

RESPONDING TO NEW GROUNDS OF REJECTION IN AN EXAMINER'S ANSWER

Under the rules of PTAB appeal practice, an appellant may file an appeal brief in an appeal, an examiner may respond with an examiner's answer, and the appellant may respond with an optional reply brief. 37 C.F.R. §§ 41.37, 41.39, 41.41 (2015). The rule governing examiner's answers provides that "[a]n examiner's answer may include a new ground of rejection." *Id.* at § 41.39(a)(2). This rule requires that an examiner obtain the approval of the Director to furnish an answer that includes a new ground of rejection. The MPEP provides that any new ground must be approved by a Technology Center Director and be prominently identified in the examiner's answer with a subheading "New Grounds of Rejection." *Id.* MPEP § 1207.03(I), 9th Ed., Rev. 7 (October 2015).

Appellants have raised questions regarding options for responding to a new ground of rejection made in an examiner's answer. This article provides guidance on how an appellant might respond when an examiner's answer contains a new ground of rejection. But before delving into the procedural options available to an appellant, we must first explain what is meant by a "new ground of rejection."

As explained in the Final Rule notice published in the Federal Register, if evidence (such as a new prior art reference) is applied or cited for the first time in an examiner's answer, then the Board Rules require that the rejection be designated as a new ground of rejection. Rules of Practice Before the Board of Patent Appeals and Interferences in *Ex Parte Appeals*; Final Rule, 76 Fed. Reg. 72270, 72276 (Nov. 22, 2011) (citing 37 C.F.R. § 41.39(a)(2)). Relying on new evidence, however, is not the only way to trigger a new ground of rejection in an examiner's answer. *Id.* A position or rationale that changes the "basic thrust of the rejection" will give rise to a new ground of rejection. *Id.* (citing *In re Kronig*, 539 F.2d 1300, 1303 (CCPA 1976)). The Final Rule notice provides several example factual situations, taken from case law, in which a court determined whether the thrust of the rejection had changed such that a new ground of rejection had been made. *Id.* at 72276-78. As noted in the Final Rule, what constitutes a "new ground of rejection" is a highly fact-specific question. *Id.* at 72276.

In some instances, an examiner will designate an examiner's answer as containing a new ground of rejection, and in accordance with Rule 41.39(a)(2) and the MPEP, the examiner will obtain the Technology Center Director's approval for the new ground of rejection. In this situation, the rules provide two procedural options for appellants to respond to the new ground of rejection. 37 C.F.R. § 41.39(b). An appellant *must*, within two

months from the date of the examiner's answer, either request to withdraw the appeal and reopen prosecution by filing a reply under 37 C.F.R. § 1.111, or request to maintain the appeal by filing a reply brief under 37 C.F.R. § 41.41 that addresses each new ground of rejection. *Id.* The PTAB will dismiss the appeal as to the claims subject to the new ground of rejection if an appellant fails to exercise one of the two options listed above. *Id.*¹ Further, an appellant may not submit any amendment, affidavit, or other evidence along with a Reply Brief under 37 C.F.R. § 41.41 in response to a new ground of rejection. *Id.* at 41.39(b)(2). A Reply Brief accompanied by an amendment, affidavit, or other evidence will be treated as a request to reopen prosecution. *Id.*

In other instances, an examiner may include findings, reasoning, or explanations in the examiner's answer that differ from the statement of the rejection provided in the Office action from which the appeal was taken. If an appellant feels that such an examiner's answer contains an undesignated new ground of rejection, the appellant again has two options. If the appellant desires to maintain the appeal and provide arguments for review and consideration by PTAB responsive to the examiner's answer, the appellant can file a reply brief under 37 C.F.R. § 41.41. If, however, the appellant desires to reopen prosecution, the appellant may file a petition to

¹ This is one instance in which filing of a Reply Brief under 37 C.F.R. § 41.41 is not optional in order to maintain the appeal, at least as to the claims subject to the new ground of rejection.

the Director under 37 C.F.R. § 1.181 seeking review of the examiner's failure to designate a rejection as a new ground of rejection in an examiner's answer. The filing of such a petition puts the appeal on hold, and the petition is routed to a Technology Center Director for review and decision. See 37 C.F.R. § 41.40(a) (tolling of time period for reply brief) and MPEP § 1002.02(c) (delegation of Director's authority to decide such petition to the Technology Center Director).

Importantly, an appellant should be aware of two aspects of filing a petition to the Director under 37 C.F.R. § 1.181. First, an appellant should petition the Director for review of the examiner's answer only if the appellant wishes to reopen prosecution. See 37 C.F.R. § 41.40(b) (providing that if a petition to the Director is granted, appellant *must* file a reply under 37 C.F.R. § 1.111 to reopen prosecution, and failure to do so will result in the appeal being dismissed). If an appellant wishes to simply maintain the appeal, the appellant should proceed with filing a reply brief and not file a petition.

Second, Rule 41.40(a) provides that filing of a petition under 37 C.F.R. § 1.181 seeking review of an examiner's answer tolls the time period for filing a reply brief, so an appellant should not file a reply brief on the same day as a petition under 37 C.F.R. § 1.181. If a petition under 37 C.F.R. § 1.181 is denied, appellant will have two months in which to file a reply brief under 37 C.F.R. § 41.41. See 37 C.F.R. § 41.40(c) (providing that if a

petition under 37 C.F.R. § 1.181 is not granted, the appeal is maintained). If an appellant files a reply brief under 37 C.F.R. § 41.41 prior to the petition being decided, the Office will treat the filing of the Reply Brief as a request to withdraw the petition to the Director and to maintain the appeal.

37 C.F.R. § 41.40(d).

If an appellant feels that an examiner's answer contains an undesignated new ground of rejection, and an appellant wishes to maintain the appeal, an appellant may choose to take no action. Once the time period for filing a reply brief has passed, and conditioned on the appellant's payment of the appeal brief forwarding fee as set forth in 37 C.F.R. § 41.45, the appeal will proceed to the PTAB. Taking no action to respond to an examiner's answer that an appellant feels contains an undesignated new ground of rejection may result in adverse consequences to the appellant. Failure of an appellant to timely file a petition seeking review of the examiner's failure to designate a rejection as a new ground of rejection in an examiner's answer is a waiver of any arguments that a rejection must be designated as a new ground of rejection. 37 C.F.R. § 41.40(a). Additionally, by failing to file a reply brief under rule 41.41, there is a possibility that the panel of judges reviewing the appeal will be persuaded by the statements made in the examiner's answer, and will not have the benefit of a specific rebuttal argument by the appellant.