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Appeals: Strategy and Procedure

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Appeals: Strategy and Procedure

When an Applicant and the USPTO are unable to agree as to whether claims should be allowed, the Appeal process provides a mechanism by which an Applicant can continue to pursue an Allowance and a subsequent patent grant. The Appeal process is embodied in 37 CFR Part 41. Those rules detail what an Applicant (and to a lesser extent an Examiner) must do when a review is sought of the Examiner's decision. The rules establish procedures to determine whether an Applicant has established that the Examiner erred. Those rules, however, require careful consideration and review. If the Applicant deviates even slightly from the stated rules, then significant delays may result. On the other hand, conformance with the rules can be achieved from different perspectives in order to obtain the most desirable result. There are different tactics which can improve the chances of a favorable decision and reduce client cost, those tactics depending upon the circumstances in place when the decision was made by the Applicant to pursue the Appeal.

During the prosecution of patent applications, this author has noted that Office Actions and their responses tend to go in two different generalized directions. When pursuing an Appeal, the appropriate strategy may be decided by which of the directions the prosecution has gone.

In a first general direction, the Office Action responses tend to be fairly complex. When the Applicants are responding, the Applicants are providing arguments about complex legal issues. Often, case law is cited to support the Applicants' position. The Examiners are responding to the arguments with legal arguments of their own. A good understanding of "the law" is necessary to proceed. The Examiner and the Applicant may be in disagreement as to the appropriate application of case law to the circumstances of the rejections.

In a second general direction, the issues are legally more simplistic than in the first direction. The second direction tends to be almost exclusively fact based. In other words, the Examiner argues that the Applicant's claimed features are in the prior art of record. In

response, the Applicant disagrees and maintains that one or more claimed features are not in the prior art of record.

This author first started, in 2006, to discuss these two general directions of prosecution. At that time, this author described two different types of Appeal Briefs for the two different directions, respectively. After three years of experimenting, it has become evident that the use of these two different types of Appeal Briefs can provide highly beneficial results.

To deal with the first general direction, a general type of Appeal Brief has been used and is informally referred to by this author as the Long Form Appeal Brief. This type of Appeal Brief tends to be lengthy, and sometimes includes as much as 30 pages of argument. This type of Appeal Brief typically refers to case law. The case law is cited and relied upon in order to advance the Appellant's arguments. The arguments presented are potentially complex. The arguments rely on legal concepts and typically take the position that the Examiner has misapplied the law.

The objective of the Long Form Appeal Brief is to go all the way to the Board of Appeals and Interferences. The Brief is written in a way so that a panel of Administrative Patent Judges (APJ) can render a Decision based on a persuasive argument of the law. The Brief is written with the expectation that case law will be quoted and analyzed by the Board.

When the prosecution tends to go in the second direction, this author has informally referred to the corresponding Appeal Brief as the "Short Form Appeal Brief." This type of Appeal Brief tends to be very short, and typically includes no more than two pages of arguments. The Appeal Brief neither quotes nor cites any case law. The arguments are very factual. The Brief is filed in order to advance an argument that one or more of Appellant's claimed features are not disclosed in the prior art references.

The objective of the Short Form Appeal brief is not necessarily to go all the way to the Board of Appeals and Interferences. Rather, the objective of the Short Form Appeal Brief is merely to convince the Examiner that the rejection is obviously wrong and should be withdrawn. If, however, the Appeal proceeds all the way to Board, then the simplicity of the argument should help the Judges to immediately see the error in the Examiner's rejection.

The above frame work represents a significant change in philosophy from the way Appeal Briefs were filed prior to the turn of the century. This concept also substantially

differs from the Appeal philosophies found in most foreign jurisdictions. Appeal was traditionally thought of as a strong act of advocacy, and a tactic which was appropriate only in significant situations. Many attorneys had the belief that it was often better to file an RCE and an Amendment rather than Appeal.

When Appeal Briefs can be written with two page arguments, however, the documents can be prepared with about the same amount of effort (and for about the cost) of a Response to an Office Action. If a brief can be prepared with that level of effort, then it makes sense to not only respond to an Examiner, but to pressure that Examiner with the possibility of a Board review. In addition, even if the Examiner is not convinced by the arguments set forth in the Brief, the Examiner's Answer will almost always contain a more detailed (and arguably better) explanation of the Examiner's position. With the more detailed explanation in hand, the Applicant may have a better understanding of the Examiner's position. That better understanding may give the Applicant new ideas as to how to amend the claims (with an RCE) in order to obtain allowance of the application.

Obviously, this philosophy encourages the practitioner to increase the number of Appeal Briefs he/she files. This author presented this philosophy at an extremely large meeting about three years ago. At the time, many practitioners indicated their understanding and agreement that it was appropriate to place Appeal Briefs into two different general categories. Coincidentally, in the following year, the number of Appeals rapidly increased. By fiscal year 2007, the number of Appeals received by the Board had grown to a staggering 4,639. This was a 38% increase over the previous year.

To deal with this substantial increase, the USPTO proposed new rules to improve the efficiency of processing Appeal Briefs. In the comments that the USPTO received when those proposed rules were published, it was apparent that the patent community was sensitive to the fact that an unknown number of Appeals are being filed because of a simple factual disputes. One comment suggested increased application pendency "because Examiners would delay examination until the filing of an Appeal Brief." Another comment indicated that from 40-60% of appealed cases are reopened or allowed under exiting rules. An additional comment indicated that only 50% of the Appeals are transmitted to the Board after Appeal Conferences. Comments stated that Applicants should not have to file Appeal Briefs when many Appeals never reach the board.

The new proposed Appeal rules make several changes to the previous procedures. The more important changes will now be highlighted.

1) Amendments after Notice of Appeal and prior to Appeal Brief: The new rules, in contrast with the old, permit the Examiner to enter an Amendment after the Notice of Appeal has been filed. This rule is particularly helpful when the Appellant decides to concede to a rejection. Previously, there was no mechanism available for an Appellant to cancel a claim that he/she no longer desired to pursue. The new rules permit claims to be cancelled after the filing of a Notice of Appeal. In addition, dependent claims can now be amended into independent form. Such amendments must be filed prior to the date an Appeal Brief is filed.

2) Re-Hearings: The new rules limit the Appellant to no more than one re-hearing. The old rules permitted an Appellant to request a second rehearing under certain circumstances.

3) Sanctions for misconduct: The new rules set forth sanctions which the Chief Administrative Patent Judge (or an expanded panel of the Board) may impose for failure to comply with an order, advancing or maintaining a misleading or frivolous argument, or engaging in dilatory tactics. The sanctions may include various orders including the expungement of papers, the exclusion of evidence, the abandonment of an application and the denial of a oral hearing (among other sanctions).

4) New grounds: An Examiner's answer is no longer permitted to raise a new ground for rejection.

5) Visual aids: When conducting an oral hearing, an Appellant may use visual aids. Those visual aids, however, must be limited to documents in the record or a model or exhibit presented during an interview with the Examiner.

6) Appeal Brief: By far, the most significant changes required by the new rules affect the contents of the Appeal Brief itself. The new rules now require that every Appeal Brief have the following sections:

- a) Identification Of The Real Party In Interest;
- b) Statement Of Related Cases;
- c) Jurisdictional Statement;
- d) Table Of Contents;

- e) Table Of Authorities;
- f) Status Of Amendments;
- g) Grounds To Be Reviewed;
- h) Statement Of Facts;
- i) Argument; and
- j) Appendix.

Each of the above sections will be summarily described.

The Identification Of The Real Party Of Interest is necessary so that the Board can determine whether recusal is necessary.

The Statement Of Related Cases requires that all continuing applications be identified. Also, it is necessary to identify all Appeals, Interferences, or Judicial Proceedings which are occurring in all continuing applications. A copy of the Board decision from any such continuing applications must be supplied with the Appeal Brief. If the Appellant does not provide a statement of related cases, then it is assumed that there are no related cases.

The Jurisdictional Statement must include a list of all statutes under which the Appeal is being taken. Also, in the Jurisdictional Statement, various dates must be supplied including the date of the Office Action making a rejection, the date that the Notice of Appeal was filed, the date that the Appeal Brief was filed, the date that an extension (if any) was requested (for the Notice of Appeal or for the Appeal Brief), and the date that an extension (if requested) was granted.

In the Table Of Contents, all the items which are required to be listed in the Appeal Brief must be included. The pages in the Appeal Brief at which each item begins must also be indicated.

The Table Of Authorities must include an alphabetical arrangement of all cited cases and the page in the Brief where each case was cited.

The Status Of Amendments must indicate whether or not amendments filed after final rejection have been entered.

The Grounds Of Rejection to be reviewed must include the statute that has been applied, the claims subject to rejection, and references relied on by the Examiner.

The Statement Of Facts must set out (in a non-argumentative manner) the material facts relevant to the rejections on appeal. Each fact must be supported by a reference to a specific page number of a document in the Record. A line number, paragraph number, or item number might also need to be cited.

The Argument, of course, is the "core" of the Appeal Brief. In the Argument, the Appellant must explain why the Examiner erred. Any conclusion made by the Examiner which is not challenged in the Argument is presumed to be correct. The Appellant must state where an argument was made by the Appellant during prosecution or that the argument has not been made by the Appellant during prosecution. Each ground of rejection may be argued by the Appellant under a separate heading.

The Claims section must include a clean copy of all pending claims in the application.

A Claim Support Section is required. In the Claim Support Section, all independent claims and all dependent claims separately argued must be reproduced. The Appellant must indicate, between braces, the page and line or paragraph after each limitation where the limitation is described in the specification as filed. If there is a drawing, then the Appellant must indicate between the braces where the limitation is shown in the drawings.

A Means Or Step Plus Function Analysis Section must include a reproduction of all independent claims (and all dependent claims separately argued) that have a limitation which the Appellant regards as a means or step plus function limitation. After that limitation, between braces, the Appellant must indicate the page and line number of the specification and the drawing figure and element number that describes the structure.

The Evidence Section must include a table of contents and a copy of all affidavits and declarations which were before the Examiner and which are relied upon by the Appellant. Only affidavits/declarations that have been previously considered will be entered.

In the Related Cases Section the Appellant must provide copies of the orders or opinions that were identified in the "Statement Of Related Cases" section.

The proposed new rules do, to some extent, seem burdensome and certainly require more work than was required to draft an Appeal Brief under the old rules. A frequent flaw

which this author has noted in some older Appeal Briefs, however, is the lack of a clear articulation of the issues to be decided by the Board. To the extent that the new rules promote the concise articulation of the issues to be addressed, the new rules should improve the efficiency of the Appeal process.