



LEBER IP LAW

PATENT APPEALS 101

TO APPEAL OR NOT TO APPEAL...

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THAT IS THE
QUESTION...

Whether 'tis nobler in the mind to suffer

The slings and arrows of outrageous examiners,

Or to take arms against a sea of rejections,

And by appealing end them...

PATENT PROSECUTION 101

After a patent application is filed, for a patent to be granted it is necessary that the application be examined by a patent examiner at the USPTO, a process known as “patent prosecution”. This involves a back-and-forth negotiation between the applicant and the examiner to agree on a mutually acceptable claim scope. (The claims define what the applicant can prevent others from doing.)

WHAT IS AN APPEAL?

Sometimes this process breaks down, and you, as the applicant's representative, find yourself in an endless feedback loop of rejections.

Despite your best efforts, the Examiner seems to have set his or her heels...

An appeal gives you the opportunity to have a board of appeals take a fresh look.

The patent statute (35 U.S.C. 134) provides that:

An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Patent Trial and Appeal Board, having once paid the fee for such appeal.

WHEN CAN YOU APPEAL?

Only requirement is that the claims have been twice rejected.

- Can be same claims or amended claims.
- Can be a second non-final rejection.
- Can have an intervening continuation application between the two rejections.

However, make sure case is in good condition for appeal (all evidence and amendments you need have been entered)

WHAT ARE THE STEPS? 1 OF 2

File a Notice of Appeal (*within 6 months of pending office action*)

File an Appeal Brief (*within 2 months of Notice of Appeal – extendable to 6 months*)

[Examiner will file an Examiner's Answer]

(Unless Examiner decides to back down and allow the case, or reopen prosecution with a new rejection, or propose an amendment)

WHAT ARE THE STEPS? 2 OF 2

File a Reply Brief in response to any new issues raised in Examiner's Answer (*within 2 months of Examiner's Answer – NOT extendable*)

Pay Appeal Forwarding Fee! (*within 2 months of Examiner's Answer – NOT extendable*)

(Optional) Attend an Oral Hearing to present oral arguments (*must be requested by the earlier of 2 months from Examiner's Answer or the filing of the Reply Brief*)

POSSIBLE OUTCOMES

Examiner withdraws rejections in response to Appeal Brief

Examiner contacts applicant's representative with proposed Examiner's Amendment

Examiner reopens prosecution with a new ground of rejection

Appeal moves forward and:

- PTAB reverses the rejections
 - (after which the Examiner will generally allow the case)
- PTAB remands the case to the examiner
- PTAB affirms the rejections
 - Applicant can then file a Request for Continued Examination or court appeal

PENDENCY

From the time the Board receives the appeal (which can be close to a year from when you file the Notice of Appeal) – according to USPTO statistics

Normal: 1 to 1.5 years

New Fast-Track Appeals Pilot Program:

USPTO target is 6 months

Cost to expedite -- \$420 USPTO fee

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Why expedite?

- Think you have a good case
- Client will benefit from earlier decision

Why not?

- Appeal is being filed primarily to buy time
- Client will benefit from longer patent pending status

COSTS

Attorney Fees:

Will vary widely depending on the firm and the complexity of the case. 2019 AIPLA Economic Survey says:

Median without oral argument: \$4500

Median with oral argument: \$8000

USPTO Fees:

Notice of Appeal -- \$800/\$400/\$200

Forwarding Fee – \$2240/\$1120/\$560

Oral Hearing Request -- \$1300/\$650/\$325

PROS

Despite the relatively high cost of appeal, may end up reducing total cost to client

May result in claims being allowed (issued patent)

At worst, decision affirming rejections may provide guidance for a path forward

CONS

Up-front Cost (even if total cost is the same or less)

Delay (could be reduced with Fast Track)

Could overlook other options (such as seeing if the client has any evidence of patentability to submit)

ALTERNATIVES

Pre-appeal Conference – if some or all rejections are improper and without basis, or based on a factual or legal error

Examiner interview – May not work if the examiner is dead set against patentability, but worth a try

Involve Examiner's supervisor – particularly if the examiner is green

Obtain evidence from client – there may be persuasive evidence that client hasn't mentioned

File a continuation with different claims – try to “hit the reset button”

USPTO STATISTICS

Appeal outcomes in FY20

(from USPTO website)

Affirmed: 59.8%

Reversed: 29.2%

Affirmed-in-Part: 9.1%

Remanded: 1.0%

Dismissed 0.9%

WHAT WOULD HAMLET SAY?

*Who would final rejections bear,
To grunt and sweat under a weary examination,
But that the dread of something at the P.T.A.B.,
The undiscovered country, from whose bourn
No traveler returns, puzzles the will,
And makes us rather bear those ills we have
Than fly to others that we know not of?*

BUT
SERIOUSLY...

Don't fear the PTAB!

QUESTIONS?

*Ask now, or don't hesitate to
drop me an email at:*

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Thanks!

