

**APPEALING A REJECTION AT THE PATENT BOARD OF APPEALS:
ANALYSIS OF RECENT BOARD DECISIONS AND NON-APPEAL ALTERNATIVES**

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ABSTRACT

This article discusses the merits of appealing rejections to the Board of Patent Appeals in comparison to continued *ex parte* prosecution before the Examiner. The analysis takes into account recent decisions rendered by several patent panels and recent precedent of the Court of Appeals for the Federal Circuit. Recommendations are offered to place claims in better condition for appeal and for the types of arguments to be made, as well as to guard against potential pitfalls during prosecution.

I. TIMING FOR APPEAL

{1} The timelines for Appeal and *ex parte* prosecution become intertwined, because the U.S. patent statute permits appeal of a rejection in the following circumstances: “[a]n applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Board of Patent Appeals and Interferences, having once paid the fee for such appeal.”¹

{2} In implementing the statute, the patent office regulations permit an Applicant to appeal a rejection in an application for original patent after receiving either a final rejection or two non-final rejections.² It is not necessary that all claims be twice rejected, and it is sufficient to confer jurisdiction on the Board if any claim in the application satisfies this requirement.³ It is also not necessary that the rejection occur during prosecution of a single application. It is sufficient if one claim is rejected both in a prior application and in a continuing application.⁴

{3} The patent regulations thus permit Applicants the opportunity to obtain a final disposition of the patentability of their patent claims by appealing the Examiner’s rejections prior to reaching a “final” impasse with the Examiner. Because an Applicant has the choice to continue *ex parte* prosecution or pursue the appeal route, the decision should take into account the strength of the claims and arguments in view of the cited art and whether the claims are in their best possible form prior to entering the appeal process.

II. TO AMEND OR TO APPEAL: THE FESTO FACTOR

{4} Given the options of (1) appealing a final rejection or a second non-final rejection, or (2) pursuing prosecution on the merits by the filing of an amendment or response, an Applicant would be well-advised to press matters for patentability of the originally-filed claims as far as possible before the Examiner. The 2002 decision of the United States Supreme Court in *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*⁵ emphasizes the importance of appealing a rejection that an Applicant views as patently incorrect as opposed to amending the claims in a response to an office action.⁶ “While the patentee has the right to appeal, his decision to

forgo an appeal and submit an amended claim is taken as a concession that the invention as patented does not reach as far as the original claim.”⁷ When a claim is amended and narrowed, whether for the purpose of complying with a prior art rejection under 35 U.S.C. §§ 102 or 103, or for the purpose of clarifying the claim meaning under 35 U.S.C. § 112, the patentee is regarded as “having conceded an inability to claim the broader subject matter or at least as having abandoned his right to appeal a rejection. In either case estoppel may apply.”⁸ The Supreme Court establishes amendment and appeal as opposite paths to be taken. The Court views abandonment of the right to appeal, i.e. amending the claims, as a strong concession. As a result of *Festo*, Applicants who amend claims without any explanation do so at their peril. “[W]hen the court is unable to determine the purpose underlying a narrowing amendment – and hence a rationale for limiting the estoppel to the surrender of particular equivalents [under the doctrine of equivalents] – the court should presume that the patentee surrendered all subject matter between the broader and the narrower language.”⁹

{5} The *Festo* decision equates amendment with a surrender of the right to appeal, and demonstrates that a presumption of estoppel or surrender of equivalents arises from such amendment. This suggests that if the rejection of a broad independent claim is appealed, rather than amended, estoppel may not apply. Alternatively, a less stringent estoppel may apply even if the claim is ultimately deemed unpatentable on appeal because the Applicant has not acquiesced to the Examiner’s rejection. In view of the Supreme Court precedent, during *ex parte* practice, an Applicant who can make a colorable argument of patentability over prior art without amending the claims should proceed to make such arguments. This approach should be taken even though amendatory material would strengthen the arguments. Such an Applicant will neither be presumed to have acquiesced in the rejection, nor to have surrendered a wide swath of equivalents between the original and amended claim. As a safeguard, amendatory material can be placed in a separate dependent claim to test whether the amendatory material would be deemed to describe allowable subject matter.

{6} Aside from the issue of scope of equivalents addressed by the Supreme Court, the Federal Circuit case law on dedication also suggests that narrowing claim amendments are a form of conscious waiver.

The patentee has control over the drafting of the claims, and if he discloses but omits to claim certain subject matter, he will be held to have waived the right to capture the disclosed matter under the doctrine of equivalents, and to have dedicated it to the public. No such waiver occurs where, as in *Graver Tank II*, the patentee actually claimed the subject matter, even if the particular claims are later held invalid. There is, moreover, in such circumstances far less possibility that the patentee is “gaming” the system, that is, deliberately writing narrow claims with the objective of avoiding a searching PTO examination and recapturing the disclosed subject matter through the doctrine of equivalents.¹⁰

In view of the negative consequences of a failure to argue patentability to the fullest extent, and recognizing the pitfalls of dedication if broad claims are amended to exclude particular embodiments, it behooves an Applicant to strenuously fight any patentability rejections without amendment, if possible.

III. EVALUATING WHETHER TO APPEAL A REJECTION

{7} Over the course of *ex parte* prosecution, the Applicant should continually evaluate the strength of the Examiner's rejection, considering not only the technical points underlying the rejection, but also the procedure applied in making the rejection and the rationale used to maintain any rejections. This evaluation will result in a better-informed decision concerning whether an appeal should be pursued.

{8} In the event of a second non-final rejection under 35 U.S.C. § 102, addressing novelty, or under 35 U.S.C. § 103, addressing obviousness, it is beneficial to respond to either rejection under 37 C.F.R. § 1.111. In view of such non-finality, § 1.111 gives the Applicant the opportunity to obtain allowance of the claims in a timely manner without incurring the expense and time delays of an appeal.¹¹ The most recent available figures from the U.S. Patent Office indicate that the Board of Patent Appeals is currently deciding appeals filed up to three years ago.¹² The opportunity to respond again under § 1.111 also affords the opportunity to develop the record further, which leads to either of two possible benefits.

{9} A first possible benefit is that the Examiner will accept the arguments in the response as being sufficiently persuasive to place at least some of the claims in condition for allowance. At that juncture, the Applicant has the additional option of amending the claims to obtain allowance of some claims and filing a separate continuation application for any claims that remain rejected.

{10} A second possible benefit is that the Examiner, even while rejecting the arguments in the response as unpersuasive, will helpfully expand upon the rationale as to the lack of persuasiveness in a subsequent non-final or final rejection. The value of this second possibility necessarily relies on the nature of the response filed by the Applicant. This fact makes it very important to exercise precision in formulating the response, rather than stating generalities. General denials submitted by the Applicant merely beget general denials from the Examiner, which is not helpful towards advancing a dialog with the Examiner, obtaining the patent or developing the record for appeal. For these reasons, an Applicant should respond to a final rejection under 37 C.F.R. § 1.116 by using the same strategy. In particular, for any response to arguments made by the Examiner, the Applicant should assess the underlying rationale and explain any weaknesses or inconsistencies in the Examiner's position.

{11} Arguments directed towards patentability over prior art fall generally into two broad categories: technical and legal. Both types of arguments should be developed in responses filed under 37 C.F.R. §§ 1.111 and 1.116 prior to entering the appeal stage.

A. Analysis of Recent Decisions

{12} The decisions of the Board of Patent Appeals and Interferences, dating from appeals filed during Fiscal Year 1993, are available through the U.S.P.T.O. website at <http://www.uspto.gov/web/offices/com/sol/foia/index.html>. The database is searchable, through somewhat limited search constraints, at <http://www.uspto.gov/web/menu/search.html>. A random sample of the decisions indicates that legal and technical arguments are equally effective in reversing Examiner rejections.¹³

{13} A review of a number of recent Board Decisions reveals several analyses that are noteworthy. These particular decisions offer some insight into "claim construction" approaches that various panels have taken, comparing and contrasting effective arguments based on technical distinctions and legal arguments. Most, if not all, of the decisions posted to the website, and all

of those discussed below, are identified as “nonprecedential” decisions that are not binding on the Board. If any weight is given to such decisions, the weight is severely limited.¹⁴ However, in certain circumstances, the Federal Circuit, which reviews appeal decisions of the Board, will give some weight to decisions designated as nonprecedential.¹⁵ For purposes of fashioning or evaluating arguments for appeal, a brief discussion of selected decisions follows.

1. Claim Interpretation of Rejected Claims

{14} In analyzing prior art rejections, Board decisions that address claim interpretation rely upon two seemingly opposite lines of legal precedent. Recent panels, following the mandate of the Supreme Court in *Markman v. Westview Instruments, Inc.*,¹⁶ resort to Applicant’s disclosure for purposes of interpreting the claims.¹⁷ This appears to be contrary to the concept that, during prosecution, the claims are to be given their broadest reasonable meaning, and that the scope of the claim cannot be narrowed by reading disclosed limitations into the claim.¹⁸ Several decisions of the Board do in fact resort to the specification and drawings for the purpose of understanding the scope of a rejected claim.

{15} Even though the panels have turned to the specification to interpret claims on appeal, any Applicant deciding whether to pursue an appeal based on existing claim language, or whether to continue prosecution by one of several non-appeal alternatives discussed below, should consider whether its particular arguments can be supported by the *context* and *broad concepts* of the pending claim recitations. In such a case, it is possible that the broad concepts of the claim can be argued on appeal without modifying the claim language to specifically include the limitations in the specification. However, if the arguments must rely on actual limitations discussed in the specification but are unclaimed, then the Applicant is better advised to amend the claim to describe the invention more specifically.

a. Conceptual Distinctions Based On Context

{16} In *Ex parte Schmidt*, the claim in question was recited as follows:

An extended field-of-view mirror, the mirror comprising: (a) a convex reflective surface having a viewing area and a continuous perimetral edge surrounding the viewing area; (b) an *opaque band integrally formed* with the reflective surface and depending therefrom, the opaque band substantially surrounding the entire reflective surface; and (c) a mounting flange *integrally formed* with the opaque band and extending outwardly therefrom.¹⁹

{17} A central issue in the appeal was how to define the broad recitation “integrally formed with.” The Board recognized that the specification provided no definition of the term, but turned to figure four of the application to determine that, in the context of claim one, “integrally formed with” meant that the mirror parts were joined together prior to any use of the mirror.²⁰ In essence, the mirror included each of the cited components prior to its being secured to a mounting frame.²¹ In reversing the rejection, the Board noted that the cited art did not include the claim elements “integrally formed with,” since a separate elastic ring was part of the disclosed structure only after being put into an interlocking relationship with a frame. The cited ring was thus “separate” and not integrally formed with the mirror prior to any use.²²

{18} The decision and definition of the phrase “integrally formed with” in *Ex parte Schmidt* appears to have put significant weight on the context established by the claim preamble.²³ In particular, the item in question was “a mirror” that included several elements “integrally formed with” other elements. It is conceivable that a different outcome would have resulted on appeal if the claim recited a “mirror assembly” rather than just a “mirror.”²⁴

{19} The Board of Patent Appeals and Interferences again resorted to the Applicant’s specification for claim construction purposes in *Ex parte Rahman*.²⁵ While acknowledging that claims should be given their broadest reasonable interpretation during prosecution, the Board further indicated that the terms in the claim should be construed as those skilled in the art would construe the claim.²⁶

{20} In *Rahman*, the claim in question recited: “A method for controlling traffic comprising: developing global positioning system information about a plurality of vehicles; analyzing traffic patterns based on said information; developing traffic control signals based on said traffic patterns; and transmitting said traffic control signals to *traffic control devices*.”²⁷ Based on descriptions in the specification, the Board construed “traffic control devices” to comprise devices such as speed limit signs, traffic metering lights, traffic signs and traffic signals.²⁸ However, the Board considered that the transmission of traffic information to a vehicle was not a transmission of traffic control signals to “a traffic control device” and rejected the claim.²⁹

{21} Under its broadest construction, the term “traffic control device” may comprise any device that would have an impact on traffic. It is not inconceivable that a controller in a vehicle would have some impact on traffic flows. Yet, in reversing the rejection, the Board’s analysis appears to import definitional aspects of the term “a traffic control device” into the claims to limit the phrase to those listed in the specification. Obviously, given the Federal Circuit’s directive in *In re Morris*³⁰ and *In re Hiniker Co.*,³¹ which emphasizes the importance of claim language rather than resorting to the specifications, an Applicant cannot be assured that the Board will use the specification so liberally in the appeal of any given case. However, the context of the claim recitation in *Ex parte Rahman* also suggests that “vehicles” recited in the first element of the appealed claim are being distinguished from “traffic control devices” recited in the last element. Therefore, apart from the definitions imparted by the specification, the claims themselves would appear to warrant the construction afforded by the Board that a “traffic control device” is distinguishable from a “vehicle.”

2. Patentability of Invention Based on Achieved Effects Over Prior Art

{22} In some decisions reviewed for the preparation of this article, the Board did not specifically rely on the definition of a claim term in deciding the case. Rather, the rationale underlying reversals of the appealed rejections were cast in terms of the Applicant’s discovery and solution of a new problem. In *Ex parte Nella*, the rejected claim recited:

A target detection, seeking and guidance system for an air-to-air, air-to-ground and/or ground-to-air missile comprising a hyperspectral imaging system for detecting a target having a predetermined hyperspectral signature; means for enabling the missile to track the target matching the predetermined hyperspectral signature; and means including a missile controller for guiding the flight path of the missile to intercept the flight path of the target matching said predetermined hyperspectral

signature.³²

{23} The primary reference was directed generally towards missile guidance systems without specifically indicating that the targets were tracked by a hyperspectral signature.³³ Three secondary references did teach hyperspectral imaging for scanning earthbound features such as mineral and vegetation deposits and for oceanographic and agricultural applications. The Examiner had deemed such earth-bound targets as corresponding to the “targets” in the claims.³⁴ The claims themselves did not define what comprised “targets,” and in reversing the rejection, the panel also did not specifically define what comprised a “target.” Rather, the panel determined that, reviewing the cited references, one skilled in the art would not have been motivated to combine the teachings in the manner proposed by the Examiner:

First of all, there is no mention in any of the three secondary references of utilizing hyperspectral imaging for a missile firing system. Cutts teaches utilizing hyperspectral imaging from a vehicle in space to scan the earth . . . for the purpose of identifying mineral or vegetative types. . . . While the appellants have acknowledged that the system disclosed in Davies would be “suitable for use” in the claimed missile system . . . , the reference does not mention such use, suggesting only that the system be used in “earth monitoring satellites” . . . such as oceanography, mapping and mineral exportation, for example. . . . The only uses suggested in the Lurie reference are in space borne cameras that monitor environmental and agricultural situations. . . . Second, the claims before us on appeal all require that the system detect, track and guide a missile based upon the “predetermined hyperspectral signature of a target of interest” which, as we understand the teachings of the applied references, is not the manner in which these systems operate. *Third, none of the applied references recognize the problems to which the appellants’ invention are directed, namely, providing a target tracking system for missiles that provides a high degree of recognition and is immune to countermeasures.*³⁵

The decision in *Ex parte Nella* has obvious benefits to the Applicant since it does not resort to any definition of what comprises a “target.”³⁶

{24} As a second example, in *Ex parte Abbott*, the claim recited a structure for a corrosion resistant lead frame for an integrated circuit which included, *inter alia*, “an isolation layer disposed upon said base metal layer and having a second standard reduction potential, said second standard reduction potential being greater than said first standard reduction potential....”³⁷

{25} In the decision, the Board noted that the Applicant’s specification provided an example of the isolation layer as comprising of a palladium/nickel alloy layer.³⁸ However, in reversing the rejection, the isolation layer was not specifically defined by reference to such materials.³⁹ Rather, the panel stated more generally, “the problems to be solved and/or the solutions to the problems in the Levine patents are different from that of the present invention.”⁴⁰ In addition, in reversing the prior art rejection, the decision further explains,

Since [the cited art] is concerned with a different problem relative to the claimed invention and thus a different solution, we agree with the appellant that the combined teachings of the admitted prior art and Levine ‘067 cannot render the

subject matter of the appealed claims to be unpatentable within the meaning of 35 U.S.C. § 103.⁴¹

{26} The case law is replete with several general concepts that permit Examiner's to apply and combine references. First, references need not be directed to the same problem as an invention in order to render a claim unpatentable.⁴² Second, the references themselves need not expressly teach each and every claim feature to provide motivation for a modification.⁴³ Third, the intended use of a particular element does not confer patentability.⁴⁴ Lastly, to comprise analogous art, a reference need not be pertinent to every problem with which the Applicant is involved.⁴⁵ This case law liberates the Examiner to apply and combine prior art that may seem unrelated to the invention at hand. The wide swath of available art and the rationale for combination of art limits the amount of ground that the Applicant can truly claim as new and unobvious. Therefore, there appears to be a great legal hurdle against making a successful argument that the Applicant discovered a new problem and solution. Nevertheless, if at all feasible, arguments on appeal should address the Applicant's discovery of a solution to a new problem, since the benefits are so numerous. The primary benefit is that the claim may be passed to issuance without the Board making any pronouncements in the file history on the definition of any claim term. In addition, there will be a pronouncement in the file history that the Applicant was the first to identify a problem and solution. This is a strong factual component that would favor conferring "pioneer" status on the patent and a greater scope of equivalents.⁴⁶

{27} As a corollary, while the above two examples in *Nella* and *Abbott* pertain to an effect achieved by the invention over the cited art, it is important to note that the effect is actually described by the claim language. In *Nella*, the claim actually described guiding a missile according to a "flight path" of the target.⁴⁷ Therefore, the conceptual difference between the claimed "target" and the earthbound targets in the references was fairly recited in the claims. Similarly, in *Abbot*, the relative "standard reduction potential" of the isolation layer was also described by the claims themselves, such that conceptually the claims were distinguishable over the prior art.⁴⁸ In contrast to the above examples, panels also consistently affirm rejections where the Applicant argued that the invention achieved a particular effect over the prior art. However, in those cases where the rejection was affirmed, the claims were silent as to the purported improved effect.⁴⁹

3. Semantic Distinctions Based On Definitions

{28} Additionally, following the widespread use of dictionaries in claim construction exercises by the Federal Circuit,⁵⁰ the Board of Patent Appeals also turns to dictionary definitions in determining whether rejections are sustainable. In *Ex parte Abe*, 1997-2212, the claim included a "second step for decompiling the machine program, thereby producing a second high-level language source program which does not depend on any architecture...." The panel recognized that neither the specification nor the file history defined the term "decompiling" but instead relied upon a technical dictionary to ascertain the scope of the claim. In so doing, the Board determined that the cited art did not include a step for decompiling, which was independent of a particular architecture, but in fact provided an opposite step of recompiling a program into an architecture dependent form. Accordingly, the Board reversed the pending rejections.⁵¹

{29} In similar manner, in *Ex parte Goumaz* the panel referred to a technical dictionary to determine the meaning of the claim term "charge amplifier."⁵² There, the Board determined

that amplification required a component to increase the strength of a signal without appreciably altering its characteristic waveform. During *ex parte* prosecution, the Examiner had continually relied upon a storage capacitor as corresponding to the claimed charge amplifier. The Board noted that the passive capacitor cited by the Examiner could not correspond to the claimed amplifier.⁵³

{30} Of course, the Board's use of dictionaries can also have the opposite effect and lead the panel to affirm a rejection. In *Ex parte Aboaf*, a claim recited a type of recording head, and the outcome of the appeal turned on the proper construction of the term "modules" appearing in the claim. The panel determined that "module" is a broad and non-specific term, generally defined with respect to electronic apparatus as a "packaged functional assembly of electronic components for use with other such assemblies."⁵⁴ The panel noted that the specification referred to a particular arrangement of read and write heads to make up "modules" but that the claims were not so limited. The non-specificity of the term "module" was also used throughout the cited art to identify different groupings of elements, other than those specifically identified by the Applicant. Therefore, the rejection was affirmed in part because no distinction could be made based on the general term "module."⁵⁵

{31} In the decisions discussed above, the Examiner seasonably challenged any construction argued by the Applicant during the course of prosecution. In an instance where the Examiner offers no construction broader than that offered by the Applicant, this should be pointed out in the Appeal Brief.⁵⁶ In the *Abdelmonem* appeal, the panel acknowledged that the claim recitation at issue was very broad and subject to varying interpretations.⁵⁷ However, the Examiner never indicated that the claim step was being interpreted in making the rejections in a different way from that set forth by the Applicant. Therefore, the Applicant's interpretation prevailed, without the panel relying on embodiments in the specification for claim interpretation purposes.⁵⁸

{32} A final note on the use of dictionaries during appeal proceedings: the Board has been known to use a dictionary to define a term used in a *cited reference* to determine whether an appealed claim reads on the applied art.⁵⁹

{33} In view of the foregoing, an Applicant who relies on the definitional aspects of certain claim terms as a basis for distinguishing rejected claims from cited art would be well advised to consider (1) whether the Examiner has considered a broader definitional construction that is supportable; (2) whether the context of the claim recitation supports the advocated reading; (3) whether the plain meaning in either a common dictionary or a technical dictionary results in a broader construction that would make the rejected claim readable on the applied art; and (4) whether a term used in a cited reference, while different from the Applicant's terminology, nonetheless can be construed to have the same meaning under either a common or a technical dictionary definition.

4. Claim Interpretation for Section 112 Rejections

{34} In decisions rejecting claims under 35 U.S.C. § 112, various panels have relied on the specification provision of the second paragraph⁶⁰ to determine whether the Applicant has claimed the invention with sufficient clarity.⁶¹ Federal Circuit precedent clearly directs that construction of the claim for purposes of clarity is charged to the examination process. "An essential purpose of patent examination is to fashion claims that are precise, clear, correct and unambiguous.

Only in this way can uncertainties of claim scope be removed, as much as possible, during the administrative process.”⁶² Under § 112, second paragraph, the test for indefiniteness is “whether the claim language, when read by a person of ordinary skill in the art in light of the specification, describes the subject matter with sufficient precision that the bounds of the claimed subject matter are distinct.”⁶³

{35} Despite the liberal use of the specification provision in determining claim precision, many rejections under 35 U.S.C. § 112, second paragraph, are affirmed. In the *Ohira* and *Babel* appeal decisions, the panel had to determine whether the modifiers “substantial” and “substantially” rendered the claims indefinite. In each instance, the panel determined that the claims were indeed indefinite for including these modifiers.⁶⁴ The result is somewhat surprising because the Manual of Patent Examining Procedure (“MPEP”) expressly permits latitude in the use of relative terminology in claim language, including the use of the term “substantially.”⁶⁵ It is noted that both in *Ohira* and in *Babel*, the panel found that the specifications gave no particular definition of what comprised a “substantial” amount of the characteristic in question.⁶⁶ Therefore, unlike the cases discussed in the MPEP, the specifications did little to inform one skilled in the art of the precise nature of the claim scope.

{36} As an additional claim construction exercise for purposes of § 112, second paragraph, the Board may also consider whether the terminology in question has a particular meaning to one skilled in the art by examining prior art references. In *Ex parte Takaku*, the Appellant presented prior art not relied upon by the Examiner to demonstrate that the physical characteristics of transparency would be understood by one skilled in the art of chemical vapor deposition.⁶⁷

5. Legal Arguments

{37} The above discussions relate primarily to technical assessments based on the teachings of the prior art in comparison with appealed claims. The second major category of argument is the legal argument. Legal arguments redirect the emphasis towards the Examiner’s improper application of references as set forth in the MPEP §§ 2112 and 2141-2144. Focusing a response and appeal on the weaknesses in the Examiner’s rationale, rather than on the actual technical teachings, forces the Examiner to reveal more of his thought processes. This will help the Applicant understand the Examiner’s arguments, identify the weaknesses of their claims, and shore up any such weaknesses prior to appeal. Focusing on the Examiner’s rationale during *ex parte* prosecution also has the benefit of avoiding the inadvertent limiting of claims based on express representation of what the claimed invention “is” and “is not” in comparison to the applied art. This reduces the impact of file history estoppel in the case.

a. Lack of Inherency in Cited Art

{38} A review of sample cases suggests that contemporary panels are not inclined to rely on purported implicit teachings in a reference to affirm a rejection. The hesitancy to find inherent disclosures in prior art references applies to both (1) claimed structural features and (2) claimed resultant effects. The structural features include, for example, attributes of shape of a particular element,⁶⁸ the ratios of dimensions for deciding placement of claim elements,⁶⁹ the carbon bonding in a chemical structure,⁷⁰ and the presence of close-boiling of non-aromatics.⁷¹ Claimed effects include whether a rubber material is suitable for use as an “eraser,”⁷² whether a component is operable in a “push on, pull off” fashion,⁷³ and whether a hanger is rotatable about

a post.⁷⁴

{39} It is noteworthy that the cases that reverse rejections based on inherency appear generally to be of more recent vintage. The concept of the lack of inherency argument is not a new one.⁷⁵ However, the Federal Circuit's decision in *In re Robertson* appears to have given new strength to this legal argument.⁷⁶ To establish inherency, the extrinsic evidence

[M]ust make clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill. . . . Inherency, however, may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient.⁷⁷

In view of the prevalence of reversals of rejections on grounds of lack of inherency of claim elements in applied art, the record should be carefully developed with regard to any viable inherency positions.

b. Motivation to Combine

{41} The argument for teaching away from particular combinations of references has proven to be a common basis for reversing rejections under 35 U.S.C. § 103.⁷⁸ In *Ex parte A. Said el Shami*, the claim for a diagnostic device for biological samples recited, in relevant part, "a specific antibody binder covalently immobilized on said first solid phase support to which an analyte label is prereacted to saturate substantially all binding sites on said binder to form a first solid phase specific antibody binderanalyte label complex . . ." ⁷⁹ The Board noted that the cited art was not drawn to antibody-analyte complexes and to the extent that any analogies could be drawn, it was clear that the target DNA in the reference did not become saturated as claimed.⁸⁰ The saturation of all the binding states in the disclosed probe would disable the DNA hybridization, which was the desired result in the reference. An additional secondary reference also included a similar deficiency since saturation of the binding sites would cause the binding sites to become occupied when the reference relied on site availability for the disclosed device to operate.⁸¹ It is not obvious that modifying a prior art device would lead to an inoperative construction.⁸²

{42} The Examiner's motivation for combining references can also be undermined by focusing on the effects of the cited art. In *Ex parte Palulu*, the Examiner contended that the positioning of certain operating switches onto the steering wheel of the vehicle would obviously minimize driver distraction from the road.⁸³ However, the cited reference was operable only when the vehicle is at a stop, in an idling state or in a park position. Accordingly, there is no concern for the driver's distraction as the Examiner had postulated. The Panel subsequently reversed the rejection.⁸⁴

{43} Strongly contesting the propriety of combining references either under the principle that the references teach away from their combination, or that the modification or combination would render one reference inoperable for its intended purpose is valuable since, as discussed above, it would focus the analysis away from particular definitions in the claim language. Moreover, in the event that it appears that the combination of art does conceptually teach each feature of the claim, then lack of motivation remains an option to traverse the rejection.

IV. OPTIONS TO PURSUE IF APPEAL IS NOT PURSUED

{44} As a general rule, *ex parte* prosecution should be exhausted up through receipt of the Advisory Action after the Applicant responds to a final rejection. A constructive dialog between the Applicant and the Examiner may lead to an earlier issuance of the patent, while providing rigorous examination of the application. The latter has the benefit of bolstering the strength of the patent upon issuance.

{45} If after a final rejection, the Applicant receives an Advisory Action indicating that the arguments of record have not been deemed persuasive for all of the claims, the Applicant still has several non-appeal options. A notice of appeal may be filed for reasons other than seeking review of a rejection by the Board. For example, because filing a Notice of Appeal automatically provides a two-month period for filing the brief, many Applicants routinely file a notice of appeal as a cheaper alternative to seeking a third month extension of time to respond to a final rejection under 37 C.F.R. § 1.136(a).⁸⁵ Under these circumstances, and with the consent of the Examiner, prosecution may proceed after filing a notice of appeal.

A. Amendment of Claims

{46} Under 37 C.F.R. § 1.116, final rejection amendments that cancel claims complying with any requirement of form may be made of right, and amendments for rejected claims to place claims in better form for consideration on appeal may be admitted at the discretion of the Examiner.⁸⁶

B. Amendment To Obtain Allowance Of Claims Coupled With Continuation For Rejected Claims

{47} In the case that some claims stand rejected and some claims are allowable, a recommended course would be to amend the allowable subject matter into condition for allowance in the subject application. To avoid or mitigate the effects of estoppel, the Applicant may file a continuation application for the rejected subject matter. The decision in *Haynes International, Inc. v. Jessop Steel Co.*⁸⁷ demonstrates the benefits of pursuing cancelled subject matter in a continuation case. In *Haynes*, the Applicant was successful in obtaining reversal of rejections of certain claims in a parent application during appeal but unsuccessful in reversing the rejection of another claim, and therefore rewrote subject matter to obtain allowance of the allowed claims.⁸⁸ The Board canceled the rejected claim from the parent case.⁸⁹ The Applicant indicated that they could conceivably garner additional technical evidence in support of the patentability of the rejected claim and subsequently filed a continuation application.⁹⁰ However, the Applicant did not refile the rejected claim that was previously before the Board and further did not submit any new evidence for patentability in the continuation.⁹¹

[C]ancellation of these claims [in the parent] did not conclusively establish that Cabot wanted to relinquish coverage of the subject matter encompassed by them, and thus did not necessarily create an estoppel. It is only when the cancellation is considered along with [Applicant's] failure to refile these claims and submit additional test data to support them, can it be said that an estoppel was conclusively established.⁹²

{48} *Haynes* suggests that a different case would be presented had the cancellation of rejected claims occurred while prosecution was on-going. Had that been the case, the Applicant's purpose in canceling the claims could be inferred from that act as a relinquishment of subject matter.

Haynes also creates a negative inference in not pursuing cancelled subject matter from a parent case in a continuation.

C. Amendment of Non-Allowed Claims

{49} The Examiner has discretion to enter an amendment placing a case in condition for allowance at any time prior to forwarding the Examiner's answer on appeal. However, unless the amendment requires only a cursory review by the Examiner, the appellant ordinarily will be expected to comply with 37 C.F.R. § 1.116(c), by showing "good and sufficient reasons why they are necessary and were not earlier presented."⁹³

{50} As a practical matter, the Examiner will probably refuse entry of any claim amendment that was not deemed to place the entire application in condition for allowance. However, if the Applicant determines that an amendment may persuade the Examiner of patentability, then submission of the amendment would not prejudice the Applicant's position during the course of appeal. Non-entered claim amendments will not be interpreted by the Board as an indication that an Applicant is acquiescing in a rejection. An Applicant is not estopped from changing his strategy during the course of good faith prosecution before the Examiner. A willingness to amend the claims does not prevent appellants from challenging a rejection.

D. Submission of Additional Evidence

{51} The decision whether to admit additional evidence submitted after final rejection is within the discretion of the Examiner, unless prosecution is continued under one of the provisions discussed in Section E, below. Unless the additional evidence is submitted in response to a suggestion from the Examiner, or is submitted in conjunction with a convincing argument presented in response to the final rejection and clearly places the application in condition for allowance, the Examiner is likely to conclude that the new evidence or argument for patentability introduces new issues or requires further substantive consideration, and will not enter the new evidence.⁹⁴

E. Continued Prosecution in Lieu of Appeal

1. Request For Continued Examination After Final Rejection: RCE

{52} For applications filed after June 8, 1995, the Applicant may request further prosecution on the merits and entry of any un-entered amendments filed under 37 C.F.R. § 1.116.⁹⁵ Such a filing withdraws the finality of the Office Action and any submissions will be considered on the merits. In addition to modifications to the specification and claims, with the filing of the RCE the prosecution can include submission of affidavit evidence and IDS materials.⁹⁶ The submission may be made after the appeal process commences but must be made prior to a decision on appeal. In this circumstance, the application will be treated as being withdrawn from appeal for prosecution before the Examiner.⁹⁷

2. Continuation Practice

{53} For any application, the Applicant may also file a continuation or continuation-in-part application to define the invention and claims more particularly.⁹⁸

3. Transitional Practice

{54} For older cases that have been pending for at least two years as of June 8, 1995, the application is subject to the transitional provisions of 37 C.F.R. § 1.129(a).⁹⁹ Upon payment of the fee under 37 C.F.R. § 1.17(r) the Applicant or appellant is entitled to consideration of the new amendment, evidence, or submission denied entry by the Examiner after final rejection. This submission must be made prior to filing a Brief on Appeal. It is most important to appreciate that by filing an appeal brief under the GATT amendments, an appellant waives the right to continued examination of claims finally rejected in the same application under 37 C.F.R. § 1.129(a). Filing an appeal brief therefore terminates the right to a seventeen-year term in an older application, if it is necessary to file a regular continuing application after the appeal. Any such application will be restricted to a term that expires twenty years from the date of filing the first national benefit application.

V. CONCLUSION

{55} Even though the patent statute permits appeal prior to final rejection of the claims, an Applicant should take the opportunity to develop discourse with the Examiner to develop arguments and a more detailed understanding of the Examiner's rationale. Successful prosecution before the Examiner will likely lead to earlier issuance of the patent because the lengthy appeal process can be avoided. Throughout *ex parte* prosecution, the Applicant should continually evaluate and strengthen his position in terms of technical arguments based on both concepts and semantics in addition to legal arguments. If it is determined that the claims are not in the best possible condition for appeal, several options are available to continue prosecution before the Examiner.

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¹ 35 U.S.C. § 134(a) (2000).

² See 37 C.F.R. § 1.191(a) (2002). The Rule further sets forth that for an *ex parte* reexamination filed under Rule § 1.510 for a patent that issued from an original application filed on or after November 29, 1999, no appeal may be filed until the claims are finally rejected. *Id.*

³ *Id.*

⁴ See MANUAL OF PATENT EXAMINING PROCEDURE [hereinafter MPEP] § 1205 (2003).

⁵ 535 U.S. 722 (2002).

⁶ *Id.* at 734.

⁷ *Id.* at 734.

⁸ *Id.* at 737.

⁹ *Id.* at 740.

¹⁰ *Johnson & Johnston Assocs. v. R.E. Serv. Co.*, 285 F.3d 1046, 1060 (Fed. Cir. 2002) (Dyk, J., concurring) (reconciling applicability of equivalents in *Graver Tank II* and inapplicability of equivalents in the subject case).

¹¹ 37 C.F.R. § 1.111 (2002).

¹² United States Patent and Trademark Office, Board of Patent Appeals and Interferences Receipts and Dispositions by Groups Ex Parte Appeals *available at* <http://www.uspto.gov/web/offices/dcom/bpai/bpaiproduction.xls> (2002) (stating that “[w]ith the exception of a limited number of appeals involving special circumstances, the Board of Patent Appeals and Interferences is currently deciding appeals received at the Board as follows: BIOTECH for Fiscal Year 2000; CHEMICAL for Fiscal Year 1999; ELECTRICAL for Fiscal Year 2000; MECHANICAL for Fiscal Year 2002; DESIGN for Fiscal Year 2002.”).

¹³ The database includes several thousand opinions. Approximately 200 decisions were reviewed in this assessment.

¹⁴ See *Ex parte Theurer*, No. 96-2142, at 3 (on file with Richmond Journal of Law & Technology) (stating that “[u]npublished (or nonprecedential) opinions of the Federal Circuit are not precedent in the Federal Circuit and will not be cited, considered, or regarded as precedent by the EIC, the Board or any other tribunal within the Patent and Trademark Office,” and moreover noting that such an opinion is not written for publication in a law journal).

¹⁵ See FED. CIR. R. 47.6(b), which states:

An opinion or order which is designated as not to be cited as precedent is one unanimously determined by the panel issuing it as not significantly adding to the body of law. Any opinion or order so designated must not be employed or cited as precedent. This rule does not preclude assertion of claim preclusion, issue preclusion, judicial estoppel, law of the case or the like based on a decision of the court designated as nonprecedential.

Id. This rule does not unconditionally prohibit citation of nonprecedential opinions but instead permits citation of opinions for limited purposes. See, e.g., *Burke, Inc. v. Bruno Indep. Living Aids, Inc.*, 183 F.3d 1334, 1337 (Fed. Cir. 1999) (holding that the trial court did not err by relying on a nonprecedential opinion as precedent because the same claim of the same patent was at issue); see also, e.g., *Anastaff v. United States*, 223 F.3d 898 (8th Cir. 2000) (holding that an unpublished decision has precedential effect), *vacated by* No. 99-3917, 2000 WL 1863092 (8th Cir. 2000).

¹⁶ 517 U.S. 370 (1996).

¹⁷ *Ex parte Horstmann*, No. 1997-3241, at 6 (on file with Richmond Journal of Law & Technology).

¹⁸ *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997).

¹⁹ *Ex parte Schmidt*, No. 94-4239, 2001 WL 1197752, at *1 (Bd. Pat. App & Interf. 2001) (emphasis added).

²⁰ *Id.* at *2.

²¹ *Id.*

²² *Id.*

²³ *Id.*

²⁴ The claim was rejected by the Board 37 C.F.R. § 1.196(b), which allows the Board of Patent Appeals and Interferences to reject pending claims based on knowledge not involved in the appeal. *Schmidt* at *3; see U.S. Patent No. 6,293,679 (issued Sept. 25, 2001).

²⁵ *Ex parte Rahman*, No. 2001-1480, 2002 WL 31083111 (P.T.O. Bd. Pat. App & Interf. 2001).

²⁶ *Id.* at *2 (citing *Specialty Composites v. Cabot Corp.*, 845 F.2d 981, 986 (Fed. Cir. 1988)).

²⁷ *Id.* at *1 (emphasis added).

²⁸ *Id.* at *2.

²⁹ *Id.* The Board set forth a new rejection under 37 C.F.R. § 1.196(b). *Id.* at *3. The patent was later issued without any substantive amendment to the appealed claim. See U.S. Patent No. 6,427,113 (issued July 30, 2002).

³⁰ *In re Morris*, 127 F.3d 1048, 1053-54 (Fed. Cir. 1997).

³¹ *In re Hiniker*, 150 F.3d 1362, 1368 (Fed. Cir. 1998).

³² *Ex parte Nella*, No. 1998-2753, 1998 WL 1707874, at *1 (Bd. Pat. App. & Interf. 1998).

³³ *Id.* at *2.

³⁴ *Id.*

³⁵ *Id.* (emphasis added).

³⁶ *Id.* *But cf. Ex parte Rahman*, No. 2001-1480, 2002 WL 31083111 (construing the claim term “traffic control devices” to have a particular meaning in comparison to devices taught in prior art).

³⁷ *Ex parte Abbott*, P.T.O. No. 1997-2834, 2001 WL 863739, at *1 (P.T.O. Bd. Pat. App & Interf. 1997).

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Id.* at *2.

⁴² See *Ex parte Levengood*, 1993 WL 418326, (P.T.O. Bd. Pat. App. & Int. 1993); see also *In re Kemps*, 97 F.3d 1427, 1430 (Fed. Cir. 1996).

⁴³ See *In re Fine*, 837 F.2d 1071 (Fed. Cir. 1988).

⁴⁴ See *Pitney Bowes, Inc. v. Hewlett Packard Co.*, 182 F.3d 1298, 1305, 51 U.S.P.Q.2d (BNA) 1161, 1165 (Fed Cir. 1999).

⁴⁵ *Ex parte Gaechter*, 65 U.S.P.Q.2d (BNA) 1690, 1692 (BPAI 2002).

⁴⁶ *Sun Studs, Inc. v. ATA Equip. Leasing, Inc.*, 872 F.2d 978, 987; 10 U.S.P.Q.2d (BNA) 1338, 1346 (Fed. Cir. 1989) (indicating that pioneer status is a question of fact). *But see Augustine Medical, Inc. v. Gaynor Indus.*, 181 F.3d 1291, 1301, 50 U.S.P.Q.2d (BNA) 1900, 1907 (Fed. Cir. 1999) (indicating that the USPTO and the courts cannot predict the future of whether any invention will open wide vistas of innovation).

⁴⁷ *Nella*, 1998 WL 1707874, at *1.

⁴⁸ *Abbot*, 2001 WL 863739, at *3.

⁴⁹ See *Ex parte Cameron*, P.T.O. No. 1996-2199, 1999 WL 33176206 (P.T.O. Bd. Pat. App. & Interf. 1996) (affirming rejection when the Applicant argued that claimed invention exhibited a hysteresis effect that was not claimed in the independent claims); see also *Ex parte Achter*, P.T.O. No. 96-0760, 1998 WL 1674816 (P.T.O. Bd. Pat. App. & Interf.) (affirming rejection when speed and continuity of operation of device was not claimed by Appellant); *Ex parte Abbey*, 1996 WL 1748900, at *1 (affirming rejection premised on unclaimed “Venturi” effect).

⁵⁰ *Inverness Medical Switzerland GmbH v. Warner Lambert Co.*, 309 F.3d 1373, 1378 (Fed Cir. 2002) (citing

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Vitronics Corp. v. Conceptronic, Inc., 90 F.3d 1576, 1582 (Fed. Cir. 1996)).

⁵¹ *Ex parte Abe*, P.T.O. No. 1997-2212, 2000 WL 1367628 (P.T.O. Bd. Pat. App. & Interf. 1997).

⁵² *Ex parte Goumaz*, P.T.O. No. 1997-2296, 2000 WL 33385402 (P.T.O. Bd. Pat. App. & Interf. 1997).

⁵³ *Id.*

⁵⁴ *Ex parte Aboaf*, P.T.O. No. 1998-0261, 2001 WL 1149804, at *2 (P.T.O. Bd. Pat. App. & Interf. 1998) (citing WEBSTER'S NEW COLLEGIATE DICTIONARY (9th ed. 1997)).

⁵⁵ *Id.* at *4.

⁵⁶ See *Ex parte Abdelmonem*, No. 95-4609, 1995 WL 1747741, (P.T.O. Bd. Pat. App. & Interf. 1995).

⁵⁷ *Id.* at *4.

⁵⁸ *Id.*

⁵⁹ *Ex parte Baccini*, No. 95-5066, 1999 WL 33205146, at *5 (P.T.O. Bd. Pat. App. & Interf. 1999).

⁶⁰ "The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." 35 U.S.C. § 112 (2001).

⁶¹ See, e.g., *Ex parte Ohira*, No. 1999-0608, 1999 WL 33218710, at *4 (P.T.O. Bd. Pat. App. & Interf. 1999); *Ex parte Ruck*, No. 1998-0515, 2001 WL 1131480, at *3 (P.T.O. Bd. Pat. App. & Interf. 1998); *Ex parte Babel*, No. 1997-2977, 2002 WL 851836, at *2-4 (P.T.O. Bd. Pat. App. & Interf. 1997).

⁶² *In re Zletz*, 893 F.2d 319, 322 (Fed. Cir. 1989).

⁶³ *In re Merat*, 519 F.2d 1390, 1396 (C.C.P.A. 1975).

⁶⁴ *Ohira*, 1999 WL 33218710, at *2; *Babel*, 2002 WL 851836, at *4.

⁶⁵ MPEP § 2173.05(b) (citing *In re Nehrenberg*, 280 F.2d 161 (C.C.P.A. 1960); *In re Mattison*, 509 F.2d 563 (C.C.P.A. 1975); *Andrew Corp. v. Gabriel Electronics*, 847 F.2d 819 (Fed. Cir. 1988)).

⁶⁶ *Ohira*, 1999 WL 33218710, at *2; *Babel*, 2002 WL 851836, at *4.

⁶⁷ *Ex parte Takaku*, No. 2000-0156, 2002 WL 31112837, at *2 (P.T.O. Bd. Pat. App. & Interf. 2000).

⁶⁸ *Ex parte Turos*, No. 2002-0022, 2002 WL 31257848 (P.T.O. Bd. Pat. App. & Interf. 2002) (noting that applied art for a shoe cleat did not inherently teach annular ring encircling a hemispherical chamber).

⁶⁹ *Ex parte Uchida*, No. 1999-0555, 2001 WL 34032160 (P.T.O. Bd. Pat. App. & Interf. 2001).

⁷⁰ *Ex parte Sampath*, No. 1999-2173, 2002 WL 1801526 (P.T.O. Bd. Pat. App. & Interf. 1999) (noting that compound containing percentage of carbon in bound state did not require carbon bonding with molybdenum to form molybdenum carbide precipitates).

⁷¹ *Ex parte Nacamuli*, No. 1998-1067 (on file with Richmond Journal of Law & Technology).

⁷² *Ex parte Rudduck*, No. 1999-2186, 2000 WL 33362014 (P.T.O. Bd. Pat. App. & Interf. 2000) (discussing appellant's submitted expert declaration to support position that not all rubber substances act as an eraser).

⁷³ *Ex parte Qiao*, No. 1999-2371, 2002 WL 88032 (P.T.O. Bd. Pat. App. & Interf. 1999) (indicating that Examiner's conclusion that a fastener can be disengaged by pulling is merely speculation).

⁷⁴ *Ex parte* Olsen, No. 1999-1044, 1999 WL 33249695 (P.T.O. Bd. Pat. App. & Interf. 1999).

⁷⁵ See *In re* Oelrich, 666 F.2d 578 (C.C.P.A. 1981).

⁷⁶ *In re* Robertson, 169 F.3d 743, 745 (Fed. Cir. 1999).

⁷⁷ *Id.* (citations omitted).

⁷⁸ See 35 U.S.C. § 103 (2000).

⁷⁹ *Ex parte* A. Said el Shami, No. 93-3369, 1993 WL 1454873 (P.T.O. Bd. Pat. App. & Interf. 1993).

⁸⁰ *Id.*

⁸¹ *Id.*

⁸² *In re* Gordon, 733 F.2d 900, 902 (Fed. Cir. 1984).

⁸³ *Ex parte* Palulu, No. 1999-2068, 2002 WL 1801521 (Bd. Pat. App. & Interf. 1999).

⁸⁴ *Id.*

⁸⁵ See 37 C.F.R. § 1.192 (2002) (providing a two-month period for filing an appellant's brief); *id.* § 1.136(a)(1) (detailing methods applicants may employ to extend the time period).

⁸⁶ *Id.* § 1.116.

⁸⁷ *Haynes Int'l, Inc. v. Jessup Steel Co*, 8 F.3d 1573 (Fed. Cir. 1993).

⁸⁸ *Id.* at 1580.

⁸⁹ *Id.* at 1575-76.

⁹⁰ *Id.* at 1576.

⁹¹ *Id.* at 1577-78.

⁹² *Id.* at 1578.

⁹³ 37 C.F.R. § 1.116(c) (2002).

⁹⁴ 37 C.F.R. § 1.116(b) (2002).

⁹⁵ *Id.* § 1.114.

⁹⁶ *Id.* § 1.114(c).

⁹⁷ *Id.* § 1.114(d).

⁹⁸ *Id.* § 1.53(b).

⁹⁹ *Id.* § 1.129(a) (taking into account a reference made in the application to any earlier filed application under 35 U.S.C. §§ 120, 121 or 365(c)).

