

January 14, 2011

Via Electronic Mail: BPAI.Rules@uspto.gov

Mail Stop Interferences
Director of United States Patent and Trademark Office
PO Box 1450
Alexandria, VA 22313-1450

Attn: Linda Horner, BPAI Rules

Re: Comments on Notice of Proposed Rulemaking Entitled “Rules of Practice Before the Board of Patent Appeals and Interferences in Ex Parte Appeals,” 75 Fed. Reg. 219 (November 15, 2010)

Dear Ms. Horner:

The Patent Prosecution Committee and the IP Law Revisions Committee of the Minnesota Intellectual Property Law Association (“MIPLA”)¹ are grateful for the opportunity to comment on the Notice of Proposed Rulemaking Entitled “Rules of Practice Before the Board of Patent Appeals and Interferences in Ex Parte Appeals,” 75 Fed. Reg. 219 (the “Ex Parte Appeals Rules”). These comments are submitted in addition to the comments which were submitted on September 28, 2007 by the MIPLA Patent Prosecution Committee with respect to the originally proposed rules pursuant to the notice in 72 Fed. Reg. 145, and the comments made during participation by MIPLA in the Roundtable on Appeal Rules last year.

In general, the Committees believe that the latest version of the proposed Ex Parte Appeals Rules represent a significant improvement from the earlier version proposed in 2007. The Committees are grateful to the Office for listening to the comments and concerns voiced about the earlier version of the rules.

The comments submitted herewith reflect submitted herewith reflect the view of the Committees as a whole, and do not necessarily reflect the view or opinions of either MIPLA or any of the individual members or firms of the Committees, or any of their client.

Sincerely,

/s/ Brad Pedersen

Brad Pedersen

¹ The MIPLA is an independent organization with nearly 700 members representing all aspects of private and corporate intellectual property practice, as well as the academic community, in and around the state of Minnesota. The MIPLA Patent Prosecution Committee and IP Law Reform Committee which submit these comments are doing so on their own authority pursuant to the bylaws of MIPLA.

1. **Include the Pre-Appeal Brief Conference Option in the Final *Ex Parte* Appeal Rules:** The final rules should include rules making the pre-appeal brief conference option an integrated part of the formal *ex parte* appeal rules. The pre-appeal brief conference option has now been in place for 5 years as an on-going “pilot” project and had 10,000 such petitions filed in FY10. To achieve the stated objectives of simplified procedures for Examiners and applicants, the final rules should include rules directed to the pre-appeal brief conference option to acknowledge and account for the reality that the pre-appeal brief conference option is an important and significant part of the appeal process.

2. **Include an Option for Applicants to File Rebuttal Evidence With the Appeal Brief:** While the goal of compact prosecution is to have both applicants and examiners refine issues and introduce evidence as early as possible during prosecution, the realities often dictate otherwise. Absent the use of a Rule 1.183 petition, the current and proposed rules (Rules 41.33(c) and (d) and 41.37(c)(2)) require applicants to submit additional evidence as of the filing of the Notice of Appeal. In the context of filing a pre-appeal brief conference option, this deadline can make sense. In the context of filing a formal appeal brief, however, the deadline can be very prejudicial to applicants without any corresponding benefit to the Office. Accordingly, it is strongly suggested that the final rules should include an option, upon payment of an additional fee, for applicants to submit rebuttal evidence with the filing of an appeal brief.

As the Office notes in the Comments on the Proposed Rules, office actions take about 6 hours of attorney time, but appeal briefs take about 30+ hours. What naturally happens when an attorney spends five times more effort on preparing an appeal brief is that there is an opportunity to better present the case, which many times can be helped out by the introduction of “rebuttal” evidence. The realities are that the determination of whether additional rebuttal evidence might be helpful does not happen during the initial step of deciding whether to file a Notice of Appeal, but instead happens during the preparation of the appeal brief.

In response to the argument that it would be unduly burdensome and introduce delays to consider additional evidence at this late stage of the process, the Office’s own statistics in the Comments establish that prosecution is reopened or the case is allowed in about 40% of all appeals at the point of the Examiner’s Answer. In response to the argument that this option would encourage sandbagging of evidence and arguments by applicants until the appeal brief, the Office’s own admission in the Comments that an appeal brief costs an applicant almost \$10K to prepare (30 hours * \$325/hour) is a strong rebuttal to that position. The realities are that appeals are expensive exceptions from the normal patent prosecution process. As such, appeals can and should be accorded more, not fewer, opportunities for applicants to present their best case possible.

Opening up the process of introducing rebuttal evidence during an appeal is consistent with the current trend for consideration of more evidence of patentability (See *KSR*

Guidelines). It also is consistent with the requirements of the Administrative Procedures Act (APA) that obligates any final administrative action to have considered rebuttal evidence. 5 U.S.C. § 556(d). Such a change is consistent with the expressed position of the Office of wanting the examiners' "final evaluation of the weight and sufficiency of any evidence relied upon by appellants prior to the Board rendering a decision on appeal." (Notice at 69832). The Office may need to consider awarding additional production points to an Examiner for consideration of such additional evidence submitted with an appeal brief, perhaps in a fashion similar to the production points currently awarded for handling a Request for Continuing Examination (RCE). As filing an RCE is the current best practice technique used by applicants' attorneys for introducing additional evidence prior to appeal, it is believed that opening up the process of introducing rebuttal evidence as part of the normal appeal process likely will result in a reduction in the number of RCEs filed where there is ultimately an appeal filed. Accordingly, providing an option for introducing rebuttal evidence without the need to use an RCE is actually more likely to promote compact prosecution rather than discourage it.

Allowing rebuttal evidence to be introduced upon payment of an additional fee up to the point of the filing of the appeal brief will significantly reduce the need for filing Rule 181/183 petitions to introduce such evidence. Given the apparently conflicting positions of whether the Office of Petitions or the Board of Appeals should have jurisdiction over decisions on such petitions related to the introduction of evidence, it is respectfully submitted that the overall efficiency of the process is improved by streamlining the process for how rebuttal evidence can be introduced without the resort to petitions. Applicant's attorneys would much rather have the option to pay an additional fee to introduce such evidence, rather than having to prepare and navigate the petition process.

3. **Change the "Penalty" for a Non-Compliant Appeal Brief:** Rule 41.37(d) should be changed such that the portion of an appeal brief which is found to be non-compliant shall not be considered for purposes of the appeal. The current proposed language that the appeal would be dismissed after two "strikes" is an incredibly harsh and capricious response to non-compliance of what may be only a small portion of the actual appeal brief. The dismissal of an appeal in a judicial context seldom occurs as a result of a non-compliant brief, and is certainly not a default under the Federal Rules of Appellate Procedure.
4. **Change the Usage of Primary Examiner:** It is suggested that the term "primary examiner," as opposed to examiner, as used in the rules should either be defined or deleted. The term "primary examiner" is used in several places but is technically not defined in the CFR, or the MPEP.
5. **Expand the Exclusions for Not Including Copies of BPAI Precedential Opinions:** It is suggested that BPAI precedential decisions be added to the list of exclusions from the need to provide a copy of a decision in Rule 41.12(d).