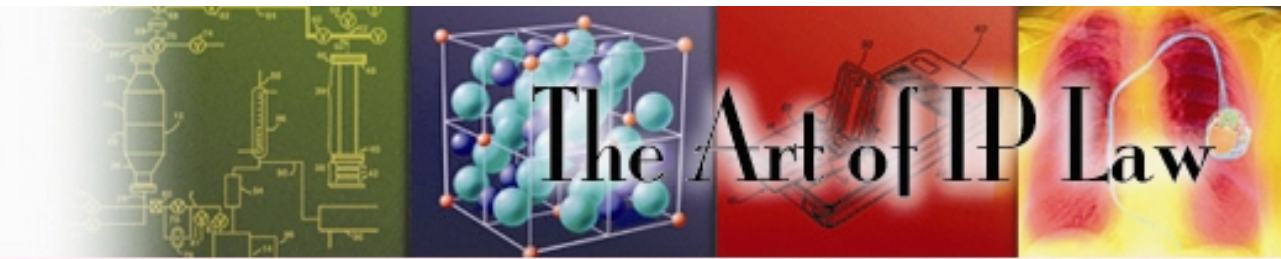
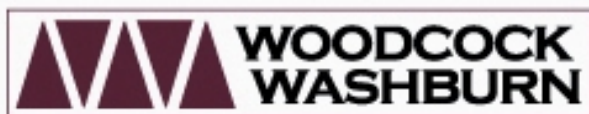


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BPAI Practice Update CPTCLA Fall Meeting September 24-25, 2010

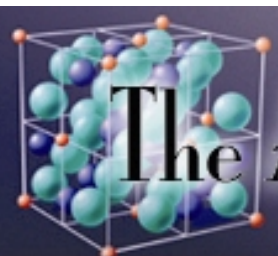
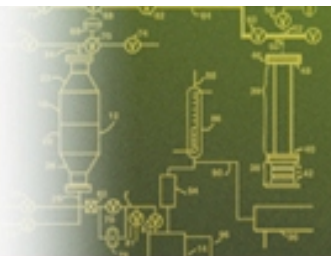
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Woodcock Washburn LLP
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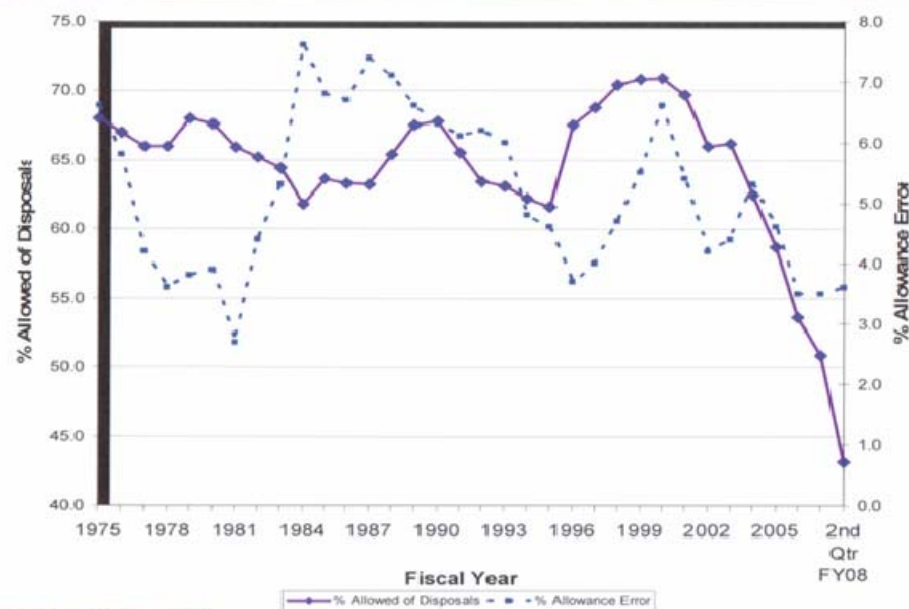


The Art of IP Law

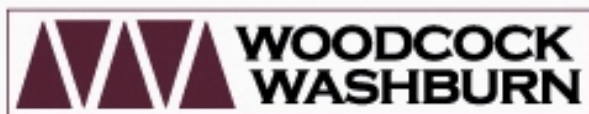
Should You Appeal?



Error and Allowance Rates



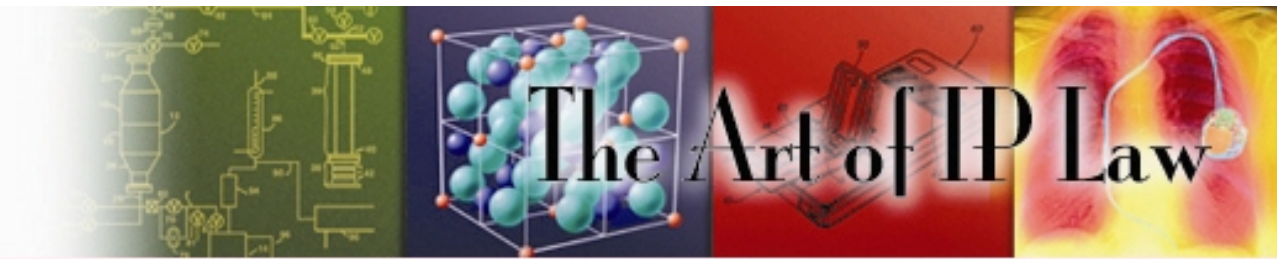
Data is through the 2nd Quarter of 2008.



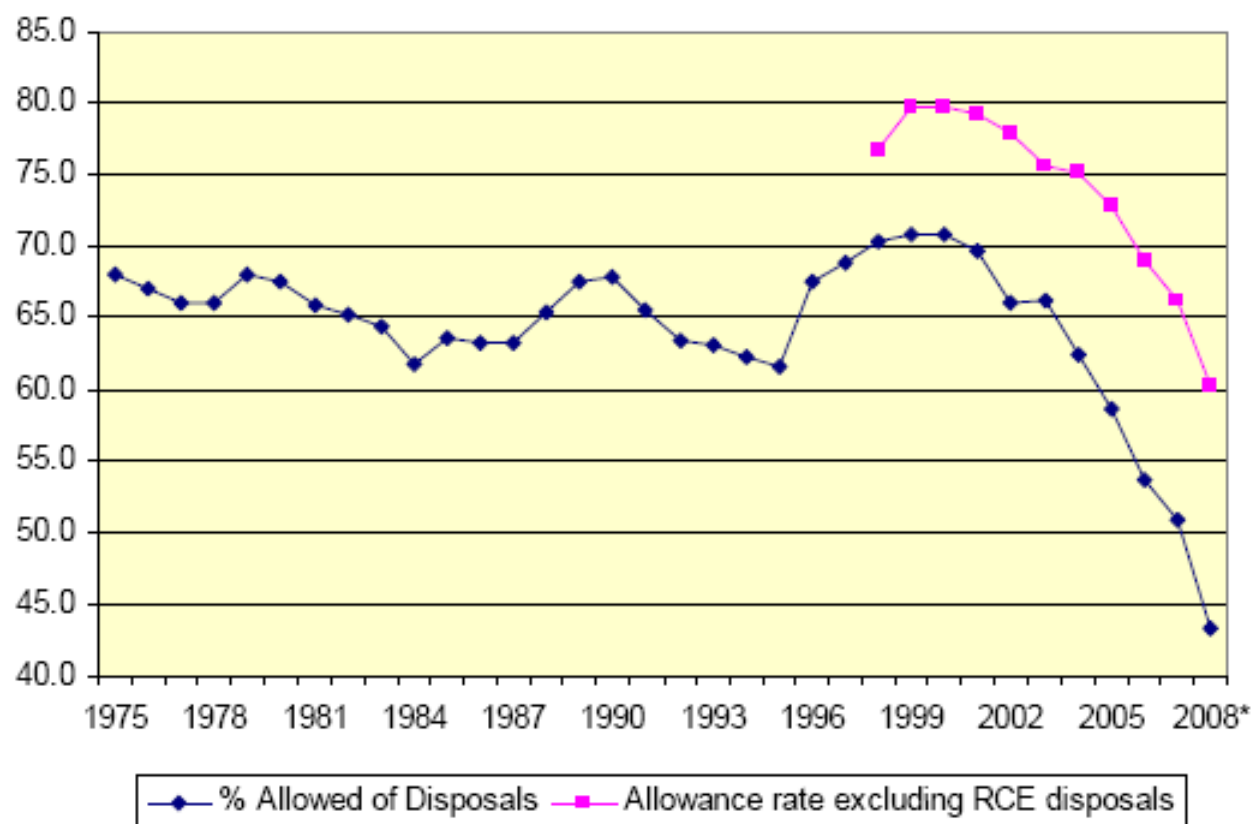
**WOODCOCK
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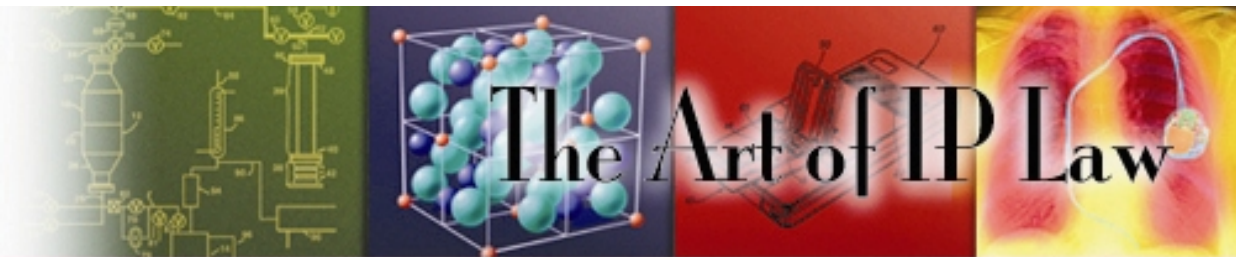
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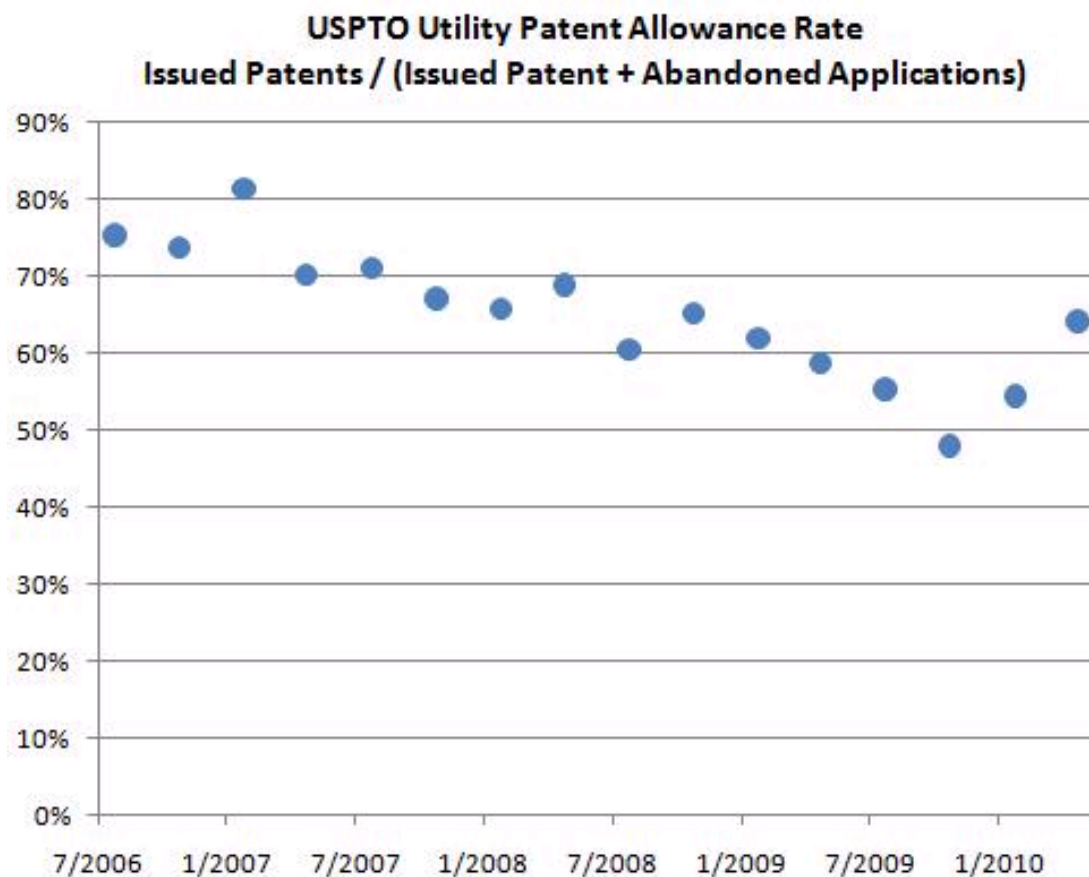


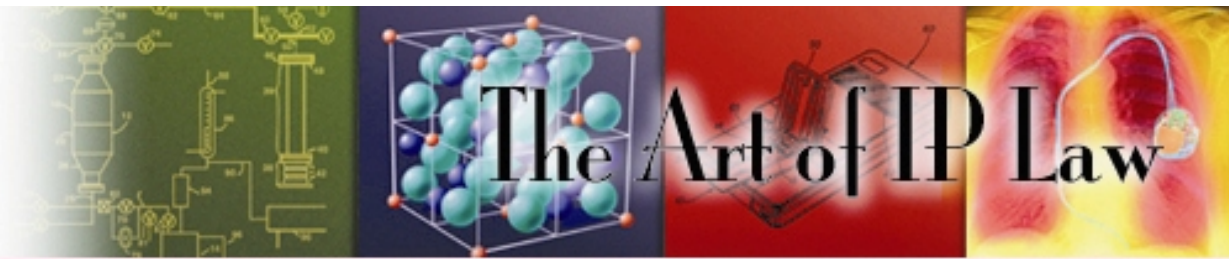
Courtesy of Professor Dennis Crouch





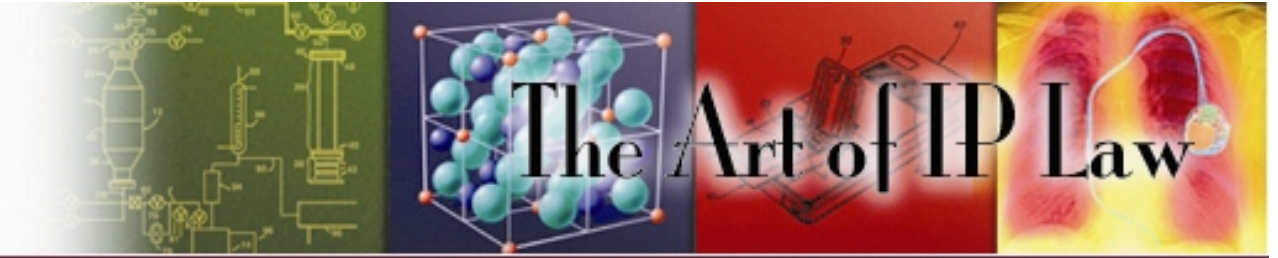
Courtesy of Professor Dennis Crouch--Based on a sample of 4,400 applications that either have issued or have been abandoned.





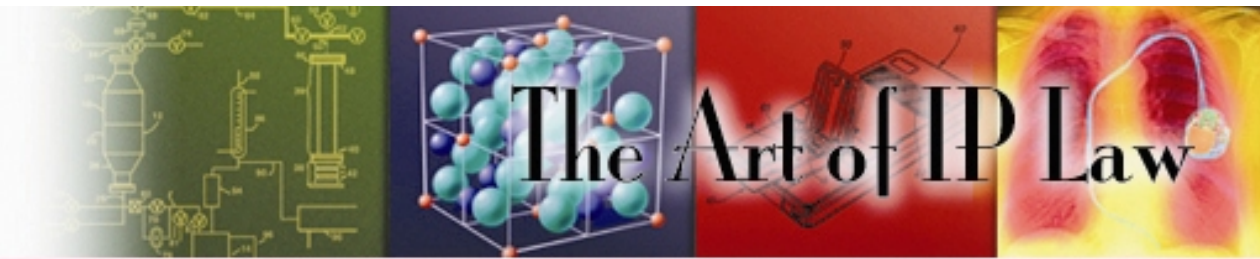
Why the drop?

- “Quality” crackdown
 - Myriad opaque layers of “quality review”
- RCE churn
 - Cases are not being allowed but neither are they being abandoned



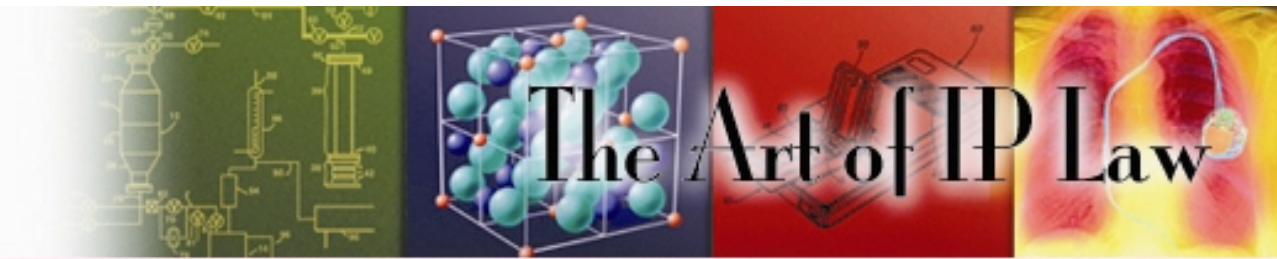
Changes in the PTO

- Quality review processes being retargeted to In Process Reviews (IPRs) rather than allowances
- Changes in examiner count system to disincentivize RCEs for both examiners and applicants
 - Reduced count for examiner
 - RCE docketed as Special New case so applicant cannot expect quick turnaround



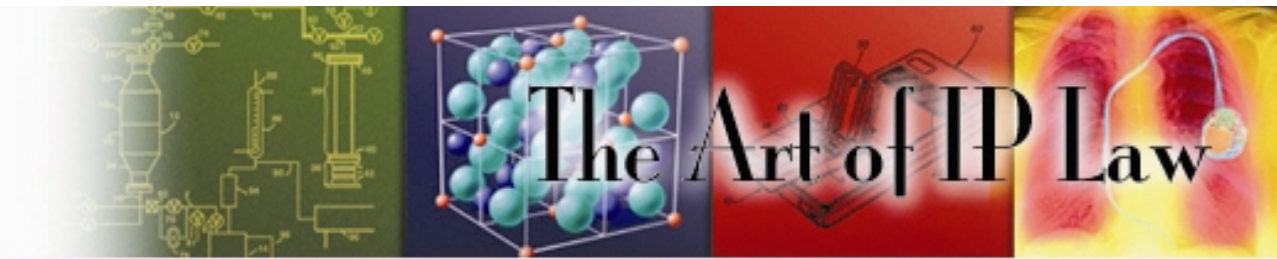
Considerations in Deciding Whether You Should Appeal

- Have you worked with the examiner?
- Business needs of client
- Timeliness of BPAI decision
- Possible outcome of appeal
- Claim scope
- Evidentiary record



Board Workload

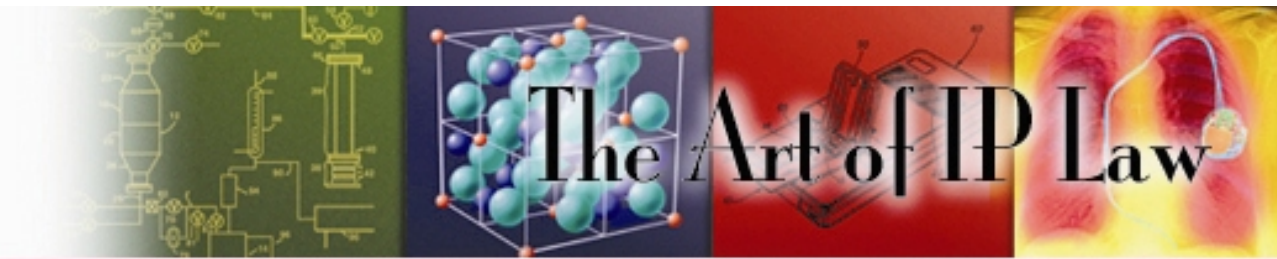
As of August 31, 2010, the number of ex parte appeals awaiting decision at the Board was 17,583, up from 3,956 on October 1, 2008.



Board Outcomes

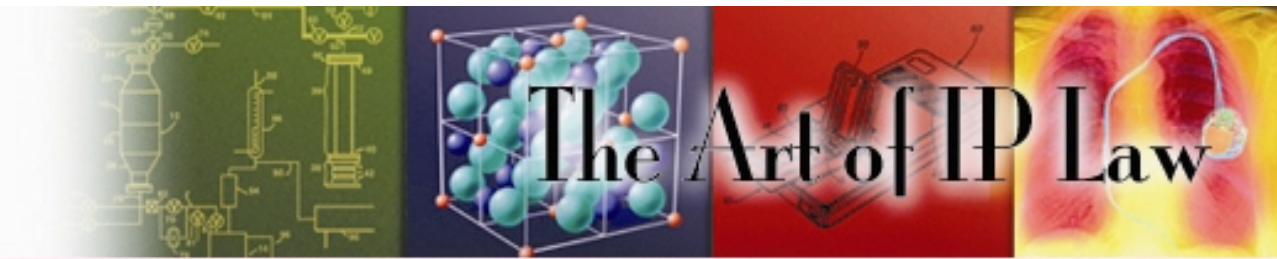
The Board affirmed 52.1%, affirmed-in-part 14.0% and reversed 25.2% in FY 2009.

As of August 31, 2010, the Board has affirmed 48.9%, affirmed-in-part 14.5% and reversed 29.0% this fiscal year.



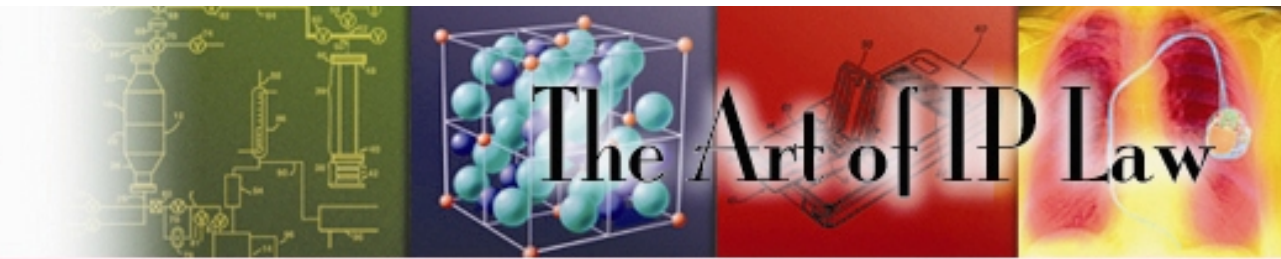
BPAI Events

- Modification to BPAI rules proposed, 74 Fed. Reg. 67987 (Dec. 22, 2009)
 - Comments were due February 26, 2010
- PTO held a Roundtable Discussion regarding the proposed rules on January 20, 2010
 - Materials and recorded webcast are available at the Board's web page at www.uspto.gov



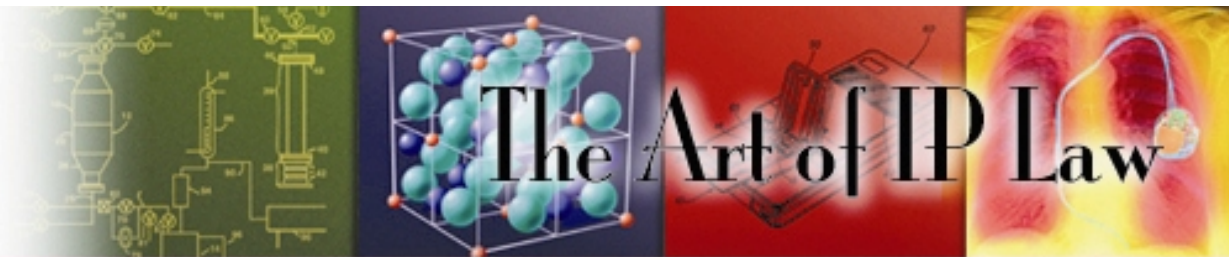
BPAI Events

- First Annual Board Conference held April 7, 2010
 - Materials are available at the Board's web page at www.uspto.gov
- Appeal Briefs are now reviewed at the Board for compliance with the rules
- Board web page now has its own Dashboard of statistics



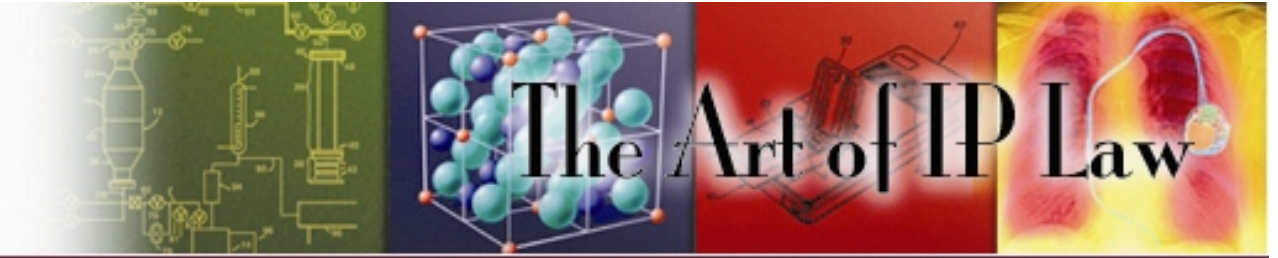
Procedural Review Of Appeal Brief

- Old Process--Appeal Center reviewed all Briefs for procedural correctness before docketing to the examiner
 - Even after that review the Brief could be held non-compliant by the examiner and/or Board



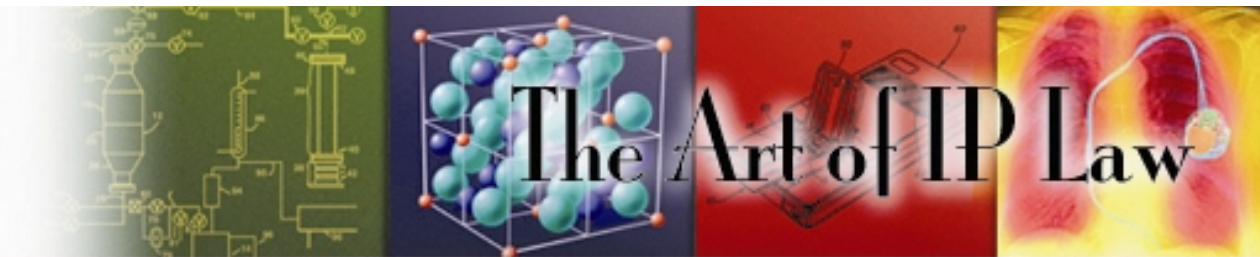
Procedural Review Of Appeal Brief

- New process—Once an Appeal Brief is filed, the Board will review it for compliance with the rules.
 - If compliant, the case is forwarded to examiner for consideration
 - Neither the Appeal Center nor the examiner can hold the Appeal Brief non-compliant
 - If not compliant—Board will communicate with Appellant to correct perceived defects



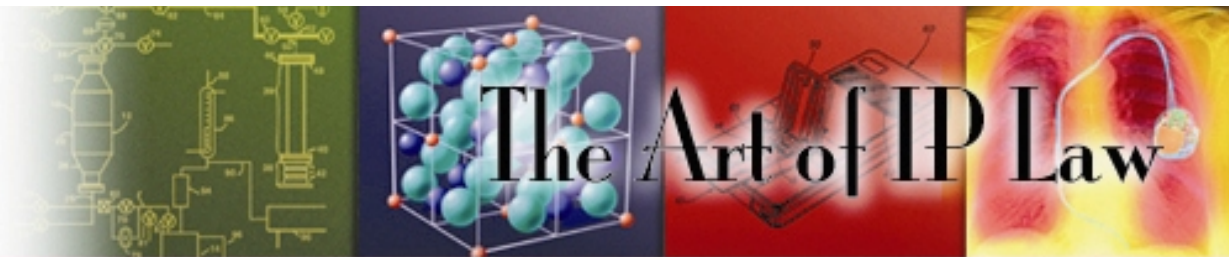
Board Rules

- The rules that are in effect are those adopted in 2004, 69 Fed. Reg. 49960 (August 12, 2004)
- The “final” rules adopted in 2008, 73 Fed. Reg. 32938 (June 10, 2008) were not implemented



Board Rules

Note, the proposed changes of December 2009 amend the 2008 version of the rules, not the 2004 version which is in effect.



Appeal Brief Format

37 CFR § 41.37 (proposed (2009))

Same:

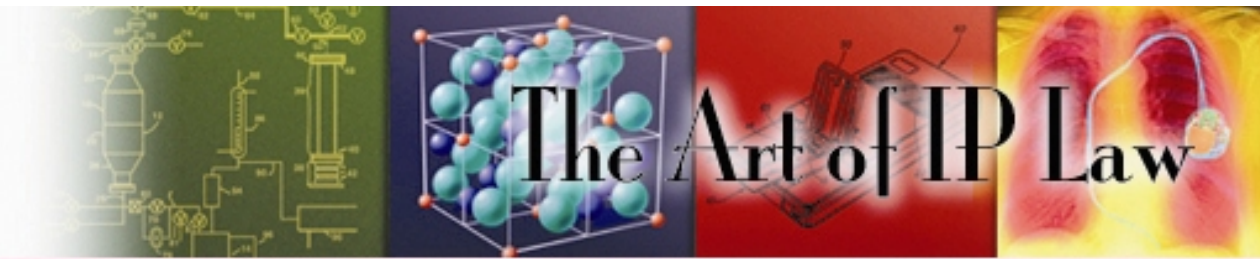
- Party in interest
- Related proceedings
- Status of Amendments
- Rejections to be reviewed

New:

- Presumption of examiner correctness and review for examiner error
- Expanded appendix
- Sanctions

Eliminated:

- Summary of claimed subject matter in lieu of “Claims section” in appendix
- Onerous formatting requirements from 2008 proposal



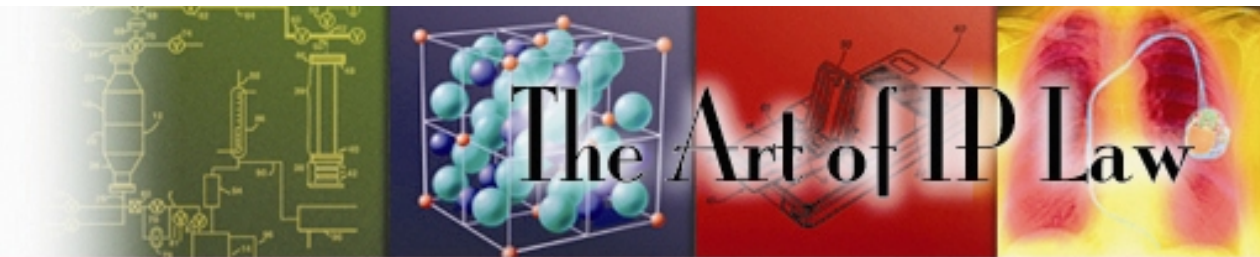
Argument

37 CFR § 41.37(proposed (2009))

Revised

- New “error” standard of review
- Presumption of examiner’s correctness

The “argument” shall explain why the examiner erred as to each ground of rejection to be reviewed. Any explanation must address all points made by the examiner with which the appellant disagrees. Any finding made or conclusion reached by the examiner that is not challenged will be presumed to be correct. (emphasis added)

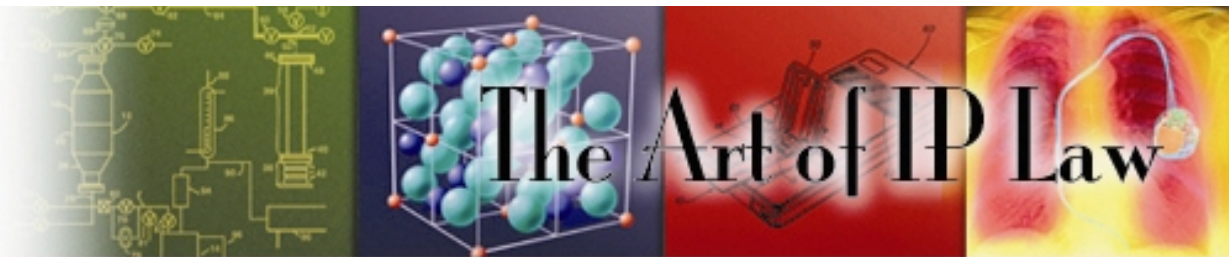


Arguments Considered

37 CFR 41.37(proposed (2009))

Only those arguments which are presented in the argument section of appeal brief and that address claims set out in the claim support and drawing analysis section in the appendix will be considered.

Appellant waives all other arguments in the appeal.



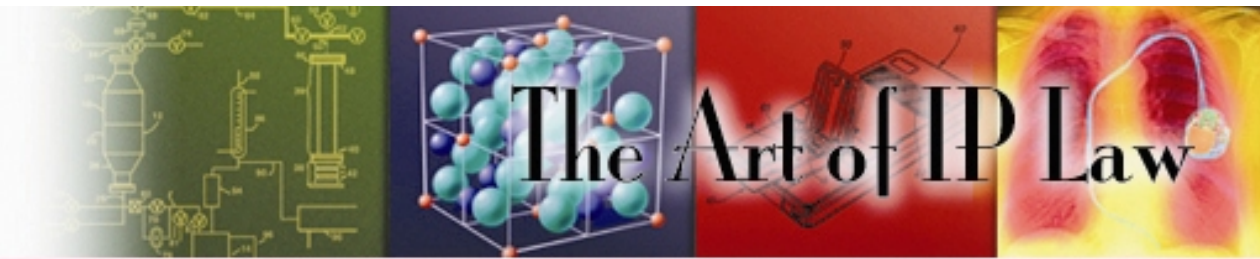
Arguments Considered

37 CFR 41.37(proposed (2009))

The Board is now applying a strict waiver of argument to Appellant.

The rule is one-sided as the Board does not apply a strict waiver to the examiner's position.

- Board panels do fill in the blanks in regard to the examiner's position in “affirming” a rejection
 - Sign of an undesignated new ground of rejection by the Board

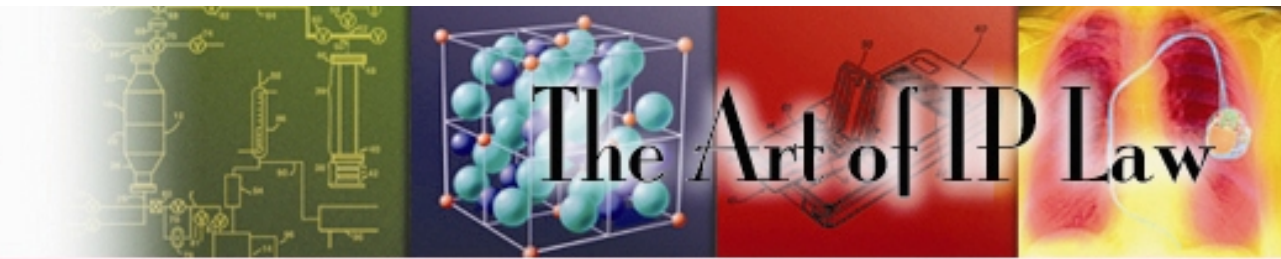


In re Oetiker,
977 F.2d 1443, 1445 (Fed. Cir. 1992)

“... the examiner bears the initial burden . . . of presenting a prima facie case of unpatentability. If that burden is met, the burden of coming forward with evidence or argument shifts to the applicant.

After evidence or argument is submitted by the applicant in response, patentability is determined on the totality of the record, by a preponderance of evidence with due consideration to persuasiveness of argument.

If examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent. “

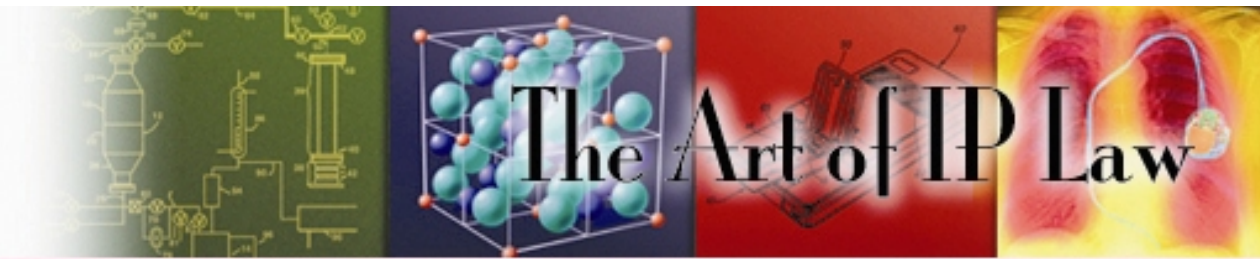


Presumption Of Examiner Correctness

Ex parte Frye, Appeal No. 2009-006013,
February 26, 2010 (precedential)

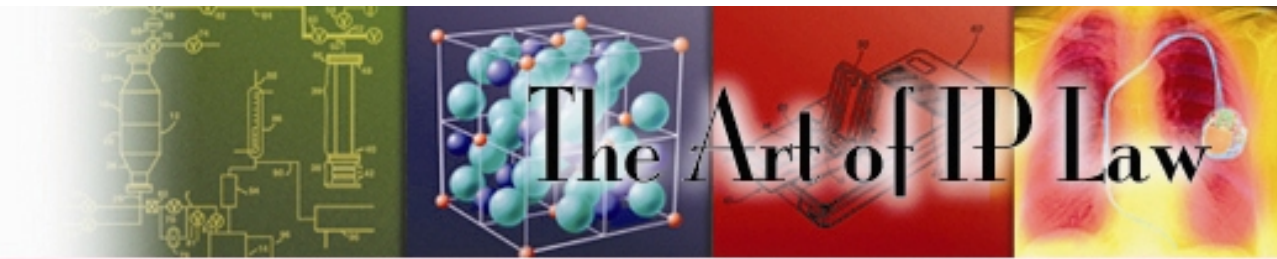
– Panel included the Director, Deputy Director,
CAPJ, a VAPJ and three APJs.

“Specifically, the Board reviews the particular finding(s) contested by an appellant anew in light of all the evidence and argument on that issue.”



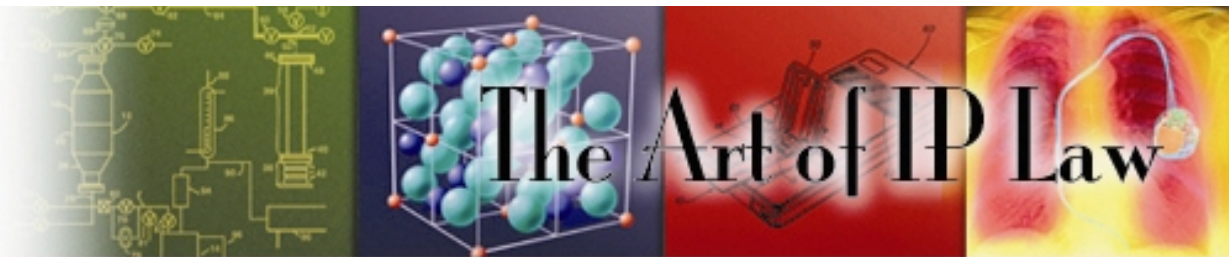
Error standard of review

Some Board panels state the issue as
“Whether appellant has demonstrated
error/reversible error/harmful error on the part
of the examiner.”



Argue Claims Separately

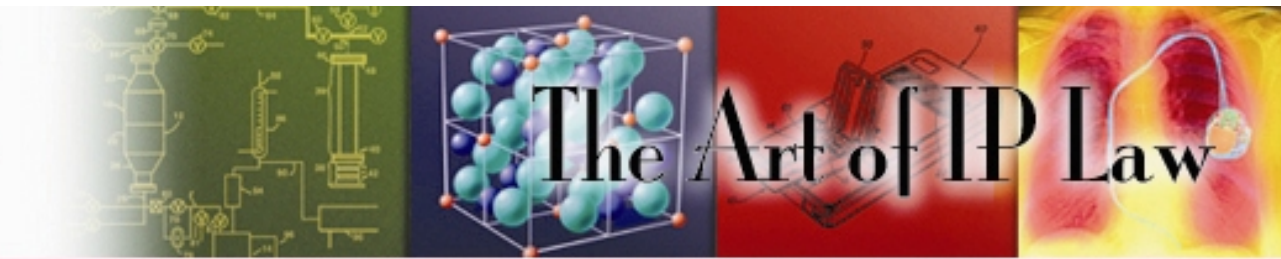
- Claims argued together, (stand or) fall together
 - When argued as a group (subject to same rejection), the Board may select claim most vulnerable to rejection . . .
 - Affirmance of rejection of this one claim is affirmance of all
- Converse not true
 - If the rejection of the first independent claim of the group is reversed . . .
 - . . . Board will review each remaining independent claim in the group to see if reasons for reversing apply



BPAI Appeal Process—Hearing Not Requested

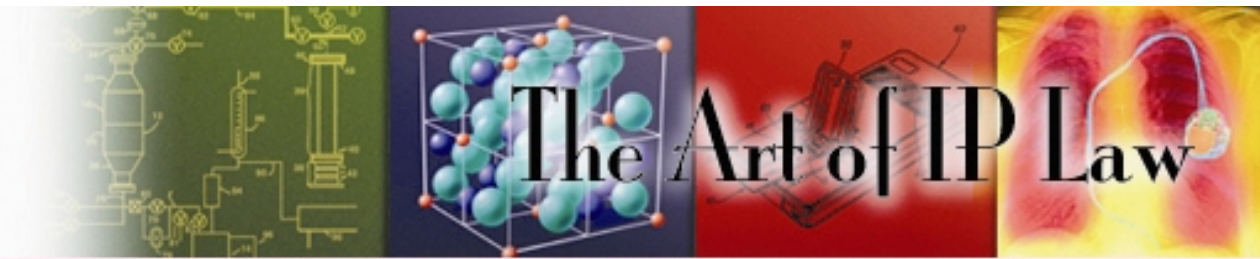
Historic process (hearing not requested)--Once appeal is accepted and docketed, the panel will consider the issues by:

- APJ 1 considering the record and meeting with APJ 2
- If both agree on disposition of issues, APJ 1 drafts opinion
- APJ 2 and APJ 3 review the opinion *in turn*; i.e., APJ 3 does not see it until APJ 2 has already reviewed



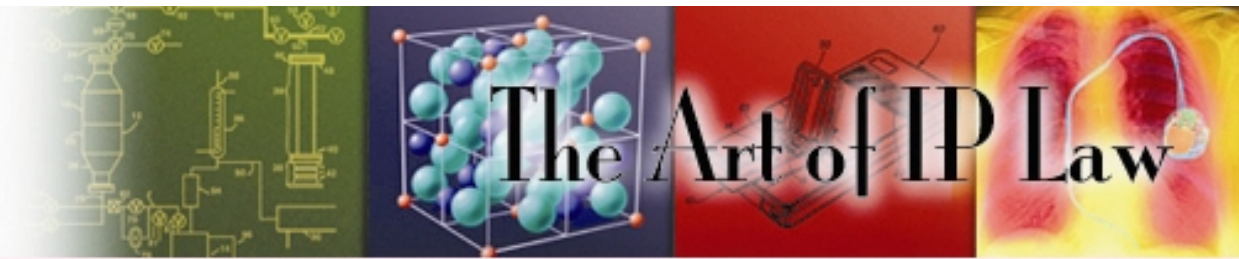
BPAI Appeal Process—Hearing Not Requested

- New process (hearing not requested)--Once appeal is accepted and docketed, the panel will consider the issues by:
 - APJ 1 considering the record and in most cases meeting with APJs 2 and 3
 - If agreement is reached on disposition of issues, APJ 1 drafts opinion
 - Draft opinion is simultaneously forwarded to APJ 2 and APJ 3 for review and approval



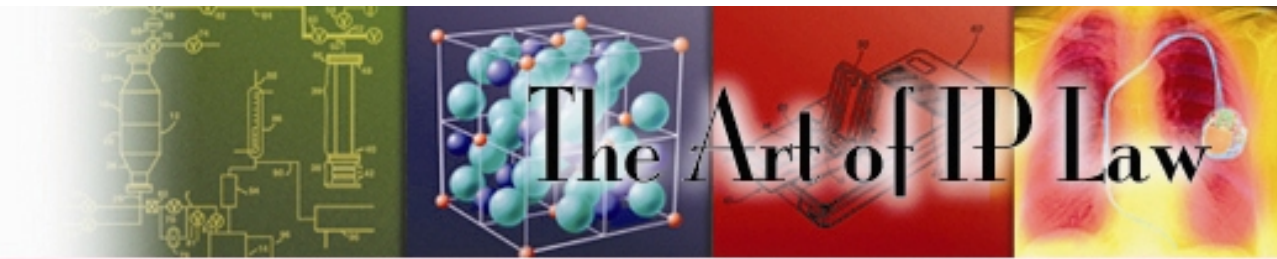
BPAI Appeal Process—Hearing Not Requested

- New, new process
 - Fifteen appeals will be docketed to a panel of three APJs.
 - Each APJ will be expected to study the record prior to conference.
 - At conference, the panel will decide the issues and decide which member will author the opinion.



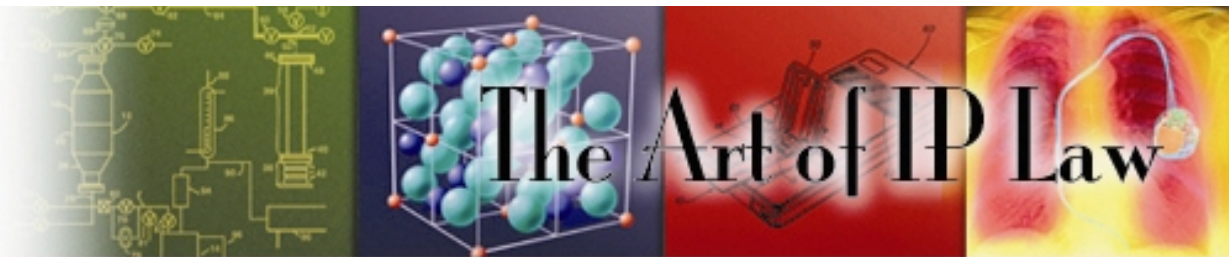
BPAI Appeal Process—Hearing Requested

Heard cases--Under the historic and new processes, the panel will conduct a pre-hearing conference with all empaneled members. APJ 1 may still be the member who has the most familiarity with record.

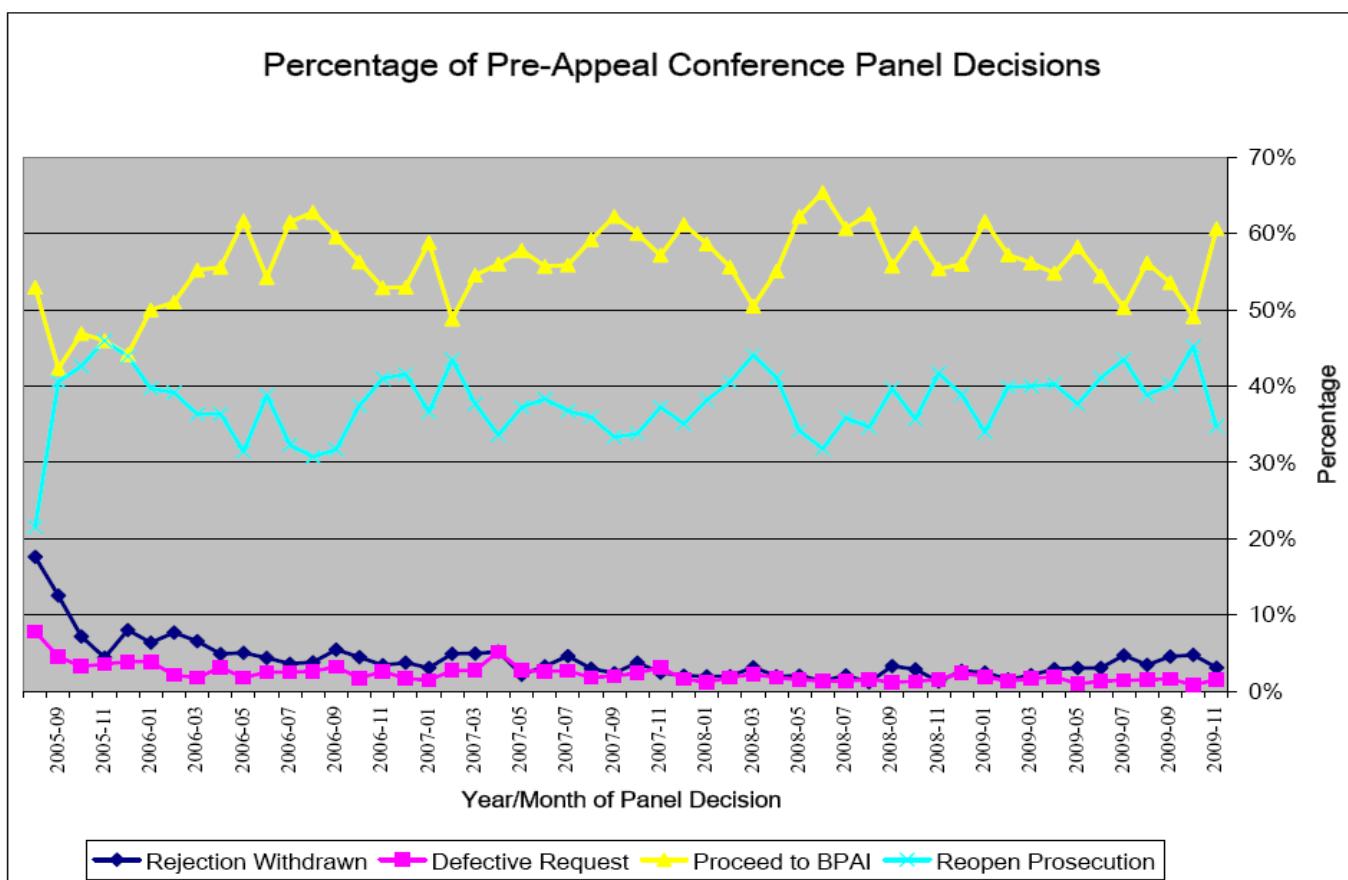


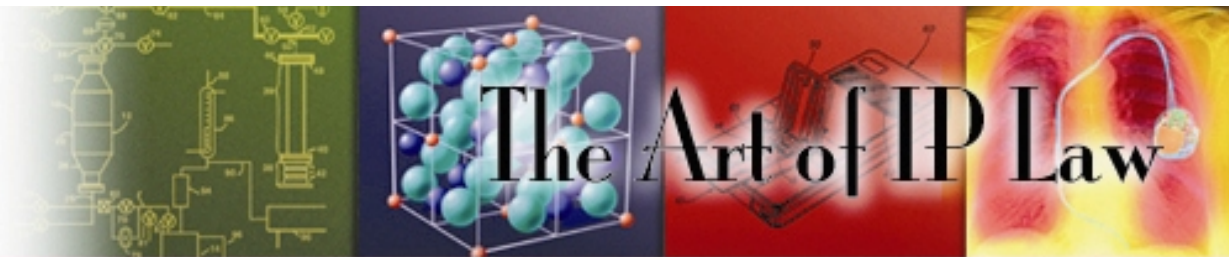
When To Ask For Pre Appeal Brief Conference

- Clear errors in the examiner's rejections
- The examiner's omissions of one or more essential elements needed for a prima facie rejection
- Other clear errors of fact on the part of the examiner

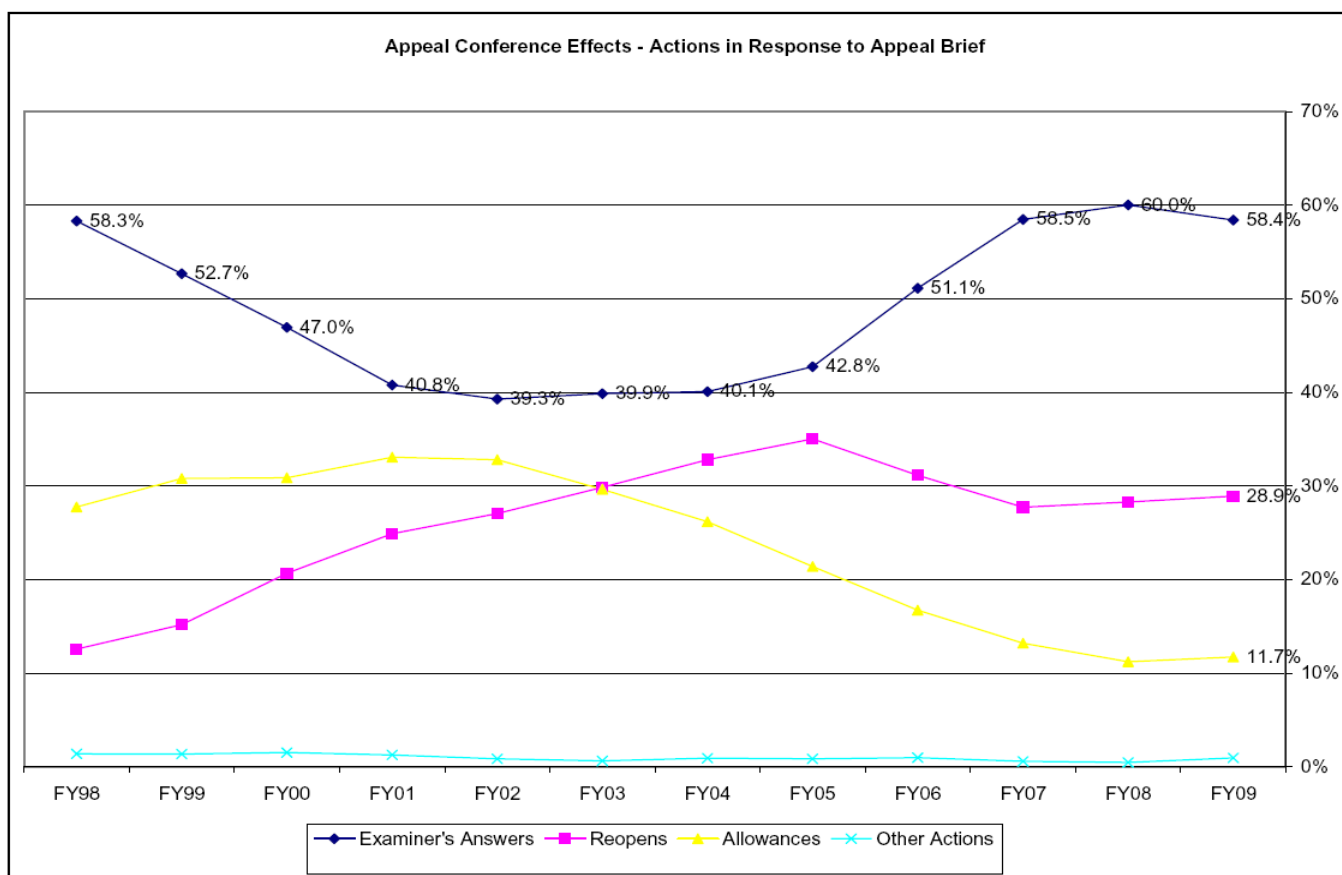


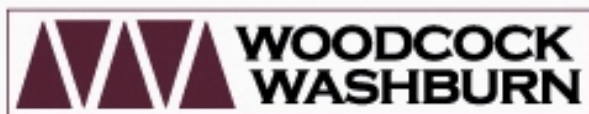
A Significant Number Of Cases Are Reopened After An NOA Is Filed





A Significant Number Of Cases Are Reopened After An NOA Is Filed

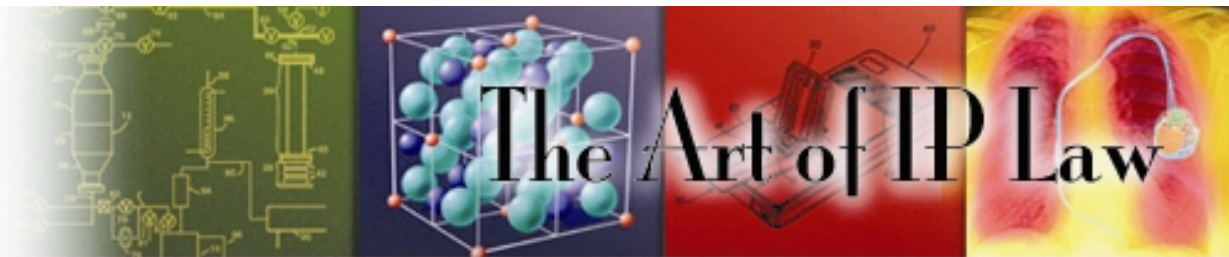




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