

5 Strategies For Winning On Pre-Appeal At The USPTO

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Law360, New York (July 19, 2017, 11:28 AM EDT) -- Patent applicants facing a final rejection of a utility patent application from the U.S. Patent and Trademark Office generally have three options: (1) filing a request for continued examination, (2) filing an appeal, or (3) abandoning the application.

While requests for continued examination are relatively inexpensive and buy the applicant another round of prosecution where amendments and new arguments can be introduced, the application remains with the same examiner who previously rejected the application. In contrast, while appeals give the applicant the opportunity to seek reversal of the examiner by a panel of experienced administrative patent judges, appeals are relatively expensive and can take years to conclude.

If the applicant feels strongly about the merits of their arguments of record but is apprehensive about proceeding with a full appeal, they may want to consider another alternative — the pre-appeal brief request for review.

Overview of Pre-Appeal Practice

Appeals are available to applicants after their claims have been twice-rejected by an examiner (e.g., after a final rejection). To take advantage of the pre-appeal brief review program, the applicant must file a request, along with a notice of appeal and applicable fee. The request may include up to five pages of arguments, but may not include amendments. After the request is filed, the examiner and two conferees (usually including the examiner's supervisor) will review the arguments and decide whether to allow the application, reopen prosecution, or proceed with a full appeal to the Patent Trial and Appeal Board. If the pre-appeal brief review does not result in a favorable outcome for the applicant, the applicant always retains the ability to file a request for continued examination, forgoing the additional time and expense of a full appeal.

The pre-appeal program is intended to give an applicant a chance to avoid a full appeal process if the pre-appeal panel agrees that the examiner committed a legal or factual error. A full appeal includes higher patent office fees (currently \$2,000 for forwarding the appeal to the board, and \$1,300 for requesting an oral hearing), not to mention the higher attorney's fees required for a comprehensive appeal brief. Moreover, the



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current backlog at the board means that the appeal will likely be pending for several years.

Successfully pursuing a pre-appeal review requires a unique approach that differs from that of a full appeal. We recommend the following strategies to achieve allowances and re-openings of prosecution for clients on pre-appeal.

Know Your Examiner

Open any legal writing book and you are almost guaranteed to find a similar axiom — know thy reader. The same holds true for the arguments accompanying the pre-appeal request for review. In the context of the prosecution history, consider any clues you may have from the examiner either in their office actions, or interviews you may have conducted, that may inform you of their perspective. Working relationships built through interviews or informal check-ins with the examiner can go a long way in framing how you present arguments in pre-appeal requests, and prosecution in general. In this way, you will be able to tailor your arguments to be better received by the reader.

In all cases, but particularly for those where you may not have a long working history with the examiner, it can be useful to consult examiner statistical reports offered by service providers, such as Juristat. These reports provide statistics on how applicants generally fare with specific examiners and art units on pre-appeal, which should inform your decision making process.

Prior to drafting your arguments to accompany the pre-appeal request for review, an examiner-interview may be helpful — however informal — to decide which issues to focus on in the request, or if there may be an even easier path to an allowance. Keep in mind that ideally, the examiner's supervisor and an additional conferee will also read your arguments and discuss them in conference, and as in ordinary prosecution it is preferable to keep the tone neutral and noncombative. Unlike on full appeal, the examiner will still be a part of the pre-appeal panel, so applicants should be sensitive to this.

Additionally, appreciate that in the realities of the office, some conferees may not be fully invested in the pre-appeal brief, and may simply take the examiner's word that the case is ready for a full appeal.

Simplify the Issues for the Panel

In considering that the conferees may not be at all familiar with the case at hand, it is important to give context and simplify legal sections as much as possible. In this regard, consider front-loading a concise summary of the claimed subject matter, the limited issues at hand, and any unique posture in the prosecution history. Don't assume the other two panel members have more than cursory knowledge of the prosecution history going into the conference.

Document organization is key, especially considering that arguments are limited to five pages. For this reason, consider using bolded point headings and breaking out major and minor premises within your arguments to give the request a clear flow. In considering the limiting of issues, convey to the panel that they need only decide a limited number of issues at the outset in order for you to win. Remember, your goal on pre-appeal is not necessarily to persuade the examiner that all rejections must be withdrawn and that all claims are allowable. Rather, the goal is to clearly identify at least one significant legal or factual error that, at a minimum, requires reopening prosecution. Simplify legal sections as much as possible — trust that the examiners know the basic statutory framework. Once you have formed and finalized your arguments, if you are under five pages, resist the urge to expand to fill the empty space. Sometimes less is more.

Focus on Any Clear Legal Errors

In considering issues to raise in the arguments, review your case for low-hanging fruit in terms of clear legal error on the part of the Office. For example, simply not addressing all of the applicant's reply arguments in an office action, or issuing an improperly final rejection in error are potential issues to focus on in pre-appeal. These types of clear legal errors may result in quick reopening of prosecution or allowance, and in any event will likely clarify the issues in the case.

Another potential argument at this stage is that the examiner has omitted one or more essential elements needed to make out a prima facie rejection, such as a particular claim limitation that is not met by an applied reference. Advantageously, an applicant can refer to arguments already of record rather than reasserting such arguments in great detail in the request, which can be helpful with the limited space in the pre-appeal request. But do take care to provide enough detail such that the pre-appeal argument stands on its own — striking the right balance is key to succeeding.

In considering arguing by analogy to case law, try to keep it simple, relying primarily on well-settled, seminal cases that are treated by the Manual of Patent Examining Procedure, or cases on which the office has issued official guidance. While examiners do receive legal training, most are not comfortable responding to recent legal cases, and it is unlikely that this type of argument will win the day at this stage. On appeal, however, the PTAB is comprised of sophisticated administrative law judges who are better equipped to evaluate and treat newly issued case law arguments.

Create Annotated Figures or Tables Where Appropriate

To echo the call for simplicity outlined above, visual aids may also be appropriate, depending on the circumstances. For example, consider including annotated figures or diagrams where appropriate if contesting technical art-based issues, or even to clarify the claimed subject matter. Flowcharts and other pictorial descriptions can achieve similar effects. Remember, the panel members other than the lead examiner may not have reviewed the specification and asserted reference, and may only have cursory familiarity with the claims.

Further, tables may also help to simplify issues or drive home that the examiner has failed to make out a prima facie case for rejection. As an example, a claim chart may be prepared, showing the claim language next to a missing element in the prior art. Tables may also be helpful in showing a complex prosecution history, for example where an examiner has previously indicated certain subject matter as allowable, but subsequently has changed their mind.

If concerns about the page limit worry you, refer back to the second tip above — simplify the issues! By cutting boilerplate legal sections and culling less important issues, you open up space for more instructive visual aids that can be helpful both to persuade the examiner and give context to the rest of the panel. Careful formatting such as placing figures in-line with text can also be helpful, as the text can then wrap to one side of a figure on a portion of the page. But be careful of overdoing it with creative formatting or your message may be obscured by formatting distractions.

Plan Your Next Step — Win or Lose — Before Filing Your Request for Review

It is a best practice to have a plan for next action before filing the pre-appeal brief. Doing so will allow you to manage your client's expectations, tailor your arguments, and efficiently move forward no matter the outcome.

For example, if the pre-appeal review results in a panel determination to proceed to the board, a decision must be made whether to proceed directly to a full appeal or whether to instead file a request for continued examination to continue before the examiner. Cost and delay may play a role in this decision. While some applications may cover important enough subject matter that it's worth fighting for the present claim scope on appeal, others may not. Also, in some cases the particular claim scope achieved is not as important as a quick allowance, which is typically easier to secure through a request for continued examination than on appeal. Knowing your clients goals before engaging in pre-appeal will help you determine if it is a good option and put you in a position to respond promptly once the panel decision issues.

If the pre-appeal review results in a panel determination to reopen prosecution, no action is required by the applicant. However, either prior to or after receiving the next office action (which should be nonfinal), consider reaching out to the examiner while the case is fresh in their mind. Panel determinations offer no rationale on which of your arguments were persuasive, they merely state that prosecution will be reopened. So a conversation with the examiner may help to narrow your focus once prosecution is reopened. Additionally, at this stage, the examiner will have the benefit of having the panel's input on the case and may be able to guide you toward compact prosecution. Coming out of a pre-appeal loss (for them), many examiners are motivated to dispose of the case promptly and may be willing to cede some ground to the applicant. Savvy applicants should take advantage of this opportunity.

Finally, if the panel determination is that the case should proceed to allowance, normal considerations of next steps should be at least considered prior to paying the issue fee (e.g., whether to file a continuation, ensuring all formalities are complied with such as filing inventor declarations, etc.).

Because of the advantages offered by the pre-appeal request for review program, it should be considered as a time- and money-saving option in any case that is ripe for appeal. And the strategies outlined above should be a part of an applicant's toolkit in fighting for a quick allowance or reopening of prosecution.

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