same **art** previously was presented to the Office or whether the same or substantially the same **arguments** previously were presented to the Office;

   and if either condition of the first part of the framework is satisfied,

2. whether the petitioner has demonstrated that the **Office erred** in a manner **material to the patentability** of the challenged claims.

Advanced Bionics, LLC v. Med-El Elektromedizinische Geräte GmbH, IPR2019-01469, Paper 6 (Feb. 13, 2020) (precedential).

Board finds . . . it did not materially err

"Furthermore, the Board's previous [appeals] Decisions, all before the same panel, collectively . . . provid[e] at least some circumstantial evidence that the Board considered Simon, Reference 7, and Alber in combination, especially . . . when all three references had been mentioned previously by each of the Examiner, the Board, and the Applicants/Appellants. . . . [I]nstituting review solely because the exact combination of Reference 7, Simon, and Alber advanced by Petitioner was not set forth in the prosecution history would exalt form over substance, if Section 325(d) could be avoided entirely by merely adding an already-considered incremental reference to a previously considered prior art combination."

Kayak Software Corp. v. International Business Machines Corp., CBM2016-00075, Paper 16 (PTAB Dec. 15, 2016) (informative).

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LEAP

- Legal Experience and Advancement Program (LEAP)
- Designed to:
  - Aid in development of the next generation of patent practitioners
  - Encourage a diverse group of advocates to develop their skills before the Board
- To qualify, a patent agent or attorney must have:
  - Three or fewer substantive oral arguments in any federal tribunal, including PTAB, and
  - Seven or fewer years of experience as a licensed attorney or agent

James Worth, Lead Administrative Patent Judge
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Petitionable versus appealable matters

Appeal to the Board

- If a patent examiner twice rejects or issues a final rejection in a patent application, the applicant can seek review of the rejection by the Board.
- Petitionable matters are not appealable to the Board and may only be reviewed by the Director or the Director's delegate.
  - An applicant must file a petition in order to seek review of a petitionable matter.
- Practitioners considering an appeal to the Board should differentiate petitionable matters from appealable matters as early as possible:
  - to ensure that their arguments go to the right decision maker
  - and because petitionable matters have their own time clock for filing.

What is an "Appealable Matter"?

- Examiner's decisions regarding the patentability of claims
  - Eligible Subject Matter, Utility, Anticipation, Obviousness, Written Description, Enablement, Best Mode, Indefiniteness, Double Patenting, Improper Dependent Form

What is a "Petitionable Matter"?

- Generally everything else

Historical Origins

- *Ex parte Krake*, 1869 Dec. Comm'r Pat. 100, 101 (1869)
  - Examiners and the Commissioner perform some acts that are considered ministerial and other acts that require discretion in their performance.
  - Members of the Board sit in an appeal to review "what may be called the merits, the questions of patentability, of novelty and utility" and "questions of like character."
  - Members of the Board are not vested with the ability to review the other decisions of the examiner unless explicitly delegated that authority by the Commissioner.

Historical Origins (continued)

- Distinction in *Ex parte Krake* codified in Office Rules at least by 1892
  - Former Patent Office Rule 145 provided for a special petition to the Commissioner for review of an examiner's actions apart from the merits of a twice-rejected application.
    - Rules of Practice in the United States Patent Office (rev. Apr. 1, 1892); 62(4) Official Gazette of the United States Patent Office 1 (Jan. 24, 1893) (Amended Rules of Practice).

Historical Origins (continued)

- Distinction has been recognized in case law
- *In re Berger*, 279 F.3d 975, 984-85 (Fed. Cir. 2002) ("The PTO argues that this issue may be the subject of a petition to the Commissioner, but may not be reviewed by the Board in connection with a rejection of claims. The PTO is correct.")
- *See also Application of Marriott-Hot Shoppes, Inc.*, 411 F.2d 1025, 1028 (CCPA 1969) (Rich, J.) (acknowledging the Solicitor's argument regarding the "classic" distinction between appealable matters and petitionable matters that applies in both the context of patent and trademark examination).
- *See also In re Hengehold*, 440 F.2d 1395 (CCPA 1971); *In re Mindick*, 371 F.2d 892, 894 (CCPA 1967).

Modern Codification

- 35 U.S.C. § 2 (the Director)
  - Confers upon the Office the authority to establish regulations to govern the conduct of proceedings in the Office and to facilitate and expedite the processing of patent applications.
  - Director has delegated authority to other officials to decide petitions in MPEP Chapter 1000.
- 35 U.S.C. § 6 (the Board)
  - Confers upon the Board authority to decide the merits from a twice-rejected application.
  - *See also* 37 C.F.R. § 41.31.

Courts look to see whether the matter amounts to a rejection

- A court may take a functional approach, putting labels aside, to consider whether a matter may be considered a final rejection, and therefore appealable.
- *In re Haas*, 486 F.2d 1053, 1056 (CCPA 1973).
  - The Court of Customs and Patent Appeals deemed an examiner's withdrawal of claims from consideration as a rejection rather than merely a requirement.
- *See also In re Hengehold*, 440 F.2d 1395 (CCPA 1971) (discussing *U.S. ex rel. Steinmetz v. Allen*, 192 U.S. 543 (1904) and subsequent history).
- *In re Searles*, 422 F.2d 431 (CCPA 1970).
  - Matter appealable (as an "adverse decision" under then 35 U.S.C. § 7) because "required the exercise of technical skill and legal judgment in order to evaluate the facts presented, interpret the requirements of [the relevant statutes or rules] and weigh the facts against those requirements."

Office of Petitions (OPET)

- Centralized office within Patents for processing and deciding most petitions, including those delegated to the Commissioner and other top USPTO officials.
  - Over 40 types of petitions (see MPEP 1002.02(b)).
  - Approximately 45,000 petitions per year.
- Maintains a Petitions Helpdesk (571-272-3282) available to assist with petitions-related matters.

Petition to the Director – 37 CFR 1.181

- Petition may be taken to the Director:
  - From any action or requirement of any examiner in the *ex parte* prosecution of an application, or in *ex parte* or *inter partes* prosecution of a reexamination proceeding which is not subject to appeal to the Patent Trial and Appeal Board or to the court;
  - In cases in which a statute or the rules specify that the matter is to be determined directly by or reviewed by the Director; and
  - To invoke the supervisory authority of the Director in appropriate circumstances.

Examples of petitionable matters under 37 CFR 1.181

- Holding of abandonment of application;
- Designating a rejection as a new ground of rejection;
- Restriction/election of species requirement;
- Refusal to enter amendment(s) at various points in prosecution;
- Issues relating to objections or other requirements in Office actions and notices.

Timeliness of petitions

- Petition should be filed within two months of the action or notice from which relief is requested (37 CFR 1.181(f)).

- Mere filing of a petition generally will not stay any period for reply.

What happens if an Appellant argues a petitionable matter to the Board?

- If the matter is a petitionable matter, the Board will typically:
  - Decline to rule on the matter as beyond the Board's jurisdiction.
  - Continue to decide any remaining issues in an appeal based on the existing state of the record.

What happens if an Appellant argues a petitionable matter to the Board? (cont.)

- Refusal to Enter a Claim Amendment
  - This type of issue is best resolved prior to an appeal by petition to the appropriate deciding official.
  - During an appeal, the Board will be constrained to decide the appeal based on the current set of claims. *See, e.g., Ex parte Oates*, 2015 WL 4035960, Appeal No. 2013-006966 (PTAB June 29, 2015) (non-precedential) (citing, e.g., *In re Berger*, 279 F.3d at 984).
  - There are certain circumstances where the Board may remand a proceeding to the examiner, e.g., to consider an applicant's request to cancel claims after filing a brief, where such cancellation does not affect the scope of any other pending claim in the proceeding, or to rewrite dependent claims into independent form. *See* MPEP § 1211.02.

What happens if an Appellant argues a petitionable matter to the Board? (cont.)

- Asserted New Ground in Answer
  - The deciding official may grant the petition, which would provide an opportunity to reopen prosecution. *See* 37 C.F.R. §§ 1.181, 41.40(b).
  - A reply brief is not an effective place to challenge the scope of an examiner's answer. If an appellant has not timely and successfully petitioned on the issue, then the appeal is maintained and the Board will not set aside an examiner's answer as containing a new ground.
  - The Board will proceed to consider the examiner's answer. *Ex parte Martin*, Appeal No. 2017-003000 (PTAB June 7, 2017) (non-precedential).

Patents petitions webpage

Resource information and reference materials

- Requirements of a petition
- Where to file petitions, requests, and related inquiries
- ePetition Resource Page
- Petitions data on Patents Dashboard
- Manual of Patent Examination Procedure (MPEP)
- Electronic Business Center
- Forms

Videos:

- Office of Petitions – overview and helpful tips
- Using petitions effectively in patent prosecution
- ePetition Computer Based Training (CBT)

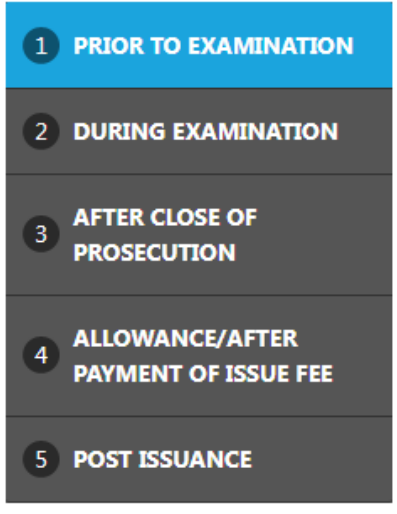
Types of petitions handled by the Office of Petitions:

- 03 - Withdrawal from issue before payment of the issue fee
- 04 - Withdrawal from issue after payment of the issue fee
- 05 - Express abandonment after payment of the issue fee
- 06 - Withdrawal of abandonment based on failure to receive an office action
- 07 - Withdrawal of abandonment based on evidence that a reply was timely mailed or filed
- 09 - Revival based on unintentional delay

- Patents Petitions Timeline
- Resource information and reference materials
- Frequently asked questions (FAQs)
- Announcements and upcoming events
- Contact us

https://www.uspto.gov/patents/apply/petitions

Patents petitions timeline



PRIOR TO EXAMINATION

- Abandonment Related
- Access
- Advancement of Examination
- Application Publications
- Assignee Related
- Conversion of Applications
- Correction of Inventorship
- Entity Status
- Expunging Papers
- Extensions of Time
- Filing Date Related
- Foreign Priority or Domestic Benefit Related
- General and Misc
- Public Use Related
- Retroactive Foreign Filing Licenses
- Specifically Related To International Applications
- Suspension or Waiver of Rules (not provided for in any Statute)
- Withdrawal of Attorney Related

https://www.uspto.gov/patents/apply/petitions/timeline/patents-petitions-timeline

Patents petitions timeline

Abandonment Related Petitions

IPLA – International Patent Legal Administration
ODM – Office of Data Management
OPET – Office of Petitions
TC – Technology Center

Generally Available

Petition Type	Avg. Days Pending of Decided Petitions	Grant Rate Percentage	Deciding Office	ePetition Option
502 - To Revive an Abandoned Application-Unintentional Delay (37 CFR 1.137(a)	75	68%	OPET	ePetitions GET IMMEDIATE DECISIONS
510 - To Accept Late Payment of Issue Fee - Unintentional Late Payment (37 CFR 1.137(a)	75	68%	OPET	ePetitions GET IMMEDIATE DECISIONS
525 - To Withdraw a Holding of Abandonment (37 CFR 1.181) - **Failure to receive an Office Action** 525 - To Withdraw a Holding of Abandonment (37 CFR 1.181) - **Reply Timely Filed**	118	55%	OPET	

For additional reading

- www.uspto.gov/patents/apply/petitions.
- MPEP 1207.03(a) includes examples of what constitutes a new grounds of rejection in an examiner's answer.
- MPEP 1207.03(b) (discusses the petition process to designate a new grounds of rejection in an examiner's answer).
- J. Worth, *PTAB Practice Tips: Comparing Appealable and Petitionable Matters*,
  101 J. Pat. & Trademark Off. Soc'y 188 (2019).

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Next Boardside Chat

- August 19, 2021, at 12-1 pm ET
- Topic: PTAB Law Clerk Program
  - Learn about Patent Attorney (Law Clerk) opportunities at PTAB.
  - Applications open soon for one year term starting October 2022.
  - Information about the application timeline and requirements.
- Register for and learn about upcoming Boardside Chats, and access past Boardside Chats at: https://www.uspto.gov/patents/ptab/ptab-boardside-chats

Webinar: Inside PTAB

- August 26, 2021, at 11 am - 4 pm ET.
- Learn about the PTAB, get practice tips from judges, view live hearings.
- The program will include
  - A presentation about PTAB explaining what we do and how we work;
  - Judges panel discussing written/oral advocacy before the Board;
  - View an ex parte appeals proceeding; and
  - View an AIA trial proceeding.
- Registration information forthcoming.


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DEPARTMENT OF COMMERCE