

# **THE USPTO BOARD OF PATENT APPEALS AND INTERFERENCES**

*U.S. PATENT AND TRADEMARK OFFICE*

**Presented by**

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# The USPTO Board of Patent Appeals and Interferences

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# Board of Patent Appeals and Interferences (BPAI)



## **BPAI Jurisdiction**

- What do they do?

## **BPAI Structure and Processes**

- How do they do it?

# Board of Patent Appeals and Interferences

## Jurisdiction (35 U.S.C. 6(b)):

- Review adverse decisions of examiners (ex parte and inter parte appeals)
- Determine priority and patentability of inventions in interferences (interferences)

# Board of Patent Appeals and Interferences (cont'd)

## Governed by:

- **Title 35 of the United States Code (35 U.S.C. 6, 134, 135, 306, 315)**
- **Title 37 of the Code of Federal Regulations (37 CFR, Part 41)**

# Board of Patent Appeals and Interferences (cont'd)

## Members of the Board: (35 USC 6(a))

- Director
- Deputy Director
- Commissioner for Patents
- Commissioner for Trademarks
- Administrative Patent Judges

# The Administrative Patent Judges (APJs)

- Each is a lawyer
- Each has a bachelor of science degree in chemistry, biology, physics, or some form of engineering
- Some possess advanced technical degrees

# BPAI Divisions and Teams

## Appeals Division

- Biotechnology
- Chemical
- Electrical
- Mechanical and Business Methods

## Trial Division

- Contested Cases
- Interferences



# Should you appeal?

**Old advice:** Not every case that is eligible for appeal under the statute and rules is necessarily ready for appeal.

**New advice:** Appeal early and often. Response to first Office action can be seen as the beginning of an Appeal Brief.

# Appeal or Petition

**Know what matters are subject to review by way of petition instead of appeal, e.g.,**

- Restriction or election of species
- Entry of amendments and evidence after final rejection and/or NOA
- New ground of rejection in Examiner's Answer

*See In re Hengehold, 440 F.2d 1395 (CCPA 1971)*

**Arguing a petitionable matter in the briefs or at hearing is futile and can cause loss of credibility.**

# Appeals Process

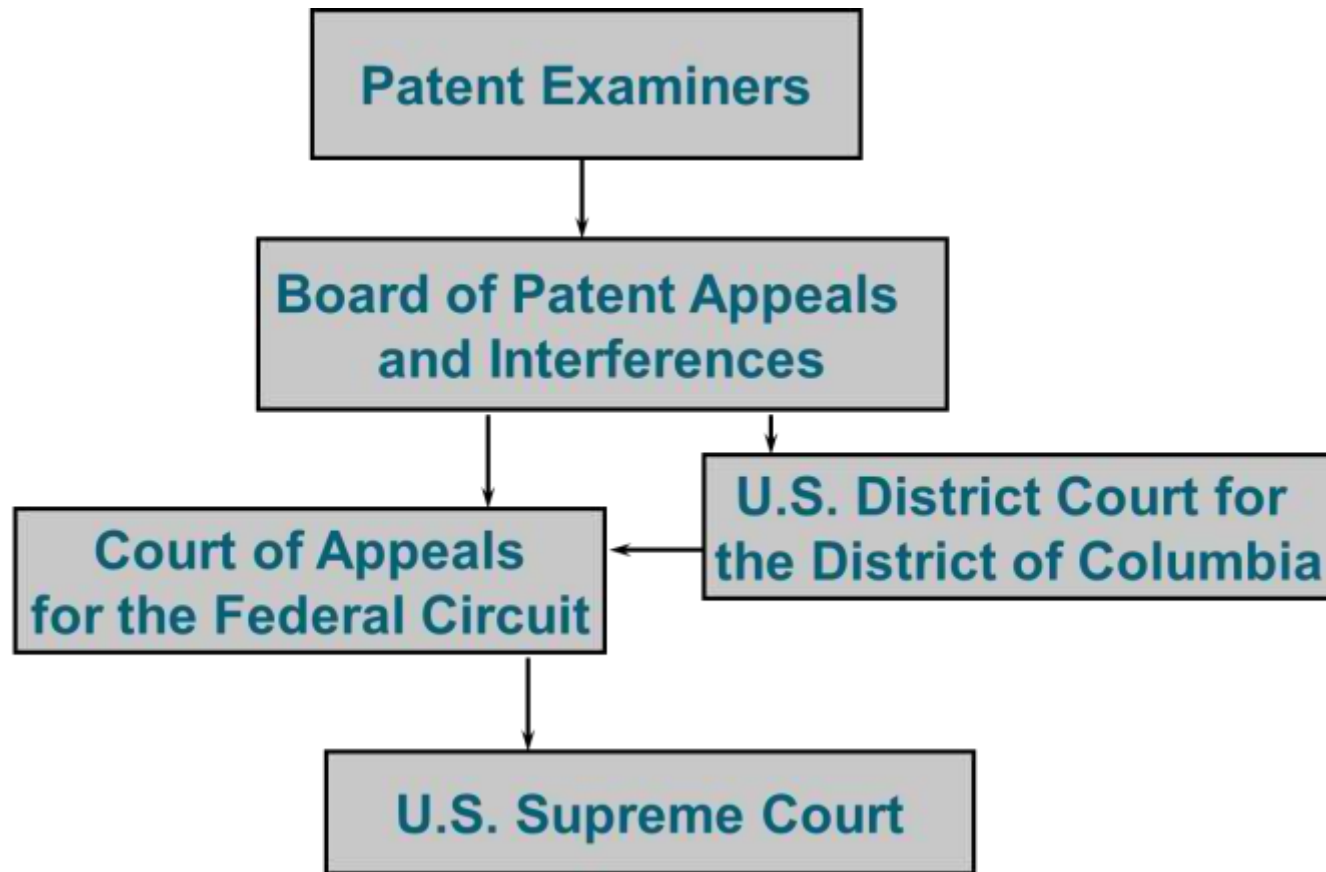
**An Applicant may appeal an Examiner's decision, if the claims have been twice rejected.**

- **Notice of Appeal**
- **Pre-Appeal Brief Request (Optional)**
- **Appeal Brief**
- **Appeal Conference**
- **Examiner's Answer**
- **Board of Appeals**

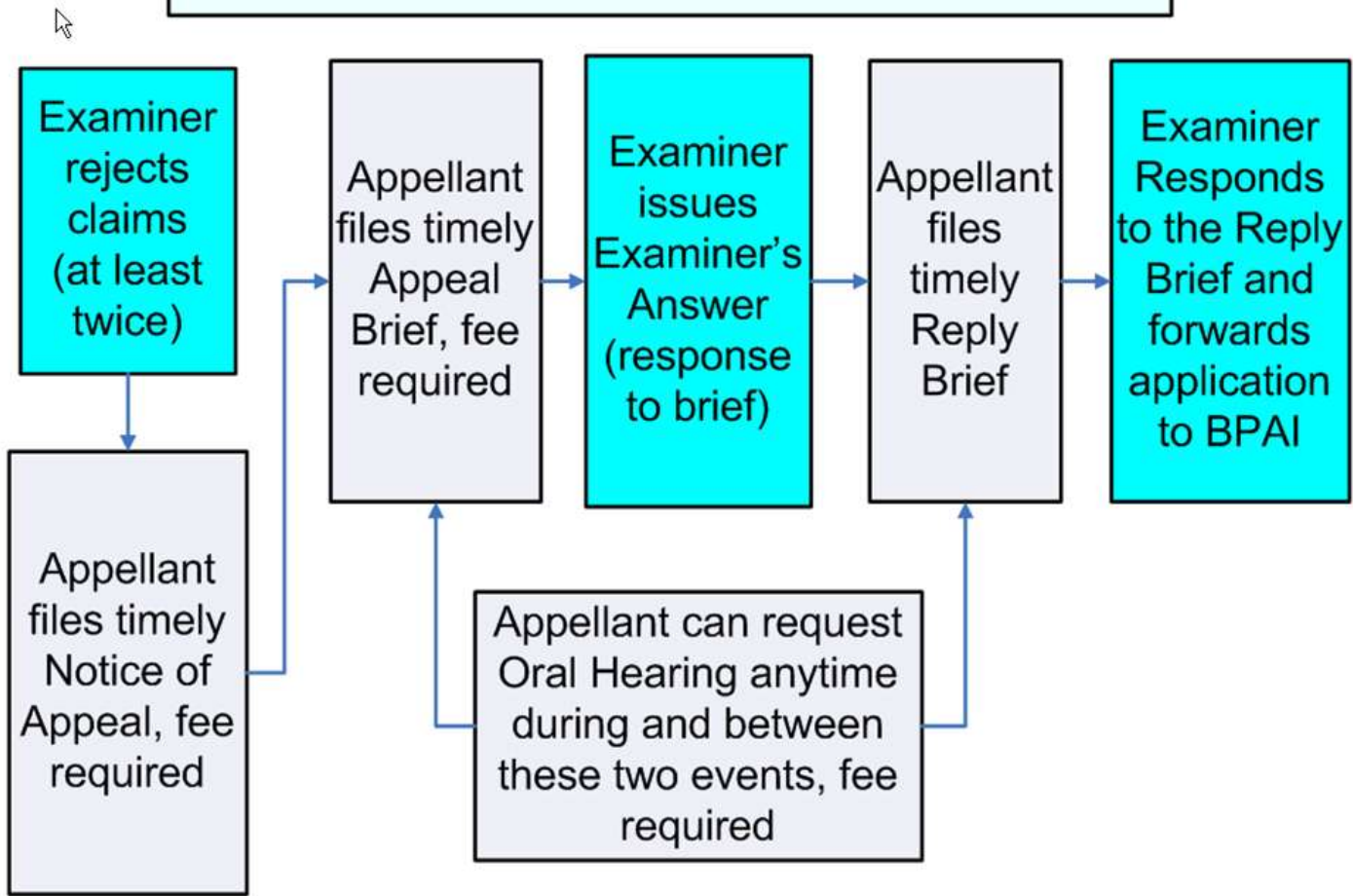
# Appeals

- **BPAI reviews the adverse decisions of patent examiners in:**
  - **Regular utility, plant, and design applications**
  - **Reissue applications**
  - **Ex parte and inter partes reexamination proceedings**
- **Issues on appeal are developed by applicant and examiner before the case reaches the BPAI**

# The Appeal Process



# TYPICAL APPEAL PROCESS BEFORE EXAMINER



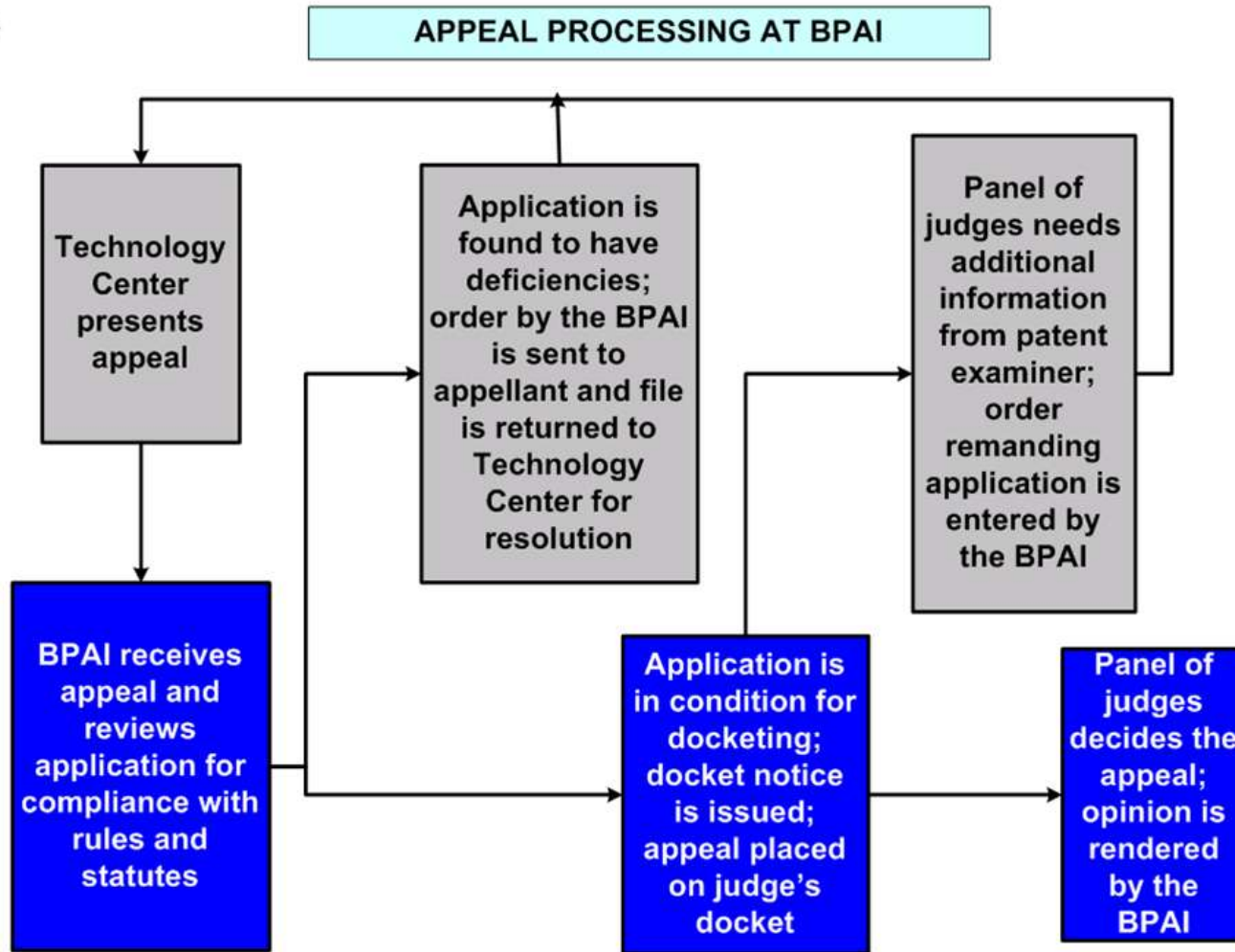
# Patent Appeal Process

- **Notice of Appeal (by Appellant)**
- **Optional Pre-Appeal Brief Conference Request (by Appellant)**
- **Appeal Brief (by Appellant)**
- **Examiner's Answer (by Examiner)**
- **Reply Brief (by Appellant, optional)**
- **Oral Hearing (by Appellant, optional)**
- **Examiner's Response to Reply Brief (by Examiner)**
- **Decision (by BPAI)**

# Patent Appeals at BPAI

- Patent Appeals can be decided On Brief or after an Oral Hearing
  - In Fiscal Year 2007, BPAI docketed 4,639 new appeals
    - 3,954 were On Brief
    - 685 requested an Oral Hearing (Heard)
  - An On Brief Patent Appeal is one where the Appellant wants the decision based on the written record.
  - A Heard Patent Appeal is one where the Appellant requests to present an oral argument before the panel to make his/her case.





# Request For Pre-Appeal Brief Conference

- Request must be filed with Notice of Appeal
- Request filed before or after the notice of appeal will be dismissed as untimely
- Limited to 5 pages of arguments and cover sheet
- Should be focused on clear examiner error(s)

# Pre-Appeal Brief Pilot Program

## Pre-Appeal Brief Pilot

- 1296 Off Gaz Pat. 67 (July 12, 2005)
- 1303 Off. Gaz. Pat Office 21 (February 7, 2006)
  
- **Written Request**
  - Preferably, use USPTO Form PTO/SB/33
  - Otherwise, label a request as “Pre-Appeal Brief Request for Review”
  - Must be filed with Notice of Appeal
  
- **Arguments**
  - Not more than five (5) pages, excluding the cover request form
  - Succinct, Concise & Focused
  - Identification of CLEAR ERROR

# Merits Panels

- Typically APJs are assigned to merits panels for *ex parte* appeals on a random basis with the APJ's technical background taken into account.
- Related appeals will typically be assigned to the same panel.
- Expanded panels can involve a cross-section of APJs having various technical backgrounds.

# Merits Panel Review - On Brief

- A typical appeal is assigned to a panel of three APJs; APJ 1, APJ 2 and APJ 3
- APJ 1 is responsible for initial review of record
- APJ 1 and APJ 2 will confer
  - If APJ 1 and APJ 2 agree on disposition of all rejections, APJ 1 will draft opinion for panel review
  - If APJ 1 and APJ 2 do not agree on disposition of all rejections, conference is had with APJ 3 and a vote is taken

# Merits Panel Review - Heard

- A pre-hearing conference is conducted by all APJs assigned to panel
- Post-hearing conferences typically are conducted on a panel basis
- Opinion drafting is similar to the procedures followed in on brief appeals

# Factors Considered in Making Decisions

- **Scientific understanding of the invention involved**
- **Knowledge of the patent laws, rules, and current case law**
- **Legal reasoning in view of the laws, rules, and case law**

# Patent Appeals - Decisions

- In patent appeals, the Board **affirms or reverses** the examiner's rejections of claims.
- If there is more than one rejection in an appeal and at least one rejection is affirmed, the decision is **affirmed-in-part**.



# The Decision

- **Publication of Board Decisions**
- **Precedential**
  - Binding on Board, Office
  - Procedure for becoming precedential set forth in SOP 2
- **Informative**
  - Best practices
- **Routine**
- **All Published on Board Website**

# BPAI Website

Provides a wealth of information to the public on:

- Procedures
- Rules
- Decisions
- Statistics
- Contact Information

<http://www.uspto.gov/web/offices/dcom/bpai/index.html>

# INTERFERENCE

**BPAl determines the priority of invention  
between two or more parties**

# The Question

**When 2 parties claim the same or substantially the same invention, who was the first to invent it?**

**This is a question of **Priority**.**

# The Process

- **Begins with a Request by an applicant or examiner in the Technology Center (TC)**
- **Consultation between an Interference Practice Specialist (IPS) in the TC and an Interference APJ**
- **Declaration of Interference**
- **Motions Phase**
- **Priority Phase**
- **Oral Arguments (may be presented in either phase)**
- **Decisions on Motions and/or Priority**
- **Judgment**

# Declaration of Interference

- Officially begins the interference proceeding
- Sent by the APJ handling the interference to all involved parties
- Defines the initial scope of the interference
- Sets out a projected timeframe and instructions for the proceeding

# Motions Phase

- **Purpose is to:**
  - **Resolve questions about the scope of the invention at issue;**
  - **Handle patentability questions; and**
  - **Determine if the interference should continue on to priority.**
- **Each party can file motions, oppositions to the other party's motions, and corresponding replies.**

# Priority Phase

- Evidence in the form of a written record comprising affidavits and declarations is established.
- A record is filed with the Board.
- Arguments citing the evidence of record are made.
- Junior Party must prove its case.



# Interference Decisions

- Interferences are handled by the Interference Section of the Trial Division.
- There are 8 APJs on the Interference Section.
- A panel of three of those APJs is assigned to each interference.
- A lead APJ is assigned to handle interlocutory matters and draft the final decision (judgment).

# Interference Decisions (cont'd)

## The panel:

- Reviews the record (evidence and arguments) submitted by each party.
- Determines whether the Junior Party has proven an earlier date of invention.
- Decides any issues deferred from the motions phase.
- Renders judgment.

# What Is An Interference?

- The United States has a patent system under which a patent is awarded to the one who is “**first-to-invent**” rather than the one who is “**first-to-file**” a patent application.
- A proceeding conducted within the USPTO to decide who is “first-to-invent” is called an **interference**.

# What Is An Interference? (cont'd)

Interferences are declared between

- two or more applications for patent, or
- a patent and an application for patent;
- **NOT** between two patents.

# How Does The Board Make Decisions?

- A patent appeal received at the Board is assigned to a **panel of 3 judges**, with one judge designated as the **lead judge**.
- Lead judge reviews appeal and becomes familiar with technological and legal issues, any prior art applied, and any evidence presented.

# How Does The Board Make Decisions? (cont'd)

- **Lead judge presents an explanation of the issues and applied prior art (evidence) to the other two members assigned to the panel.**
- **Oral Hearing is conducted (if previously requested by Appellant).**

# How Does The Board Make Decisions? (cont'd)

- Panel reaches conclusions as to the issues in light of the evidence presented and decide the case.
- Lead judge proceeds to write an opinion consistent with the panel's determination on the legal issues.

# Tips for Success Before the BPAI



# How can you assist in preparing a record which will facilitate a meaningful review of the examiner's decision?

- Has prosecution/examination been conducted on the basis of determining the patentability of individual claims?
- Or have the examiner's actions and your responses been based upon "The invention," "Applicant's invention," "The instant invention," etc.?

# Record

Focus must begin and remain on the claims

- “[T]he name of the game is the claim.” *In re Hiniker Co.*, 47 USPQ2d 1523, 1529 (Fed. Cir. 1998)
- The sooner you and the examiner are discussing the patentability of individual claims, the sooner the patentability issues will be resolved.

# Record (cont'd)

**Remember claim construction in the USPTO differs from claim construction in an enforcement action.**

“[A]s an initial matter the PTO applies to the verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained the applicant’s specification.”

*In re Morris*, 127 F.3d 1048, 1054, 44 USPQ2d 1023, 1027 (Fed. Cir. 1997)

# Record (cont'd)

**Has prosecution/examination been based upon the most complete set of facts available?**

**Are abstracts and/or untranslated documents relied upon by you or the examiner?**

**Rely upon source documents, translated if needed at the earliest point in the examination process.**

# Record (cont'd)

**Have formal matters been completed?**

**All petitions been decided?**

**Do you have a clear understanding of the status of all claims and the entry of all amendments after final rejection?**

# Record (cont'd)

**Has all prior art of record been properly evaluated by you and the examiner?**

**The majority of panel remands to examiners and new rejections under 37 CFR § 1.196(b) involve prior art of record.**

# Record (cont'd)

**Has all the evidence you intend to rely upon in the appeal been entered and considered by the examiner?**

“Affidavits, declarations, or exhibits submitted after the case has been appealed will not be admitted without a showing of good and sufficient reasons why they were not earlier presented.”

37 CFR § 1.195

# Pre-Appeal - Claim Construction in the USPTO

**In reaching the decision of whether to appeal, you must have a realistic view of the scope of each claim based upon the correct standard for construing claims in the USPTO.**



# Pre-Appeal - Claim Construction in the USPTO (cont'd)

“[A]s an initial matter, the PTO applies to the verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in the applicant’s specification.”

*In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997)

**Claim 1 — Eats shoots and leaves.**

**Claim 2 — Eats, shoots and leaves.**

**Claim 1 — Eats shoots and leaves.**



**Claim 2 — Eats, shoots and leaves.**



# Appeal Brief

**The formal requirements of the Appeal Brief are set forth in 37 CFR § 1.192. See also MPEP Chapter 1200.**

**In preparing your Appeal Brief be aware that a mandatory appeal conference will be held in the Technical Center before an Examiner's Answer is authorized.**

# Appeal Brief - Separate argument of claims - Independent claims

- **You should separately argue each independent claim since the Board will review each one. If each independent claim is not separately argued, the panel will pick what they determine to be the broadest claim or the claim most vulnerable to the examiner's rejection regardless of the merits of the remaining independent claims.**

# Appeal Brief (cont'd)

**Brief must contain your complete position.**

“Any arguments or authorities not included in the brief will be refused consideration by the Board of Patent Appeals and Interferences, unless good cause is shown.”

37 CFR § 1.192(a)

# Appeal Brief - Summary of Invention

**Focus on the requirements of individual claims. Be specific with references to specification and drawings to aid the reader in understanding the claims.**

# Appeal Brief - Separate Argument of Claims

Separate argument of claims:

- 1.** If appropriate, simply state “Claims do not stand or fall together.”
- 2.** For every rejection, use headings in “Argument” section of brief to highlight argument.



# Appeal Brief - Separate argument of claims, cont'd

For example, in the “Argument” section a series of headings such as these can be used for each rejection:

- I. Arguments in response to enablement rejection.
  - A. Separate argument for claim 1.
  - B. Claims 2-3 are patentable for the reasons claim 1 is patentable.
  - C. Separate argument for claim 4.

# Summary

- **Make sure your case is ready for a decision on appeal.**
- **Briefing should be focused on individual claims.**
- **Make sure all evidence you need to prove your case is entered and considered by the examiner before the appeal.**
- **Remember that the Board serves as a Board of review not as a de novo examination tribunal.**

# Resources

- 35 U.S.C. §§ 6 and 134
- 37 CFR § 41.1 *et seq.*, as amended eff. December 10, 2008
- MPEP Chapter 1200
  - To be extensively revised by PTO
- Board web site--  
<http://www.uspto.gov/web/offices/dcom/bpai/index.html>
- Board opinions are available at the website and may be searched to some degree

# Evidence after appeal

**37 CFR § 41.33(d)(1)—Evidence filed after the NOA and prior to the filing of the Appeal Brief may be admitted if (1) the examiner determines that the evidence would overcome at least one rejection under appeal and does not necessitate any new ground of rejection and (2) presentation of a showing of good cause why the evidence is necessary and was not presented earlier.**

# Appeal Brief - Argument

**Only those arguments set forth in the briefing will be considered. Arguments which appellant could have made but chose not to make in the briefing will not be considered. See 37 C.F.R. § 41.37(0)(2)**

# Appeal Brief - Argument (cont'd)

It is helpful to structure arguments as follows:

1. **Separate argument for claim 1**
  - a. **Legal standard**
  - b. **Claim construction**
  - c. **Argument**

# Appeal Brief - Separate argument of claims, 37 CFR § 41.37(o)(1)

- A separate heading is required for each ground of rejection.
- Any claim(s) argued separately must be placed under a subheading identifying the claim by number.

## Appeal Brief - Separate argument of claims, 37 CFR § 41.37(o)(1) (cont'd)

- **When multiple claims subject to the same ground of rejection are argued as a group, the Board may select a single claim from the group to decide the appeal with respect to the group of claims as to the ground of rejection on the basis of the selected claim alone.**
- **A statement which merely points out what a claim recites will not be considered an argument for separate patentability of the claim.**



# Appeal Brief - Separate argument of claims - Independent claims

- **You should separately argue each independent claim since the Board will review each one. If each independent claim is not separately argued, the panel will pick what they determine to be the broadest claim or the claim most vulnerable to the examiner's rejection regardless of the merits of the remaining independent claims.**

# Appeal Brief - Separate argument of claims – Dependent claim

- **Separately argue a dependent claim. If rejection of one claim is reversed, patent term is adjusted per 35 U.S.C. § 154(b)(1)(C)(iii).**

# Examiner Error - Prima facie case of unpatentability

- **Making facts of record that are relevant in determining the patentability of the claim under review**
- **A fact-based statement of rejection from the examiner setting forth the reasons why the facts relied upon, using the correct legal standard, render the claim under review unpatentable**

# Examiner's Answer

- See MPEP 1207 for requirements of an Answer
- Review the Examiner's Answer and ensure the examiner agrees with you as to:
  - The claims to be reviewed
  - A correct copy of the claims is present
  - The rejections to be reviewed
  - The evidence relied upon

# Examiner's Answer (cont'd)

- **The new rules prohibit the examiner from making a new ground of rejection in the Examiner's Answer.**
- **However, the examiner may make a new ground of rejection by shifting the factual basis and/or reasoning of the rejection.**

# Examiner's Answer (cont'd)

## Indicia that a new ground of rejection has been made:

- Examiner significantly shifts which portion(s) of reference(s) are relied upon
- Examiner “sneaks in” new reference or evidence
- Examiner responds to record evidence for the first time or significantly expands or changes reasoning why such evidence is not persuasive

## Examiner's Answer (cont'd)

- A test of whether the examiner made a new ground of rejection is whether appellant has had a fair opportunity to react to the thrust of the rejection. *In re Kronig*, 503 F.2d 1300, 1302-03, (CCPA 1974)

# Reply Brief

Two reasons to file:

- **Point to arguments set forth in the Appeal Brief which the examiner overlooked.**
- **Respond to new points of argument made in the Examiner's Answer.**



# Reply Brief

- **37 CFR 41.41 sets forth new format requirements for the Reply Brief similar to those for the Appeal Brief**
- **Point out any arguments and evidence relied upon in the Appeal Brief that the examiner did not directly answer**
- **Reply to each new point of argument and reference citation made by the examiner**

# Oral Hearing Presentation

There is a time period of 20 minutes given to make a presentation.

Hearing presentations typically are:

- A general background of the invention
- Rebuttal to the particular arguments in the Examiner's Answer
- Answers to questions from the panel

# Evidence after appeal

**37 CFR § 41.33(d)(1)—Evidence filed after the NOA and prior to the filing of the Appeal Brief may be admitted if (1) the examiner determines that the evidence would overcome at least one rejection under appeal and does not necessitate any new ground of rejection and (2) presentation of a showing of good cause why the evidence is necessary and was not presented earlier.**

# Pre-Appeal Brief Conference?

## Pros:

- Two conferees review case with examiner
- Conferees are being trained by the Board

## Cons:

- If unsuccessful, will appeal conference be pro forma?
- No specific feed back as to why arguments were not persuasive
- Over 70% of requests are ineffective

# Hearing Request

- **The Request for Oral Hearing must be in a separate paper. 37 CFR § 41.47(a)**

# Oral Hearing

- Hearings in ex parte appeals are open to the public if the underlying application has been published or is otherwise publicly available
- Ex parte hearings will be recorded and transcribed with a copy of the transcript placed in the official record

# Oral Hearing (cont'd)

- **You are entitled to a 20 minute presentation, although most panels are lenient with time depending on the calendar and whether the argument is constructive.**
- **Have a two minute opening statement prepared that covers your strongest point.**

# Oral Hearing (cont'd)

- **Be prepared to answer questions about the entire record, especially questions concerning claim scope and references of record but not relied upon by the examiner.**
- **Answer hypothetical questions carefully as answers will become part of the record.**
- **Do not try to guess the outcome by the nature of questions as questions are most often directed to the perceived weaknesses in your position.**



# Oral Hearing (cont'd)

## Electronic File Wrapper

**Consider bringing a bench book for each of the APJs so they can follow your argument. At a minimum the book should contain:**

- **A copy of the claims**
- **Copies of the references**
- **Copies of any evidence you intend to reference in your argument**
- **A statement that all materials are true copies of materials of record and have been entered by the examiner**

# Oral Hearing (cont'd)

- **Do not deny the undeniable. Credibility counts.**
- **Demonstratives and demonstrations must be based upon the record before the examiner**
- **Make sure any demonstration will work in the hearing room**

# Should inventor or representative of assignee attend the hearing?

## Pros:

- Can explain complex technology
- Provide helpful background information

## Cons:

- May be too emotionally involved
- May make statements that can be construed as admissions

# Post-Decision Practice



**Review** decision to see:

- If all claims and all rejections were considered
- If all arguments and evidence were considered

# Post-Decision Practice (cont'd)

- If a rejection is affirmed, compare the facts and reasons the Board used in the affirmance with the facts and reasons used by the examiner in the Examiner's Answer. The Board may have made a new ground of rejection under 37 CFR § 41.50(d) without designating it as such. See, *In re Kronig, supra*.

# Post-Decision Practice (cont'd)

You have **two** options if a new ground of rejection under 37 CFR § 41.50(d) is designated:

- Request rehearing by the Board upon the same record, 37 CFR § 41.50(d)(2) or
- Reopen prosecution before the examiner, 37 CFR § 41.50(d)(1)

The two options are alternatives. You cannot request rehearing from the Board, and if unsuccessful, have prosecution reopened.

# Post-Decision Practice (cont'd)

- If you decide to reopen prosecution before the examiner under the provisions of 37 CFR § 41.50(d)(1), the examiner is bound by the Board's decision unless an amendment or evidence not already of record is presented.

# Post-Decision Practice (cont'd)

- **If a rejection is affirmed and not designated as a new ground of rejection, you may file a single request for rehearing under 37 CFR § 41.52.**
- **The new rules sets forth requirements for the format of the request are similar to those for the briefs.**



# Appeals From Board Decisions

- Decisions of the BPAI can be further appealed to the **United States Court of Appeals for the Federal Circuit (CAFC)** under **35 U.S.C. § 141**. The decisions of the CAFC may also be reviewed on a **discretionary basis** by the **United States Supreme Court**.

# Appeals From Board Decisions (cont'd)

- An alternative path is a civil action against the Commissioner of Patents and Trademarks in the **U.S. District Court for the District of Columbia** under **35 U.S.C. § 145**. Any appeal arising from such a case would then be directed to the CAFC under **28 U.S.C. § 1295**.

# Appeals From Board Decisions (cont'd)

- Last year the Board of Patent Appeals and Interferences decided over 7,000 *ex parte* cases. In about half of those decisions, the examiner rejections were entirely affirmed. After losing at the Board, an applicant has two primary avenues for challenging the Board's decision: (1) Appeal to the Court of Appeals for the Federal Circuit under 35 U.S.C. § 141; or (2) File a civil action in district court under 35 U.S.C. § 145.

# Appeals From Board Decisions (cont'd)

- By the time that the BPAI appeal is complete, the average applicant will have spent over \$25,000 on the application and prosecution process. That substantial figure is an indicator that the potential patent right is probably seen as valuable. It turns out, however, that that well under 1% of applicants who have a right to further action actually exert their right to appeal or to a civil action.

# Appeals From Board Decisions (cont'd)

**BPAI Rehearing:** The first reason for low appeals is that the BPAI has been fairly good at granting rehearing requests when there is a clear and easily identifiable mistake in their opinion.

**Low Likelihood of Success:** Under *Zurko*, the Federal Circuit is required to give deference to the USPTO's findings of facts and only overturn those findings when “unsupported by substantial evidence.” This standard is difficult to overcome. In the district court, new evidence is reviewed *de novo*.

# Appeals From Board Decisions (cont'd)

**Money & Expertise:** Both appeals to the Federal Circuit and civil actions in the district court can be quite expensive relative to ordinary prosecution costs. In addition, because most patent prosecutors have only limited federal court experience, a litigation or federal circuit specialist would likely need to be brought onboard the team.

# Appeals From Board Decisions (cont'd)

**Alternative Approach:** Patent applicants recognize that a patent with slightly narrower scope (through amendment) may be almost just as valuable as the original broad claims. With that in mind, many applicants return to the original examiner with proposed claim amendments that lead quickly to allowance.

Thank You





U.S. PATENT AND TRADEMARK OFFICE

**The End**

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