

From: Samantha Aguayo
Sent: Friday, November 11, 2016 11:30 AM
To: After Final Practice <afterfinalpractice@USPTO.GOV>
Subject: IPO Submission on Post-Prosecution Pilot Program, Attn: Raul Tamayo

Mr. Tamayo,

Please find attached IPO's comments and suggestions in response to the USPTO's "Post-Prosecution Pilot Program," published in 81 Fed. Reg. 44845 (July 11, 2016). We have also included four attachments to which our comments refer.

Please let us know if you need anything further.

Sincerely,
Samantha J. Aguayo
Director of Government Relations
Intellectual Property Owners Association
1501 M Street NW Suite 1150
Washington, DC 20005
202-507-4507





11 November 2016

The Honorable Michelle K. Lee
Under Secretary of Commerce for Intellectual Property &
Director of the United States Patent and Trademark Office
Mail Stop CFO
P.O. Box 1450
Alexandria, Virginia 22313-1450

Attention: Raul Tamayo, Senior Legal Advisor

Via email: afterfinalpractice@uspto.gov

Re: IPO's Comments on Post-Prosecution Pilot Program

Dear Director Lee:

Intellectual Property Owners Association (IPO) submits the following comments and suggestions in response to the United States Patent and Trademark Office's "Post-Prosecution Pilot Program," published in 81 Fed. Reg. 44845 (July 11, 2016) (FRN).

IPO is an international trade association representing companies and individuals in all industries and fields of technology who own, or are interested in, intellectual property rights. IPO's membership includes about 200 companies and more than 12,000 individuals who are involved in the association either through their companies or as inventor, author, law firm, or attorney members. IPO membership spans more than 50 countries. IPO advocates for effective and affordable IP ownership rights and provides a wide array of services to members, including supporting member interests relating to legislative and international issues; analyzing current intellectual property issues; information and educational services; and disseminating information to the general public on the importance of intellectual property rights.

IPO appreciates the USPTO's effort to allow stakeholders the opportunity to provide feedback on the Post-Prosecution Pilot (P3) Program, which seeks to enhance the after final landscape and thereby reduce the number of appeals and issues to be taken up on appeal to the Patent Trial and Appeal Board (PTAB) and reduce the number of Requests for Continued Examination (RCE).

Thank you for considering these comments on the FRN. We welcome dialogue and other opportunities to support the USPTO's after final initiatives.

Comments and Suggestions Regarding Section I: Background

Despite the implementation of the current Pre-Appeal Brief Conference Pilot Program (Pre-Appeal) and After Final Consideration Pilot Program 2.2 (AFCP 2.0) summarized in the FRN,

President
Kevin H. Rhodes
3M Innovative Properties Co.

Vice President
Henry Hadad
Bristol-Myers Squibb Co.

Treasurer
Daniel J. Staudt
Siemens

Directors
Steven Arnold
Micron Technology, Inc.
Paul Bartusiak
Motorola Solutions, Inc.
Edward Blocker
Koninklijke Philips N.V.
Tina M. Chappell
Intel Corp.
Karen Cochran
DuPont
John Conway
Sanofi
William J. Coughlin
Ford Global Technologies LLC
Anthony DiBartolomeo
SAP AG
Luke R. Dohmen
Boston Scientific Corp.
Daniel Enebo
Cargill, Inc.
Barbara A. Fisher
Lockheed Martin
Louis Foreman
Enventys
Scott M. Frank
AT&T
Darryl P. Frickey
Dow Chemical Co.
Gary C. Ganzi
Evoqua Water Technologies LLC
Krish Gupta
EMC Corporation
Carl B. Horton
General Electric Co.
Michael Jaro
Medtronic, Inc.
Philip S. Johnson
Johnson & Johnson
Thomas R. Kingsbury
Bridgestone Americas Holding Co.
Charles M. Kinzig
GlaxoSmithKline
Joseph C. Kirincich
Avaya Inc.
David J. Koris
Shell International B.V.
William Krovatin
Merck & Co., Inc.
Dan Lang
Cisco Systems, Inc.
Allen Lo
Google Inc.
Timothy Loomis
Qualcomm, Inc.
Thomas P. McBride
Monsanto Co.
Steven W. Miller
Procter & Gamble Co.
Micky Minhas
Microsoft Corp.
Rimma Mitelman
Unilever
Douglas K. Norman
Eli Lilly and Co.
Richard F. Phillips
Exxon Mobil Corp.
Dana Rao
Adobe Systems Inc.
Curtis Rose
Hewlett-Packard Enterprise
Matthew Sarboraria
Oracle Corp.
Manny Schecter
IBM, Corp.
Steven Shapiro
Pitney Bowes Inc.
Dennis C. Skarvan
Caterpillar Inc.
Brian R. Suffredini
United Technologies, Corp.
James J. Trussell
BP America, Inc.
Phyllis Turner-Brim
Intellectual Ventures, LLC
Roy Waldron
Pfizer, Inc.
BJ Watrous
Apple Inc.
Stuart Watt
Amgen, Inc.
Steven Wildfeuer
RELX Group
Mike Young
Roche Inc.

General Counsel
Michael D. Nolan
Milbank Tweed

Executive Director
Mark W. Lauroesch

after final practice continues to present a challenge for both applicants and the USPTO. In a recent USPTO presentation, “After Final” and “Case Prosecution Problems” were listed as two of the top five inquiries for the Ombudsman Program. *See*

Fereydoun G. Sajjadi, Special Programs for Patent Prosecution an Overview, (USPTO Oct. 19, 2016 BCP meeting), at slide 4 (attached). IPO supports USPTO’s decision to continue the Pre-Appeal and AFCP 2.0 programs during the implementation of the P3 program.

Comments and Suggestions Regarding Section II: P3 Participation Requirements and Procedures

The following suggestions and comments are directed to the P3 Participation Requirements and Procedures described in Section II of the FRN.

1. **10-Day Clock:** We suggest that the USPTO clarify that the 10-day clock applies to the timing for the scheduling of the conference and not to the timing of the conference itself. We also suggest that the Office simplify the scheduling process and permit greater flexibility in applying the clock.

The FRN clearly refers to scheduling the conference within 10 days of the date the Office first contacts the applicant:

If within ten calendar days from the date the Office first contacts the applicant, the Office and the applicant are unable to agree on a time to hold the conference, or the applicant declines to participate in the conference, the request will be deemed improper and treated in accordance with the discussion at Section II.B.1 of this notice.

However, we understand that some applicants have encountered a requirement that the conference take place within ten days. This misunderstanding appears to stem from the following guidance provided in USPTO P3 training materials:

Applicant must commit to be available to meet within 10 days of an initial request by the Office to schedule the panel. If Applicant is unable to be available to meet within the specified time period[,] the P3 request will be held defective and treated like a response under 37 CFR 1.116.

See Post-Prosecution Pilot (P3) PTC - Examiner Training (USPTO July 5, 2016), at slide 12 (attached).

Requiring the conference to take place within 10 calendar days is unreasonable and contrary to the FRN. We also understand that some applicants have encountered situations in which USPTO panel members have had difficulty agreeing internally on a mutually acceptable time to hold the conference within the 10-day period, indicating that a P3 hearing could not be held for reasons beyond the applicant’s control, unless agreement could be reached.

We suggest that the Office simplify the scheduling process by modifying the conference participation statement in the P3 transmittal form (PTO/SB/444) to allow applicants to suggest several time windows of availability for the conference. This would allow USPTO panel members to agree on a time based on an applicant's suggested windows prior to contacting applicant. The 10-day clock would not even begin to run in many such situations, because the first contact between the Office and applicant would be to confirm a time within one of the suggested windows. In the event that USPTO panel members are unavailable during any of the windows suggested by applicant, we request that the Office expand the 10-day scheduling clock to 15 business days.

Finally, we suggest that the P3 transmittal form be modified to include an option for applicant to authorize the use of email communications for the purpose of scheduling the conference.

2. **Tolling of After Final Extension Fees:** We suggest that the extension of time provisions of M.P.E.P. § 710.02(e) should apply to the P3 program to toll the fees for obtaining extensions of time. In particular, because the P3 request is a reply filed within two months from the mailing date of the final rejection, we suggest that Notice of Decision be treated in a manner analogous to an advisory action with the period for reply for purposes of determining the amount of any extension fee running from the date on which the Office mails the Notice of Decision. We appreciate that in no event can the period extend beyond six months from the date of the final rejection.
3. **Patent Term Adjustment (PTA):** We request that the USPTO clarify that the P3 request is considered a reply to a final rejection under 37 C.F.R. § 1.113(c) and that a Notice of Decision is an action under 35 U.S.C. § 132, such that the PTA provisions of 37 C.F.R. § 1.703(a)(3) apply.
4. **Compensatory Time:** The "up to three (3) hours" of non-production time provided to examiners for reviewing applicant's arguments, conducting the conference and completing the decision form is insufficient in most cases. *See* "Post-Prosecution Pilot (P3)" Examiner Training at slide 13. We suggest that examiners be provided up to five hours of time. If a P3 conference includes a second primary examiner, we support providing up to three hours to that examiner as well. Anecdotally, we understand that some supervisors are spending more time reviewing the P3 submissions than the examiner of record.
5. **Additional Searches Resulting in Newly Found Prior Art:** We understand that some applicants have been confronted with newly found prior art (not of record) at the P3 conference. The Office should actively discourage this practice, which is unfair to applicants. Although we do not believe the Office should conduct a new search in response to a P3 request, we suggest that if the Office identifies new art during the P3 process that it should re-open prosecution and issue a new, non-final Office Action so that applicant has an opportunity to review and respond to the new art.
6. **Creation of the Panel:** We agree that a supervisory patent examiner (SPE) should coordinate the panel as described in Section II.B.2 of the FRN. However, we understand

that in some P3 conferences the examiner has selected the panel members. The USPTO P3 training materials refer to the selection of “mutually agreeable panel members” and suggest that the examiner can veto the SPE’s choice. *See* Post-Prosecution Pilot (P3) PCT - Examiner Training (USPTO July 5, 2016), at slide 11. The selection of panel members should remain a management decision as specified in the FRN, not to be delegated to the examiner whose final Office Action is at issue.

7. **Panel Composition and Decision Making Process:** The P3 program should be modified to require inclusion of a Quality Assurance Specialist (in place of one of the other panel members) on every panel and the decision on the P3 request should be made by the panel rather than the examiner alone. This modification would help enhance patent quality and reduce the number of appeals and issues to be taken up on appeal to the PTAB.

A recent analysis of applications in the Pre-Appeal program indicates that those panels identified errors in nearly 40% of final rejections, successfully eliminating the need for appeal to the PTAB. *See* K. Fazio and K. Gaudry, 10 Years Later – A Look at the Efficacy of the Pre-Appeal Brief Conference Program (July 21, 2015), <http://www.ipwatchdog.com/2015/07/21/efficacy-pre-appeal-brief-conference-program/id=59937> (copy attached). However, it is clear from the USPTO P3 training materials that the role of the panelists in the P3 program is merely advisory. *See* Post-Prosecution Pilot (P3) - PCT Examiner Training (USPTO July 5, 2016), at slides 15-16 (referring to panelists making a “recommendation” to the Primary Examiner after applicant departs the conference). The FRN expresses a desire for the P3 program to implement effective features from the Pre-Appeal program. We agree—the capability of Pre-Appeal program to successfully identify erroneous rejections is one such effective feature that should be enhanced in the P3 program.

Consequently, we suggest modeling the P3 program’s panel composition and decision process on the Pre-Appeal program as it was originally implemented in TC1600. That implementation required a Quality Assurance Specialist to be present on the panel, which was empowered to make the decision. *See* Bennett Celsa, Jean Witz, Kathleen Bragdon, Pre-Appeal Brief Conference (USPTO Sept. 2009 BCP meeting), at slides 11-12 (attached). When implemented in combination with the effective features of AFCP 2.0 referred to in the FRN, we believe that the number of appeals and issues being appealed to the PTAB would be reduced and patent quality would be enhanced.

8. **Conduct of Post-Prosecution Pilot Conference:** P3 panelists should be encouraged to ask questions during applicant’s presentation. We understand that a number of P3 conferences have been conducted without the applicant receiving questions from the panel. The success of the First Action Interview Pilot Program (FAI) demonstrates that enhanced interaction between applicant and examiner can advance compact prosecution and improve patent quality. Lack of interaction in P3 conferences is a missed opportunity. We appreciate that the P3 conference is meant to be more similar to a hearing before the PTAB than to an interview, but PTAB judges routinely ask questions at oral hearing and the resulting dialogue can clarify the issues and improve the quality of the decision. We also appreciate that the apparent reluctance of some panelists to ask

questions might reflect their desire to be respectful of applicant's 20-minute presentation time limit. We suggest that the USPTO modify the description of the 20-minute time allocation to suggest allotting 15 minutes for presentation and the remaining time for a question and answer period.

Additional Comments and Suggestions

We encourage the USPTO to consider abolishing final office actions and implementing Proposal 5 (Review of the Compact Prosecution Model and the Effect on Quality) of the original Enhanced Patent Quality Initiative as set forth in 80 Fed. Reg. 6475 (Feb. 5, 2015) and discussed at the March 2015 Patent Quality Summit. As noted in IPO's submission to the USPTO in response to the request for comments in that 2015 FRN, we support enhancing the efficiency of the current compact prosecution model by eliminating current final rejection practice. Final rejections insert an artificial and unnecessary pause into the prosecution flow for the cohort of applications (approximately 25%) that do not currently reach final disposition (allowance or abandonment) within the typical two office actions. Final disposition could be achieved more efficiently by continuing the prosecution flow for this cohort. Abolishing final rejection practice would also eliminate the need for the various after final programs discussed above.

Thank you for considering these comments. We welcome further dialogue or opportunity to provide additional information to assist your efforts in improving after final practice and patent quality.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Lauroesch", with a stylized, flowing script.

Mark Lauroesch
Executive Director

Attachments (4)

UNITED STATES
PATENT AND TRADEMARK OFFICE



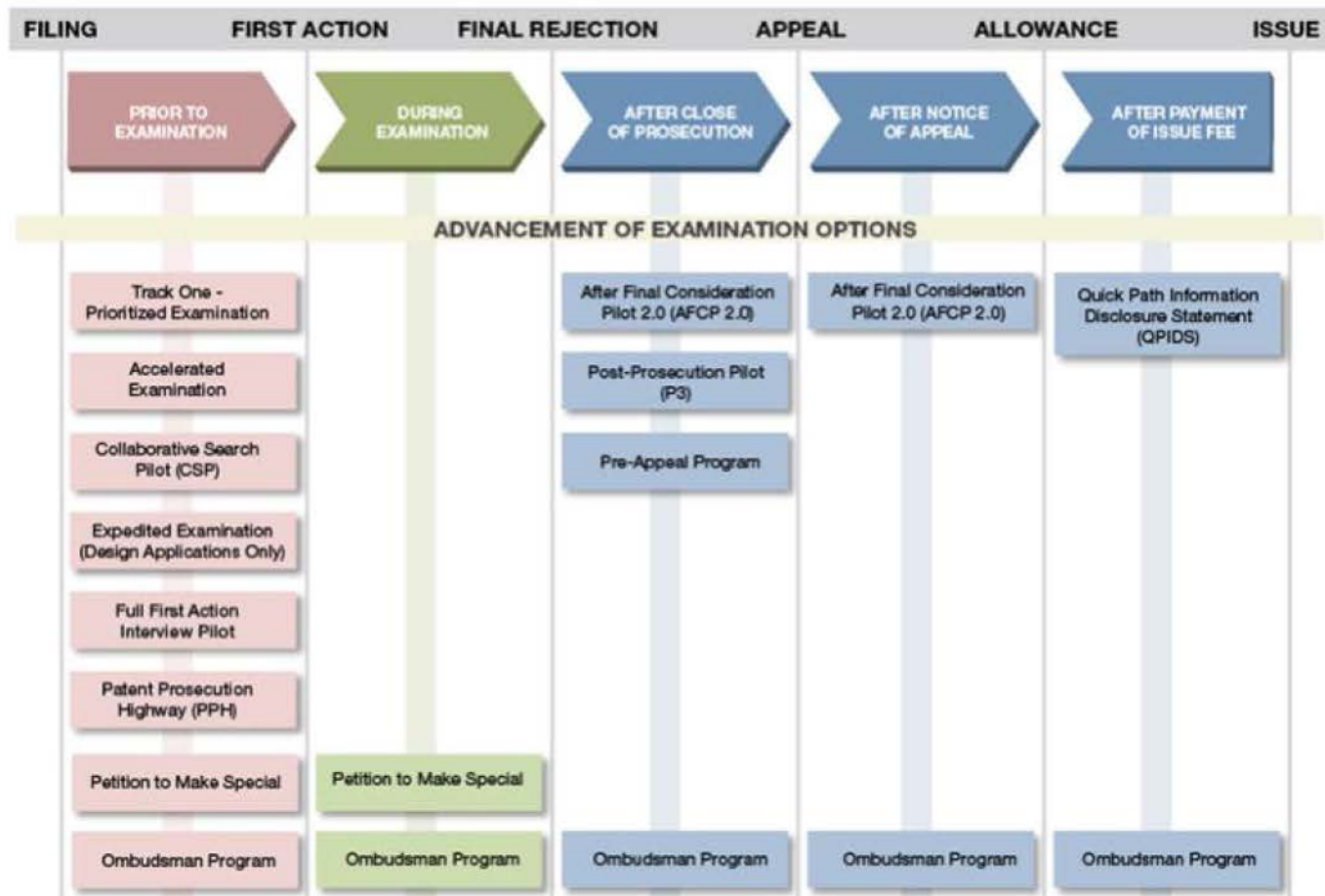
Special Programs for Patent Prosecution An Overview

Fereydoun G. Sajjadi, Ph.D.
Supervisory Patent Examiner, TC 1600
BCP Meeting - 10/19/2016

UNITED STATES
PATENT AND TRADEMARK OFFICE



Application Initiatives'- Timeline



uspto

Ombudsman Program

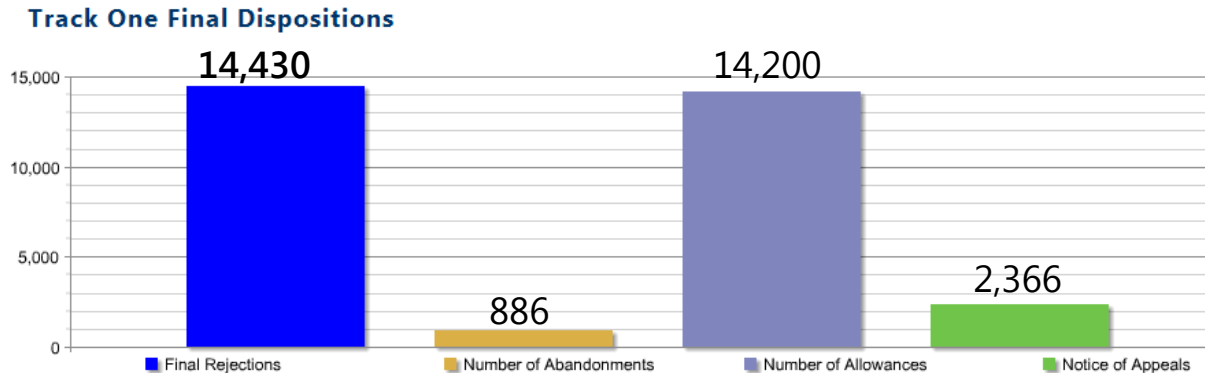


- ❖ Enhances the USPTO's ability to assist applicants with issues that arise during prosecution of an application
- ❖ Applicants contact the program by e-mail or telephone
- ❖ Top five inquiries: After Final; Customer Service; Petitions Certificates of Correction; Case Prosecution Problems
- ❖ Available at all stages of patent prosecution
 - ❖ Issues currently addressed within ~3 business days
 - ❖ Allows identification of training needs based on identified trends (complaint data)
- ❖ Ombudsman may address the complaint directly, or route to e.g. SPE or TC Director
- ❖ 14,623 inquiries from start of program (April 2010) to May 2015
- ❖ Annual survey results: 68% would recommend the program to others

Track One (Prioritized Examination) 9/2011 (MPEP 708.02(b))



- ❖ First action in less than 5 months; final disposition within 12 months (on average)
 - Request must be via EFS web with fee at time of filing (CONS and RCEs eligible)
 - Limit of 10,000 Applications per fiscal year; Follows normal interview practice
 - Limited to no more than 30 total claims (maximum of 4 independent claims)
 - No special examination rules; Applicant cannot file an extension of time and remain in the Program



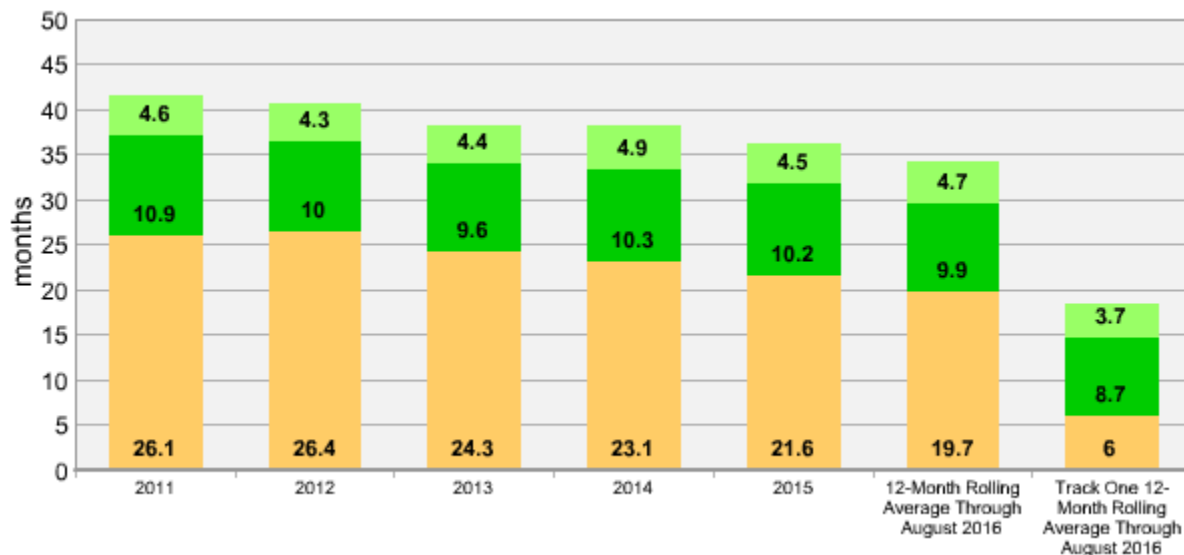
The Track One final disposition numbers displayed are broken out by final rejections, abandonments, allowances and notice of appeals. The totals are cumulative since inception of the program.

Cumulative Through
August 2016

uspto



Total Pendency Time Until Final Disposition (All Applications vs. Track One)



The data is cumulative for the year and breaks out time into three categories: prosecution time with the office, time awaiting first action, and prosecution time with the applicant.

- Prosecution Time With Office
- Prosecution Time With Applicant
- Time Awaiting First Action

- ❖ Track One pendency from petition grant to first Office action is 2.1 months
- ❖ Average pendency to first Office action in TC 1600 is 12.6 months vs. 19.7 for the corps.
- ❖ Total pendency in TC 1600 is 24.8 months vs. 33.3 for the corps.



Accelerated Examination

8/2006 (MPEP 708.02(a))



- ❖ Upon grant to make Special, provides a final disposition within twelve months
 - Except based on PPH Program, Applicant's age or health
- ❖ Requires EFS-Web filing: Limited to three independent claims and no more than 20 total claims
- ❖ Must file for a single invention or agree to elect without traverse a single invention
- ❖ Requires preexamination search documents and an examination support document (IDS), with claimed limitations mapped to the cited references
- ❖ Examiner interview required before issuing an Office Action (within 2 weeks of contact)
- ❖ Continuations are eligible for the program; No limit on number of applications admitted to the program per year
- ❖ Applicant agrees not to separately argue patentability of any dependent claim if an Appeal Brief is filed

Patent Prosecution Highway (PPH) (Global and IP5 – 1/2014 – MPEP 708.02(c))



- ❖ Currently 21 countries (and EPO) participating
 - No claim number limit; No fee
 - Entry based upon at least one allowable claim in counterpart foreign application (whether PCT or national work product)
 - All the eligible countries can use a single request form
 - Fast-track accelerated examination (Special)
 - Follows normal restriction and interview practice
 - CONs are eligible for the program (before first action is issued)
 - No limit on number of applications admitted to the program per year
 - As of July 31, 2016 33,796 petitions have been granted
 - Higher allowance rates

Collaborative Search Pilot (CSP) (JPO – 8/2015; KPO – 9/2015)



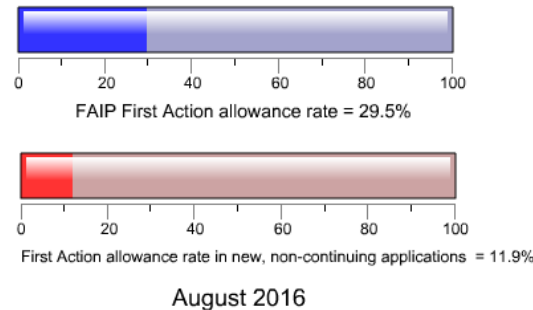
- ❖ Allows an applicant with a corresponding application in either Japan or Korea to request a collaborative serial (JPO) or parallel (KIPO) search prior to entering the full first action interview pilot Program
 - JPO-USPTO Pilot – 200 per year, each (effective 8/15-7/17)
 - KIPO-USPTO Pilot – 400 per year, each (effective 9/15-8/17)
- ❖ Application requirements:
 - Claim limits – 3 Independent/20 Total
 - Claims must correspond between Offices
 - Directed to a single invention
- ❖ Potential benefits to Applicants:
 - Free
 - Greater consistency in examination across Offices leading to more certainty of IP rights
 - Application is taken out of turn resulting in expedited search and final disposition



Full First Action Interview Pilot (10/2009)



- ❖ Open to all technology areas (all utility applications)
 - Limited to three independent claims and no more than 20 total claims
 - Must claim only a single invention
- ❖ Follows current restriction practice
- ❖ If not allowable, a Pre-interview Communication is issued, citing relevant prior art and identifying proposed rejections and objections; setting a 30 day time period to request or deny an interview
- ❖ Following interview, proceeds in accordance with current examination procedures



Petition to Make Special (MPEP 708.02)



- ❖ Fast-track review of Applications out of turn based on:
 - Health or age (≥ 65); with evidence
 - Subject matter:
 - e.g. Invention will materially enhance the environment; Contribute to the development or conservation of energy resources; or Contribute to countering terrorism;
 - Cancer Immunotherapy Pilot Program (National Cancer Moonshot)
 - Claimed method must be subject of an active IND application at the FDA, that has entered phase II or phase II clinical trials
 - No more than three independent and twenty dependent claims
- ❖ No petition fee



After Final Consideration 2.0 (AFCP 2.0) Pilot (5/2013 – 9/2017)

- ❖ Applicant must file a response under 37 CFR §1.116, and a non-broadening amendment to at least one independent claim.
 - Examiners are allotted an extra 3 hours to search and/or consider amendments and conduct an interview.
 - Applicant benefits from the additional search and consideration, even when the results do not lead to allowance.
- ❖ Potential outcomes:
 - Final rejection(s) maintained – Advisory
 - Allowance
- ❖ Applicant options (if rejection maintained):
 - Appeal
 - RCE
 - Abandon

After Final Consideration 2.0(AFCP 2.0) Results



- ❖ Since inception through Sept. 9, 2016, 187,790 requests filed
 - Approximately 40% of AFCP 2.0 requests are provided additional consideration by examiners
 - Resulting in 48,721 allowances (26%)
 - Appeal briefs subsequently filed in only 3% of applications; compared to 6.8% for traditional After Final submissions

Pre-Appeal Brief Conference Pilot Program (Pilot 7/2005-present)



- ❖ Allows applicants to request that a panel of examiners formally review the legal and factual basis of the rejections prior to the filing of an appeal brief
 - Applicant must file a request, together with a Notice of Appeal, and a five-page or less set of arguments
 - Only fee required is for the Notice of Appeal
 - Panel includes at least a supervisor and the examiner of record. May include an additional examiner or supervisor
- ❖ Panel decisions:
 - Proceed to the Board
 - Reopen Prosecution
 - Allowance
 - Defective Request

Post-Prosecution Pilot (P3)



- ❖ Developed to test its impact on enhancing patent practice during the period subsequent to final rejection and prior to filing of a notice of appeal by
 - Incorporating the effective features of AFCP 2.0 and Pre-Appeal Brief Conference Pilot programs and providing Applicants an opportunity to present oral arguments to a panel of at least three, that includes the examiner of record and a SPE
 - Request must be filed within two months of the mailing of a Final rejection; No fee is required
 - Applicant's submission is limited to five pages of arguments, exclusive of any optional non-broadening claim amendments, but inclusive of any evidence
- ❖ Panel decision includes an explanation for the following outcomes:
 - Final Rejection Upheld
 - Allowable Application
 - Reopen Prosecution

Post-Prosecution Pilot (P3) Decision Form



Notice of Decision from Post-Prosecution Pilot Program (P3) Conference	Application Number	Applicant(s)	
	Examiner	Art Unit	AIA Status

This is in response to the P3 request filed _____. A conference has been held.

1. ☐ **Final Rejection Upheld:**

☐ The status of claims has been determined as follows:

Claim(s) allowed: _____

Claim(s) objected to: _____

Claim(s) rejected: _____

Claim(s) withdrawn from consideration: _____

☐ The following rejections have been withdrawn:

☐ The proposed amendment would overcome all outstanding rejections in the outstanding final Office action. A determination of allowability, however, could not be made within the guidelines of the pilot program.

For purposes of appeal, the proposed amendment: ☐ (a) will be entered, or ☐ (b) will not be entered (*see box 4 below*).

The time period for filing a response expires on (1) the mailing date of this decision; or (2) the date set forth in the final rejection, whichever is later. Extensions of time may be obtained under 37 CFR 1.136(a). **In no event, however, will the statutory period for reply expire later than six (6) months from the mailing date of the final rejection.**

2. ☐ **Allowable Application:** The rejection(s) is/are withdrawn, and this Notice of Decision is being mailed concurrently with a Notice of Allowance.

3. ☐ **Reopen Prosecution:** The rejection(s) is/are withdrawn and a new Office action will be mailed. No further action is required by applicant at this time.

4. ☐ **Explanation of Decision for Boxes 1-3:** _____

5. ☐ **Attachments:** _____

List of Participants:

(1) _____ (3) _____

(2) _____ (4) _____

Post-Prosecution Pilot (P3)



Comparison of various features of the AFCP 2.0, Pre-Appeal Brief and P3 Pilot programs

	AFCP 2.0	Pre-Appeal	P3
Argument Page Limit	None	Five	Five
Amendments to Claim(s)	Required	No	Optional
Notice of Appeal	No	Required	No
Fee	No	Notice of Appeal Only	No
Interview/Oral Presentation	Sometimes	No	Oral Presentation
3 Member Panel	No	Yes	Yes
Explanation of Decision	Yes	No	Yes



Patent Application Resources



Links:

<http://www.uspto.gov>

USPTO Patent Application initiatives:

<https://www.uspto.gov/patent/initiatives/uspto-patent-application-initiatives-timeline>

Patent Quality Chat; Special Programs:

http://www.uspto.gov/sites/default/files/documents/Q%20Chat%20final%20for%20posting%2010_13_2015.pdf

Data Visualization Center:

<https://www.uspto.gov/dashboards/patents/main.dashxml>

Ombudsman Program:

<https://www.uspto.gov/patent/ombudsman-program>

Track One:

<http://www.uspto.gov/patent/initiatives/usptos-prioritized-patent-examination-program>

Accelerated Examination:

<https://www.uspto.gov/patent/initiatives/accelerated-examination>

Full First Action Interview Pilot:

<http://www.uspto.gov/patent/initiatives/first-action-interview/full-first-action-interview-pilot-program>

Prioritized Examination Comparisons:

http://www.uspto.gov/sites/default/files/aia_implementation/fast_exam_table20130912.pdf



Patent Application Resources

Contd.



Links:

CSP:

<https://www.uspto.gov/patents-getting-started/international-protection/collaborative-search-pilot-program-csp>

PPH:

<https://www.uspto.gov/patents-getting-started/international-protection/patent-prosecution-highway-pph-fast-track>

AFCP 2.0:

<https://www.uspto.gov/patent/initiatives/after-final-consideration-pilot-20>

Pre-Appeal Brief Conference Pilot:

<https://www.uspto.gov/web/offices/com/sol/og/2005/week28/patbref.htm>

P3:

<http://www.uspto.gov/patent/initiatives/post-prosecution-pilot>

2016 Patent Quality Chats:

<http://www.uspto.gov/patent/initiatives/2016-patent-quality-chats>





UNITED STATES
PATENT AND TRADEMARK OFFICE



Post-Prosecution Pilot (P3)

PTC - Examiner Training 2016

Objectives

- Examiners will understand the purpose of the Post-Prosecution Pilot Program.
- Examiners will know what to do when they receive a Post-Prosecution Pilot request.

Background: Post-Prosecution Pilot

- The Post-Prosecution Pilot (P3) will provide an alternative vehicle to request consideration by a panel of an after-final submission prior to the filing of a Notice of Appeal.
- The Post-Prosecution Pilot will be available only for utility applications under Final Rejection.
- A maximum of 1600 total applications will be admitted into the Pilot over a six month time period, with an ideal level of participation at 200 applications per utility Technology Center. There will be a limit of one accepted request per round of prosecution.

Entry into the Pilot

- Timing of Request
 - A proper request for consideration under the P3 must be filed within **two (2) months** of the mailing date of a Final action and before the filing of a Notice of Appeal.
- Notification
 - Once the request is accepted, an e-mail notification is sent to the SPE and Examiner, and the application is placed on the SPEs dashboard as a pending Pre-Appeal.
 - The document code will be A.NE.PCP.

Request for consideration under P3

- The request for consideration must:
 - Be filed within **two (2) months** of the mailing date of a Final action and before the filing of a Notice of Appeal.
 - Include a transmittal form.
 - The Office advises applicants use form PTO/SB/444 titled “Certification and Request for Consideration under the Post-Prosecution Pilot Program”.
 - Include a response comprising no more than five pages of arguments (exclusive of any proposed amendment).
 - Include a conference participation statement.
 - Applicant must commit to be available to meet within 10 days of an initial request by the Office to schedule the panel.
- Optionally, if the response includes a proposed amendment, the amendment may not broaden the scope of the claim(s) in any aspect.

P3 Request Review

- The P3 TC POC reviews entry request into pilot for compliance.
- If improper or not accepted, the P3 TC POC notifies the Examiner by email and places the application in the Examiner's Expedited Docket.

If the Request is Improper or Not Accepted, the Response is Treated as an After Final amendment filed under 37 CFR 1.116

- Once the application is docketed the Examiner should treat the applicant's response like any other received after final.
 - In addition to completing the Advisory Action, examiner will be provided language to include in the Advisory Action to notify the Applicant why the request was improper.
- Do not include a PTO-2324 form (P3 Decision Form).

Reason(s) for Improper Request

- The request was filed more than two (2) months from the mailing date of the final rejection.
- The application does not contain an outstanding final rejection.
 - If a non-final rejection is outstanding, the request filed by applicant will be deemed a reply to the non-final rejection pursuant to 37 CFR 1.111. No further action is required by applicant at this time.
- A Request for Continued Examination (RCE), Notice of Appeal, or express abandonment has been filed.
 - RCE: no further action is required by applicant at this time. Notice of Appeal: A brief in compliance with 37 CFR 41.37, or any other reply, must be filed within two months of the date of filing the Notice of Appeal (37 CFR 41.37(a)), or any extension thereof (37 CFR 41.37(e)). Express abandonment: the case will be abandoned.

Reasons for Improper Request

- A Post-Prosecution Request (P3) was previously requested and accepted.
- The request comprises more than five (5) pages of arguments.
- The submitted claim amendment broadens the claim(s) scope.

If the Request is Proper a Panel Conference is Scheduled

- If proper, the P3 TC POC notifies the Examiner and SPE by email.
- Conference
 - Coordinated by the SPE, assisted by the Examiner.
 - SPE is the point of contact between Applicant and Office.
 - Discussion of mutually agreeable panel members, dates and times.

Panel Participants

- Examiner of record (and preferably the Primary if the Examiner of record is a Junior)
- SPE
- At least one other Primary Examiner
 - With expertise in the relevant technical and legal issues at hand.
- Applicant
 - Applicant must commit to be available to meet within 10 days of an initial request by the Office to schedule the panel. If Applicant is unable to be available to meet within the specified time period the P3 request will be held defective and treated like a response under 37 CFR 1.116.

Non-Production Time

- The Examiner of record is granted up to three (3) hours to review Applicant's arguments, conduct the conference, complete the P3 Decision Form and the survey.
- One (1) additional hour is granted if claim amendments are proposed.
- Panelists will record the amount of time necessary to prepare for and participate in the conference.
- Additional non-production time may be available on a case-by-case basis with SPE approval.

Preparing for the Panel Conference

Review Applicant's arguments and any proposed amendments.

- If a claim amendment is filed, the Examiner of record should review the amendment(s) to the extent possible within the time allotted.

Conducting the Panel Conference

- The scheduled Conference includes 20 minutes for a presentation by applicant.
- Applicant may present arguments directed to the outstanding record, or arguments may be directed to patentability of the amended claim(s) if presented.
- After Applicant departs, the panelists will confer and make a recommendation to the Examiner.
 - After considering the recommendation of the panel, the Examiner of record will prepare the decision form and post it to the SPE who will route the form to conferees for signature and then approve.

Panel Conference Discussion

- Decide whether Applicant's arguments overcome any outstanding rejection(s) or objection(s).
- Decision by Examiner on the entry of any proposed claim amendments.
- Confer to reach a consensus on how to proceed:
 - Indication of allowable subject matter
 - Final rejection upheld
 - Re-open prosecution
- Recommendation to the Primary of record.

Docketing of Request to Examiner

Once the conference is completed the SPE notifies a P3 TC POC to docket the P3 request to the Examiner's Expedited Docket.

Notice of Decision from Post-Prosecution Conference

Responsible Parties

- A P3 Decision Form, form 2324, is completed by the Examiner of record
- Examiner of record will post the decision for credit to the SPE
- The SPE will route the decision form to panel members for their signature and approve the form for mailing

Titling the OACS Action

- When creating the action select the appropriate title that corresponds to the conference result
- Below is a snapshot of the options to name the action

Naming Office Action

Select Category and Office Action Folder

Category: All

Office Action Name: Prosecution Conference Pilot - Rejection Proper

Action Type and Description:

Type: PCR

=====

Description: Prosecu

Paper No: 20160705

☒ Regular

☐ Special

Select

Cancel

If you have a proper P3 request, a conference was held, and the application deemed allowable

- Docketed to Examiner's Expedited tab.
- Complete Notice of Allowance.
 - P3 Decision Form is included as an attachment to the Notice of Allowance (Form PTOL-37).
- Examiner of record will post for credit to SPE the Decision Form and completed Notice of Allowance.
- The SPE will route the NoA to panel members for signature of the decision form and forward for mailing.

If you have a proper request, conference held, Final rejection upheld

- Docketed to Examiner's Expedited tab.
- Examiner of record will post for credit to SPE the completed Decision Form indicating that the final rejection is upheld.
- The SPE will route the Decision Form to panel members for their signature and forward for mailing.

If you have a proper request, conference held, need to re-open prosecution

- Docketed to Examiner's Expedited Tab.
- Examiner of record will post for credit to SPE the completed Decision Form indicating that the prosecution will be re-opened.
- The SPE will route the Decision Form to panel members for their signature and forward for mailing.
- Once the Decision Form is mailed, the application will be forwarded to the Examiner's Amended Docket.

Decision Form Overview

Notice of Decision from Post-Prosecution Pilot Program (P3) Conference	Application Number	Applicant(s)	
	Examiner	Art Unit	AIA Status

This is in response to the P3 request filed . A conference has been held.

1 ☐ **Final Rejection Upheld:**

☐ The status of claims has been determined as follows:

Claim(s) allowed:

Claim(s) objected to:

Claim(s) rejected:

Claim(s) withdrawn from consideration:

☐ The following rejections have been withdrawn:

☐ The proposed amendment would overcome all outstanding rejections in the outstanding final Office action. A determination of allowability, however, could not be made within the guidelines of the pilot program.

For purposes of appeal, the proposed amendment: ☐ (a) will be entered, or ☐ (b) will not be entered (*see box 4 below*).

The time period for filing a response expires on (1) the mailing date of this decision; or (2) the date set forth in the final rejection, whichever is later. Extensions of time may be obtained under 37 CFR 1.136(a). **In no event, however, will the statutory period for reply expire later than six (6) months from the mailing date of the final rejection.**

2 ☐ **Allowable Application:** The rejection(s) is/are withdrawn, and this Notice of Decision is being mailed concurrently with a Notice of Allowance.

3 ☐ **Reopen Prosecution:** The rejection(s) is/are withdrawn and a new Office action will be mailed. No further action is required by applicant at this time.

4 ☐ **Explanation of Decision for Boxes 1-3:**

5 ☐ **Attachments:**

List of Participants:

(1) (3)

(2) (4)

--	--	--

U.S. Patent and Trademark Office
PTO-2324 (Rev. 06-16)

Notice of Decision from Post-Prosecution Pilot Program (P3) Conference

Docket Management Considerations

- Upon completion of the conference, TC P3 POCs will be notified, by the SPE, to docket the case to the Examiner's Expedited Docket.
- Upon docketing, a standard 14 day average / 28 day ceiling clock will be started.
- Posting the P3 Decision Form to the SPE will stop the clock.
- If the result of the conference is re-opening prosecution, upon mailing of the P3 Decision Form, the case will be moved to the Examiner's Amended Docket.

Review of Key Points

- If applicant submits a proper P3 request that is accepted, they give up the option to participate in AFCP and Pre-appeal.
 - No additional response under 37 CFR 1.116 to the same final rejection will be entered, unless the Examiner has requested the additional response because the Examiner agrees that it would place the application in condition for allowance.
- The Examiner of record involved in a conference receives up to three (3) hours of other time.
 - The Examiner of record receives one (1) additional hour of other time if the response includes a claim amendment.
- If the P3 request is proper and accepted, the DM clock does not start until the P3 conference is completed.
- If the P3 request is improper, or the applicant cannot attend the conference, the response should be treated as a response after final under 37 C.F.R. 1.116.

Resources/Points of Contact

- Online resources:
 - PostProsecutionPilot@uspto.gov
 - [EPQI - Post-prosecution Pilot \(P3\)](#)
- Points of contact

1600	Fereydoun Sajjadi Bethany Barham
1700	Jennifer Michener Mike Marcheschi
2100	Kamini Shah Emerson Puente
2400	Ben Bruckart Brian Gillis Jeff Rutkowski
2600	Will Boddie Greg Tryder
2800	Laura Martin Alex Sofocleous
3600	Joe Rocca Rob Wu
3700	Tricia Bianco Jeff Hoekstra

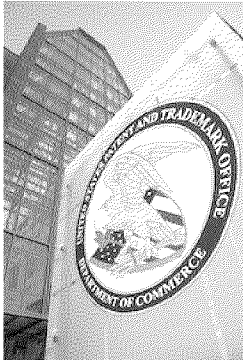
Timecode and Survey?

- Timecodes
 - For Training session (1 hour), please use **ATRAIN-0000-090101**.
 - For Time taken by Examiner of record for P3 Conference process and consider and/or search any amended claim(s), please use **PPEAAM-0000-112037**.
 - For Time taken by SPEs and Primary Examiners acting as conferees, please use **PNCSPA-0000-112010**.

10 Years Later – A Look at the Efficacy of the Pre-Appeal Brief Conference Program



By **Karl Fazio & Kate Gaudry**
July 21, 2015



Whether an invention is patented can dramatically influence a company's market share and investment attraction. Thus, this outcome can affect the money, time and effort that decision-makers at the company are willing to invest in the research, development and marketing of the technology and may even influence whether the company is to exist at all (or is alternatively never formed or does not survive). No matter how critical a patent is, the outcome lies primarily in one person's hand, and that person is the examiner who happened to be assigned to examine the application.

If a patent applicant and examiner reach an impasse, the patent applicant may appeal pending rejections, via an ex parte appeal, to the Patent and Trial Appeal Board (PTAB). However, the costs of this strategy are high. In terms of financial costs, the large-entity USPTO fees are \$800 for filing a Notice of Appeal and \$2,000 for having the appeal considered by the Board[1], and the median attorney fees at large firms for drafting the Appeal Brief is \$5,000.[2] Thus, the total cost for filing an appeal is typically around \$8,000. In terms of time, the average time between a Notice of Appeal filing and PTAB decision is 36 months.[3] Thus, money or time constraints may make

an appeal an economically unfeasible option.

Nearly exactly a decade ago, the USPTO established a third option: Rather than interacting with a sole decision-maker, and rather than incurring the resource expenses of an appeal, an applicant could request that an examiner's rejections be considered in a Pre-Appeal Brief Conference.[4] This program was designed to allow an applicant to avoid the full appeal process and PTAB consideration when "rejections of record are clearly not proper and without basis". To be considered for the program, the applicant is to file (with a Notice of Appeal): (1) a request (e.g., a completed USPTO "Pre-Appeal Brief Request for Review"); and (2) a five-page or less set of arguments for which the review is being requested. Aside from the fee now required for the Notice of Appeal, no additional fee is required for the Pre-Appeal Brief Conference program.

LexisNexis[®] PatentAdvisorSM
Take patent prosecution to the next level

[CLICK HERE FOR A FREE 2 DAY TRIAL *](#)

For each request, a supervisor will designate a panel of examiners to review the request. The panel will include at least a supervisor (frequently the supervisor of the application's art unit) and the examiner of record. The panel may include an additional examiner (or supervisor) from a same or different art unit. The panel is to reach one of four decisions:

- The application is to proceed for consideration by the PTAB due to there being at least one actual issue for appeal.
- Prosecution is to be reopened, such that a new Office Action is typically to follow.
- The application is allowed.
- The request was defective.

Should applicants be using this program? The program appears to provide an opportunity for an applicant to avoid the monetary and time expenses of a full PTAB appeal and is not itself accompanied by a fee. However, the program requires the applicant to generate another document for consideration, which may correspond to additional attorney fees. (Notably, though, such additional fees may be relatively inexpensive due to the required brevity of the arguments and the opportunity to recycle the arguments for an Appeal Brief. Further, the program could further increase the total delay of a PTAB decision. That is, a successful Pre-Appeal Brief Conference would save an applicant time and money, and an unsuccessful Pre-Appeal Brief Conference would cost an applicant time and money. Thus, determining whether the program should be used requires analyzing empirical data to determine the probability that a Pre-Appeal Brief Conference is successful.

Only 6% of Pre-Appeal Conferences Decisions are that an Application is Allowable

To investigate the empirical data behind the Pre-Appeal Brief Conference Program (or “Pre-Appeal Program”), we submitted a Freedom of Information Act request to the USPTO. We requested, for each request for the Pre-Appeal Program for which a decision had been made, that the application number, art unit, request date, application’s current status and pre-appeal conference decision be identified.[5] We analyzed the data corresponding to non-defective requests (n=85,506). FIG. 1 shows the distribution of the decisions.

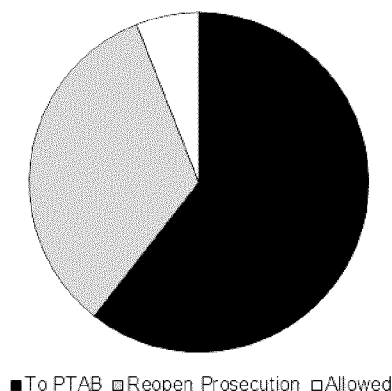


FIG. 1: Distribution of Pre-Appeal Program Decisions.

For 61% of the non-defective requests, the panel decided that there was an actual issue for appeal, such that the applicant would either need to file an Appeal Brief, reengage the Examiner or abandon the application. The decisions do not include any substance (e.g., analysis insight) aside from the decision itself, such that – for these 61% of applications – the request resulted in time and money and not producing any result to facilitate a patent allowance.

For only 6% of requests were the panel decisions that an application was to be allowed.

For 33% of the non-defective requests, the panel decided that prosecution was to be reopened. Reopening prosecution likely indicates that a rejection of record was improper, but that the panel opined that another rejection was appropriate. Is this a “win” for the applicant? While a contested rejection is likely overcome, the applicant is positioned so as to once again receive rejections from a same examiner who with the applicant previously had difficulty.

To further investigate whether reopening prosecution is a result favorable for an applicant, we segregated the request data based on the decision and generated distributions for each decision type of the applications’ current status: patented, abandoned or pending. (See FIG. 2.) 67.4% of the applications having received a reopen-prosecution decision are currently patented, as compared to only 39.3% of those with decisions indicating that the Board would need to consider the arguments. Because the final status of the pending applications is yet undetermined, it may be instructive to identify the percentage of final dispositions that are patented. Amongst applications for which the panel found an appealable issue, 58.0% of the finally disposed applications are patents, while 79.5% of the finally disposed applications for prosecution was reopened are patents. Thus, in general, it appears as though this intermediate decision corresponds to rather strong patent prospects, which slightly exceed the overall USPTO allowance rates.

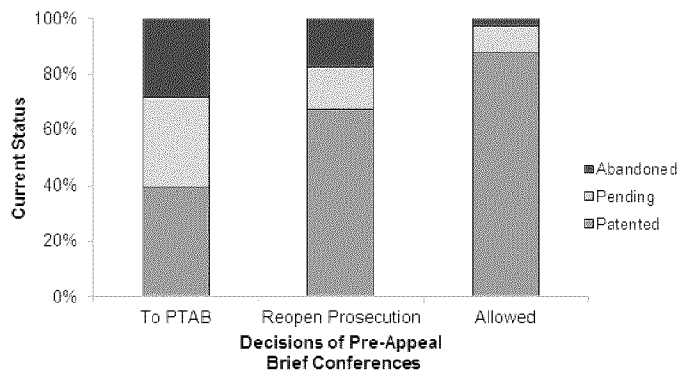


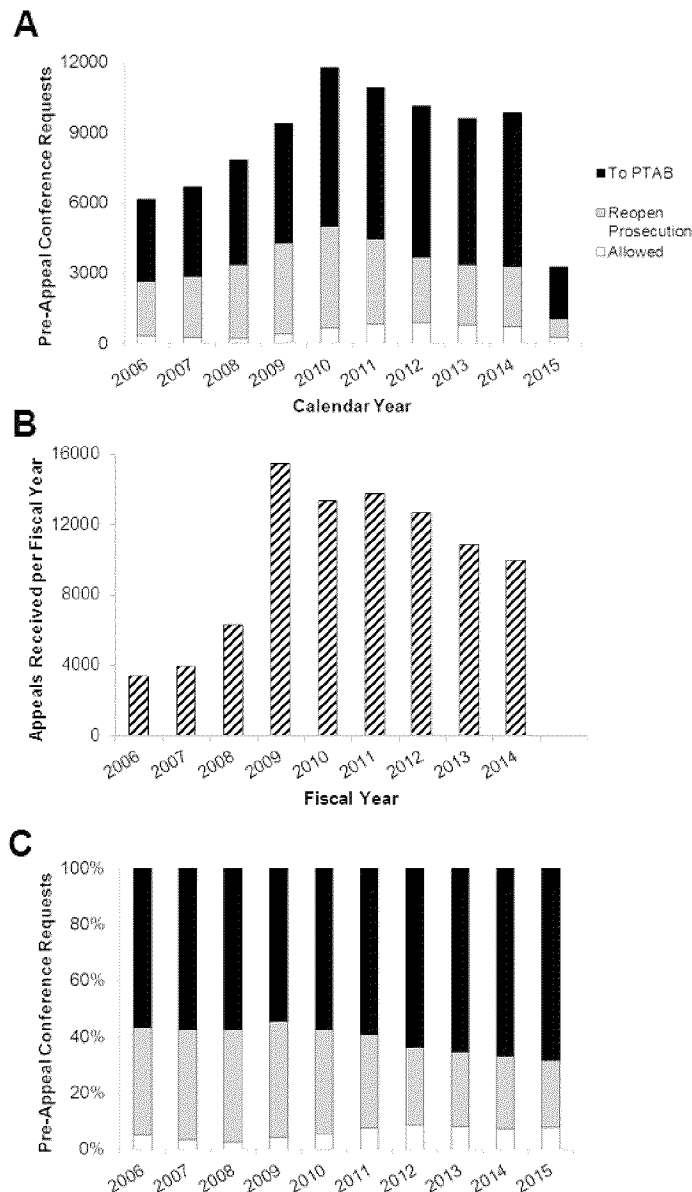
FIG. 2: Pre-Appeal Program Data by Year of Request Filing. A: The number of non-defective Pre-Appeal Brief Requests per calendar year that the requests were filed. The distributions of decisions for each year's requests is also identified based on the color in the stacked bar graph. B: The same decision distributions shown in Subplot A is shown but using a normalized vertical scale.

Year-over-Year Analysis

We further segregated our data based on the calendar year of the request. FIG. 3A shows the number of non-defective requests per year. FIGS. 3A and 3B show the distribution of decisions per year, either in an unnormalized (FIG. 3A) or normalized (FIG. 3B) representation.

FIG. 3A shows that the program grew in popularity during its first five years. However, the popularity has seemingly dwindled in recent years. These dynamics seem to closely follow the fluctuations in the number of appeal briefs received at the Board.[6] (See FIG. 3B.)

FIGS. 3A and 3C show that there have been modest changes in the decision distributions. In 2006, 4.9% of the decisions were that an application was allowable. That percentage dropped to 2.5% in 2008 and was 7.7% in 2015. Meanwhile, the percentage of decisions indicating that an actual issue exists for appeal (and thus is suitable for PTAB consideration) has dramatically and steadily increased throughout the years: from 56.9% in 2006 to 68.6% in 2015 (a 20% increase).



Calendar Year

FIG. 3: Pre-Appeal Program Data by Year of Request Filing. A: The number of non-defective Pre-Appeal Brief Requests per calendar year that the requests were filed. The distributions of decisions for each year's requests is also identified based on the color in the stacked bar graph. B: The number of appeals received at the Board in each fiscal year. C: The same decision distributions shown in Subplot A is shown but using a normalized vertical scale.

Analysis by the Technology-Center

We also segregated our data based on the technology center (TC) of the application. TC 3600 was further separated into business method (BM) art units (art units 3621-29 and 3681-96) and other art units. FIG. 4A shows the number of non-defective requests per TC. FIGS. 4A and 4B show the distribution of decisions per TC, either in an unnormalized (FIG. 4A) or normalized (FIG. 4B) representation.

Relatively few requests were received in TC 1600, which is consistent with the relatively low number of appeal briefs filed in TC 1600.[7] (See FIG. 4A.) Meanwhile, the most requests were filed in TC 2600, which, interestingly, is not one of the top TCs for appeal brief filings.

Despite the small number of filings in TC 1600, the fraction of decisions that withdrew rejections was highest for this TC – reaching 15.0%. (See FIG. 4B.) This probability was over five times that of the business method art units, where the allowability probability was only 2.9%.

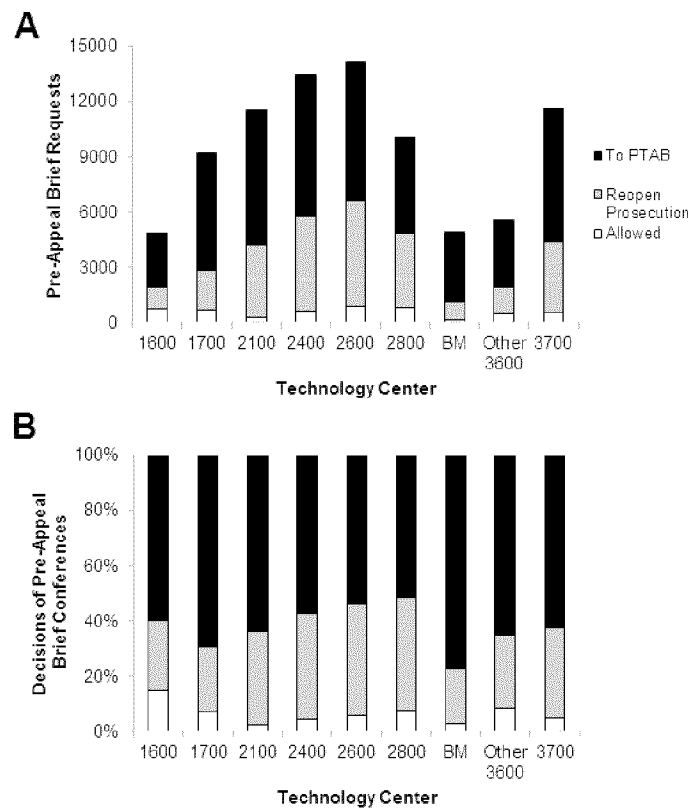


FIG. 4: Pre-Appeal Program Data by Application's Technology Center. A: The number of non-defective Pre-Appeal Brief Requests per technology center (TC). TC 3600 is divided into the business method (BM) art units (3621-29 and 3681-96) and the other art units. The distributions of decisions for each TC's requests is also identified based on the color in the stacked bar graph. B: The same decision distributions shown in Subplot A is shown but using a normalized vertical scale.

Art Units' Allowance Rates Predictive of Pre-Appeal Conference Decisions

It is perhaps unsurprising that the business-method art units correspond to the least satisfying Pre-Appeal Program results. These art units are known to have exceedingly low allowance rates. Given that at least two members of a panel considering the request are likely within the same

low-allowance-rate art unit, one may expect that the overall low allowance rate would also translate into a low pre-appeal conference allowance rate.

To further investigate the relationship between art unit allowance rates and Pre-Appeal Program decisions, we used LexisNexis® Patent AdvisorSM to identify an allowance rate for each art unit based on the number of patents issued and the number of abandonments from May 2013 to May 2015. We then assigned each request to one of five brackets depending on the art unit allowance rate, and we generated an outcome distribution for each of these allowance-rate brackets.

As shown in FIG. 5, pre-appeal brief conferences are generally most favorable for applicants in the higher allowance rate art units. The probability that an application will be allowed in the lowest art-unit allowance-rate bracket was 1.2%, whereas the probability was 7.3% for the highest art-unit allowance-rate bracket. Similarly, the probability that the decision was that an appeal should proceed to the Board was 77.9% for the lowest art-unit allowance-rate bracket and 57.3% for the highest art-unit allowance-rate bracket.

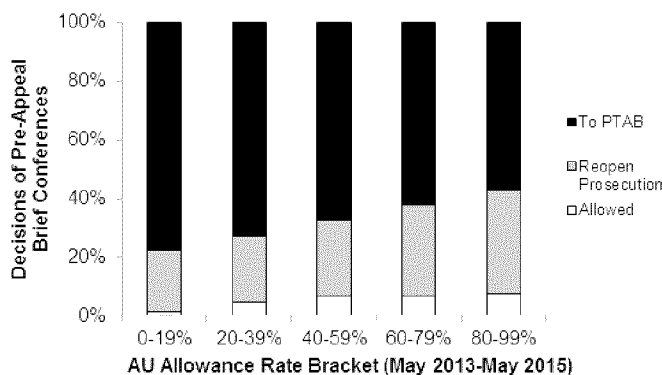


FIG. 5: Pre-Appeal Brief Conference Decision Distributions for Art Unit Allowance-Rate Brackets. For each request, the allowance rate of the assigned art unit was identified and used to assign data for the request to one of five art unit allowance-rate brackets. The request data for each bracket was then used to identify a distribution of decisions, which is represented by the color in the stacked bar graph.

Conclusion

The Pre-Appeal Program remains a cost-effective weapon in the patent practitioner's arsenal, if wielded wisely. For only the Notice of Appeal fee (\$800 for large entities) and what should be relatively-modest attorney's fees[8], an applicant receives the benefit of two additional "sets of eyes" reviewing the validity of the standing rejection. With 39% of requests resulting in direct allowance (6%) or re-opening of prosecution (33%, with more than half of those being ultimately allowed), it's hard to argue there's no ROI. And re-opening of prosecution generally results in more relevant prior art during prosecution that, once overcome, produces a more enforceable patent (i.e., less likely to be invalidated in litigation), which is what every applicant should want.

Even where the panel decides a case should proceed to PTAB, having this additional data point (i.e., the panel supports the rejection) may make participation in the Pre-Appeal Program a worthwhile endeavor. Armed with this data identifying multi-examiner support of the rejection, the applicant may make a more-informed decision to proceed with the appeal, submit new claim amendments (upon filing an RCE) or abandon the application. Decisions to amend the claims or abandon the application may result in a savings of the additional costs associated with the appeal, which may then be used to support other portions of the applicant's patent portfolio.

But the Pre-Appeal Program is not a panacea. Because success rates correlate strongly to the applicable art units' allowance rates, applicants should think carefully when their cases are in less favorable units. In such cases, time and money may be better spent directly with the PTAB, or on other post-final strategies.

In sum, the data indicates that the Pre-Appeal Program is an option that should strongly be considered whenever an applicant is facing a final rejection.

[1] USPTO. USPTO Fee Schedule.

[2] AIPLA. *Report of the Economic Survey*, 2013: I-1117.

[3] USPTO. [FY 2013 Performance Measures](#).

[4] USPTO. [New pre-appeal brief conference pilot program](#). *Official Gazette* 2005.

[5] The FOIA response identified four unique decisions: “Request Defective”, “Rejection withdrawn”, “Reopen prosecution”, and “Proceed to BPAI”. We assumed that “Rejection withdrawn” corresponded to the “Allowed” type of decision identified in the Federal Register notice for the program.

[6] USPTO. [PTAB/BPAI Statistics Archive Page](#).

[7] Gaudry KS, Grab L, McKeon T. 2015. [Trends in subject matter eligibility for biotechnology inventions](#). *IPWatchDog*.

[8] Unless the final rejection cited new art, the 5-page request should mostly be a re-formatting of the most recent office action response. And if the case proceeds to appeal, the fees may be at least partially recovered in reduced appellate brief fees.