

AFTER-FINAL PRACTICE: NAVIGATING EXPANDING USPTO OPTIONS FOR COMPACT PATENT PROSECUTION



BY JORDAN N. BODNER AND ERIC J. HAMP

As part of the Enhanced Patent Quality initiative, the United States Patent and Trademark Office (USPTO) has gradually expanded the after-final landscape for patent applicants. Where options at the close of patent prosecution were traditionally limited to full appeals or requests for continued examination (RCE), the USPTO has enacted other options for resolving disputes in potentially quicker and more cost effective manners. These options include the After Final Consideration Pilot Program 2.0 (AFCP 2.0) and the Pre-Appeal Brief Conference (PABC) Pilot. The USPTO recently completed a third pilot program, the Post-Prosecution Pilot (P3) Program, and is analyzing the results prior to any renewal. Based on the renewals/extensions of AFCP 2.0, it is reasonable to assume that P3, or a variation thereof, will be reinstated as well.

Each of these programs has something in common; they afford applicants additional leverage or incentivize the examiner to advance the case. Depending on the situation presented to an applicant, some of these programs may lower prosecution costs and reduce application pendency. In this article, we offer some thoughts and tips on making the best use of these after-final options.

AFTER FINAL CONSIDERATION PROGRAM 2.0

AFCP 2.0, while technically a pilot program, has been continually renewed since its

predecessor was launched in 2013.¹ Unlike the programs discussed below, AFCP 2.0 proceeds before the current examiner.² Participation in the program does not require any additional fees; an applicant merely includes a formal request and one or more non-broadening claim amendments in an after-final response.³ The program authorizes three hours of additional time for examiners to search and consider the response.⁴ If the after-final response does not place the application in condition for allowance, an interview is conducted to discuss the results of the search and consideration with the applicant.⁵

Critically, the additional time provided to examiners rewards them for any use of AFCP 2.0, and therefore provides an incentive for examiners to advance the application. Patent examiners are required to meet production “count” thresholds every two week period (biweek) based on milestones such as issuing office actions, disposal (e.g., allowance, abandonment), and so on.⁶ The 80 hours of a biweek are divided into “examination” time and other time for activities such as training, and the assigned number of counts is assigned based on the number of examination hours, the examiner’s experience level, and the complexity of the art.⁷ For example, an examiner with 72 hours of examination time per biweek, having average experience in an art unit of average complexity, must accrue about seven counts every biweek.⁸ While AFCP 2.0 in itself does not provide any counts, it removes three hours from the total “examination” time and therefore lowers the number of additional counts needed. Using the assumptions provided above, reducing the biweekly

examination time burden by three hours effectively provides about 0.3 counts, which is more than an examiner receives for drafting a final office action.⁹

In short, AFCP 2.0 allows an applicant to present a new amendment that may advance/resolve issues without incurring the expense and delays of an RCE, and gives the examiner more time to carefully consider an after-final response.¹⁰ According to the USPTO, a majority of surveyed applicants felt that that AFCP 2.0 was effective in advancing prosecution and reducing the need for an RCE.¹¹ The survey results are somewhat generalized; in our experience, AFCP 2.0 can indeed be effective, but only under the right circumstances.

Officially, AFCP 2.0 requires that you amend an independent claim in a non-broadening (i.e., narrowing) manner. In practice, however, AFCP 2.0 is typically successful in even more limited scenarios. Our own informal survey of colleagues' experiences revealed that AFCP 2.0 is more effective when the amendments are extremely limited (*e.g.*, merely clarify an already-claimed feature, or rolling in dependent features) and do not present new issues or unexpected claim language. In practice, lengthy amendments, amendments to multiple claim elements, and new claim features not previously considered are often deemed to raise too many issues and result in denial of the AFCP request by requiring efforts that would exceed the time allocated under the program. AFCP 2.0 is also more appropriate where you are early in the shortened statutory period for response, such that no extensions would be needed if the amendment is not entered.

Finally, as mentioned above, AFCP 2.0 is only available where an independent claim is amended yet not broadened. One catch is that you must affirmatively

make a statement to that effect. It goes without saying that you do not want to make an inaccurate representation on the record. Furthermore, the non-broadening statement could be used during litigation to interpret the claims. These are additional factors that might make the difference in deciding whether to use AFCP 2.0 at all.

PRE-APPEAL BRIEF CONFERENCE PILOT

Most practitioners consider appeal a procedure of last resort. The full appeal process can take years and incur thousands of dollars in USPTO fees and attorney time. Thus, at any given time, the default best move is to continue negotiating with the examiner, such as via AFCP 2.0. Before the pre-appeal brief route existed, the applicant was sometimes presented with a Hobson's choice — accept claim scope of less than what they were entitled to (in the face of a deficient rejection), or put the case on indefinite hold to await a Patent Trial and Appeal Board (PTAB) decision.

The PABC Pilot, under certain circumstances, offers applicants another genuine option. As in a regular appeal, the application must be eligible for appeal, which requires that the applicant's claims have been twice rejected.¹² This is where the similarity ends.

In the PABC Pilot, the applicant submits, simultaneously with a Notice of Appeal, a Pre-Appeal Brief Request for Review. The brief is reviewed by a panel of three examiners, rather than by the PTAB. Whereas a regular appeal can take years to reach a decision, applicants should expect a decision on pre-appeal within 45 days.¹³ While a regular appeal brief is usually lengthy and covers all arguments, a pre-appeal brief must be concise — it is limited to five pages — and point out a clear error. Moreover, the official fee for filing

MORE ▶

[AFTER-FINAL PRACTICE, FROM PAGE 11]

a pre-appeal brief is simply the fee for filing a notice of appeal, whereas a regular appeal additionally involves an appeal forwarding fee (currently \$2000 for large entities).

There are three possible outcomes from filing a proper pre-appeal brief: the application may be immediately allowed, prosecution on the merits may be re-opened (with a different ground for rejection), or the application may remain under appeal and the applicant is given time to file a full appeal brief under the appeal process.

As mentioned above, the pre-appeal route is appropriate for positions involving straightforward objective errors, such as claim features clearly missing from references or a clear lack of *prima facie* obviousness. Don't expect to win on a nuanced point. Be picky; don't necessarily include all of your arguments as you would in a regular appeal. If the panel feels that the issues are complex, such as requiring substantive interpretation of the prior art, the pre-appeal will almost certainly be bounced to the regular appeal process.

There is one other practical consideration. The panel for the pre-appeal review conference includes the examiner of record and a supervisor.¹⁴ The examiner of record will, per human nature, defend the rejection to the other two panel members (without the applicant being present at the conference to rebut). If the examiner of record is a supervisor (you can tell because the examiner signed the office action), the other two panel members should theoretically have no skin in the game. However, if the examiner is not a supervisor, then most likely the examiner's own supervisor will also be a panel member. Because that supervisor approved (and likely directed) the original rejection, the applicant is going in with two votes against it. This virtually ensures that the pre-appeal will be transferred to the

regular lengthy appeal process. Even if it is a long shot under such circumstances, going through the pre-appeal motions may not be a waste, as there is little downside to trying; there are no additional fees, and the exercise would force the applicant to triage and fine-tune the arguments before a full appeal brief is filed.

POST-PROSECUTION PILOT PROGRAM

Until recently when it ended by design on January 11, 2017, the P3 Program had potential. P3 was promoted as a combination of the PABC Pilot and AFCP 2.0.¹⁵ Similar to the PABC Pilot, the applicant would file up to five pages of arguments, which were reviewed by a panel of three examiners. Similar to AFCP 2.0, the arguments would be considered an after-final response under 37 C.F.R. § 1.116 (thus no notice of appeal or corresponding fee), and the applicant could include a non-broadening amendment to the claims. Thus, if the rejections were upheld, the application would remain in after-final status rather than proceed to the PTAB. Unique to P3, however, the applicant would make an oral presentation to the panel. In contrast to the pre-appeal process described above, this opportunity to interact with the panel theoretically provided a huge advantage.

One peculiar limitation with P3 was that the P3 arguments had to be filed within two months of final rejection. It is unclear why this limitation existed. Hopefully, if the USPTO decides to re-institute a version of P3, the time limitation will be relaxed.

CONCLUSION

There are, of course, many more conventional ways to address an after-final application, such as requesting an examiner interview (always a good idea when budget allows), submitting a traditional after-final amendment, filing a

request for continued examination, or pursuing full appeal. These have their place, but because they constitute the meat-and-potatoes of after-final practice, these procedures have been well-studied and need not be addressed further here. Rather, we have presented some thoughts and tips on the alternatives: AFCP 2.0, PABC Pilot, and P3. With the exception of P3, which for the moment is no longer available and hopefully will return in some form, each can be a valuable (if specialized) tool when used properly. ■

1. After Final Consideration Pilot Program 2.0 Description and Memorandum of Understanding (http://popa.org/static/media/uploads/uploads/After_Final_Pilot_Agreement_09-23-2014.pdf), at 1. AFCP 2.0 is currently extended until September 30, 2017.
2. If the examiner does not have negotiation authority, another examiner will participate in the examiner interview should one occur. *Id.* at 2.
3. 78 Fed. Reg. 29117.
4. <https://www.uspto.gov/patent/initiatives/after-final-consideration-pilot-20>; After Final Consideration Pilot Program 2.0 Description and Memorandum of Understanding at 1-2.
5. <https://www.uspto.gov/patent/initiatives/after-final-consideration-pilot-20>
6. See, e.g., *U.S. Patent & Trademark Office, Examination Time and the Production System* (<https://www.uspto.gov/sites/default/files/Examination%20Time%20and%20the%20Production%20System.pdf>) at 19-20; *U.S. Patent & Trademark Office, FY 2011 Examiner Production Credits and Revisions to Examiner Expectancies* (<http://popa.org/static/media/uploads/Agreements/counts-counts-31aug2010.pdf>) at 2.
7. *Id.* at 14-20 [*Examination Time and the Production System*]
8. See, e.g., 14-20 [*Examination Time and the Production System*]; U.S. Department of Commerce, Office of Inspector General, Report IPE-15722 (available at http://www.americanbar.org/content/dam/aba/migrated/intelprop/109legis/CommerceDept_IGReportonPTO.authcheckdam.pdf).
9. *Examiner Production Credits*, at 2.
10. Applicants should receive a response within a month of filing the AFCP request. See, e.g., <https://www.uspto.gov/sites/default/files/afcp%202-0%20faq.pdf>.
11. <https://www.uspto.gov/sites/default/files/afcp%202-0%20faq.pdf>.
12. Practitioners sometimes misunderstand what “twice rejected” refers to. This requirement refers to twice rejecting the applicant’s request for a patent, rather than requiring that a particular individual claim must have itself been rejected twice. *Ex parte Lemoine*, 46 USPQ2d 1420 (BPAI 1994).
13. For additional details, see: <https://www.uspto.gov/web/offices/com/sol/og/2005/week28/patbref.htm>.
14. MPEP § 1204.02.
15. <https://www.uspto.gov/patent/initiatives/post-prosecution-pilot>.

BANNER & WITCOFF CONGRATULATES INNOVATIVE CLIENTS FOR APPEARANCES ON ABC’S “SHARK TANK”

Banner & Witcoff congratulates clients ReThink LLC and Guard Llama Inc. for their recent appearances on ABC’s “Shark Tank.”

Trisha Prabhu, a 16-year-old innovator, social entrepreneur and advocate from Naperville, Ill., appeared on “Shark Tank” on Sept. 23. She invented ReThink as a way to stop cyberbullying. When a teenager posts a message on social media, ReThink uses its context sensitive filtering technology to determine whether or not it is offensive and gives the teenager a chance to reconsider his or her decision.

Joe Parisi, the CEO of Chicago company, Guard Llama, appeared on “Shark Tank” on April 14. He founded his company to help people who are in danger but can’t call for help on their cell phone. By pressing a button on the Guard Llama, the device sends a signal to their phone via Bluetooth, and the phone then automatically sends the police their location.

Watch their episodes at abc.go.com/shows/shark-tank.