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Director, U.S. Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

Attention: Mr. Jeffrey V. Nase  
Attention: Mr. William F. Smith

Re: Consolidated Board Rules

Sir:

Please consider the following comments relating to the Ex Parte Appeals portion of the November 12, 2003, proposed rulemaking relating to the Rules of Practice Before the Board of Patent Appeals and Interferences.

As a general matter, the proposed rules appear to be carefully thought out and well drafted. However, I believe that there are several issues raised in the proposed rules that would adversely impact Applicants and their representatives, while not advancing the goals of easing use and shortening proceedings before the Board. I believe that the proposed rules could be improved with respect to the following matters.

(1) Rule 41.4(a), relating to extensions of time, is confusing as to how it relates to other Rules.

As proposed, Rule 41.4(a) allows extensions of time “only on a showing of good cause except as otherwise provided by rule.” Proposed, Rule 41.4(a) thus sets a “good cause” standard for obtaining an extension of time, whereas current Rule 1.136(b), relating to non-fee extensions of time, sets a “sufficient cause” standard. The proposed rules and commentary do not describe the differences, if any, between these two standards. The proposed rule is thus confusing.

A solution would be to specify the “sufficient cause” standard in Rule 41.4(a).

(2) Rule 41.7(a), relating to the ability of the Board to expunge papers, is overbroad and should be changed for clarity.

As proposed, Rule 41.7(a) would allow the Board to expunge “any paper that is not authorized in this part or in a Board order, or that is filed contrary to a Board order.” However,

the scope of authority in this proposed rule is overbroad, and is not limited to proceedings that are conducted exclusively before the Board. As proposed, the rule appears to encompass any and all patent-related proceedings, and any and all papers filed in such proceedings. Accordingly, the proposed rule would appear to allow the Board to expunge papers filed during ex parte prosecution of provisional, non-provisional, reissue and reexamination applications, whether filed before or after jurisdiction has been transferred to the Board. For example, the proposed rule would appear to allow the Board to expunge Amendments, Information Disclosure Statements, and the like filed during ex parte prosecution. Such action extends beyond the authority necessary for advancing the goals of easing use of appeals and shortening proceedings before the Board.

A better rule would be limited to the authority to expunge papers filed in contested proceedings (such as inter partes appeals and interferences), and/or to expunge papers filed only after jurisdiction has been transferred to the Board.

(3) Rule 41.7(b), relating to the filing of duplicate papers, is confusing and contradictory of subsequent rules, and should be changed.

As proposed, Rule 41.7(b) precludes a party from filing a paper "previously filed in the same Board proceeding, not even as an exhibit or appendix, without Board authorization." However, at least proposed Rule 41.37(c)(1)(ix) expressly requires that an Appeal Brief include an evidence appendix, which includes duplicate copies of papers already of record.

A solution would be to amend the proposed rule to read "... without Board authorization or as otherwise provided by rule. See § 41.37(c)(1)."

(4) Rule 41.8, relating to updating any changes to the real party in interest within 20 days of such change, at least during ex parte appeals, is not practical.

Under current rules, a party in an ex parte appeal is required to identify the real party in interest upon filing the Appeal Brief, if the real party in interest is different from the party named in the caption of the Appeal Brief. See Rule 1.192(c)(1). In interferences, a party is currently required to identify the real party in interest upon declaration of the interferences (Rule 1.602(b)), and within 20 days of any change in such real party in interest during pendency of the interference (Rule 1.602(c)).

However, proposed Rule 41.8 carries forward the above requirements, and requires that even in ex parte appeals, any changes in the real party in interest during the proceeding be identified within 20 days of such change. I believe that at least in the context of ex parte appeals, application of this proposed rule to require notice of changes in the real party in interest within 20 days of such change is impractical.

In many instances, transfers of patent properties from one party to another are conducted in the business context by business managers, attorneys or agents that are not patent attorneys or patent agents. As such, many such transfers are not communicated to or conducted in consultation with patent counsel. Furthermore, in the case of corporate applicants, transfers of patent properties may involve the transfer of a large number of patent properties, without regard to or ascertainment of which properties may be in an appeal proceeding before the Board. In such instances, individuals involved in the transfer of the patent properties may not be aware of the requirement to notify the Board of any such change, and individuals involved in an appeal of a particular patent application may not be aware of the transfer within the timeframe specified in the proposed rule.

Although the provision is currently in force in interference proceedings, I believe that interference proceedings are sufficiently different from ex parte appeals that the two cannot be considered and treated as equivalent. Interference proceedings are much more intensive proceedings, in terms of both cost and attorney involvement, whereas most appeal proceedings involve minimal cost and attorney involvement. For example, a typical interference can require the continuous involvement of multiple attorneys for over one year, and can result in Applicant costs well in excess of \$200,000; in contrast, typical ex parte appeals involve only the sporadic work of one attorney, typically filing only an Appeal Brief and a Reply Brief, and optionally attending an Oral Hearing, at a cost to Applicant of less than \$20,000. Because of these differences, clients are more attuned to the importance of patents or applications involved in interferences, and thus the importance and status of such patent properties, whereas many patent applications involved in ex parte appeals are treated merely as applications in routine prosecution.

Accordingly, I believe that it would be onerous on Applicants to update any changes in the real party in interest in ex parte appeals after the Appeal Brief is filed, and proposed Rule 41.8 should be changed accordingly.

(5) Rule 41.33, addressing what types of Amendments are permitted after a Notice of Appeal is filed, is counter-productive and does not advance the work of the Board.

Under current practice, Applicants are permitted to file one or more Amendments After Final Rejection, which can be filed before or after filing of a Notice of Appeal. Such amendments are generally enterable at the discretion of the Examiner, and can (1) cancel claims, (2) comply with a requirement of form expressly stated in a previous Office Action, and/or (3) present claims in better form for consideration on appeal. Furthermore, amendments touching the merits of the application or patent under reexamination may be entered upon a showing of good and sufficient reasons why they are necessary and were not earlier presented. See Rule 1.116(b),(c).

Proposed Rule 41.33 would unduly restrict the types of amendments that can be made after a Notice of Appeal is filed. Specifically, Rule 41.33(a) would provide that Amendments will be entered that either cancel claims, or rewrite dependent claims into independent form.

Rule 41.33(b) would provide that no other Amendments After Final Rejection can be filed (with certain very restrictive limitations), and Rule 41.33(c) would provide that no affidavits or evidence can be submitted.

A problem with the proposed rule is that it precludes further prosecution after a Notice of Appeal is filed, which could in fact obviate the need for an Appeal before the Board. Once a Notice of Appeal is filed, the proposed rule would bar entry of Amendments that might otherwise advance prosecution (such as to overcome §112 rejections, correct typographical errors, etc.). The proposed rule does not appear to leave any leeway to the Examiner to enter other types of amendments that may advance the application.

The impact of this proposed rule is exacerbated by the fact that the filing of a Notice of Appeal is often necessitated by Examiner delays that are beyond Applicant's control. For example, even if an Amendment After Final Rejection is timely filed within the three-month shortened statutory period, it is increasingly often required to file a Notice of Appeal to maintain the application pending for the Examiner to issue an Advisory Action or other communication. (Such delays have recently occurred due to delays associated with the scanning of submissions into the image file wrapper system, other mailroom delays, and delays associated with the PTO moving into the new USPTO office complex.) As such, Applicants would be precluded from filing a further Amendment, in the absence of a Request for Continued Examination, to address any new issues or suggestions that may be made by the Examiner.

Accordingly, under the proposed rule, Applicants would be precluded from filing Amendments that may either obtain allowance of the application, or place the claims in better form for the Appeal. The proposed rule would thus not ease the Board's consideration of an Appeal, and may unnecessarily complicate the Appeal.

One solution would be to remove proposed sections (b) and (c) of Rule 41.33, and instead rely upon (or substitute) the provisions of Rule 1.116. This would not affect the Board proceeding, because the file is not yet transferred to the Board, and instead remains before the Examiner. This would avoid the need for unnecessary RCEs, or reduce the issues on appeal.

Alternatively, a solution would be to amend proposed sections (b) and (c) of Rule 41.33, to take effect once the Appeal Brief is filed. That is, allow Amendments to be filed under Rule 1.116 prior to filing an Appeal Brief, but restrict the filing of Amendments once the Appeal Brief (rather than the Notice of Appeal) is filed.

(6) Rule 41.37(c)(1)(v), expanding the Summary of the Claimed Subject Matter section to require a concise explanation of each independent claim, is too onerous on Applicants, is counter-productive, and does not advance the work of the Board.

Under current practice, Applicants are required to provide in the Appeal Brief a Summary of the Invention, "which includes a concise explanation of the invention defined in the claims involved in the appeal, which shall refer to the specification by page and line number, and to the

drawing, if any, by reference characters." See Rule 1.192(c)(5). Although some of the provisions of proposed Rule 41.37(c)(1) are agreeable and would appear to provide a more complete Appeal Brief, some of the provisions create an undue burden on Applicants without any positive benefit to the Board.

Proposed Rule 41.37(c)(1)(v) would require an identification, with reference to the specification and drawings, of every means plus function and step plus function element in the claims. The requirement is not limited to the claims or claim elements that are at issue in the Appeal, but appears to apply to every means plus function and step plus function element in the independent and dependent claims.

This requirement unduly expands the content of the brief, especially if claims or claim elements must be addressed that are not separately argued. For example, even if Applicants and the Examiner agree that certain elements are not contested, such as because the element is present in the cited reference or is present in a dependent claim that is not separately argued, the Appeal Brief would nevertheless need to provide the detailed description of the means or step plus function element.

This requirement poses a severe burden on Applicants, because Applicants would be required to expend the extra time and cost to provide the required discussion, which would otherwise be unnecessary and merely result in the generation of an unduly lengthy Appeal Brief. This added detail would not be required for the Board's consideration, and would merely result in increased costs to Applicants for preparing the Appeal Brief, and increased time for the Board to read and consider the Appeal Brief.

Furthermore, the requirement poses a serious prosecution history estoppel issue, because the requirement would be for Applicants to describe all of the structure, material or acts corresponding to every means or step plus function limitation in the claims. This would require Applicants to analyze and define, on the record, the full scope of the means or step limitations of the claims at a time when these claims or limitations may not be at issue. The required description would then be available in the record, and could be used to restrict the claims in subsequent proceedings.

A better approach would be to retain the more general provisions of current Rule 1.192(c)(5), rather than the onerous requirements of proposed Rule 41.37(c)(1)(v).

An alternative approach, which may assist in the Board's consideration of the Appeal without unduly burdening Applicants, would be to require only the identification of one or more examples of the support for each independent or separately argued claim, rather than all examples of support for every claim.

(7) Proposed Rule 41.39(a)(2), authorizing an Examiner's Answer to include a new ground of rejection, and proposed Rule 41.43(a)(1), authorizing issuance of a Supplemental Examiner's Answer, are counter-productive and unfair to Applicants.

Under the current rules, an Examiner's Answer may not include a new ground of rejection, and a Supplemental Examiner's Answer is not authorized. If a new rejection must be made, then the Examiner must reopen prosecution. Allowing the Examiner to make new rejections and/or to issue a Supplemental Examiner's Answer, without limitation, is unfair to Applicants and would not advance the work of the Board. Although the commentary to proposed rule 41.39(a)(2) states that the authorization "would not be open-ended but is envisioned to be rare, rather than a routine occurrence," there is no limitation in the rules to that effect. Accordingly, Examiners would appear to have an open-ended authorization to make new grounds of rejection and issue one or more Supplemental Examiner's Answers, leaving the burden on Applicants to respond to the new rejections or new issues at a time when filing of arguments, evidence, and amendments is very restricted or even precluded.

If the authorization on Examiners is indeed to be very restrictive, then the proposed rules should incorporate such a limitation, such as by requiring the approval of a Group or Technology Center Director.

(8) Proposed Rules 41.47(e) and 41.52(a), relating to arguments that can be made and evidence that can be relied upon at an Oral Hearing and in a Request for Rehearing, respectively, are unclear, counter-productive, and do not advance the work of the Board.

According to the proposed Rules, Applicants are precluded at Oral Hearing and in a Request for Rehearing from making any arguments and relying upon any evidence that was not of record in the Appeal Brief, Examiner's Answer, or Reply Brief. The prohibition appears absolute. However, Applicants should at least be permitted to argue new law or new facts, particularly new law or facts that may arise between the time of filing a Reply Brief and the Oral Hearing or decision. Rather than impeding the Board's consideration of an appeal, such new arguments would be in the interest of justice and would advance the Board's consideration.

A solution would be to either delete the provisions in the proposed rules, or to amend the rules to allow at least new law arguments to be made, and other new arguments to be made upon approval of the Board.

(9) Proposed Rule 41.47(f), authorizing the Board to notify appellant that an Oral Hearing is unnecessary, is unclear.

According to the proposed rule, the Board is authorized to notify appellant that a requested Oral Hearing is unnecessary, and presumably to cancel the requested Oral Hearing. The commentary to the proposed rule indicates that the rule would be applied where a remand to the Examiner is necessary or where the Examiner's position could not be sustained. However, the proposed rule on its face does not limit the cancellation of a requested Oral Hearing to those instances where appellant's requested relief would be granted. Accordingly, there does not appear to be any limitation on the authority to cancel requested Oral Hearings.

The rule could be clarified by adding, for example, "in order remand to the Examiner or to grant the requested relief" after "if the Board decides that a hearing is not necessary" but before the comma.

(10) Rule 41.50(d), requiring Appellants to brief any matters requested by the Board or suffer sua sponte dismissal of the Appeal, is overly burdensome on Applicants and imparts too harsh a penalty for non-response.

Proposed Rule 41.50(d) would require that Appellants "additionally brief any matter that the Board considers to be of assistance in reaching a reasoned decision on the pending appeal." The rule also proposes that "failure to timely comply with the order may result in the sua sponte dismissal of the appeal." Although it may be beneficial to the Board and Appellants to brief issues requested by the Board, the penalty for non-response appears to be too harsh.

In many applications, Applicants have a finite budget within which to prosecute the application. Appeals to the Board in pending applications are, in many instances, already a financial burden to Applicants. Requiring Applicants to brief additional issues, and thus incur additional, unexpected costs, at the penalty of dismissal for failure to comply, would place an undue burden on Applicants.

A better approach would be to retain the proposed provision for additional briefing of issues, but to remove the dismissal penalty for non-response. Rather, if Appellants do not respond to such a request by the Board, the Board should be permitted to make any appropriate presumptions in view of the non-response, rather than dismiss the appeal altogether.

(11) Rule 41.50 is unclear as to the time limits that would apply if prosecution is reopened, according to sections (a)(2)(i) and (b)(1).

Rule 41.50(a)(2)(i) and (b)(1) separately provide for reopening of prosecution by Applicants, either in response to a Supplemental Examiner's Answer written in response to a remand (section (a)(2)(i)) or to a new ground of rejection raised in the Board's Decision (section (b)(1)). While Section (f) states that extensions of time under Rule 1.136(a) are not permitted under Rule 41.50, sections (a)(2)(i) and (b)(1) fail to expressly state any time limits for taking action in the reopened prosecution. Accordingly, it is unclear when Applicants would be required to act.

A better provision, in each of sections (a)(2)(i) and (b)(1) of Rule 41.50, would be to allow Applicants to take the specified action within three months, and to allow extensions of time under Rule 1.136(a). This would allow Applicants adequate time to address the new issues that may be raised.

(12) Related to item (5) above, the proposed rules are unclear as to subsequent appeal procedures after prosecution is reopened subsequent to the filing of a first Notice of Appeal and Appeal Brief.

The proposed rules allow for the reopening of prosecution, such as in response to new issues raised by the Board or the Examiner during an Appeal. However, it appears that if prosecution is reopened, but a subsequent Appeal taken, Applicants would be required to twice pay the Notice of Appeal and Appeal Brief fees. This extra cost is unfair and burdensome to Applicants, because the reopening of prosecution would be the result of action by the Examiner or the Board, not action by Applicants.

Accordingly, provision should be made in the proposed rules that Applicants need not twice pay the Notice of Appeal and Appeal Brief Fees in an application where those fees have already been paid but prosecution was then reopened.

Respectfully submitted,

Joel S. Armstrong

JSA:hs