

Successful Navigation of Patent Appeal Practice

(Transcription of April 13, 2006 Lecture by Administrative Patent Judge William F. Smith)

PHILLIP BURRUS: Hello and welcome to the second installment of a series of broadcasts brought to you by the intellectual property law section of the State Bar of Georgia. I'm Phillip Burrus, the Patent Committee Chair, and today's podcast is an event that was held April the 13th at the State Bar on How to Successfully Navigate Patent Appeal Practice. Our speaker is former Administrative Patent Judge, William F. Smith who now serves as of counsel for the firm, Daugherty, Clements, and his topic as we said is Patent Appeal Practice. This is a second in a series of podcasts. We would appreciate your feedback. If you like this form of content delivery, we will be happy to provide more, but, to know that, we need to get your feedback. If you've got any comments -- good or bad -- please send them to me, Phillip Burrus, at the following e-mail address: pburrus@burrusiplaw.com. And, with that, I will turn it over to Judge Smith on how to successfully navigate patent appeal practice. Thanks for listening.

JUDGE SMITH: Thank you. I've spent 33 years in a federal institution and am now back on the street back in Atlanta and glad to be here. I had a wonderful career at the patent office. I am equally pleased that I was able to transition my career from inside the agency to outside the agency. I'm very pleased to be able to speak with you today about the appeal process in the USPTO. I would echo Phil's comments, and I think the appeal process within the agency is going to become even more important in the coming months and years. If you have followed the discussion with the new rules packages the office is proposing, about limiting continuations and RCEs, if that comes to fruition in *any* form where you are going to be limited to how often you can go back to the office, it's going to behoove each and every one of you to become familiar with the appeal process and become very assertive in using it in order to keep the case

alive and to get to a final decision on the merits so you can advise your clients as to the prospects of receiving a patent and allow them to make the business decisions that they must make. The Patent Office today is wavering under any number of challenges. They have a historic backlog of applications waiting to be examined. They're under constant criticism for the quality of the decisions they're making, rightly or wrongly, and patent examiners are pressured in terms of being productive yet doing a so-called quality job. The Patent Office is attempting to hire a thousand new patent examiners every year. Last year for FY '05, which ended September 30, I believe the statistics were that they hired nine hundred and fifty examiners, but they've lost four hundred and fifty through attrition. The examiners that are leaving are at both ends of the spectrum. There are those of my generation, experienced ones who are retiring, but I think a lot of the attrition, now, is in examiners who have one, two or three years of experience and are leaving. They've become disillusioned with being a patent examiner, for whatever reason, and what they're leaving behind is a number of cases in progress that have to be reassigned, and I imagine, for the most part, being reassigned to new examiners. So, it's gonna be a challenging time for all practitioners to get applications through the Patent Office, having claims that cover the client's technology with an appropriate scope, and most importantly, perhaps, creating a file wrapper that has as few estoppels as possible. I think the appeal process is one way to meet this challenge.

With the appeal process, another thought about the appeal process, with the inexperienced staff that the Patent Office now has, apart from the inexperience, from all the teaching and training I've done over the years, new examiners, managers and supervisors, and from reviewing so many cases at the Board, it's apparent to me that there's just a lack of confidence in examiners' decision-making ability. I give them an A for effort, an A for attitude.

They're hard-working. They're trying to do a good job. But the confidence in their decision-making is lacking, and what that means is if you have a case as difficult or involve technical issues or legal issues, I think you're going to be wanting to get to the board sooner rather than later to get those issues resolved so that you can, again, advise your clients. Issues such as written description issues in biotech cases, patentability issues, eligible for patentability issues in business method cases, 101 cases in business methods, these are all legal issues that are under a lot of scrutiny within the Agency and outside the Agency, and I think you're going to find that the default mode in any number of these cases is going to be to say that these claims are not patentable. You're gonna have to get to the Board to get a reasoned review and understanding as to whether those claims are going to be found patentable by the agency or not.

So, talking about the appeal process, there's gonna be four, I guess five topics, if I can count right, that I'll talk about today: the pre-appeal brief process, the appeal brief, examiner's answer, oral argument and post-decision practice. When I would talk to patent examiners about appeal practice, I would explain to them that the examiner's answer should be the easiest office action they ever have to write because it should be already written. If they gave a thorough first office action, a thorough final office action and responded to the arguments made and were strict, but fair, with after final practice, that examiner's answer should be written, should be all but written.

When we revised the rules in 2004 for appeal practice, there were two guiding principles in order to get these cases under control, so to speak. First of all, we wanted the briefing to be based upon the claims pending in the application, not upon an invention. All too often, prosecution and examination is on the basis of applicant's invention and invention, the claimed invention, some sort of invention, nobody wants to talk about claim one and what this claim one

called for, how broad is it, how narrow is it, and we'll get into that in a moment. The second principle was we want this appeal before the Board to be decided upon a fixed record. So, once that notice of appeal is filed, you're gonna have a very limited opportunity to file amendments and almost no opportunity to file additional evidence. This way, when the appeal brief is filed, the evidentiary record is closed, it's fixed. We can now reach a decision. After the advent of the twenty-year term from filing and [UNINTELLIGIBLE], what we found at the Board, we're getting any number of appeals where the attorneys were still making pictures to the examiner throughout the appeal process. We're getting appeal briefs filed with amendments to the claim and additional evidence. We're even getting reply briefs filed with additional claims and additional evidence. Those cases were difficult to even begin to reach a decision on. There were a lot of remands and returns to the examining corps. So, we think we can handle that problem.

So, that brings me to the fourth point about the pre-appeal brief. Just because your case is eligible for an appeal under the statutes and the rule, you have claims that have been twice rejected, does not mean that that case is necessarily ready for an appeal to the board. Before you make that decision, you need to take a step backwards and review the entire record. Pay special attention to the claims, the evidentiary record and all of the prior art that's in the record. Pay special attention to the prior art that you cited in your specification and the prior art that has come in by way of search reports from other patent offices besides the United States. Even though the examiner has signed off on all of 1449s, I would ask you to take a step back and review the claims and make sure you understand how broad or now narrow your claims are and look at all of the art. It's easy, during prosecution, to get locked in to exactly what the examiner has set. After all, that's what you have to overcome to get a patent. But I think what you have been finding out in recent years, the rejection in front of you is not necessarily going to be the

only rejection that's ever made and it's necessarily the *best* rejection that could be made on the record, and for you to guide the claims to the Agency and to come out the door with claims of acceptable scope and a file wrapper that's going to have minimal estoppel, you need to take charge of that case from the beginning, and that includes understanding how broad your claims are and understanding what the prior art of record teaches.

So, if you receive a final rejection and it looks like an appeal is going to be the appropriate way to go, you now have an option to request what's called a pre-appeal brief conference. Have any of you used this new opportunity? Is there a show of hands? Okay, a few people. Has anyone had any good success or...? Okay, one out of three. This is a relatively new program. I think the jury's still out as to how useful it's going to be. The procedures governing this are found at the link that I've given you. Basically, what you do is, when you file your notice of appeal, you can file a paper that's limited to five pages where you can set forth your argument as to why the claims are patentable or perhaps more precisely why the examiner's rejections are in error. At that point in time, the examiner and typically his or her supervisor and a third person, called the conferee, will review the case and your comments and make a decision. Anytime you can invoke a higher level review of junior examiner or primary examiner's work, that's good, to get a second pair of eyes, a fresh thought as to where the case should be going. But what are some of the pros and cons? Well, the pros will be you have two conferees reviewing the case with the examiner. That can be good. A fresh set of eyes, you may be able to nip some things in the bud, get the case moving back on the right track. The conferees are now being trained by the Board. One of the last training initiatives I was in charge of before I left the Board was to come up with a program to train the people nominated by the examining corps to become these conferees. We developed a training module where we gave them a high-level

review of refresher, of patent law, gave them a unit on claim construction within the Agency, and they were able to observe two judges conferring on a case to see how it is that we go about determining whether a claim is patentable or not patentable. So, I think, as this program gets rolled out to the entire corps, these conferees *are* going to have an expertise and an experience that, hopefully, will prove useful, and these conferences will become meaningful. Anecdotally, before I left the office, I was hearing that forty-five to sixty percent of the cases that went through this procedure were reopened or allowed, that the conference determined that the rejection pending was not appropriate. This figure tracks the figure of cases that go through the normal appeal conference which occurs after you file an appeal brief, and I'll get to that in a moment. So, it's not surprising to *me* that this number of cases are reopened or allowed because what we've done is we've moved the review up just one step in the process. Instead of having to file an appeal brief and subject your client to that expense, the Agency is now given an opportunity to have a similar conference before you actually file an appeal brief.

What are the cons? Well, you're limited to a five-page paper. If you have a very complex case with multiple issues, it may be difficult to make your best case in five pages. If you have a single 103 rejection, if you can't make your case in five pages, I think you may want to consider whether you have a case. After five pages, I think most people start to lose interest. But if you're unsuccessful and you file an appeal brief, you will still receive that appeal conference. My question is whether or not that will just be a pro forma or whether you would really get another hopefully thorough review of the arguments made in your appeal brief that may be more detailed in your appeal brief. Hopefully, you're gonna be arguing claims separately that we'll discuss in a moment. It may be that having gone through the appeal brief conference, the office personnel may say, well, you know, we've already looked at this, it's a

good rejection, go ahead and write your examiner's answer. So, it's something that you need to consider.

The other con against doing this is if the decision is not to withdraw the rejection, you will just get a pro forma response. You'll basically get a letter that will say file your appeal brief. You won't know why the arguments were not persuasive. So, you're no closer to understanding why you're not convincing anyone at the Patent Office. So, it's something to think about, to advise your clients about. It does inject another couple of months' delay in the process. According to the terms of this program, if you are successful, that's not considered as a decision by the Board, so you will not be given that time back in terms of patent term adjustment. So, there's a lot to think about the best strategy to go through, and I think as the months go on, we'll start to get more data from the Agency as to how this process is working.

FIRST MALE SPEAKER: Bill?

JUDGE SMITH: Yes?

FIRST MALE SPEAKER: Are you taking questions now?

JUDGE SMITH: Sure, that'd be fine.

FIRST MALE SPEAKER: On that pre-appeal brief conference, Gary Tibbs with suggestions for how best poses the argument. I understand their review is really not a substantive review of whether or not a [UNINTELLIGIBLE] something or an argument is persuasive or something like that. They're looking for certain types of arguments, and do you have any suggestions on how to qualify--that they're looking for?

JUDGE SMITH: Right, especially given the five-page limitation. If it's a prior-art rejection, 102 or 103, I would focus on the broadest independent claim, and I would basically do a claim chart. That's a very good tool that a lot of attorneys don't use, to focus the reader. Up to

now, you've just been looking at the examiner. Now, you have two higher-level people looking at this. They're reading this document. You do a claim chart and I think you're gonna find if you're still arguing about the case, if it's a 102 rejection, there's a problem. There's a limitation or limitations in the claim that you just don't think is there. Do a claim chart. Show the gap on the reference side. Where is that limitation? Hammer away at the weakness. 103, the same thing. If the references don't teach all of the claim limitations, if the examiner is not accounted for all of the claim limitations in responding to the 103, that's always a good point. Go back to the statute, subject matter as a whole. If you don't believe the reasons suggesting motivation is there, a lot of what the examiners do today, they're engrained that they have to have this statement. A lot of times, it's more fiction than fact. They hammer away at that. But I think the best way to get their attention is to focus on the broadest independent claim and make your case on that claim. Don't try to do too much in these five pages. If you can get them to budge off that rejection of the broadest independent claim, you will have accomplished a lot in that case. It may not be allowed. It may be reopened, but I think that's gonna be progress. Hopefully, you've got them off that rejection. Yes?

SECOND MALE SPEAKER: [UNINTELLIGIBLE] a rule [UNINTELLIGIBLE] focused on really almost predicates that [UNINTELLIGIBLE] that they're doing this much to argue [UNINTELLIGIBLE] about what the examiner opined, that was the subject that [UNINTELLIGIBLE]. None of us [UNINTELLIGIBLE] even if that actually go through the expense of doing this [UNINTELLIGIBLE].

JUDGE SMITH: Well, that's one factor to take into account, whether the money is well spent on that procedure or is it just saving the money for [UNINTELLIGIBLE]. But regardless of what the package says, it's just that it's a package, and you're going to have this opportunity

to have two higher-level people review the examiner's rejection of that broadest independent claim, and they're gonna be there to do something, and that 's to review what you said.

SECOND MALE SPEAKER: If you were there [UNINTELLIGIBLE], your opinion of what they should be doing is [UNINTELLIGIBLE] make this more appealing to do. I'm just suggesting that when you read the rule [UNINTELLIGIBLE] in that rule, it leads you to not make that conclusion that [UNINTELLIGIBLE] the examiner [UNINTELLIGIBLE].

JUDGE SMITH: Well, you had mentioned what the phrase clear error, they're looking for clear error?

SECOND MALE SPEAKER: Well, they're actually looking for factual misapplication of law, rule...

JUDGE SMITH: Well, the fact that--misapplication of law under 103 is that they did not consider subject matter as a whole. I mean, you can't get any more basic than that, and I would suggest that you start writing your arguments in just that way, that the examiner's rejection is in error in law and fact, and former Chief Judge Markey had a wonderful article, I think it was in JPTOS years and years and years ago, and it was entitled "Why Not the Statute?" Always go back to the statute.

SECOND MALE SPEAKER: That may be literally what you have to do to actually breach the verbal, that rule. That's perfectly fine, but I think there a lot of potential to [UNINTELLIGIBLE].

JUDGE SMITH: The appeal brief, we did change the rules in 2004. They were effective September 13. If you're gonna write an appeal brief, definitely have the rules open and follow the format precisely. If each of the headings under 4137(c)(1), I think that's it, are not applicable to your facts, use the headings anyway, and just put underneath none, not applicable, nothing to

say here, this page intentionally left blank and draw a line through. Use the heading. Let's get through the first hurdle of getting the appeal brief accepted by the examiner and the people who review it at the Board. So, there are gonna be two formal reviews, one's gonna be with the examining group, one's gonna be when the case is forwarded to the court. So, let's use the headings. Very simple to do, you should have a template set up, just put down none, not applicable, whatever. You don't want to have a needless delay in getting the case up to the Board.

Two key sections of the appeal brief. This is where your case is going to be made, in these sections. The first is gonna be the summary of the claim subject matter. That was part of what I said was one of the guiding principles. We want the briefing to be focused on the claims, not so-called invention. Second will be the separate argument of the claims. Summary of the claim subject matter. This is your opportunity to educate the reader of the brief, and the readers include the patent examiner, the conferees and ultimately the panel members at the Board, as to the technology that's involved in this appeal. This is very important if you have filed a case where you disclose or describe a number of embodiments, and say, for instance, you have a generic claim pending and you want to be able to point out the number of embodiments that are being covered, that are described as being covered by this generic claim. Alternatively, you may have a very narrow claim before the Board because of a restriction requirement, election of species, or during prosecution, there may have been prior art that would seem like a good idea to narrow the claim down to a particular embodiment. It's very helpful to get the reader focused on what's actually being claimed when you do this summary of the claimed subject matter precisely, and this should be more of a factual statement. Save your spin and your arguments for the argument statement. What we're trying to accomplish here is directing the reader that if I

want to understand what claim one's all about, here's where I'm going find the written descriptive support for element one, element two, here are the figures that describe embodiments within that claim. The more involved the technology, the more helpful it is for you to provide a concise statement here. For those of you who like to use means plus function or means plus step language, your job becomes, perhaps, more difficult. The rule requires that for each claim that's gonna be separately argued, you're going to have to go back to the specification for each means plus function statement and set forth where the function is disclosed and identify the structure that is in your specification that performs that function. When we did the rule package, this was one of the areas that we've received a lot of comment on, not a lot of it favorable. But we've stuck to our guns for the most part because we want these appeals to be decided upon the claim, not upon an invention, and by focusing the brief writer and then the examiner on the individual claims these cases have become a lot more easier to decide. We can get to the issues and resolve them a lot more efficiently and effectively. It's your chance to educate everyone as to what's going on in the case and again, it serves to focus your arguments on the claims.

Separate argument of the claims. This is the business end of your appeal brief, and I cannot emphasize enough that most persuasive briefs are going to be where you argue the merits of individual claims. Even if you want claims one to ten to stand or fall together, I would still separately break out claim one, the broadest independent claim, and set forth your position why that claim is patentable. I wouldn't worry about claims two through ten in that argument. We are going to want to know, the panel will want to know why claim one is patentable. When a panel reviews the case, they're going to go through the case and they're going to determine which independent claim is broadest in their mind, and that's where the analysis is going to start. So, if you argue all the claims together and it's hard for the panel to determine, is this argument

really directed to claim one or claim nine, you're not gonna be very effective in winning a reversal.

Make use of headings. I can't emphasize, again, enough, make use of headings. If I remember correctly, when the [UNINTELLIGIBLE] section chapter 1200 was revised in light of the new rules, the examiner's answer, when they respond to arguments, the examiner should tear at each heading that you use under your argument section. So, when you receive the examiner's answer, you should be able to have a direct response for each heading that you used. If you argue the claims in a group and there's more than one independent claim, what's going to happen is, the Board's gonna pick the broadest independent claim, the one that they perceive to be more susceptible to a prior-art rejection. That's a typical case. Claims would have an independent claim to a method, another independent claim to an apparatus that's intended to carry out that method. Claims are argued as a group. It may be the apparatus is more susceptible to the prior-art rejection because it's the apparatus that's intended to be used. There may be a lot of intended-use language in the apparatus claim that may not carry a lot of weight where the corresponding methods step in the method claim may be a winning argument. If you don't separately argue those claims, the panel will typically go to the weakest link, and what you'll come out with is a decision affirming the examiner's rejection on all of the claims that you have grouped together in that group. They're not gonna go back through and say, well, we can affirm *this* claim, but we can't affirm these other claims. So, my recommendation is to always separately argue each independent claim. In doing so, make sure you recognize the breadth of the claims in front of you. Another example from the Biotech Pharmaceutical side we would see a lot would be a claim to--claim one would be a method of assaying, that involves stuff with mixing chemicals and measuring and analyzing and coming out the door with a result.

Independent claim one is a composition for using an assay, blah, blah, blah, comprising a buffer. Well, that claim's not gonna be patentable, so regardless of how patentable claim one is, if that other independent claim is grouped with claim one, you're probably gonna come out the door with an [UNINTELLIGIBLE].

Also, another tip. When you receive the examiner's first statement of rejection, go through your claims and make sure you have at least a dependent claim that you think is a sure winner. Separately argue it then if you want or not, but in order to get your time back in terms of patent term adjustment if you win at the Board, all you need is a Board decision that reverses all rejections on a single claim. You may want to test the examiner's case on a broad claim if it comes back affirmed, you're not gonna get that time back. You can re-file the case, at least you can for now, maybe amend the claims, maybe provide evidence. But the time that it took for you to get that decision is gone. If you separately argue a dependent claim that's a sure winner in your mind and you should be able to get that rejection, that claim, all the rejections reversed that will help get that time back.

When you receive the examiner's answer, review it very carefully. Make sure that the examiner has agreed with you as to the claims that are to be reviewed by the Board panel. If it's a messy case with a number of rejections, a lot of the messiness has been eliminated, now that we're not allowing amendments as liberally as before, but make sure you and the examiner are on the correct page, correct same page. Make sure a correct copy of the claims is present, that the examiner agrees with you that the correct copy of the claims is present. Also, check to make sure all the rejections that you believe should be reviewed have been accounted for by the examiner, either by repeating the rejection or by a positive statement that the rejection has been removed, has been dropped. Don't take silence by the examiner or the lack or the failure to

repeat a rejection as meaning that rejection was withdrawn. If you do not have correspondence, either call the examiner, ask for clarification or certainly no later than the reply brief, make it of record that this rejection was not repeated and the examiner's answer and clarification is requested. That will avoid an awful lot of confusion down the road.

Another point you should be reviewing the examiner's answer for is to make sure that the evidence relied upon by the examiner is the same evidence that was relied upon by the examiner in making the rejection and the office action you appeal. Make sure that no new references were introduced by the examiner either in the statement of the rejection or responding to your arguments. The evidentiary record is fixed on both sides. You can't bring in new evidence in support of your position with the appeal brief or the reply brief, nor can the examiner unless the examiner makes a new ground of rejection. Now, by way of history, historically, examiners were allowed to make new grounds of rejection in the examiner's answer. When we revised the rules of 1997, that right was taken away from the examiner, partly at the suggestion of the examining corps, the patent managers, because it had become a very messy procedure. Too many examiners were basically starting a whole new prosecution in the middle of an appeal proceeding in the guise of making a new ground of rejection. My personal best or worse, as it may be, we were reviewing a case when the appeal brief was written, there were two separate 103 rejections. When the examiner's answer was entered, the 2103 rejections were maintained. There were five new grounds of rejection. 112, second paragraph, all the claims were indefinite. The examiner could not understand what was being claimed. 112, nonenablement, nothing works anyway, even if I *could* understand it. 2102 rejections, based upon references that were cited in the specification and initialed off by the examiner at the time of the first office action, and for good measure, another 103. All of this, without dropping the original 103 rejections.

Needless to say, applicant was a little incensed, filed this voluminous reply brief, and we got back this real nice communication from the examiner: Reply brief has been noted. No response is needed. Case is being forwarded to the Board. Thank you very much. Have a nice day. Well, our first reaction is well, this case is gonna go right back. But we decided to take the time. We reviewed all seven rejections, and I think the phrase we used was none of them rose to the level of superficial plausibility. So, we ended up reversing all seven. But it was that type of abuse of the system that led to taking that away. Well, the pendulum swings both ways. Once patents unilaterally disarmed, guess what happened? In come these appeal briefs with a whole new position, never before presented to the examiner. The examiner would look at this whole new position. Yeah these references are pretty good, but I have this new argument. I have this other reference sitting right here that's an easy, good answer to this new argument. If I could only make a new ground of rejection and just modify my position in response to this new argument, we can get the case up to the Board resolved right now. They couldn't do it. They had to reopen it.

So after going back and forth, we decided we would permit new grounds of rejection, but in the rule package we explained we expect this to be a very rare occurrence, and if a new ground of rejection is set forth in the answer, it has to be approved by the tech center director or his or her designee. If you get an examiner's answer that has the heading you're granted a rejection, and you do not have the tech center's director's signature for indication that he or she has approved it, call the tech center, get it straightened out, file a reply brief, because when the case goes up to the Board, if you don't have the approval, it's gonna go right back.

But also be aware just because the examiner did not have this nice, neat heading, new ground of rejection, that the examiner didn't make a new ground of rejection. Be on your feet,

compare what evidentiary basis of the rejection stated in the answer with the evidentiary basis that was used in the office action from which you appeal. Sometimes the shift in evidentiary basis is not so subtle. Then comes a whole new reference. That's very blatant, either in stating a rejection or more typically responding to arguments. That's a good sign that there's a new ground of rejection being made. But a less subtle indication is where the examiner has consistently said Reference A teaches Element 2 the Column 5 whatever in figure 1 now admits whatever, whatever, whatever. And you've consistently argued I've looked there, and that is not Element 2. Then comes the examiner's answer, well, you know, if you look not in Column 5, but let's look at Column 10 in figures 4, 5, and 6, there's Element 2. No new ground of rejection. And you may look at this other portion of the reference and say, well, you know, maybe there's a point there; maybe not; it would be nice that I would have an opportunity to respond to it. If that happens, you have a decision to make. If there's a simple argument that you can make that the examiners still want, it's probably not worth raising the issue of, hey, you made a new ground of rejection. You're alleging form over substance; make your argument; answer all the positions stated in the answer, and if you have a good argument, you'll win. If this new evidence that's being relied upon is something that you would like to have a chance to amend around or present evidence to, you're going to have to insist that that be the nominated a new ground of rejection. Typically, that's going to have to be in a petition to the Commissioner. You can raise your complaint in the Reply Brief; it may go on deaf ears; I think Rule 181 -- or whatever the petition rule is -- give you, I think, a 2-month time limit from the action complained of to raise this issue, but I would be firm then standing on your rights, that if this is a new ground of rejection, it's a new ground of rejection. And this is going to become more important, especially if there's a limitation placed on the continuation from the RCEs, so that you're not

going to be able to just go back if you lose at the Board and start all over again. If there are limitations, it's placed upon your ability to refile the claims; you're going to have to become very assertive with the examiners to make sure they do the right thing procedurally each step of the way.

Anyway, Krodeck is a good tape to look at in terms of what is a new ground of rejection. Ironically, it's a case of the CCPA will CCPA have that the Board didn't make a new ground of rejection, but they set forth a nice test, and that's whether you've had a fair opportunity to react to the thrust of the rejection. And certainly if the examiner has shifted from embodiment of the reference to embodiment 8, and you've never had a opportunity to react to that, that's probably a pretty good sign a new ground of rejection was made.

Predecision Board Review. Okay, another practice tip. The Board can't make a decision until it receives the appeal. It used to be real easy when we had paper files. The paper file was physically delivered to the Board, we docketed it on our own internal docket, and it was reviewed, and ultimately, it went to a panel. We knew when a case was ready for appeal; we had it in our hands. But the advent of electronic file wrapper, the image file wrapper, we don't have paper files. In theory, when the case is in a status, there's take two -- two statuses. One would be where an examiner's answer has been -- two months has passed after the answer has been mailed, and no reply for it has been filed, the case should be forwarded to the Board. If you filed a Reply Brief, and the examiner has acknowledged or treated the Reply Brief, and not reopen prosecution, then the case should be ready to be forwarded to the Board. Under either circumstance, there's suppose to be an electronic message sent by the agency's system to the Board where the Board's personnel is suppose to be alerted that this case is ready for a decision.

My experience is that that electronic message wasn't sent in a number of cases, so these appeals were stuck in the ether. Applicants getting frustrated because there's no action; the Board was in blissful ignorance. There are case loads going down, aren't we doing a good job?

Keep track of your case. The Board sends out a docketing notice when the case has been accepted by the Board. It contains the appeal number and some other information. If you have not received a docketing notice within say three months of the examiner's answer being mailed, if you did not file a Reply Brief or within a month after a Reply Brief is acknowledged, check on Pare -- see what the status of the case is, and make sure Pare shows that the Board has the case. If you don't receive a docketing notice, call the examiner or the examining group personnel to get them to budge the case -- to nudge the case forward because they have to physically -- it used to be physically, now it's electronically release the case before the Board can take jurisdiction.

All There. My first advice is not to do what I'm trying to do today is say too much in too little of time. You have 20 minutes, but your docket load is low on the Board, most panels -- if the day's calendar is light, and if the argument is viewed as constructive will let you go more than 20 minutes -- depends on the questioning and how the panel perceives the argument being presented -- whether it's useful or not. Be prepared to answer questions about the entire record. We've read your briefing; we've read the answer -- remember that when you present your oral argument, you can only make arguments that appear in your Appeal Brief and your Reply Brief. If you were reviewing the case the night before in preparation for your argument, you came up with this wonderful new position that you've never put on the record, save it for the next case. But you have to argue what was argued before the examiner.

Be prepared on the entire record. The questions -- the most often-asked question is going to be on the broadest independent claim, let's explore claim scope. Once we have some sort of a

thought as to how broad the claim, don't be surprised if the panel asks you, not about the examiner's rejection, but perhaps a reference that was cited in the case that hasn't been applied in a prior early rejection because they have reviewed the file, and to them, claim one looks pretty broad, and this seems to fit right within claim one. Why is claim one patentable over this reference? That happens more times than not. But if you're prepared on the record, and you understand why that reference -- it's been sitting there, and there's a good reason why it's not a 102; it may be subtle, it may not be real apparent, but you know what the reason is, you can allay the panel's concerns. It's not the end of the world if you're not prepared. Don't deny the undeniable. Credibility counts. If you're not prepared to answer a question, just say so, I can't answer that question, answer that question at this time. Don't make excuses, we've heard them all. I didn't write the Brief. My partner asked me to argue this, I'm just an associate. That doesn't go over too well, especially if the partner's sitting next to you -- had that happen. Could be a former associate. Stand up; it's your case, your position; be proud of it if you're making the argument. And you're there to advocate your client's interest, and we understand that. What we're exploring -- what the panel's exploring is the strengths of the examiners' case and the weaknesses in yours. Don't try to guess the outcome or the nature of questions, just be glad there are questions. If three members of the Board sit there wisely and nod their head and have no questions, and thank you for coming in, that could be very good news; it could be very bad news. Be thankful for questions.

Demonstratives and Demonstrations at Oral Argument. They can be very useful, and it can be very distracting. You have 20 minutes; I don't think that a Powerpoint demonstration's going to help. If you feel you want to have the panel focus on some language in a reference or a claim, have some handouts and ask whether you can present them to the bench. Hand it up to the

bench. Always make sure that everything that you want to hand up to the bench has been shown to the examiner and is taken directly from the record. That's going to be one of the questions asked. That can be very helpful if you have a very involved claim and get them to focus on perhaps a controversial phrase request.

Demonstrations. Make sure they work. Make sure they work. Sometimes they don't, and it's more of a distraction. Also be aware if you're using demonstratives or demonstrations and you are relying upon color, to make a point. There are a number of APIs who are colorblind. I've been on panels where we've had big poster board with a section of a reference blown up and highlighted in red, and I'm not colorblind, I'm following the argument, and I got a note from my colleague, where's the red? So, I'm not familiar enough with what the colorblind can see and not see, but take that into account. There may be some other way of making your emphasis without using colors that are not going to be seen.

Should an inventor or representative be asked if he attend the hearing? When I was on a panel, I certainly always welcomed them, it's their case, so often times, it felt like it was their life that was at stake. They have a substantial interest in it. It's good that they want to participate in the process, but make sure you have explained to them that there's the real world that they operate in, and the world of patents that they're going to be entering when they walk into the hearing room. Two distinct worlds. To them, what they invented is their invention, not what's covered by claim one. And there could be a lot of questions as to the scope of claims and why this reference that to them has nothing to do with what they invented, it's very relevant to how that invention is claimed in claim one. They can be helpful to explain complex technology; they can provide helpful background information. If they want to go through their autobiography and how the invention was developed, it's your 20 minutes. Okay? The panel will be respectful, but

it's going to be your 20 minutes. Why wouldn't you want to do this? Well, they're inventors, and so it can be pretty emotional. And it's a distraction, and at worse, they may make statements that can be construed as admissions. But a poster child for this would say hearing where the attorney was accompanied by the inventor, and there's a mechanical device, and the panel had reviewed everything before the hearing, and they had gone into the hearing with the thought that the prima facie case just wasn't there. They listened to the attorney make the arguments, and afterwards, waiting for questions, one of the panel members said, well, apart from the prior art rejection, I do have a question about how the last two elements of claim one interact; how they really work, and how claim one really works; I'm having a hard time understanding. It was an issue not raised by the examiner, but that's what happens. Well the inventor jumped up and said, well, of course, you don't know how it works, that's my secret I haven't told them about. [UNINTELLIGIBLE] Well, after we provided CPR to the attorney, the hearing was adjourned, and the case went back with appropriate ground of rejection.

Now, the problem is, there could be the appropriate context that that statement could be put into. After all, the specification as filed may very well be an egg one. There may not be a best known question, but the inventor would never understand that. So please be careful if you bring in an inventor or a representative of assignee.

Per Section Practice. Make sure that the Board has accounted for all the claims and all the rejections. Panels do make mistakes. Make sure all your arguments were concerted. If the rejection is affirmed, again compare the facts and the reasoning and make sure the Board did not make a new ground of rejection in affirming your rejection. If you believe the Board made a new ground, you could file a request for reconsideration and in one session, the opening section, you can make your case while this -- why this was a new ground of rejection and ask the panel to

designate it as a new ground of rejection. Again, that will give you an opportunity to reopen prosecution and keep the case going. It could save you an RCE, it could save you a continuation. Always compare the evidentiary basis.

If the Board designates a rejection as a new ground of rejection, you do have two options. You can go back to the panel on the same record and argue where they made a mistake in law or fact. We all make mistakes, and I wrote a new ground of rejection on behalf of a panel once where I had to do some mathematical calculations in order to arrive at a composition that was set forth in claim one. And back comes a request for reconsideration, and the attorney was very respectful and very humble, and very hesitant, but he did ask the Board to please check their mathematics; it looks like you added grams and kilograms to arrive at my claim. And he was right. When we converted the common basis, it wasn't even close, so we do make mistakes, but be aware it would have to be on the same record. Most times, you're going to be better off to go back before the examiner if you believe that there's a way to respond to that rejection, but also be aware if you go back to the examiner, you're going to have to amend the claim or present evidence. If all you're going to do is argue the Board was wrong, that case is going right back up to the Board; the examiner has no authority to overturn the Board's decision. You might as well make that rejection to the Board in the first -- that response to the Board in the first instance, and let's get a decision.

Again, it's a third, do not designate as a new ground of rejection, you may file a single request for rehearing. Again the emphasis is on the way "single"; you can't keep pinching the Board so make it count.

And that's the end of my presentation. I think in the coming days, you're going to need to take a new look at filing appeals from the office. In the short time I've been on the outside

and as counsel clients on their options, it seems like one of the better responses, and one that the clients are the most happy with is final rejection, notice of appeal, appeal brief.

If you are frustrated with the examiner, that you don't seem to be getting through to the examiner, that the examiner is not responding to your arguments, if you try to file a response after final rejection, that could just needlessly delay the case, and you're not going to be any happier with the outcome.

Remember, as soon as you file that appeal brief, you're going to be entitled to an appeal conference. That will happen. If the examiner did not understand the merits of your argument, it may be the conquer will, and again, anecdotally, 45 to 60% of the cases that go to either conference end up being reopened or allowed.

Over my years with the Board, I was -- saw many cases where attorneys seem to want to appease an examiner by amending the claims only to find out that all he got for that was yet another rejection. Or, that they actually amended the claims in response to a suggestion from the examiner to be hit with a new matter rejection and more rejections.

If you seem to be caught in one of those moves, the easiest -- in my view -- way to get out of that is to be assertive and get that appeal brief on record. So good luck, and I'll be here as long as you have questions.

PHILLIP BURRUS: Again, my thanks to Judge Smith for his talk on successful navigation of the patent appeal process, and I would also like to thank Rick Walker of Daugherty Clements for help making this event possible. We'd love to have your feedback, good or bad, on these podcasts; feel free to send it to me P. Burrus at pburrus@burrusiplaw.com, and this is

Phillip Burrus, Patent Committee Chair of the IP Section of the State Bar saying thanks for listening; see you next time.