

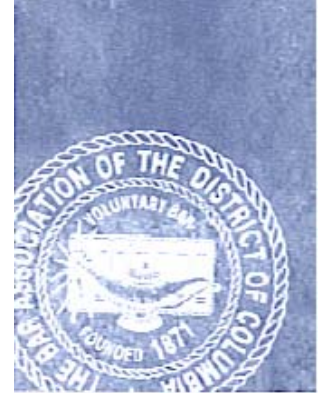
**DEPARTMENT OF COMMERCE
Patent and Trademark Office**

Statement of the Bar Association of the District of Columbia PTC Section
regarding the proposed Modification to the Code of Federal Regulations,
*Rules of practice Before the Board of Patent Appeals and Interferences
in Ex Parte Appeals*

Rulemaking Notice of July 30, 2007, 72 Fed. Reg. 41472
Submitted September 30, 2007

The Bar Association of the District of Columbia (“BADC”) PTC Section appreciates the opportunity to submit the following statement regarding the United States Patent and Trademark Office’s (“PTO”) Notice of Proposed Rulemaking appearing at 72 Fed. Reg. 41472 (2007) (to be codified at 37 C.F.R. 41.2 *et seq.*), entitled, “*Rules of practice Before the Board of Patent Appeals and Interferences in Ex Parte Appeals* (herein, “*Proposed Appeals Rules*”).

The BADC PTC Section is one of the senior intellectual property bar associations in the United States. It is uniquely situated in the Nation’s capital, and has a broad cross-section of members who represent a wide range of technical and practice areas in industry, government, and private practice. Some of its member specialize primarily in patent procurement, some entirely in litigation and counseling. Others have a mixed practice, combining patent procurement with litigation, while still others may participate in patent procurement issues by advising others on strategy. Many of our members have served the PTO in a professional capacity and are intimately familiar with this agency’s mission and practice. The interest of the BADC is entirely *pro bono*, and this statement is aimed at advancing the patent profession.



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The *Proposed Appeals Rules* are the latest in a series of proposed and final rules recently issued by the PTO. As with the recently issued final rule regarding *Changes to Practice for Continued Examination Filings, Patent Applications Containing Patentably Indistinct Claims, and Examination of Claims in Patent Applications* issued on August 21, 2007 (72 Fed. Reg. 46716) (“*Continuations and Claims Rules*”) and the proposed *Changes to Information Disclosure Statement Requirements And Other Related Matters*, Rulemaking Notice of July 10, 2006 (71 Fed. Reg. 38808), the *Proposed Appeals Rules* represent a significant shift of the examination burden from the PTO to applicants. Although the BADC appreciates the PTO’s need to make changes in the appeal process in light of the anticipated increased number of appeals to the Board of Patent Appeals and Interferences (“Board”) due to provisions in the *Continuation and Claims Rules*, the BADC is concerned that the *Proposed Appeals Rules* place an excessive burden on the applicants, limit their ability to make a complete record for purposes of appeal to the Federal Circuit, and shift the burden of proof regarding patentability to the applicant in contravention of 35 U.S.C. § 101 and applicable case law.

The implementation of the *Proposed Appeals Rules* will put a double squeeze on applicants. As a result of the *Continuation and Claims Rules*, applicants have limited ability to file Requests for Continued Examination following a final Office Action and in many cases will be forced to appeal in order to pursue patent protection on their inventions. However, under the *Proposed Appeals Rules*, such applicants will be faced with an onerous and costly appeals briefing process. The BADC is concerned that the burden placed on applicants by the *Proposed Appeals Rules* will cause many applicants to abandon their applications merely because they cannot afford to incur the significant additional costs associated with filing an appeal under the *Rules*. The result of this cannot but hinder innovation, since there will be less incentive to invent if such inventions cannot be affordably protected.

Although the *Proposed Appeals Rules* may have the effect of streamlining the appeals process by making appeal submissions more uniform and by having the applicant present all materials relating to the appeal before the Board, the *Proposed Appeals Rules* will place significant additional burden on applicants, above and beyond what is necessary to aid the

Board in reviewing the merits of an appeal. In addition, the stated goal of the *Proposed Appeals Rules* of adopting practices similar to those of the Court of Appeals for the Federal Circuit is inconsistent with the procedural and substantive role of the Board in the patent prosecution process. The BADC is concerned that that the *Proposed Appeals Rules* place excessive emphasis on certain Federal Circuit-type requirements, to the detriment of the rights of patent applicants to present their case fully and fairly and to create a record that preserves their rights on appeal.

It is well recognized among those associated with the rulemaking process over the past two years that the *Continuations and Claims Rules* will necessarily shift a large number of what would have been continuation or RCE filings into the appellate pipeline. There will in any event be an enormous upsurge in the number of appeals as a result of the implementation of the *Continuations and Claims Rules*. The current *Proposed Appeals Rules* manifest an attempt by the Office to mitigate the impact of the *Continuations and Claims Rules* on the appellate process. To the extent that the Office will deny continuation and RCE filings and compel greater numbers of appeals, the answer is not to effectively cut off the appellate route with additional procedural burdens that disproportionately impact the individual inventor, the university or startup company by making the examination process -- with an inevitable appeal -- prohibitively expensive. Rather, the answer lies in adding to the manpower resources at the Board to deal with the expected increase in appeals.

The additional procedural and substantive requirements for submission of an appeal brief will significantly increase the amount of attorney and support staff time needed to prepare an appeal under the *Proposed Appeals Rules*. For example, requiring the applicant to provide all evidence relating to the appeal in a prescribed, uniform format, the presents an additional procedural hurdle for applicants seeking review before the Board. The BADC is concerned that the new requirement for an appendix will require preparation of several ancillary documents not bearing on the merits of the appeal, such as the “claims support section,” the “drawing analysis section,” and the “means or step plus function analysis section.” Preparation of these sections will likely substantially increase the cost of preparing an appeal, and may make such an appeal cost-prohibitive for some small entity inventors.

In addition, the *Proposed Appeals Rules* shift the burden of proof on patentability. Under the *Proposed Appeals Rules*, instead of rebutting an Examiner’s anticipation or obviousness arguments, applicants must affirmatively “specify why the rejected claims are patentable,” in the case of a rejection under 35 U.S.C. § 102, or “explain how those limitations [not found in the prior art relied upon by the Examiner] render the claimed subject matter unobvious over the prior art.” The BADC believes that this represents a significant shift of the burden of proof regarding the patentability of the claims from the Examiner to the applicant. The BADC further believes that such a shift of the burden of proof contravenes the provisions of 35 U.S.C. § 101, which states that,

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, ***may obtain a patent therefor***, subject to the conditions and requirements of this title. (emphasis added)

The BADC also is concerned that this rule may be inconsistent with existing practice placing the burden on an examiner to make a *prima facie* case of unpatentability. Only if that burden is met does the applicant have to come forth with argument and/or evidence in rebuttal. The *Proposed Appeals Rules* therefore represent a reversal of the roles of Examiner and applicant in this regard.

The BADC also is concerned regarding the page limits for an applicant’s briefs under the *Proposed Appeals Rules*. A major purpose of briefing before the Board is to create a record that can be presented to the Court of Appeals for the Federal Circuit. The limitations on the length of an applicant’s initial or reply brief before the Board may hamper an applicant’s ability to make such a record and may potentially result in a reduction in the quality and accuracy of the record. For example, under the *Proposed Appeals Rules*, several procedural sections not having any bearing on the merits of the applicant’s claims are included in the page limits. Mandating the inclusion of such procedural material within the limited number of pages available places an additional, potentially prejudicial constraint on the applicant. This is particularly so, as the Examiner’s briefs do not have any corresponding page limitations. The BADC is concerned that this asymmetry may place an applicant at a disadvantage in making arguments necessary to the appeal.

In conclusion, the BADC appreciates the PTO's desire to set uniform standards and procedures for appeals of Examiner rejections before the Board, but has concerns that as drafted, the *Proposed Appeals Rules* place undue burdens on applicants and may foreclose their ability to obtain patent protection on their inventions. Moreover, the BADC believes that an increase in manpower resources for the Board, rather than these new rules, would serve the examination process better. The BADC would welcome any opportunity to assist the PTO in developing revisions to the *Proposed Appeals Rules* that would meet the needs of the PTO while protecting the rights of inventors.

Respectfully submitted,

/s/ Robert C. Bertin

BADC, PTC Section *Chair*

Of Counsel:

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