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37 CFR Parts 1 and 41

Rules of Practice Before the Board of Patent Appeals and Interferences in  
*Ex Parte* Appeals; Final Rule

## DEPARTMENT OF COMMERCE

## United States Patent and Trademark Office

## 37 CFR Parts 1 and 41

[No. PTO-P-2009-0021]

RIN 0651-AC37

Rules of Practice Before the Board of Patent Appeals and Interferences in *Ex Parte* Appeals

AGENCY: United States Patent and Trademark Office, Commerce.

ACTION: Final rule.

**SUMMARY:** The United States Patent and Trademark Office (USPTO or Office) amends the rules governing practice before the Board of Patent Appeals and Interferences (Board or BPAI) in *ex parte* patent appeals. The Office amends the rules to: Remove several of the briefing requirements for an appeal brief, provide for the Board to take jurisdiction over the appeal earlier in the appeal process, no longer require examiners to acknowledge receipt of reply briefs, create specified procedures under which an appellant can seek review of an undesignated new ground of rejection in either an examiner's answer or in a Board decision, provide that the Board will presume that the appeal is taken from the rejection of all claims under rejection unless cancelled by an applicant's amendment, and clarify that, for purposes of the examiner's answer, any rejection that relies upon Evidence not relied upon in the Office action from which the appeal is taken shall be designated as a new ground of rejection. The Office also withdraws a previously published final rule that never went into effect.

**DATES:** *Effective Date:* This rule is effective on January 23, 2012 except withdrawal of the final rule published June 10, 2008 (73 FR 32938) and delayed indefinitely on December 10, 2008 (73 FR 74972) is effective November 22, 2011.

*Applicability Date:* This rule is applicable to all appeals in which a notice of appeal is filed on or after January 23, 2012.

**FOR FURTHER INFORMATION CONTACT:** Linda Horner, Administrative Patent Judge, Board of Patent Appeals and Interferences, by telephone at (571) 272-9797, or by mail addressed to: Mail Stop Interference, Director of the United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313-1450, marked to the attention of Linda Horner.

**SUPPLEMENTARY INFORMATION:****Background**

On July 30, 2007, the Office published a notice of proposed rulemaking governing practice before the Board in *ex parte* patent appeals (72 FR 41472 (July 30, 2007)). The notice was also published in the Official Gazette. 1321 Off. Gaz. Pat. Office 95 (Aug. 21, 2007). The public was invited to submit written comments. Comments were to be received on or before September 28, 2007.

On June 10, 2008, a final rulemaking was then published in the **Federal Register** (73 FR 32938 (June 10, 2008)). This final rule stated that the effective and applicability date was December 10, 2008. On June 9, 2008, the Office published a 60-day **Federal Register** notice (73 FR 32559 (June 9, 2008)) requesting the Office of Management and Budget (OMB) establish a new information collection for BPAI items in the final rule and requesting public comment on the burden impact of the final rule under the provisions of the Paperwork Reduction Act (PRA). On October 8, 2008, the Office published a 30-day **Federal Register** notice (73 FR 58943 (Oct. 8, 2008)) stating that the proposal for the collection of information under the final rule was being submitted to OMB and requesting that comments on the proposed information collection be submitted to OMB. Because the information collection process had not been completed by the original effective and applicability date of the final rule, the Office published a **Federal Register** notice (73 FR 74972 (Dec. 10, 2008)) notifying the public that the effective and applicability date of the final rule was not December 10, 2008, and that the effective and applicability date would be delayed until a subsequent notice.

On January 20, 2009, the Assistant to the President and Chief of Staff instructed agencies via a memorandum entitled, "Regulatory Review," (74 FR 4435 (Jan. 26, 2009)) to consider seeking comments for an additional 30 days on rules that were published in the **Federal Register** and had not yet become effective by January 20, 2009. On January 21, 2009, the Office of Management and Budget issued a memorandum entitled, "Implementation of Memorandum Concerning Regulatory Review," (available at [http://www.whitehouse.gov/sites/default/files/omb/assets/agencyinformation\\_memoranda\\_2009\\_pdf/m09-08.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/agencyinformation_memoranda_2009_pdf/m09-08.pdf)) which provided agencies further guidance on such rules that had not yet taken effect. For such rules, both memoranda stated that agencies should consider reopening

the rulemaking process to review any significant concerns involving law or policy that have been raised.

On December 22, 2009, the Office published an Advance Notice of Proposed Rulemaking (ANPRM) proposing further modifications to the indefinitely delayed 2008 final rule and seeking public comment via a public roundtable and written comment (74 FR 67987 (Dec. 22, 2009)).

In light of the comments received to these notices, the Office then published a notice of proposed rulemaking (NPRM) in the **Federal Register** (75 FR 69828 (Nov. 15, 2010)), which proposed to rescind the indefinitely delayed 2008 final rule and proposed new changes to the rules of practice before the Board in *ex parte* appeals. The public was invited to submit written comments. Comments were to be received on or before January 14, 2011. Comments received on or before January 14, 2011, were considered.

The Office also considered three comments received after January 14, 2011. The Office now publishes this final rule taking into consideration the comments received to the NPRM.

The Office received a comment offering an alternative rendition of the procedural history of these rules and claiming that OMB rejected the Office's original Information Collection Request. The Preamble of the NPRM accurately reflects the history of this rule. Accordingly, no changes have been made to the description of the procedural history in the Preamble of the final rule. Furthermore, OMB approved the Office's original Information Collection Request. See *Notice of Office of Management and Budget Action*, ICR Ref. No. 200809-0651-003 (Dec. 22, 2009), <http://www.reginfo.gov/public/do/PRAMain> hyperlink; then search 0651-0063; then follow "Approved with change" hyperlink. OMB has also pre-approved the Information Collection Request associated with these final rules. See *Notice of Office of Management and Budget Action*, ICR Ref. No. 201010-0651-001 (Jan. 4, 2011), <http://www.reginfo.gov/public/do/PRAMain> hyperlink; then search 0651-0063; then follow "Preapproved" hyperlink.

The Office received two comments suggesting that the Board already implemented the delayed 2008 final rule (73 FR 32938 (June 10, 2008)), implementation of which was indefinitely delayed by 73 FR 74972 (Dec. 10, 2008)). This is not true. The Office has not implemented the indefinitely delayed 2008 final rule.

One commenter suggested that the fact that the Board sometimes has stated

that an appellant must “map claims” indicates the delayed 2008 final rule is already in effect. Since 2004, the Office has used this language to indicate that the appellant had not explained the subject matter defined in each independent claim by reference to the specification by page and line number, and to the drawing, if any, by reference characters, as required by the 2004 regulations. The delayed 2008 regulations required annotation in addition to mapping. Those regulations have not been implemented or enforced with respect to any applicant. Another commenter suggested that the indefinitely delayed 2008 regulations must be in effect because the 2004 regulations permitted applicants to raise arguments in either the appeal brief or reply brief. This is an incorrect reading of the 2004 regulations. The inability to raise new arguments in a reply brief is inherent in the nature of a reply brief; it must reply to either an argument or response in an answer or the failure to include a response in an answer. The indefinitely delayed 2008 regulations made this requirement clearer, but it has always been a requirement.

The Board rules as published in 37 CFR 41.1–41.81 (2010) will remain in effect until the changes set forth in the instant final rule take effect on the effective date. The Office also withdraws the indefinitely delayed 2008 final rule (73 FR 32938 (June 10, 2008)) that never went into effect. Therefore, any appeal brief filed in an application or *ex parte* reexamination proceeding in which a notice of appeal is filed on or after the instant effective date must be filed in compliance with final Bd.R. 41.37 set forth in this final rule.

### Purposes for the Rule Changes

One purpose of this final rule is to ensure that the Board has adequate information to decide *ex parte* appeals on the merits, while not unduly burdening appellants or examiners with unnecessary briefing requirements. In particular, the goal of this final rule is to effect an overall lessening of the burden on appellants and examiners to present an appeal to the Board. For example, statements of the status of claims, the status of amendments, and the grounds of rejection to be reviewed on appeal are no longer required in the appeal brief (final Bd.R. 41.37) or in the examiner’s answer. Similarly, the final rule no longer requires appellants to file an evidence appendix or a related proceedings appendix (final Bd.R. 41.37). Because much of this information is already available in the Image File Wrapper, it is unnecessary for appellants or examiners to provide

this information to the Board. Moreover, by eliminating these briefing requirements, the Office expects to reduce the number of non-compliant appeal briefs and the number of examiner’s answers returned to the examiner due to non-compliance, which are a significant cause of delays on appeal. See *USPTO, Top Eight Reasons Appeal Briefs are Non-Compliant*, [http://www.uspto.gov/ip/boards/bpai/procedures/top\\_8\\_reasons\\_appeal\\_brf\\_dec09.pdf](http://www.uspto.gov/ip/boards/bpai/procedures/top_8_reasons_appeal_brf_dec09.pdf).

Another purpose of this final rule is to eliminate any gap in time from the end of briefing to the commencement of the Board’s jurisdiction. For example, under the final rule, the Board takes jurisdiction upon the earlier of the filing of a reply brief or the expiration of the time in which to file a reply brief (final Bd.R. 41.35(a)). Examiners are no longer required to acknowledge receipt of the reply brief (Bd.R. 41.43 [removed]).

The final rule is also intended to clarify and simplify petitions practice on appeal. For example, except under limited circumstances, any information disclosure statement or petition filed while the Board possesses jurisdiction over the proceeding will be held in abeyance until the Board’s jurisdiction ends (final Bd.R. 41.35(d)). Also, in response to public comments, and based on a comprehensive survey of case law from the United States Court of Appeals for the Federal Circuit (Federal Circuit) and United States Court of Customs and Patent Appeals (CCPA), the Office will provide improved guidance in the Manual of Patent Examining Procedure (MPEP), discussed *infra*, as to what constitutes a new ground of rejection in an examiner’s answer. The final rule explicitly sets forth the procedure under which an appellant can seek review of the Office’s failure to designate a new ground of rejection in either an examiner’s answer (final Bd.R. 41.40) or in a Board decision (final Bd.R. 41.50(c)).

Another purpose of this final rule is to reduce confusion as to which claims are on appeal. For example, under the final rule, the Board will presume that the appeal is taken from the rejection of all claims under rejection unless cancelled by an applicant’s amendment (final Bd.R. 41.31(c)). This rule simplifies practice for appellants who seek review of all claims under rejection—the majority of appellants—by obviating the need to enumerate the rejected claims that are being appealed. Under the previous practice, if an appellant incorrectly listed the claims on appeal, or was silent in the brief as to some of the claims under rejection, then the Office assumed that such

claims were not on appeal, and noted that those non-appealed claims should be cancelled by the examiner. *Ex parte Ghuman*, 88 USPQ2d 1478, 2008 WL 2109842 (BPAI 2008) (precedential) (holding that when appellant does not appeal some of the claims under rejection and does not challenge the Examiner’s rejection of these claims, the Board will treat these claims as withdrawn from the appeal, which operates as an authorization for the Examiner to cancel those claims from the application). This final rule avoids the unintended cancellation of claims by the Office due to appellant’s mistake in the listing of the claims in either the notice of appeal or in the appeal brief. This final rule replaces the Office’s procedure under *Ghuman* and also simplifies practice for examiners by no longer requiring examiners to cancel non-appealed claims.

The Supplementary Information in this notice provides: (1) An explanation of the final rule, (2) a discussion of the differences between the final rule and the proposed rule, (3) a discussion of the comments received to the NPRM, (4) a discussion of rule making considerations and comments received regarding the discussion of rule making considerations in the NPRM and (5) a copy of the amended regulatory text.

Rules in 37 CFR part 1 are denominated as “Rule x” in this supplementary information. A reference to Rule 1.136(a) is a reference to 37 CFR 1.136(a) (2010).

Rules in 37 CFR part 11 are denominated as “Rule x” in this supplementary information. A reference to Rule 11.18(a) is a reference to 37 CFR 11.18(a) (2010).

Rules in 37 CFR part 41 are denominated as “Bd.R. x” in this supplementary information. For example, a reference to Bd.R. 41.3 is a reference to 37 CFR 41.3 (2010) (as first published in 69 FR 50003 (August 12, 2004)).

Changes proposed in the NPRM are denominated as “proposed Bd.R. x” in this supplementary information. A reference to “proposed Bd.R. 41.30” is a reference to the proposed rule as set forth in 75 FR 69828, 69846 (Nov. 15, 2010).

Final rules are denominated as “final Bd.R. x” in this supplementary information. A reference to final Bd.R. x is a reference to the rule that will take effect on the effective date of this final rule.

The Board has jurisdiction to consider and decide *ex parte* appeals in patent applications (including reissue, design and plant patent applications) and *ex parte* reexamination proceedings.

The final rule does not change any of the rules relating to *inter partes* reexamination appeals. Nor does the final rule change any of the rules relating to contested cases.

For purposes of the NPRM, some paragraphs that were proposed to be deleted were shown as “reserved.” These “reserved” paragraphs have been deleted entirely in the final rule, and the remaining paragraphs in each section have been renumbered, as appropriate.

### Explanation of the Final Rule

The notable changes to the rules are: (1) The Board will presume that an appeal is taken from the rejection of all claims under rejection unless cancelled by an amendment filed by appellant (final Bd.R. 41.31(c)); (2) the Board will take jurisdiction upon the filing of a reply brief or the expiration of time in which to file such a reply brief, whichever is earlier (final Bd.R. 41.35(a)); (3) the requirements to include statements of the status of claims, status of amendments, and grounds of rejection to be reviewed on appeal and the requirements to include an evidence appendix and a related proceedings appendix are eliminated from the appeal brief (final Bd.R. 41.37(c)); (4) the Board may apply default assumptions if a brief omits a statement of the real party-in-interest or a statement of related cases (final Bd.R. 41.37(c)(1)(i) and (ii)); (5) for purposes of the examiner’s answer, any rejection that relies upon Evidence not relied upon in the Office action from which the appeal is taken (as modified by any advisory action) shall be designated as a new ground of rejection (final Bd.R. 41.39(a)(2)); (6) an appellant can await a decision on a petition seeking review of an examiner’s failure to designate a rejection in the answer as a new ground of rejection prior to filing a reply brief (final Bd.R. 41.40) and thereby avoid having to file a request for extension of time in which to file the reply brief; and (7) the examiner’s response to a reply brief is eliminated (final Bd.R. 41.43 [removed]). A more detailed discussion of the final rule follows.

Further information relevant to particular rules appears in the analysis of comments portion of this final rule.

### Part 1

#### Termination of Proceedings

Final Rule 1.197 revises the title of this section and deletes paragraph (a), the provision that sets forth when the jurisdiction passes from the Board to the examiner after a decision has been issued by the Board. The operative language of this paragraph has been

incorporated into final Bd.R. 41.54, except that “transmittal of the file” has been omitted. Most patent application files are electronic files (Image File Wrapper files), not paper files. Accordingly, a paper file is no longer “transmitted” to the examiner. The changes to final Rule 1.197 and final Bd.R. 41.54 are intended to more accurately reflect the fact that files are handled electronically within the Office, and do not imply that there would be a change in the practice for passing jurisdiction back to the examiner after decision by the Board—the process remains the same under the final rule.

### Part 41

#### Authority

The listing of authority for Part 41 is revised to add references to 35 U.S.C. 132, 133, 306, and 315. Section 132 states that the Director shall prescribe regulations to provide for the continued examination of applications for patent at the request of the applicant. Section 133 provides that upon failure of the applicant to prosecute the application within six months after any action therein, the application shall be regarded as abandoned. Section 306 establishes the patent owner’s right to appeal in an *ex parte* reexamination proceeding. Section 315 establishes the right to appeal in an *inter partes* reexamination proceeding.

### Subpart A

#### Citation of Authority

Bd.R. 41.12 is amended by deleting the following requirements: (1) To cite to particular case law reporters, and (2) to include parallel citations to multiple reporter systems. Because members of the Board have access to both the West Reporter System and the United States Patents Quarterly, it is unnecessary for appellants to cite to both reporters. The rule indicates a Board preference, not a requirement, for citations to certain reporters and for limited use of non-binding authority. The requirement to include pinpoint citations, whenever a specific holding or portion of an authority is invoked, is retained.

The final rule states that appellants should provide a copy of an authority if the authority is not an authority of the Office and is not reproduced in the United States Reports or the West Reporter System. This provision is designed to ensure that a full record is before the judges to allow an efficient and timely decision to be made on the merits of the case. A BPAI precedential decision is binding on the Board and is considered an “authority of the Office”

and thus does not fall within the ambit of final Bd.R. 41.12(d).

### Subpart B

#### Definitions

Bd.R. 41.30 is amended to add a definition of “Record” so that, when subsequent sections of Subpart B refer to the “Record”, it is clear what constitutes the official record on appeal. The final rule states that the official record contains the items listed in the content listing of the Image File Wrapper or the official file of the Office if other than the Image File Wrapper, excluding any amendments, Evidence, or other documents that were not entered. Because an examiner’s refusal to enter an amendment, Evidence, or other documents is a petitionable matter that is not subject to review by the Board, the exclusion of such un-entered documents from the definition of “Record” reflects the fact that the Board’s review of patentability determinations is properly based on the record of all entered documents in the file. An information disclosure statement or petition that is held in abeyance while the Board possesses jurisdiction over the proceeding is not an entered document and therefore is excluded from the definition of “Record” until such time as it is entered. The definition of “Record” includes the items listed in the content listing of the Image File Wrapper because, in some cases, physical items that form part of the official file are not able to be scanned into the Image File Wrapper and are maintained elsewhere, such as in an artifact file. Some examples of such items include original drawings in design patent applications and sequence listings. In such cases, the Image File Wrapper will include an entry in the content listing that points to this artifact file. The final rule further clarifies that in the case of an issued patent being reissued or reexamined, the Record further includes the Record of the patent being reissued or reexamined. The Office further notes that all references listed on an Information Disclosure Statement (*i.e.*, PTO–Form PTO/SB/08a or 08b), which have been indicated as having been considered by the examiner, or listed on a PTO–Form 892 are included in the definition of Record even if each of the so listed references does not separately appear in the content listing of the Image File Wrapper.

Final Bd.R. 41.30 adopts the definition of “Evidence” from Black’s Law Dictionary to provide clarity regarding the use of that term in Subpart B. Toward that end, final Bd.R. 41.30

makes clear that for the purposes of Subpart B, “Evidence” does not encompass dictionaries. Excluding dictionaries from the definition of “Evidence” thus allows appellants to refer to dictionaries in their briefs, which would otherwise be precluded under final Bd.R. 41.33(d)(2) (absent exceptions). It further allows examiners to refer to dictionaries in the examiner’s answers without automatically rendering a rejection a new ground under final Bd.R. 41.39(a)(2). Treating dictionaries in this manner is consistent with Supreme Court and Federal Circuit precedent, which contemplate that such materials may be consulted by tribunals “at any time.” *See, e.g., Nix v. Hedden*, 149 U.S. 304, 307 (1893) (citations omitted) (admitting dictionaries to understand the ordinary meaning of terms “not as evidence, but only as aids to the memory and understanding of the court”); *Phillips v. AWH Corp.*, 415 F.3d 1303, 1322–23 (Fed. Cir. 2005) (*en banc*) (“[J]udges are free to consult dictionaries and technical treatises at any time in order to better understand the underlying technology and may also rely on dictionary definitions when construing claim terms, so long as the dictionary definition does not contradict any definition found in or ascertained by a reading of the patent documents.”) (citation omitted); *In re Boon*, 439 F.2d 724, 727–28 (CCPA 1971) (holding citation to dictionary was not tantamount to the assertion of a new ground of rejection “where such a reference is a standard work, cited only to support a fact judicially noticed and, as here, the fact so noticed plays a minor role, serving only to fill in the gaps which might exist in the evidentiary showing made by the Examiner to support a particular ground for rejection.” (emphasis and internal quotations omitted)). Thus, the Office feels it is logical to permit the applicant and examiner to submit them to the Board during the briefing stage.

#### *Appeal to the Board*

Bd.R. 41.31(a) is amended to add preamble language to make clear that an appeal to the Board is taken by filing a notice of appeal. This change is not intended to change the current practice of the Office. The Office continues to require appellants to file a notice of appeal in order to appeal an adverse decision of the examiner to the Board.

Bd.R. 41.31(b) is amended to make clear that the signature requirements of Rules 1.33 and 11.18(a) do not apply to the notice of appeal. This change adds a reference to Rule 11.18(a) to avoid any conflict between the rules of practice in

*ex parte* appeals and the rules governing practice by registered practitioners before the Office.

Bd.R. 41.31(c) is amended so that an appeal, when taken, is presumed to seek review of all of the claims under rejection unless claims are cancelled by an amendment filed by the applicant and entered by the Office. This change obviates the need for the majority of appellants who seek review of all claims under rejection to affirmatively state (in the notice of appeal and/or in the status of claims section of the appeal brief) which claims are on appeal. Rather, under final Bd.R. 41.31(c), the Board presumes that an appellant intends to appeal all claims under rejection except for those that have been cancelled. This change avoids the unintended cancellation of claims by the Office due to an appellant’s mistake in the listing of the claims in either the notice of appeal or in the appeal brief. Under previous practice, if an appellant incorrectly listed the claims on appeal, or was silent in the brief as to any of the claims under rejection, then the Office often assumed that such claims were not on appeal, and noted that those non-appealed claims should be cancelled by the examiner. *Ex parte Ghuman*, 88 USPQ2d 1478, 2008 WL 2109842 (BPAI 2008) (precedential) (holding that when appellant does not appeal some of the claims under rejection and does not challenge the Examiner’s rejection of these claims, the Board will treat these claims as withdrawn from the appeal, which operates as an authorization for the Examiner to cancel those claims from the application). The final rule avoids potential unintended cancellation of claims due to oversight or mistake by appellants in listing the claims on appeal. This final rule replaces the Office’s procedure under *Ghuman* and simplifies practice for examiners by no longer requiring examiners to cancel non-appealed claims. Any appellant who wishes to appeal fewer than all rejected claims should file an amendment cancelling the non-appealed claims. If an appellant does not file an amendment cancelling claims that the appellant does not wish to appeal, but then also fails to provide any argument in the appeal brief directed to those claims, then the Board has discretion to simply affirm any rejections against such claims. *See, e.g., Hyatt v. Dudas*, 551 F.3d 1307, 1314 (Fed. Cir. 2008) (appellant waives any argument about a ground of rejection that he or she does not contest on appeal to the Board, and the Board may simply affirm the rejection).

#### *Amendments and Affidavits or Other Evidence After Appeal*

The title of Bd.R. 41.33 is revised by replacing “evidence” with “Evidence” to refer to the definition added in final Bd.R. 41.30.

Bd.R. 41.33(c) is revised to delete the cross-reference to Bd.R. 41.50(c). As noted *infra*, Bd.R. 41.50(c) is amended so that it is no longer applicable to final Bd.R. 41.33(c).

Bd.R. 41.33(d)(1) is revised to replace “evidence” with “Evidence” to refer to the definition added in final Bd.R. 41.30.

Bd.R. 41.33(d)(2) is revised to replace “evidence” with “Evidence” to refer to the definition added in final Bd.R. 41.30.

Bd.R. 41.33 is not substantively changed except as to submission of dictionaries after the date of filing an appeal. Both Bd.R. 41.33 and final Bd.R. 41.33 otherwise restrict the types of amendments and evidence that can be filed after the date of filing an appeal. This approach is designed to promote efficiency of the Board in its review by ensuring that the Board has the benefit of the examiner’s final evaluation of the weight and sufficiency of any evidence relied upon by appellants prior to the Board rendering a decision on appeal.

#### *Jurisdiction Over Appeal*

Bd.R. 41.35(a) is amended to add a heading and to provide that jurisdiction over the appeal passes to the Board upon the filing of a reply brief or the expiration of the time in which to file such a reply brief, whichever is earlier. This change is necessary because Bd.R. 41.35(a) provides that the Board acquires jurisdiction upon transmittal of the file to the Board. The large majority of patent application files are electronic files (Image File Wrapper files), not paper files. Accordingly, in most cases a paper file is no longer “transmitted” to the Board.

The Board intends to continue sending a docket notice as a courtesy to appellants to indicate that the Board has assigned an appeal number to the appeal. By having the Board’s jurisdiction commence immediately upon the filing of a reply brief or the expiration of the time in which to file such a reply brief, the Board must take no affirmative steps prior to assuming jurisdiction and no gap in time will exist from the end of the briefing to the commencement of jurisdiction by the Board.

Bd.R. 41.35(b) is amended by moving some text to final Bd.R. 41.35(e), adding a new paragraph, and by adding new text to make clear when the Board’s

jurisdiction ends so that no gaps in time exist between the end of the Board's jurisdiction and further action by the examiner.

Bd.R. 41.35(c) is amended to add a heading and a cross-reference to a relevant section of the rule.

Final Bd.R. 41.35(d) is added to provide that, except for petitions authorized by part 41 of this title, the Board will not return or remand an application for consideration of an information disclosure statement or a petition filed while the Board possesses jurisdiction, and that consideration of such filings will be held in abeyance until the Board's jurisdiction ends. The Board's jurisdiction begins upon the filing of the reply brief or upon the expiration of the time for filing a reply brief. Therefore, under both Bd.R. 41.33(d)(2) and final Bd.R. 41.33(d)(2), the filing of an information disclosure statement during the Board's jurisdiction constitutes the introduction of untimely Evidence before the Board. Similarly, because Rule 1.181 provides that petitions must be filed within two months of the mailing date of the action or notice from which relief is requested, and because the Board's jurisdiction begins up to two months after the mailing date of the examiner's answer (assuming no petition under Rule 1.181 is filed), it follows that all petitions relating to the examination phase of the application or reexamination proceeding ought to be filed prior to the time the Board takes jurisdiction. It is in the interest of compact prosecution that the Office not delay a decision on appeal for consideration of untimely Evidence and petitions. Final Bd.R. 41.35(d) excludes "petitions authorized by this part." For example, petitions authorized by part 41 include petitions under Bd.R. 41.3 to the Chief Administrative Patent Judge.

Final Bd.R. 41.35(e) is added with a new heading and it contains the text previously in Bd.R. 41.35(b). This provision gives the Board the authority to return an appeal to the examiner if the Board deems that a file is not complete or is not in compliance with the requirements of Subpart B.

*Appeal Brief—Timing and Fee; and Failure to File a Brief*

Bd.R. 41.37(a) and (b) are amended by adding new headings.

*Appeal Brief—Content of Appeal Brief—Preamble*

Bd.R. 41.37(c)(1) is amended to add a heading, and to add the introductory phrase "Except as otherwise provided in this paragraph" to clarify that several of the content requirements listed in

paragraph (c)(1) contain exceptions that may result in an appeal brief containing fewer than all items listed in paragraph (c)(1). Bd.R. 41.37(c)(1) is further amended to correct the cross-references in light of further changes to this section, discussed *infra*.

*Appeal Brief—Content of Appeal Brief—Real Party in Interest*

Bd.R. 41.37(c)(1)(i) is amended to provide that the statement identifying the real party in interest should be accurate as of the date of filing of the appeal brief. Bd.R. 41.37(c)(1)(i) is also amended to allow the Board to assume that, if the statement of real party in interest is omitted from the appeal brief, then the named inventors are the real party in interest. This final rule states that the Office "may" make the assumption. Thus, the Office is not required to make the assumption if it is aware of information to the contrary. These changes are intended to decrease the burden on appellants by allowing appellants to omit this statement if the named inventors are the real party in interest. The purpose of this section is to enable judges to determine whether they have a conflict of interest with the real parties in the case and then to appropriately recuse themselves if such a conflict of interest is found. The information required in final Bd.R. 41.37(c)(1)(i) is the minimum information needed by the Board to effectively make this determination.

*Appeal Brief—Content of Appeal Brief—Related Appeals and Interferences*

Bd.R. 41.37(c)(1)(ii) is amended to limit the required disclosure of related appeals, interferences and judicial proceedings (collectively "related cases") to only those which: (1) Involve an application or patent owned by the appellant or assignee, (2) are known to appellant, the appellant's legal representative, or assignee, and (3) may be related to, directly affect or be directly affected by, or have a bearing on the Board's decision. Bd.R. 41.37(c)(1)(ii) is also amended to allow appellants to omit the statement entirely if there are no such related cases, and to provide a default assumption for the Office in the event the statement is omitted, so that a statement that there are "no known related cases" is not required and that fact "may" be inferred from the absence of a statement. The final rule also no longer requires filing of copies of decisions in related cases.

*Appeal Brief—Content of Appeal Brief—Status of Claims [Deleted]*

Bd.R. 41.37(c)(1)(iii) is amended to delete the requirement for the appeal

brief to contain an indication of the status of claims.

*Appeal Brief—Content of Appeal Brief—Status of Amendments [Deleted]*

Bd.R. 41.37(c)(1)(iv) is amended to delete the requirement for the appeal brief to contain an indication of the status of amendments filed subsequent to final rejection.

*Appeal Brief—Content of Appeal Brief—Summary of Claimed Subject Matter*

Bd.R. 41.37(c)(1)(v) is renumbered as final Bd.R. 41.37(c)(1)(iii) and is further amended to require that appellants provide a concise explanation of the subject matter defined in each of "the rejected independent claims" rather than "each of the independent claims involved in the appeal." Similarly, final Bd.R. 41.37(c)(1)(iii) is amended to further require that the concise explanation identify the corresponding structure, material, or acts for each "rejected independent claim" when the claim contains a means or step plus function recitation as permitted by 35 U.S.C. 112, sixth paragraph. Under final Bd.R. 41.31(c), discussed *supra*, the Board will presume that all rejections made in the Office Action from which the appeal was taken are before it on appeal, unless appellant cancels the claim(s) subject to a particular rejection. Final Bd.R. 41.37(c)(1)(iii) also maintains the requirement that the concise explanation identify the corresponding structure, material, or acts for each dependent claim argued separately when the claim contains a means or step plus function recitation as permitted by 35 U.S.C. 112, sixth paragraph.

Final Bd.R. 41.37(c)(1)(iii) is further amended to require that the concise explanation refer to the specification "in the Record" by page and line number "or by paragraph number." The change incorporates the definition of *Record* from final Bd.R. 41.30 and makes clear that reference to the specification by paragraph number in lieu of page and line number is permissible.

Additionally, final Bd.R. 41.37(c)(1)(iii) is amended to clarify that reference to the pre-grant patent application publication is not sufficient to satisfy the requirements of the summary of claimed subject matter.

*Appeal Brief—Content of Appeal Brief—Grounds of Rejection to be Reviewed on Appeal [Removed]*

Bd.R. 41.37(c)(1)(vi) which required appellants to provide a statement of the grounds of rejection from the brief is removed. Under final Bd.R. 41.31(c), discussed *supra*, the Board will

presume that all claims under rejection are before it on appeal, unless applicant cancels the claim(s) subject to a particular rejection. Under final Bd.R. 41.39(a)(1), discussed *infra*, the examiner's answer is deemed to incorporate all of the grounds of rejection set forth in the Office action from which the appeal is taken (as modified by any advisory action and pre-appeal brief conference decision), unless the answer expressly withdraws a ground of rejection. Moreover, under final Bd.R. 41.37(c)(1)(iv), discussed *infra*, the headings of the argument section of the brief shall reasonably identify the ground of rejection being contested. Therefore, it is unnecessary for the appeal brief to contain a separate statement of the grounds of rejection on appeal.

#### *Appeal Brief—Content of Appeal Brief—Argument*

Bd.R. 41.37(c)(1)(vii) is renumbered as final Bd.R. 41.37(c)(1)(iv). Subparagraph (vii) is deleted. Final Bd.R. 41.37(c)(1)(iv) is amended to clarify that the argument section should specifically explain why the examiner erred as to each ground of rejection contested by appellants. The final rule also provides that, except as provided for in final Bd.R. 41.41, 41.47, and 41.52, any arguments not included in the appeal brief will not be considered by the Board “for purposes of the present appeal.” Additionally, final Bd.R. 41.37(c)(1)(iv) further requires that each ground of rejection argued be set forth in a separate section with a heading that reasonably identifies the ground being argued therein. Further, the final rule requires that any claim(s) argued separately or as a subgroup be placed under a separate subheading that identifies the claim(s) by number.

The Board will treat as waived, for purposes of the present appeal, any arguments not raised by appellant. See *Hyatt v. Dudas*, 551 F.3d 1307, 1313–14 (Fed. Cir. 2008) (the Board may treat arguments appellant failed to make for a given ground of rejection as waived); *In re Watts*, 354 F.3d 1362, 1368 (Fed. Cir. 2004) (declining to consider the appellant's new argument regarding the scope of a prior art patent when that argument was not raised before the Board); and *In re Schreiber*, 128 F.3d 1473, 1479 (Fed. Cir. 1997) (declining to consider whether prior art cited in an obviousness rejection was non-analogous art when that argument was not raised before the Board).

The final rule permits the Board to refuse to consider arguments not raised in the appeal brief, except as provided in final Bd.R. 41.41, 41.47, and 41.52.

This language in the final rule is substantially the same as in Bd.R. 41.37(c)(1)(vii), which states that “[a]ny arguments or authorities not included in the brief or a reply brief filed pursuant to § 41.41 will be refused consideration by the Board, unless good cause is shown.” Final Bd.R. 41.41, 41.47, and 41.52 have provisions allowing certain new arguments in reply briefs, at oral hearing, or in requests for rehearing which ensure that appellants have a full and fair opportunity to be heard before the Board. The final rule clarifies that the Board's right to refuse consideration of arguments not raised is “for purposes of the present appeal” so as to clarify that such right of refusal does not extend to subsequent Board appeals in the same or related applications. See *Abbott Labs. v. TorPharm, Inc.*, 300 F.3d 1367, 1379 (Fed. Cir. 2002) (“[P]recedent has long supported the right of an applicant to file a continuation application despite an unappealed adverse Board decision, and to have that application examined on the merits. Where the Patent Office has reconsidered its position on patentability in light of new arguments or evidence submitted by the applicant, the Office is not forbidden by principles of preclusion to allow previously rejected claims.” (internal citation omitted)).

Final Bd.R. 41.37(c)(1)(iv) is also amended to clarify the proper use of headings and to require the use of subheadings in order to clearly set out the ground of rejection and the specific claims to which each argument presented applies. These headings and subheadings will make certain that arguments are not overlooked by the examiner or the Board. The content requirements of this paragraph will not be interpreted as requiring verbatim recitation of the ground being contested and briefs will not be held non-compliant for minor formatting issues.

#### *Appeal Brief—Content of Appeal Brief—Claims Appendix*

Bd.R. 41.37(c)(1)(viii) is renumbered as final Bd.R. 41.37(c)(1)(v). Subparagraph (viii) is deleted. Final Bd.R. 41.37(c)(1)(v) is identical to Bd.R. 41.37(c)(1)(viii) and requires appellants to include a claims appendix with the appeal brief containing “a copy of the claims involved in the appeal.” Because final Bd.R. 41.31(c) requires the Board to presume that all rejections made in the Office Action from which the appeal was taken are before it on appeal unless appellant cancels the claim(s) subject to a particular rejection, the claims appendix must include all claims under rejection in the Office action from

which the appeal is taken unless cancelled by an amendment filed by the applicant and entered by the Office.

#### *Appeal Brief—Content of Appeal Brief—Evidence Appendix*

Bd.R. 41.37(c)(1)(ix), which required appellants to include an evidence appendix with the brief, is deleted.

While it is no longer a requirement to include an evidence appendix, the Office strongly encourages and appreciates receiving copies of the evidence relied upon (e.g., copies of declarations and affidavits, evidence of secondary considerations, etc.). This ensures that the Board is considering the proper evidence and avoids any confusion as to the particular evidence referenced in the appeal brief. In the alternative, the Board recommends that appellants clearly identify in the appeal brief the evidence relied upon using a clear description of the evidence along with the date of entry of such evidence into the Image File Wrapper.

#### *Appeal Brief—Content of Appeal Brief—Related Proceedings Appendix*

Bd.R. 41.37(c)(1)(x), which required appellants to include a related proceedings appendix with the brief, is deleted.

While it is no longer a requirement to include a related proceedings appendix, the Office appreciates receiving copies of decisions or relevant papers from related proceedings. This ensures that the Board can efficiently consider the related proceedings information. In the alternative, the Board recommends that appellants clearly identify in the appeal brief any decisions or relevant documents from related proceedings using a clear description of the related proceeding, so that the Board can quickly and efficiently obtain copies of any such relevant documents.

#### *Appeal Brief—New or Non-Admitted Amendments or Evidence*

Bd.R. 41.37(c)(2) is amended to add a sentence to make clear in the rule the current Office procedure for review of an examiner's refusal to admit an amendment or Evidence by petition to the Director under Rule 1.181. Final Bd.R. 41.37(c)(2) further replaces instances of “evidence” with “Evidence” where appropriate to incorporate the definition of “Evidence” provided in final Bd.R. 41.30.

#### *Appeal Brief—Notice of Non-Compliance*

Bd.R. 41.37(d) is amended to add a heading and to provide that under the Office's new streamlined procedure for review of *ex parte* appeal briefs for

compliance with the rule, review of a determination of non-compliant appeal brief should be requested via a petition to the Chief Administrative Patent Judge under Bd.R. 41.3.

#### *Appeal Brief—Extensions of Time*

Bd.R. 41.37(e) is amended to add a heading.

#### *Examiner's Answer*

Bd.R. 41.39(a) is amended to add a heading and preamble.

Bd.R. 41.39(a)(1) is amended to provide that the examiner's answer, by default, incorporates all the grounds of rejection set forth in the Office action which is the basis for the appeal, including any modifications made via advisory action or pre-appeal brief conference decision, except for any grounds of rejection indicated by the examiner as withdrawn in the answer. Bd.R. 41.39(a)(1) is also amended to delete the requirement that the answer include an explanation of the invention claimed and of the grounds of rejection, since the Board will rely on appellant's specification and summary of claimed subject matter for an explanation of the invention claimed and will rely on the statement of the rejection(s) in the Office action from which the appeal is taken, as modified by advisory action or pre-appeal brief conference decision. In light of the streamlined review of appeal briefs for compliance with the rules, Bd.R. 41.39(a)(1) is further amended to delete the requirement for the primary examiner to make any determination that an appeal does not comply with the provisions of final Bd.R. 41.31 and 41.37.

Bd.R. 41.39(a)(2) is amended to provide that if a rejection set forth in the answer relies on any Evidence not relied on in the Office action from which the appeal is taken, then the rejection must be designated as a new ground of rejection, and any answer that contains such a new ground of rejection must be approved by the Director. The Director may choose to delegate this authority as appropriate. Bd.R. 41.39(a)(2), as amended, refers to "Evidence" as defined in final Bd.R. 41.30.

Bd.R. 41.39(b) is amended to add a heading.

Bd.R. 41.39(b)(1) is amended to replace instances of "evidence" with "Evidence" where appropriate to refer to "Evidence" as defined in final Bd.R. 41.30.

Bd.R. 41.39(b)(2) is amended to move the phrase "each new ground of rejection" to a different location in the sentence to increase the clarity of the sentence. Bd.R. 41.39(b)(2) is also amended to replace instances of

"evidence" with "Evidence" where appropriate to refer to "Evidence" as defined in final Bd.R. 41.30. Bd.R. 41.39(b)(2) is further amended to replace the cross-reference to Bd.R. 41.37(c)(1)(vii) with a reference to final Bd.R. 41.37(c)(1)(iv) in light of the renumbering of paragraphs within final Bd.R. 41.37(c)(1).

Final Bd.R. 41.39(b)(1) and (b)(2) continue to provide appellants the option to reopen prosecution or maintain the appeal by filing a reply brief to respond to the new ground of rejection.

Bd.R. 41.39(c) is amended to add a heading.

Content requirements for the examiner's answer are not included in the rule, because the Office needs to retain flexibility to add content requirements as needed by revision of the MPEP. The Office plans to continue to require that the examiner's answer contain a grounds of rejection section that would set forth any rejections that have been withdrawn and any new grounds of rejection, and the answer would further be required to contain a response to the arguments section to include any response the examiner has to arguments raised in the appeal brief. See MPEP § 1207.02. The answer would no longer be required to restate the grounds of rejection being maintained. The Board would instead rely on the statement of the grounds of rejection in the Office action from which the appeal was taken (as modified by any subsequent advisory action or pre-appeal brief conference decision).

The following discussion provides guidance to appellants and examiners as to the Office's view of what constitutes a new ground of rejection. This discussion is for the limited "purposes of the examiner's answer," as per final Bd.R. 41.39(a)(2). This discussion does not apply to final rejections under Rule 1.113. The reason for this distinction is that Rule 1.116 affords applicants the opportunity to submit rebuttal evidence after a final rejection but before or on the same date of filing a notice of appeal. An appellant's ability to introduce new evidence after the filing of an appeal is more limited under final Bd.R. 41.33(d) than it is prior to the appeal. Thus, applicants are able to present rebuttal evidence in response to a final rejection, while they are not permitted to do so in response to an examiner's answer on appeal, unless an answer is designated as containing a new ground of rejection.

If Evidence (such as a new prior art reference) is applied or cited for the first time in an examiner's answer, then final Bd.R. 41.39(a)(2) requires that the

rejection be designated as a new ground of rejection. If the citation of a new prior art reference is necessary to support a rejection, it must be included in the statement of rejection, which would be considered to introduce a new ground of rejection. Even if the prior art reference is cited to support the rejection in a minor capacity, it should be positively included in the statement of rejection and be designated as a new ground of rejection. *In re Hoch*, 428 F.2d 1341, 1342 n.3 (CCPA 1970).

Relying on new Evidence, however, is not the only way to trigger a new ground of rejection in an examiner's answer. A position or rationale that changes the "basic thrust of the rejection" will give rise to a new ground of rejection. *In re Kronig*, 539 F.2d 1300, 1303 (CCPA 1976). However, the examiner need not use identical language in both the examiner's answer and the Office action from which the appeal is taken to avoid triggering a new ground of rejection. It is not a new ground of rejection, for example, if the examiner's answer responds to appellant's arguments using different language, or restates the reasoning of the rejection in a different way, so long as the "basic thrust of the rejection" is the same. *In re Kronig*, 539 F.2d at 1303; *see also In re Jung*, 637 F.3d 1356, 1364–65 (Fed. Cir. 2001) (additional explanation responding to arguments offered for the first time "did not change the rejection" and appellant had fair opportunity to respond); *In re Noznick*, 391 F.2d 946, 949 (CCPA 1968) (no new ground of rejection made when "explaining to appellants why their arguments were ineffective to overcome the rejection made by the examiner"); *In re Krammes*, 314 F.2d 813, 817 (CCPA 1963) ("It is well established that mere difference in form of expression of the reasons for finding claims unpatentable or unobvious over the references does not amount to reliance on a different ground of rejection." (citations omitted)); *In re Cowles*, 156 F.2d 551, 1241 (CCPA 1946) (holding that the use of "different language" does not necessarily trigger a new ground of rejection).

The following examples are intended to provide guidance as to what constitutes a new ground of rejection in an examiner's answer. What constitutes a "new ground of rejection" is a highly fact-specific question. *See, e.g., Kronig*, 539 F.2d at 1303 (finding new ground entered based upon "facts of this case" and declining to find other cases controlling given "the distinctive facts at bar"); *In re Ahlert*, 424 F.2d 1088, 1092 (CCPA 1970) ("[l]ooking at the facts of this case, we are constrained to hold" that a new ground was entered).

If a situation arises that does not fall neatly within any of the following examples, it is recommended that the examiner identify the example below that is most analogous to the situation at hand, keeping in mind that “the ultimate criterion of whether a rejection is considered ‘new’ \* \* \* is whether appellants have had fair opportunity to react to the thrust of the rejection.” *Kronig*, 539 F.2d at 1302.

#### *Factual Situations That Constitute a New Ground of Rejection*

1. *Changing the statutory basis of rejection from § 102 to § 103.* If the examiner’s answer changes the statutory basis of the rejection from § 102 to § 103, then the rejection should be designated as a new ground of rejection. For example, in *In re Hughes*, 345 F.2d 184 (CCPA 1965), the Board affirmed an examiner’s rejection under § 102 over a single reference. On appeal, the Solicitor argued that the Board’s decision should be sustained under § 103 over that same reference. The court declined to sustain the rejection under § 103, holding that a change in the statutory basis of rejection would constitute a new ground of rejection, and observed that “the issues arising under the two sections [§§ 102 and 103] may be vastly different, and may call for the production and introduction of quite different types of evidence.” *Hughes*, 345 F.2d at 186–87.

2. *Changing the statutory basis of rejection from § 103 to § 102, based on a different teaching.* If the examiner’s answer changes the statutory basis of the rejection from § 103 to § 102, and relies on a different portion of a reference which goes beyond the scope of the portion that was previously relied upon, then the rejection should be designated as a new ground of rejection. For example, in *In re Echerd*, 471 F.2d 632 (CCPA 1973), the examiner rejected the claims under § 103 over a combination of two references. The Board then changed the ground of rejection to § 102 over one of those references, relying on a different portion of that reference for some claim limitations, and asserted that the remaining claim limitations were inherently present in that reference. The court held that the Board’s affirmance constituted a new ground of rejection. *Echerd*, 471 F.2d at 635 (“[A]ppellants should have been accorded an opportunity to present rebuttal evidence as to the new assumptions of inherent characteristics. \* \* \*”) (citation omitted).

3. *Citing new calculations in support of overlapping ranges.* If a claim reciting a range is rejected as anticipated or

obvious based on prior art that falls within or overlaps with the claimed range (see MPEP §§ 2131.03 and 2144.05), and the rejection is based upon range values calculated for the first time in the examiner’s answer, then the rejection should be designated as a new ground of rejection. For example, in *In re Kumar*, 418 F.3d 1361 (Fed. Cir. 2005), the examiner rejected the claims under § 103 based on overlapping ranges of particle sizes and size distributions. The Board affirmed the rejection, but included in its decision an appendix containing calculations to support the prima facie case of obviousness. The court held the Board’s reliance upon those values to constitute a new ground of rejection, stating that “the Board found facts not found by the examiner regarding the differences between the prior art and the claimed invention, which in fairness required an opportunity for response.” *Kumar*, 418 F.3d at 1368 (citation omitted).

4. *Citing new structure in support of structural obviousness.* If, in support of an obviousness rejection based on close structural similarity (see MPEP § 2144.09), the examiner’s answer relies on a different structure than the one on which the examiner previously relied, then the rejection should be designated as a new ground of rejection. For example, in *In re Wiechert*, 370 F.2d 927 (CCPA 1967), the examiner rejected claims to a chemical composition under § 103 based on the composition’s structural similarity to a prior art compound disclosed in a reference. The Board affirmed the rejection under § 103 over that same reference, but did so based on a different compound than the one the examiner cited. The court held that the Board’s decision constituted a new ground of rejection, stating, “Under such circumstances, we conclude that when a rejection is factually based on an entirely different portion of an existing reference the appellant should be afforded an opportunity to make a showing of unobviousness vis-a-vis such portion of the reference.” *Wiechert*, 370 F.2d at 933.

5. *Pointing to a different portion of the claim to maintain a “new matter” rejection.* If, in support of a claim rejection under 35 U.S.C. 112, first paragraph, based on new matter (see MPEP § 2163.06), a different feature or aspect of the rejected claim is believed to constitute new matter, then the rejection should be designated as a new ground of rejection. For example, in *In re Waymouth*, 486 F.2d 1058 (CCPA 1973), the claims included the limitation “said sodium iodide \* \* \* present in amount of at least 0.17 mg./cc. of said arc tube volume.” The

examiner’s rejection stated that the claimed “sodium iodide” constituted new matter because the specification was alleged only to disclose “sodium.” The Board affirmed the rejection, but did so on a “wholly different basis,” namely, that the specification failed to disclose the claimed “0.17 mg./cc.” volume limitation. *Waymouth*, 486 F.2d at 1060. The court held that the Board’s rationale constituted a new ground of rejection, “necessitating different responses by appellants.” *Id.* at 1061.

#### *Factual Situations That Do Not Constitute a New Ground of Rejection*

1. *Citing a different portion of a reference to elaborate upon that which has been cited previously.* If the examiner’s answer cites a different portion of an applied reference which goes no farther than, and merely elaborates upon, what is taught in the previously cited portion of that reference, then the rejection does not constitute a new ground of rejection. For example, in *In re DBC*, 545 F.3d 1373 (Fed. Cir. 2008), the examiner rejected the claims under § 103 over a combination of references, including the English translation of the abstract for a Japanese patent. The examiner cited the English abstract for two claim limitations: (1) Mangosteen rind, and (2) fruit or vegetable juice. The Board affirmed the rejection under § 103 over the same references, but instead of citing the abstract, the Board cited an Example on page 16 of the English translation of the Japanese reference, which was not before the examiner. *DBC*, 545 F.3d at 1381. Importantly, the Board cited the Example for the same two claim limitations taught in the abstract, and the Example merely elaborated upon the medicinal qualities of the mangosteen rind (which medicinal qualities were not claimed) and taught orange juice as the preferred fruit juice (while the claim merely recited fruit or vegetable juice). Hence, the Example merely provided a more specific disclosure of the same two generic limitations that were fully taught by the abstract. The court held that this did not constitute a new ground of rejection because “the example in the translation goes no farther than, and merely elaborates upon, what is taught by the abstract.” *DBC*, 545 F.3d at 1382 n.5.

2. *Changing the statutory basis of rejection from § 103 to § 102, but relying on the same teachings.* If the examiner’s answer changes the statutory basis of the rejection from § 103 to § 102, and relies on the same teachings of the remaining reference to support the § 102 rejection, then the rejection does not

constitute a new ground of rejection. For example, in *In re May*, 574 F.2d 1082 (CCPA 1978), a claim directed to a genus of chemical compounds was rejected under § 103 over a combination of references. The primary reference disclosed a species that fell within the claimed genus. Both the examiner and the Board cited the species to reject the claim under § 103. The court affirmed the rejection, but did so under § 102, stating that “lack of novelty is the epitome of obviousness.” *May*, 574 F.2d at 1089 (citing *In re Pearson*, 494 F.2d 1399, 1402 (CCPA 1974)). Because the court relied on the same prior art species as both the examiner and Board, the court held that this did not constitute a new ground of rejection. *May*, 574 F.2d at 1089.

3. *Relying on fewer than all references in support of a § 103 rejection, but relying on the same teachings.* If the examiner’s answer removes one or more references from the statement of rejection under § 103, and relies on the same teachings of the remaining references to support the § 103 rejection, then the rejection does not constitute a new ground of rejection. For example, in *In re Kronig*, 539 F.2d 1300, 1302 (CCPA 1976), the examiner rejected the claims under § 103 over four references. The Board affirmed the rejection under § 103, but limited its discussion to three of the references applied by the examiner. *Id.* The Board relied upon the references for the same teachings as did the examiner. The court held that this did not constitute a new ground of rejection. *Kronig*, 539 F.2d at 1303 (“Having compared the rationale of the rejection advanced by the examiner and the board on this record, we are convinced that the basic thrust of the rejection at the examiner and board level was the same.”). See also *In re Bush*, 296 F.2d 491, 495–96 (CCPA 1961) (Examiner rejected claims 28 and 29 under § 103 based upon “Whitney in view of Harth;” Board did not enter new ground of rejection by relying only on Whitney).

4. *Changing the order of references in the statement of rejection, but relying on the same teachings of those references.* If the examiner’s answer changes the order of references in the statement of rejection under § 103, and relies on the same teachings of those references to support the § 103 rejection, then the rejection does not constitute a new ground of rejection. For example, in *In re Cowles*, 156 F.2d 551, 552 (CCPA 1946), the examiner rejected the claims under § 103 over “Foret in view of either Preleuthner or Seyfried.” The Board affirmed the rejection under § 103, but styled the statement of

rejection as to some of the rejected claims as “Seyfried in view of Foret,” but relied on the same teachings of Seyfried and Foret on which the examiner relied. The court held that this did not constitute a new ground of rejection. *Cowles*, 156 F.2d at 554. See also *In re Krammes*, 314 F.2d 813, 816–17 (CCPA 1963) (holding that a different “order of combining the references” did not constitute a new ground of rejection because each reference was cited for the “same teaching” previously cited).

5. *Considering, in order to respond to applicant’s arguments, other portions of a reference submitted by the applicant.* If an applicant submits a new reference to argue, for example, that the prior art “teaches away” from the claimed invention (see MPEP § 2145), and the examiner’s answer points to portions of that same reference to counter the argument, then the rejection does not constitute a new ground of rejection. In *In re Hedges*, 783 F.2d 1038 (Fed. Cir. 1986), the claimed invention was directed to a process for sulfonating diphenyl sulfone at a temperature above 127° C. *Id.* at 1039. The examiner rejected the claims under § 103 over a single reference. The applicant submitted three additional references as evidence that the prior art teaches away from performing sulfonation above 127° C, citing portions of those references which taught lower temperature reactions. The Board affirmed the rejection, finding the applicant’s evidence unpersuasive. On appeal, the Solicitor responded to the applicant’s “teaching away” argument by pointing to other portions of those same references which, contrary to applicant’s argument, disclosed reactions occurring above 127° C. The court held that this did not constitute a new ground of rejection because “[t]he Solicitor has done no more than search the references of record for disclosures pertinent to the same arguments for which [applicant] cited the references.” *Hedges*, 783 F.2d at 1039–40.

#### *Tolling of Time Period To File a Reply Brief*

Final Bd.R. 41.40 sets forth the exclusive procedure for an appellant to request review of the primary examiner’s failure to designate a rejection as a new ground of rejection via a petition to the Director under Rule 1.181. This procedure should be used if an appellant feels an answer includes a new ground of rejection that has not been designated as such and wishes to reopen prosecution so that new amendments or evidence may be submitted in response to the rejection. However, if appellant wishes to submit

only arguments, the filing of a petition under Rule 1.181 would not be necessary because appellant may submit the arguments in a reply brief.

Final Bd.R. 41.40(a) provides that any such petition under Rule 1.181 must be filed within two months from the entry of the examiner’s answer and prior to the filing of a reply brief.

Final Bd.R. 41.40(b) provides that a decision granting such a Rule 1.181 petition requires appellants to file a reply under Rule 1.111 within two months from the date of the decision to reopen prosecution. If appellant fails to timely file a reply, then the appeal will be dismissed.

Final Bd.R. 41.40(c) provides that a decision refusing to grant such a Rule 1.181 petition allows appellants a two-month time period in which to file a single reply brief under final Bd.R. 41.41.

Final Bd.R. 41.40(d) provides that if a reply brief is filed prior to a decision on the Rule 1.181 petition, then the filing of the reply brief acts to withdraw the petition and maintain the appeal. Jurisdiction passes to the Board upon the filing of the reply brief, and the petition under Rule 1.181 will not be decided on the merits.

Final Bd.R. 41.40(e) provides that the time periods described in this section are not extendable under Rule 1.136(a) and appellant must seek any extensions of time under the provisions of Rules 1.136(b) and 1.550(c) for extensions of time to reply for patent applications and *ex parte* reexaminations, respectively.

Final Bd.R. 41.40 provides the proper manner for appellants to address a situation where an appellant believes that an examiner’s answer contains an undesignated new ground of rejection. The rule does not create a new right of petition—appellants have always had the opportunity to file a petition under Rule 1.181 if an appellant felt that the examiner’s answer contained a new ground of rejection not so designated. This final rule merely lays out the process to better enable appellants to address such concerns. The final rule also now tolls the time period for filing a reply brief, so appellants can avoid the cost of preparing and filing a reply brief prior to the petition being decided, and can avoid the cost altogether if the petition is granted and prosecution is reopened. Similarly, the tolling provision will spare examiners’ the burden of having to act on appellants’ requests under Rule 1.136(b) for extension of the two-month time period for filing a reply brief while the Rule 1.181 petition is being decided.

### Reply Brief

Bd.R. 41.41(a) is amended to add a heading and to clarify that appellants may file only one reply brief and that such a reply brief must be filed within the later of two months of either the examiner's answer or a decision refusing to grant a petition under Rule 1.181 to designate a new ground of rejection in an examiner's answer.

Bd.R. 41.41(b) is amended to add a heading and subsections, and to delete the provision that a reply brief which is not in compliance with the provisions of the remainder of final Bd.R. 41.41 will not be considered by the Board. Specifically, final Bd.R. 41.41(b)(1) is added, which prohibits a reply brief from including new or non-admitted amendments or Evidence, which is the same language as in Bd.R. 41.41(a)(2). Final Bd.R. 41.41(b) refers to "Evidence" as defined in final Bd.R. 41.30. Final Bd.R. 41.41(b)(2) is also added, which provides that any arguments which were not raised in the appeal brief or are not made in response to arguments raised in the answer will not be considered by the Board, absent a showing of good cause. The final rule allows new arguments in the reply brief that are responsive to arguments raised in the examiner's answer, including any designated new ground of rejection.

Bd.R. 41.41(c) is amended to add a heading.

### Examiner's Response to Reply Brief

Bd.R. 41.43 is deleted.

### Oral Hearing

Bd.R. 41.47 is amended by removing references to the supplemental examiner's answer in paragraphs (b) and (e)(1), as the final rule does not allow for supplemental examiner's answers. Bd.R. 41.47(b) is further amended to change the time period in which a request for oral hearing is due to take into account the potential for the time period for filing a reply brief to be tolled under final Bd.R. 41.40. Bd.R. 41.47(e)(1) is further amended to replace instances of "evidence" with "Evidence" to incorporate the definition provided in final Bd.R. 41.30.

### Decisions and Other Actions by the Board

Bd.R. 41.50(a)(1) is amended by adding a heading.

Bd.R. 41.50(a)(2) is amended by allowing the examiner to write a "substitute" examiner's answer in response to a remand by the Board for further consideration of a rejection.

Bd.R. 41.50(a)(2)(i) and 41.50(a)(2)(ii) are amended by replacing instances of "evidence" with "Evidence" to

incorporate the definition provided in final Bd.R. 41.30. Bd.R. 41.50(a)(2)(i) is further amended by replacing "supplemental" with "substitute" examiner's answer.

Bd.R. 41.50(b) is amended by adding a heading and is further amended to clarify the Board's authority to enter a new ground of rejection. Bd.R. 41.50(b)(1) is amended by incorporating the definitions of "Record" and "Evidence" provided in final Bd.R. 41.30, and by clarifying the language of the rule. Bd.R. 41.50(b)(2) is amended to incorporate the definition of "Record" as provided for in final Bd.R. 41.30.

Bd.R. 41.50(c) is amended by removing the Board's power to suggest in a decision how a claim may be amended to overcome a rejection and by adding new language to the rule explaining the procedure by which appellants can seek review of a panel's failure to designate a decision as containing a new ground of rejection. The final rule provides that review of decisions which appellants believe contain a new ground of rejection should be requested through a request for rehearing consistent with the provisions of final Bd.R. 41.52.

Bd.R. 41.50(d) is amended to add a heading, and to delete the "non-extendable" limitation on the response time period.

Bd.R. 41.50(e) is amended to add a heading.

Bd.R. 41.50(f) is amended to add a heading.

### Rehearing

Bd.R. 41.52(a)(1) is amended to add cross-references to relevant sections of the rule and to clarify that arguments which are not raised and Evidence which was not previously relied upon are not permitted in the request for rehearing, except as provided in the remainder of final Bd.R. 41.52(a). Bd.R. 41.52(a)(1) is further amended to incorporate the definition of "Evidence" provided in final Bd.R. 41.30.

Bd.R. 41.52(a)(2) is amended to delete the requirement for appellants to make a showing of good cause to present new arguments based on a recent relevant decision of the Board or the Federal Circuit. It is the Office's position that a new argument based on a recent relevant decision would inherently make a showing of good cause.

Bd.R. 41.52(a)(3) is amended to change the word "made" to "designated" to clarify that new arguments are permitted in response to a new ground of rejection designated as such in the Board's opinion.

Final Bd.R. 41.52(a)(4) is added to make clear that new arguments are

permitted in a request for rehearing for appellants seeking to have the Board designate its decision as containing a new ground of rejection that has not been so designated.

Thus, the final rule provides appellants with a mechanism to address Board decisions containing new grounds of rejection through a request for rehearing, whether or not designated as such in a Board decision. Final Bd.R. 41.52(a)(3) allows for new arguments in a request for rehearing responding to the merits of a new ground of rejection designated as such, and final Bd.R. 41.52(a)(4) allows for new arguments in a request for rehearing to argue that the Board's decision contains an undesignated new ground of rejection. If such a request for rehearing under final Bd.R. 41.52(a)(4) is granted, then the Board would modify its original decision to designate the decision as containing a new ground of rejection under final Bd.R. 41.50(b) and provide appellants with the option to either reopen prosecution under final Bd.R. 41.50(b)(1) or request rehearing on the merits of the designated new ground of rejection under final Bd.R. 41.50(b)(2).

The final Bd.R. 41.52(b) does not modify Bd.R. 41.52(b).

### Action following decision

Bd.R. 41.54 is amended to specifically state that jurisdiction over an application or a patent under *ex parte* reexamination passes to the examiner after a decision on appeal is issued by the Board. This revision to the language incorporates the language of Rule 1.197(a), which is deleted from the final rule. By incorporating the language of Rule 1.197(a) into final Bd.R. 41.54, the rule for passing jurisdiction back to the examiner after decision by the Board is not substantively changed from the previous practice.

### Differences Between the Final Rule and the Proposed Rule

Several changes have been made to the rule as proposed in the NPRM. Because some of these changes add briefing requirements to the appeal brief that the Office had proposed to remove in the NPRM, the estimate of the burden on applicants to produce the appeal brief has also changed. The Office previously estimated that the rules proposed in the NPRM would reduce an applicant's paperwork burden from 34 hours to 31 hours. The Office estimates that the Final Rule will reduce the paperwork burden from 34 hours to 32 hours.

## Response to Comments

The Office published a notice of proposed rulemaking proposing changes to the rules of practice before the Board of Patent Appeals and Interferences in *ex parte* appeals. See Rules of Practice Before the Board of Patent Appeals and Interferences in Ex Parte Appeals; Notice of proposed rulemaking, 75 FR 69828 (Nov. 15, 2010) (NPRM). The Office received comments from six intellectual property organizations, four corporations and foundations, three law firms, and 21 individuals in response to this notice. The Office's responses to the comments follow.

Eight entities submitted written comments solely to express the view that they are wholeheartedly in favor of the changes to the rules as proposed in the NPRM. In light of all of the comments received, the USPTO has decided not to adopt a few of the changes proposed in the NPRM and to adopt a few other proposed changes with slight clarification to the language used to make the rule clearer. On balance, however, the rule changes proposed in the NPRM are being adopted substantially as proposed.

### Bd.R. 41.12

*Comment 1:* Two comments favored extending the list of preferred citations to include other sources, such as United States Patent Quarterly, LEXIS, and Pacer. Two other comments favored the proposed rule changes.

*Response:* The USPTO declines to adopt the suggestion to extend the list of preferred citations to other sources. This rule merely indicates to the public which citation sources are "preferred" by the Board but it does not require appellants to cite to any one particular source.

*Comment 2:* One comment suggested that paragraph (d) should be amended to make clear that appellants are not required to provide copies of the BPAI's own precedential decisions.

*Response:* A BPAI precedential decision is binding on the Board and is considered an "authority of the Office" and thus does not fall within the ambit of paragraph (d). As such, the rule does not require appellants to submit a copy of a BPAI precedential decision.

### Bd.R. 41.20

*Comment 3:* While no change was proposed to this section of the rule, one comment was submitted suggesting that the USPTO should not charge fees for appeals that do not reach the BPAI for decision.

*Response:* The suggestion is beyond the scope of the NPRM and will not be

adopted. The USPTO takes this opportunity to note that 35 U.S.C. 42(d) authorizes the USPTO to refund "any fee paid by mistake or any amount paid in excess of that required." If an applicant chooses to file a notice of appeal and an appeal brief with the accompanying fees, and the case does not reach the Board for a decision, either through actions taken by the examiner or applicant, then the appeal fees have not been paid by mistake or in excess of that required, and the USPTO lacks statutory authority to refund these appeal fees.

### Bd.R. 41.30

*Comment 4:* Two comments opposed the proposed definition of "Record" because it did not address file wrappers of older cases that are still maintained in paper format.

*Response:* The USPTO creates an Image File Wrapper for any appeal to the Board that does not yet have one. Further, the definition of "Record" in final Bd.R. 41.30 addresses a situation where the official file of the Office is other than an Image File Wrapper.

### Bd.R. 41.31

*Comment 5:* One comment requested clarification of the term "twice rejected" as used in paragraph (a) of this section because MPEP § 1204 is allegedly narrower than the majority Board decision in *Ex Parte Lemoine*, 46 USPQ2d 1420 (BPAI 1994).

*Response:* This comment is beyond the scope of the NPRM. Bd.R. 41.31 rule uses the same "twice rejected" language. No change will be made to paragraph (a) as a result of this comment.

*Comment 6:* One comment was in favor of the proposed retention of the provision in paragraph (b) allowing a notice of appeal to be filed without a signature. Another comment suggested that paragraph (b) be revised to cite more specifically to Rule 1.33(b).

*Response:* The USPTO declines to make this change to the rule. Final Bd.R. 41.31(b) applies to *ex parte* appeals in both applications and reexamination proceedings. Rule 1.33(b) applies only to amendments and other papers filed in an application, while Rule 1.33(c) applies to amendments and other papers filed in a reexamination proceeding on behalf of the patent owner. As such, the USPTO will retain the rule as proposed with the more general reference to Rule 1.33 to encompass both types of appeals.

*Comment 7:* Three comments were in favor of the proposal in Bd.R. 41.31(c) that an appeal, when taken, is presumed to be taken from the rejection of all

claims under rejection unless cancelled by applicant's amendment, and two comments were opposed. One comment opposed to proposed Bd.R. 41.31(c) suggested that claims declared cancelled for purposes of the appeal be automatically reinstated if prosecution is reopened by the examiner.

*Response:* The USPTO declines to adopt the suggested change to the proposed rule. If an applicant chooses to cancel a claim to avoid appeal of that claim rejection, the claim remains cancelled. Nothing in this rule prohibits applicants from adding back these cancelled claims by amendment should prosecution be reopened.

*Comment 8:* Another comment opposed to Bd.R. 41.31(c) proposed that the USPTO allow appellants to appeal less than all of the claims, and that allowing the USPTO to cancel or deem claims cancelled or requiring cancellation as a quid pro quo for appeal is ultra vires.

*Response:* It has long been USPTO practice that an appellant must either appeal from the rejection of all the rejected claims or cancel those claims not being appealed. See *In re Benjamin*, 1903 Dec. Comm. Pat. 132, 134 (1903). Final Bd. R. 41.31(c) merely states that an appeal is presumed to be taken from the rejection of all rejected claims that have not been cancelled. Nothing in the rule would require applicants, as a quid pro quo for appeal, to cancel claims. Should an applicant desire to appeal less than all the rejected claims without actually cancelling the claims, applicant may simply say nothing as to the claims applicant does not wish to appeal and the Board may simply affirm the rejection of those claims.

*Comment 9:* One comment suggested that the proposed revision to Bd.R. 41.31(c) violates the Paperwork Reduction Act because the commenter claimed the Office had not stated the utility to be gained by presuming applicants are appealing all rejected claims. Additionally, the commenter suggested that a better solution would be to allow the appellant to appeal some claims and leave some claims rejected and pending.

*Response:* The NPRM explains that the change to Bd.R. 41.31(c) will save time and paperwork for the "majority of appellants who seek review of all claims under rejection" by eliminating the requirement that each claim on appeal be listed in the notice of appeal. See 75 FR 69828-01, 2010 WL 4568003, at \*69831 (Dep't of Commerce Nov. 15, 2010). The NPRM further explains that the utility of this change is in "avoid[ing] the unintended cancellation of claims by the Office due to an

appellant's mistake in the listing of the claims in either the notice of the appeal or in the appeal brief." *Id.* Furthermore, the Office rejects the commenter's suggestion of allowing some claims to remain pending. Allowing such a piecemeal approach to appeals would greatly decrease the efficiency of the patent prosecution process.

*Comment 10:* One comment requested clarification on the portion of Bd.R. 41.31(c) that states, "Questions relating to matters not affecting the merits of the invention may be required to be settled before an appeal can be considered" because it is not clear whether this sentence would apply to questions created by the examiner, the appellant or the Board, or by all three.

*Response:* This comment is beyond the scope of the NPRM. This language is in the 2004 version of Bd.R. 41.31(c), and the proposed rule making did not propose any changes to this portion of the rule.

*Comment 11:* One comment suggested adding a provision to Bd.R. 41.31(c) to address appeals filed while petitions under Rule 1.181 are pending, specifically that the Chief Judge be able to decide if the appeal can proceed without the petition being decided or a procedure for expediting the petition decisions where that decision is necessary prior to decision on appeal.

*Response:* This comment is beyond the scope of the NPRM. The language in the last sentence of paragraph (c) is in the 2004 version of Bd.R. 41.31(c), and the proposed rulemaking did not propose any changes to this portion of the rule.

#### Bd.R. 41.33

*Comment 12:* One comment requested clarification stating that the limitations in Bd.R. 41.37(c)(2) and Bd.R. 41.41(b)(1) to preclude entry of a "new" or "non-admitted" amendments would potentially bar submission of items otherwise permitted under Bd.R. 41.33.

*Response:* Final Bd.R. 41.37(c)(2) and final Bd.R. 41.41(b)(1) are intended to preclude reliance on new or non-admitted amendments that are not otherwise admitted by the examiner under final Bd.R. 41.33. If the examiner enters an amendment under final Bd.R. 41.33, appellant may rely on that amendment in the briefs. If the amendment is filed concurrently with a brief, and if it complies with final Bd.R. 41.33, then appellant may refer to the amendment in the brief even prior to the examiner rendering a decision on whether to admit the amendment. Should the examiner subsequently refuse to enter the amendment, then the

Board will require appellant to file a substitute brief.

*Comment 13:* Four comments opposed the rule in Bd.R. 41.33(d) restricting affidavits or other evidence filed after the date of filing an appeal. One comment suggested allowing appellants, with the payment of an additional fee, to file rebuttal evidence with an appeal brief.

*Response:* In response to the comments opposed to any restrictions on the amendments and evidence that appellants can file after final and/or on or after the filing of a brief, the USPTO declines to make any additional changes to the rule. Final Bd.R. 41.33(d) is virtually identical to Bd.R. 41.33(d), the only changes being to incorporate the definition of Evidence from final Bd.R. 41.30. The USPTO rules provide appellants with mechanisms for introduction of new evidence and amendments through petitions to challenge the finality of a rejection, petitions to challenge whether an answer contains an undesignated new ground of rejection, and/or through request for continued examination (RCE) practice. The available mechanisms provide appellants with a full and fair opportunity to present amendments and/or evidence so that the examiner can first consider them prior to the case reaching the Board for review. The Board's main purpose is to review adverse decisions of examiners. The Board's review is not a continuation of the initial examination of a case. To ensure that the Board reviews a complete record that has been fully considered first by the examiner, the USPTO will maintain this rule as proposed, except to add back in a cross-reference to final Bd.R. 41.50(a)(2)(i) and to replace instances of "evidence" with "Evidence" so as to incorporate the definition provided in final Bd.R. 41.30.

*Comment 14:* One comment proposed that Bd.R. 41.33(d) be amended to allow appellants to reference encyclopedia or dictionary definitions in the brief because these are materials that may be judicially or officially noticed without being formally admitted into evidence.

*Response:* The USPTO agrees that dictionaries can be judicially noticed without being formally admitted into evidence and thus adopts a definition of "Evidence" in final Bd.R. 41.30 for this subpart that excludes dictionaries from this definition. This exclusion allows appellants to submit dictionaries for the first time in an appeal brief, or for the first time in a reply brief if the arguments pertaining thereto are responsive to an argument raised in the examiner's answer or if good cause is shown. This exclusion will likewise

allow examiners to cite to a dictionary for the first time in the examiner's answer without such citation automatically resulting in a new ground of rejection under final Bd.R. 41.39(a)(2). The USPTO will determine based on controlling case law and the facts of each case whether citation to a dictionary in the examiner's answer or a Board decision constitutes a new ground of rejection. The USPTO notes that its rules are designed so that the scope of admissible evidence that can be submitted by the applicant narrows as the application progresses toward appeal. In particular, the scope of admissible evidence narrows after mailing of a final rejection, and then narrows further after applicant files a notice of appeal, and then narrows even further after appellant files an appeal brief. Compare 37 CFR 1.116(e), 41.33(d)(1), and 41.33(d)(2). To ensure that the USPTO is consistent in its treatment of dictionaries and is not more restrictive regarding admission of dictionaries in after-final practice than on appeal under final Bd.R. 41.33(d), the USPTO will not treat dictionaries as "evidence" for purposes of Rule 1.116(e). However, the Office encourages applicants and examiners to cite dictionaries early in the prosecution to aid in narrowing, and possibly resolving, issues before the appeal stage.

#### Bd.R. 41.35

*Comment 15:* One comment suggested that the Board take jurisdiction earlier than proposed in Bd.R. 41.35(a), *i.e.*, at the time of filing of the notice of appeal.

*Response:* The USPTO declines to adopt this suggestion. Since examiners may choose to reopen prosecution or allow applications after the filing of a notice of appeal, changing the Board's jurisdiction to the point at which a notice of appeal is filed would foreclose the examiner's options and could result in applicants unnecessarily going through a costly and lengthy appeal process.

*Comment 16:* Two comments suggested that the Board take jurisdiction later, *i.e.*, after the examiner has had an opportunity to consider the reply brief, to allow for the instance where the examiner would find some or all of the claims patentable in light of the reply brief.

*Response:* USPTO data for the past ten years (FY 2001–FY 2010) shows that examiners allow applications in approximately 1% of all appeals and reopen prosecution in approximately 1% of all appeals after the filing of a reply brief. It is most often the case that once the examiner has held an appeal conference on the case and prepared an

examiner's answer, the examiner simply acknowledges and enters the reply brief and the appeal proceeds to the Board for review and decision. Meanwhile, USPTO data shows over the same time period that in those cases where the examiner simply acknowledged and entered the reply brief, the average pendency from the filing of a reply brief to the time the examiner acknowledged and entered the reply brief was 55 days. As such, the advantage in shorter pendency received by all appellants from the Board taking jurisdiction upon filing a reply brief—at which point, the examiner has held an appeal conference on the case and prepared an examiner's answer—outweighs, in the view of the USPTO, the advantage gained in those rare instances where an appeal may become unnecessary after filing of the reply brief. For these reasons, the USPTO will maintain the language of Bd.R. 41.35(a) as proposed.

*Comment 17:* Three comments were in favor of Bd.R. 41.35(a) as proposed.

*Response:* The USPTO adopts the proposed changes to Bd.R. 41.35(a).

*Comment 18:* One comment suggested that the USPTO adopt a default assumption for Bd.R. 41.35(b)(5) that appellant wants to proceed on appeal for other appealed claims and abandon claims subject to an action under Bd.R. 41.39 or 41.50 requiring response, akin to the approach taken when some claims are not dealt with in the appeal brief context.

*Response:* Under final Bd.R. 41.39(b), 41.50(a)(2) and 41.50(b), if appellant does not file a paper in response to a new ground of rejection or in response to a substitute examiner's answer prepared in response to a remand, the Board will dismiss the appeal "as to the claims subject to the new ground of rejection" or "as to the claims subject to the rejection for which the Board has remanded the proceeding." If there are remaining claims not subject to the new ground of rejection or remand, then the appeal will proceed as to those remaining claims. The Board's jurisdiction under final Bd.R. 41.35(b)(5) would end only if all of the claims on appeal require action under final Bd.R. 41.39(b), 41.50(a)(2), or 41.50(b) and the appellant fails to take such required action, in which case the Board would enter an order of dismissal for the entire appeal. As to final Bd.R. 41.50(d), if an appellant fails to respond to the Board's request for briefing and information, the Board is entitled, at its discretion, to construe appellant's failure to respond as an indication that appellant no longer wishes to pursue the appeal, in which case the Board may enter an order dismissing the appeal.

*Comment 19:* One comment opposed Bd.R. 41.35(c) because, though the proposed rule removed the ability of the Board to remand appeals, as the Director can delegate the authority to remand, this rule would not remedy the problem created by remands, *i.e.*, that examiners can unduly draw out prosecution and not do a complete examination the first time around. The comment proposed that remands take place only at the appellant's request.

*Response:* The rule provides for the Director to sua sponte order a proceeding remanded to the examiner prior to entry of a decision on the appeal by the Board. The USPTO declines to adopt the suggestion to change the rule to strip this power from the Director.

*Comment 20:* One comment opposed the proposed changes to Bd.R. 41.35(d) because it would prevent consideration by the examiner of newly discovered evidence that is more pertinent than the art used in the rejection on appeal.

*Response:* If an appeal needs to be remanded for consideration of Information Disclosure Statements, the remand may result in lengthy delays in the appeal process and ultimately result in no change to the rejections that eventually reach the Board on appeal. As such, the USPTO will maintain the language of proposed Bd.R. 41.35(d) in this final rule.

*Comment 21:* One comment stated, with respect to proposed Bd.R. 41.35(d), that petitions filed while the Board possesses jurisdiction are likely to be untimely. The comment requested reconsideration of the two-month deadline for filing petitions.

*Response:* This suggestion is outside the scope of the NPRM, and the USPTO declines to adopt any rule changes regarding the deadline for filing petitions.

*Comment 22:* One comment suggested that the USPTO adopt a "restatement" clarifying what constitutes appealable subject matter to better enable the examining corps to address procedural issues.

*Response:* The USPTO will take this restatement into account when revising the MPEP in accordance with the final rule.

*Comment 23:* Another comment was in favor of the proposed changes to Bd.R. 41.35(d).

*Response:* The USPTO adopts proposed Bd.R. 41.35(d) as part of this final rule.

#### *Bd.R. 41.37*

*Comment 24:* Two comments opposed exempting pro se appellants from providing a statement of the last entered

amendment under proposed Bd.R. 41.37(c)(1)(iv).

*Response:* The USPTO agrees with the comments suggesting requiring pro se appellants to provide the same information as other appellants regarding the claims on appeal. For reasons discussed below, the USPTO has decided to maintain the requirement for a claims appendix in lieu of the statement of last entered amendment. As such, the final rule requires all appellants, including pro se appellants, to provide a claims appendix.

*Comment 25:* One comment requested clarification as to whether pro se appellants must comply with all the requirements, but only substantially as to some, or whether the pro se appellant does not need to comply with all the requirements and only substantially as to the identified paragraphs.

*Response:* Final Bd.R. 41.37(c) requires pro se appellants to substantially comply with only the requirements in the identified subparagraphs, and pro se appellants are not required to comply with the requirements in the remaining subparagraphs of final Bd.R. 41.37(c).

*Comment 26:* Two comments favored the default assumption provided for in Bd.R. 41.37(c)(1)(i), and one comment suggested that absent a statement to the contrary, the Board should assume that the real party in interest consists of one or more of the inventors of the application and/or the assignee of the application as recorded at the USPTO.

*Response:* The USPTO declines to adopt this suggested change. The default provision is to address the situation in which the inventor(s) is the real party in interest. In such an instance, the Board will not hold a brief non-compliant if the statement of real party in interest is omitted. In the past, appellants mistakenly thought they could omit this portion of the brief if the named inventor(s) was the real party in interest. This led to briefs being held to be non-compliant based on a technicality. The default provision gives the USPTO the flexibility to assume that the inventor(s) are the real party in interest and avoid having to hold a brief non-compliant.

*Comment 27:* One comment was in favor of Bd.R. 41.37(c)(1)(ii) as proposed and another comment suggested we employ the phrase "controlled by" instead of "owned" and "real party in interest" instead of "appellant or assignee" as the real party in interest may be in a better position to know of related appealed cases.

*Response:* While under certain circumstances, an entity other than the appellant, appellant's legal representative, or assignee may be in a

better position to know of related cases, the USPTO declines to adopt the suggested change, which would expand the obligations to report related cases beyond this enumerated group.

*Comment 28:* Five comments were in favor of deleting the statement of the status of claims from the 2004 version of Bd.R. 41.37(c)(1)(iii) and no comments were received opposed to this proposed change. One comment in favor of the proposed change suggested that appellants should be allowed to cancel a claim in the brief itself, thereby saving the cost of filing a separate document formally cancelling the claim.

*Response:* The USPTO declines to adopt this suggested change. The USPTO requires that claim amendments be filed in a separate Amendment under final Bd.R. 41.33, so that they are separately considered and separately entered or refused entry as appropriate by the examiner. Under the new streamlined procedure for review of appeal briefs, the Board now reviews the appeal brief for entry into the Record, but the examiner continues to review Amendments under final Bd.R. 41.33 for entry into the Record.

*Comment 29:* One comment opposed proposed Bd.R. 41.37(c)(1)(iv), another comment suggested a change to the proposed rule to make clear that the statement should include the date of filing of the last entered amendment of the claims, as opposed to amendments to the specification, and another comment requested reconsideration of the proposed rule because in reissue and reexamination proceedings the full set of claims is not reproduced in amendments and thus in these instances the latest entered amendments may not reflect all the pending claims on appeal.

*Response:* The USPTO agrees with the last comment, and has decided to delete the requirement in proposed Bd.R. 41.37(c)(1)(iv) requiring a statement of last entered amendment and to delete the requirement in Bd.R. 41.37(c)(1)(iv) for a statement of the status of amendments. Compare 37 CFR 1.121 (requiring all claims ever presented), with 37 CFR 1.173 (reissues) and 37 CFR 1.530 (*ex parte* reexaminations) (requiring only claims being changed/added). As discussed in further detail below, the USPTO will maintain the requirement in Bd.R. 41.37(c)(1)(viii) (renumbered as final Bd.R. 41.37(c)(1)(v)) to provide a claims appendix.

*Comment 30:* Five comments were opposed to the proposed changes in Bd.R. 41.37(c)(1)(v), which required a summary of the claimed subject matter to include annotations for each claim limitation “in dispute.” The comments

were concerned that the phrase “in dispute” was vague and unclear. Some of the comments suggested eliminating the summary of the claimed subject matter requirement entirely, other comments suggested limiting the requirement to only those appeals where the examiner raised a rejection under 35 U.S.C. 112, while other comments suggested amending the proposed rule to require annotations for each claim limitation. Another comment was concerned that annotating only those claim elements deemed to be “in dispute” would amount to an implied waiver or admission regarding those claim limitations not annotated. Another comment requested clarification of the goal of this briefing requirement.

*Response:* In light of the many comments received that expressed concern with determining which claim limitations are “in dispute” and expressed further concern with implied waiver for those limitations not annotated, the USPTO has decided not to amend this portion of the rule relating to the summary of claim subject matter to limit the summary to only those claims “in dispute.” Rather, the USPTO maintains the language of the 2004 rule, which requires a concise explanation of the subject matter defined in each of the independent claims. In light of the change to Bd.R. 41.35, the USPTO retains the proposed change requiring the summary for “each of the rejected independent claims”, whereas the 2004 rule requires the summary for each of the independent claims “involved in the appeal.” The USPTO further retains the proposed changes that clarify that citation to the specification should be to the specification “in the Record” and not to the patent application publication. The USPTO further retains the proposed changes that permit appellant to refer to the specification by page and line number or “by paragraph number.” As to the comment requesting clarification about the goal of this section of the brief, the goal is to familiarize the judges with the claimed subject matter. This summary is helpful to the Board to work through cases as efficiently and expeditiously as possible. It helps to orient the judges so as to quickly and efficiently focus on the determinative aspects of the claims and the corresponding disclosure in the specification.

*Comment 31:* One comment suggested amending the language of proposed Bd.R. 41.37(c)(1)(v) to clarify whether annotation of separately argued dependent claims is required, as the language in the 2004 rule could be read

as requiring annotation of dependent claims only if they are both argued separately and contain means plus function language.

*Response:* The final rule requires a concise explanation of the subject matter of separately argued dependent claims only if such claims include a means plus function or step plus function recitation as permitted by 35 U.S.C. 112, sixth paragraph. However, the rule does not prohibit an appellant from providing a summary of claimed subject matter for all dependent claims argued separately, and the USPTO considers it a best practice for appellants to provide a summary of claimed subject matter for all dependent claims argued separately.

*Comment 32:* One comment opposed adoption of a single format of the summary in proposed Bd.R. 41.37(c)(1)(v) as being too rigid and suggested that the drafter of the appeal brief should be allowed to use whatever format they deem to be the most informative. The comment also requested the BPAI to provide examples of confusing and uninformative formats, rather than a single compliant format.

*Response:* The USPTO has decided to maintain the 2004 rule in substantial part, which does not require a single format for compliance. The rule does require, however, that regardless of the format provided by appellants, the summary of claimed subject matter must “refer to the specification in the Record by page and line number or by paragraph number, and to the drawing, if any, by reference characters.” The Board will find briefs to be non-compliant if the summary of the claimed subject matter does not include references to the specification by page and line number or by paragraph number, and references to drawings, if any, by reference characters. The Board will post examples on its Web page of both compliant and non-compliant summaries.

*Comment 33:* One comment stated that the language in proposed Bd.R. 41.37(c)(1)(v) requiring the summary to be “sufficient to allow the Board to understand the claim” is vague.

*Response:* The USPTO has decided to maintain the 2004 rule in substantial part. As such, this language is not incorporated in the final rule (renumbered as final Bd.R. 41.37(c)(1)(iii)).

*Comment 34:* One comment opposed the proposed Bd.R. 41.37(c)(1)(v) because it removed the requirement for appellants to identify the structure for all means plus function elements of the independent claims and separately argued dependent claims.

*Response:* The USPTO has decided to maintain the 2004 rule in substantial part. The final rule requires: “For each rejected independent claim, and for each dependent claim argued separately under the provisions of paragraph (c)(1)(iv) of this section, if the claim contains a means plus function or step plus function recitation as permitted by 35 U.S.C. 112, sixth paragraph, then the concise explanation must identify the structure, material, or acts described in the specification in the Record as corresponding to each claimed function with reference to the specification in the Record by page and line number or by paragraph number, and to the drawing, if any, by reference characters.”

*Comment 35:* Four comments were in favor of the proposed change that eliminates the statement of the grounds of rejection in Bd.R. 41.37(c)(1)(vi), and the USPTO received no comments opposed to this proposed change.

*Response:* The USPTO adopts the elimination of the requirement as set forth in Bd.R. 41.37(c)(1)(vi) as proposed.

*Comment 36:* Two comments suggested that proposed Bd.R. 41.37(c)(1)(vii) be amended to prohibit appellants from raising arguments in the appeal brief that have not been raised previously in prosecution.

*Response:* The USPTO declines to adopt a rule prohibiting appellants from raising arguments in the appeal brief for the first time. In the indefinitely delayed 2008 final rule, the USPTO would have limited appellant’s ability to raise new arguments in the appeal brief based on whether the argument had been raised before the examiner. See 73 FR 32943 (Jun. 10, 2008). Numerous comments were received in opposition to this proposed change. Keeping in mind the comments received in the prior rule making activity, the USPTO declines to set out a rule that limits appellants from raising arguments in the appeal brief for the first time.

*Comment 37:* One comment requested further clarification of the proposed Bd.R. 41.37(c)(1)(vii) as it relates to waiver. Specifically, the comment requested the USPTO clarify on what basis the Board will review the examiner’s determination of patentability and explain the basis for that standard of review based on statutory authority and judicial precedent. The comment suggested that the Board should act as a fact finder, independently judge the examiner’s findings, and conduct an independent review of the entire record, without presuming any part of the examiner’s position to be correct. The comment suggested that the Board should review

the statement of rejection in the office action from which the appeal is taken and determine whether that establishes a prima facie case of unpatentability, and, only in the instance where the Board determines that a prima facie case has been established would the Board proceed to review the appeal brief and the answer. Another comment suggested amending proposed subparagraph (c)(1)(vii) to provide parity so that any arguments presented by an appellant and not addressed by the examiner in the answer will be treated as waived by the Board.

*Response:* The USPTO reiterates its statements on waiver provided in the NPRM. The Board may treat as waived, for purposes of the present appeal, any arguments not raised by appellant. See *Hyatt v. Dudas*, 551 F.3d 1307, 1313–14 (Fed. Cir. 2008) (the Board may treat arguments appellant failed to make for a given ground of rejection as waived); *In re Watts*, 354 F.3d 1362, 1368 (Fed. Cir. 2004) (declining to consider the appellant’s new argument regarding the scope of a prior art patent when that argument was not raised before the Board); *In re Schreiber*, 128 F.3d 1473, 1479 (Fed. Cir. 1997) (declining to consider whether prior art cited in an obviousness rejection was non-analogous art when that argument was not raised before the Board). See also *Ex parte Frye*, 94 USPQ2d 1072 (BPAI 2010). Final Bd.R. 41.37(c)(1)(iv) permits the Board to refuse to consider arguments not raised in the appeal brief, except as provided in final Bd.R. 41.41, 41.47, and 41.52. This language in the final rule is substantially the same as the language of the 2004 version of Bd.R. 41.37(c)(1)(vii), which states that “[a]ny arguments or authorities not included in the brief or a reply brief filed pursuant to § 41.41 will be refused consideration by the Board, unless good cause is shown.” Any additional discussion of “waiver” as well as “clarification” of how the Board will review appeals is outside the scope of this rule making. Issues of waiver and how the Board will review appeals is uniquely case-specific and thus best left to discussion in future Board decisions as warranted. See *Ex parte Frye*, 94 USPQ2d 1072 (BPAI 2010) and *In re Jung*, 637 F.3d 1356 (Fed. Cir. 2011) for a general discussion of how the Board conducts its review. As to the comment suggesting that the Board review the statement of the rejection in the Office action from which the appeal is taken and determine whether that establishes a prima facie case of unpatentability, and only in the instance where the Board determines that a prima facie case

has been established would the Board proceed to review the appeal brief and the answer, the USPTO declines to adopt this suggestion. The Board is a tribunal of appeal, where the appellant is responsible for pointing out the alleged error in the examiner’s decision on appeal. See *Ex parte Frye*, 94 USPQ2d at 1075 (“If an appellant fails to present arguments on a particular issue—or, more broadly, on a particular rejection—the Board will not, as a general matter, unilaterally review those uncontested aspects of the rejection” (citations omitted)); *Jung*, 637 F.3d at 1365–66. The Board’s role is not to reexamine the application. At the time of filing the notice of appeal, an appellant can request a panel review by experienced examiners using the pre-appeal brief conference program. The appellant can also challenge specific aspects of the prima facie case and merits of the rejection by argument and evidence in the appeal brief. See generally *In re Jung*, 637 F.3d 1356 (Fed. Cir. 2011) (discussing nature of challenging rejections during Board appeals).

*Comment 38:* One comment questioned whether the Office was shifting the burden of proof of patentability to the applicants by requiring an applicant to plead all grounds for appeal in the appeal brief and considering any grounds that were not pled to be waived, and whether such a rule was substantive and thus outside the Office’s rule making authority.

*Response:* The Office is not shifting any burden of proof. The burden of proof of unpatentability remains on the Office. The Office is merely clarifying an appellant’s responsibility to point out what it is that the appellant wants the Board to review and what the examiner’s error is believed to be. See *In re Jung*, 637 F.3d 1356, 1356–66 (Fed. Cir. 2011). This requirement merely governs the manner in which appellants present their viewpoints to the agency; it does not foreclose effective opportunity to make one’s case on the merits. See *JEM Broad. Co. v. F.C.C.*, 22 F.3d 320, 326 (DC Cir. 1994) (stating that a “critical feature” of a procedural rule “is that it covers agency actions that do not themselves alter the rights or interests of parties, although it may alter the manner in which the parties present themselves or their viewpoints to the agency.”).

*Comment 39:* Four comments were in favor of elimination of the claims appendix from Bd.R. 41.37(c)(1)(viii) because it would decrease the burden on appellants in drafting briefs. Three comments opposed elimination of the

claims appendix because it adds a burden to the public and the Board to search through the Image File Wrapper for the last entered amendment, because Briefs should be reasonably self-contained, and because in reissues and reexaminations the last entered amendment may not include a complete listing of the claims on appeal.

*Response:* In order to ensure that the examiner and appellants are presenting arguments as to the same set of claims on appeal, and in light of the comments raised regarding reissues and reexaminations, the USPTO has reconsidered the proposed deletion of the claims appendix and will instead maintain the requirement for appellants to include a claims appendix in the appeal brief (renumbered as final Bd.R. 41.37(c)(1)(v)).

*Comment 40:* Three comments were in favor of elimination of the evidence and related proceeding appendices from Bd.R. 41.37(c)(1). One comment proposed that the rule regarding the evidence appendix should clarify that it is appropriate to include materials that are not readily available to the Board including dictionary definitions, encyclopedias, unreported decisions, and administrative materials.

*Response:* The USPTO declines to add back the requirement for an evidence appendix simply to clarify what evidence is appropriate to include in such an appendix. The USPTO notes that elimination of this briefing requirement does not prohibit appellants from including an evidence appendix, and that the USPTO views inclusion of an evidence appendix, where warranted, as a best practice. However, the USPTO will determine on a case-by-case basis whether evidence referred to in and/or submitted with a brief should be considered under final Bd.R. 41.33. As discussed previously, the USPTO has adopted a definition of "Evidence" that excludes dictionaries, thus allowing appellants to refer to dictionary definitions in the appeal brief.

*Comment 41:* One comment requested clarification as to the prohibition in Bd.R. 41.37(c)(2) against including "new" or "non-admitted" amendments, affidavits or other evidence in briefs, because as written it could be construed to bar the submission of items otherwise permitted under Bd.R. 41.33.

*Response:* This comment is addressed above in the response to Comment 12.

*Comment 42:* One comment questioned why the proposed rules did not incorporate in Bd.R. 41.37(d) the current streamlined review of briefs for compliance with the rules by the Chief Judge or his designee.

*Response:* The USPTO chose not to codify the new streamlined procedure since this procedure relates to an internal management practice. Such practices are not typically codified in rules so as to provide the Office with the flexibility to make changes to the streamlined procedures should the need arise.

*Comment 43:* One comment suggested that the penalty for a non-compliant appeal brief in Bd.R. 41.37(d) should be that the non-compliant portion of the brief not be considered for purposes of the appeal. The comment suggested that the "two strikes" rule is harsh and capricious for something that may be a de minimus error, and that this type of response is not a default under the Federal Rules of Appellate Procedure.

*Response:* The USPTO declines to adopt the suggested change. The penalty for failure to overcome the reasons for non-compliance, as set forth in final Bd.R. 41.37(d), is the same penalty provided for in the 2004 version of Bd.R. 41.37(d). Further, the rule as proposed clarifies that appellants can petition the Chief Administrative Patent Judge if they feel their brief has been found to be non-compliant in error.

#### Bd.R. 41.39

*Comment 44:* One comment suggested defining or deleting the use of "primary examiner" in Bd.R. 41.39(a) and in Bd.R. 41.39(a)(2), (b)(1), and (b)(2), because this term is not defined in the CFR or the MPEP.

*Response:* The suggestion is beyond the scope of the NPRM and will not be adopted. The term "primary examiner" is used in 35 U.S.C. 134, the 2004 version of Bd.R. 41.39 and previous versions of the rule (e.g., Rule 1.193 (1959)). The USPTO is using "primary examiner" in this paragraph to have the same meaning as used in 35 U.S.C. 134.

*Comment 45:* One comment opposed the removal in Bd.R. 41.39(a)(1) of the requirement for the examiner to present an integrated statement of the grounds of rejection, because it would place an undue burden on appellant and would discourage the examiner from being consistent.

*Response:* By not requiring examiners to restate the grounds of rejection in the answer, this rule will remove the possibility of any inconsistencies between the articulation of the grounds of rejection as stated in the Office action from which the appeal is taken and the articulation of the grounds of rejection in the answer, and will save appellants and the Board the time of having to compare the grounds of rejection in each document to ensure that they are the same. Under the final rule, the

examiner will provide only a response to arguments raised in the appeal brief and/or a new ground of rejection, designated as such. The caveat in final Bd.R. 41.39(a)(1), which allows for modification of the grounds of rejection in an advisory action or pre-appeal brief conference decision, was deemed necessary because often appellants raise new arguments after the Office action from which the appeal is taken, *i.e.*, in a reply after final rejection or in a pre-appeal brief conference request, and any modification to the rejections made by the examiner, such as the withdrawal of a ground of rejection, should be taken into account in the grounds of rejection on appeal. Therefore, the examiner cannot reinstate a withdrawn rejection in the examiner's answer without designating it as a new ground of rejection.

*Comment 46:* One comment opposed the portion of the proposed Bd.R. 41.39(a)(2) that allows modification of the grounds of rejection in an advisory action or pre-appeal brief conference decision.

*Response:* The USPTO incorporates by reference its response to comment 45 provided *supra*.

*Comment 47:* Two comments favored proposed Bd.R. 41.39(a)(2) because the proposed rule, along with the examples provided in the discussion portion of the notice of proposed rule making, clarify when a new ground of rejection is made in an examiner's answer. Another comment opposed this proposed rule because it would increase burdens to the USPTO and permit delays in prosecution by appellants. This comment suggested that it would be better to address the issue of new evidence by not allowing appellants to make arguments in the briefs that were not presented during prosecution, or, by allowing examiners "by default" to introduce new evidence in the answer.

*Response:* The USPTO declines to adopt a rule prohibiting appellants from raising arguments in the appeal brief for the first time. In the indefinitely delayed 2008 final rule, the USPTO would have limited appellant's ability to raise new arguments in the appeal brief based on whether the argument had been raised before the examiner. See 73 FR 32943 (Jun. 10, 2008). Numerous comments were received in opposition to this proposed change. Keeping in mind the comments received in the prior rule making activity, the USPTO declines to set out a rule that limits appellants from raising arguments in the appeal brief for the first time.

*Comment 48:* One comment favored the requirement in Bd.R. 41.39(a)(2) for Director approval of answers containing

new grounds of rejection, but suggested that the rule should include a standard for the approval to include a substantive review of the pertinence of the newly cited prior art.

*Response:* The USPTO declines to codify a specific standard to be used by the Director to approve a new ground of rejection. The question of whether to approve an answer that contains a new ground of rejection is case-specific and, as such, is not amenable to a single standard. The USPTO notes that the text of Bd.R. 41.39(a)(2) as contained in this Final Rule reflects a minor modification from the version in the NPRM. The revision was made to clarify that the rule requires that the examiner obtain the Director's approval of an answer containing a new ground of rejection, and that the Director is not required to provide such approval.

*Comment 49:* One comment requested clarification of "the references in this rule to modification of a rejection by an advisory action", the concern being that the "continuation" portion of the advisory action may be used to substantially modify the rejection, and could raise the issue of whether the examiner has entered a new ground of rejection in the advisory action even before the filing of a notice of appeal. The comment stated that it would be especially important to have this language clear because Bd.R. 41.39(a)(1) would not require the examiner to restate the grounds of rejection—which could lead to confusion. The comment suggested that the rule state that the reference to a modification of a rejection in an advisory action would be only with regard to the status of the pending rejections or which claims are subject to a pending rejection, and that modification beyond that should not be encompassed by this rule, but should be achieved through reopening prosecution.

*Response:* The USPTO declines to modify the rule to specifically limit the content of an advisory action because it is impossible for the USPTO to foresee every situation that may arise during prosecution, and certain statements may be necessary in an advisory action to make the Record clear on appeal in light of actions, statements, or amendments made by appellants in an after-final amendment. To address the concern regarding new grounds of rejection, appellants who feel that an advisory action contains a new ground of rejection have the right to petition under Rule 1.181 for supervisory review of the examiner's action to seek to have prosecution reopened. See also the response to comment 45 provided *supra*.

*Comment 50:* One comment requested clarification of the term "new evidence" as used in Bd.R. 41.39(a)(2) and asked whether new dictionary definitions first used in an answer are included in the term "new evidence."

*Response:* The USPTO has added a definition of "Evidence" in final Bd.R. 41.30 to clarify that "Evidence" in this subpart does not include dictionaries. As such, the issue of whether citation to a dictionary for the first time in an answer or in a Board decision constitutes a new ground of rejection will be determined based on controlling case law and the specific facts of each case.

*Comment 51:* One comment opposed allowing new grounds of rejection in an answer because it creates a "quagmire" and allows the examiner not to be diligent in conducting prosecution. The comment suggested limiting new grounds of rejection to prior art references that first became publicly available after the date of the Office action from which the appeal is taken.

*Response:* The USPTO declines to adopt this suggestion. There are many reasons why an examiner might make a new ground of rejection based on prior art that was available at the time of the initial prosecution, including: Amendments made to the claims by appellants, challenges to official notice, *etc.* Further, the integrity of the patent system depends upon the examiner having the ability to rely on the best prior art of which he/she is aware. See *BlackLight Power, Inc. v. Rogan*, 295 F.3d 1269, 1273, 1274 (Fed. Cir. 2002) ("The PTO's responsibility for issuing sound and reliable patents is critical to the nation" and "[t]he object and policy of the patent law require issuance of valid patents"); *In re Alappat*, 33 F.3d 1526, 1535 (Fed. Cir. 1994) (en banc) ("The Commissioner has an obligation to refuse to grant a patent if he believes that doing so would be contrary to law."); see also *In re Gould*, 673 F.2d 1385, 1386 (CCPA 1982). For these reasons, the USPTO declines to limit the examiner's ability to enter new grounds of rejection as suggested. The final rule provides appellants with adequate safeguards by allowing appellants to choose either to proceed with the appeal or reopen prosecution in response to a new ground of rejection raised in the answer.

*Comment 52:* One comment opposed Bd.R. 41.39(a)(2) to the extent it does not provide a mechanism for appellants to gain relief from new ground of rejection entered in an advisory action.

*Response:* Just as in the case where a final Office action contains an undesignated new ground of rejection,

appellants who feel that an advisory action contains a new ground of rejection have the right to petition under Rule 1.181 for supervisory review of the examiner's action to seek to have prosecution reopened.

*Comment 53:* One comment suggested that examiners should not get a count for new grounds of rejection issued in an examiner's answer due to the examiner's own error. Additionally, the comment suggested that new grounds of rejection in an answer should trigger a reopening of prosecution by default.

*Response:* The USPTO declines to adopt these suggested changes. As to the suggestion not to award an examiner a count for an answer containing a new ground of rejection, this is a matter of internal management within the agency and is outside the scope of the proposed rules. As to the suggestion that a new ground of rejection should trigger reopening of prosecution by default, the USPTO's view is that it is more advantageous to appellants to give them the flexibility to choose either to proceed with an appeal or to reopen prosecution, depending on the circumstances of their particular case. The USPTO declines to adopt a default rule that would limit appellants' options in this situation.

*Comment 54:* One comment favored allowing new grounds of rejection as a "necessary evil" in advisory actions, decisions on pre-appeal conferences, answers and BPAI decisions. The comment suggested that appellants should always have the opportunity to respond to a new ground of rejection, regardless of when the new ground of rejection is entered in the prosecution history because the new grounds of rejection are most often a result of examiner error in prosecution; specifically violations of Chapter 2100 of the MPEP. The comment recommended that the USPTO enforce Chapter 2100 of the MPEP more thoroughly.

*Response:* While the Office does not agree with the comment that new grounds of rejection are most often a result of examiner error in prosecution, the Office will take the comments into consideration when revising the MPEP in accordance with the final rule and in providing guidance to the examining corps in Chapter 1200 of the MPEP. The Supplementary Information section of the instant notice provides guidance to appellants and examiners as to what constitutes a new ground of rejection under final Bd.R. 41.39.

*Comment 55:* One comment opposed the explanation of new ground of rejection contained in the NPRM as too narrow and as failing to give examiners

“good guidance” because the examples listed in the NPRM of new grounds for rejection are not exhaustive. The comment suggested deletion of the second sentence of Bd.R. 41.39(a)(2) because it could be interpreted by examiners to imply that only a rejection that relies upon any new evidence is a new ground of rejection that must be designated and approved.

*Response:* The USPTO intends the list to be exemplary. Whether new grounds of rejection have been raised is dependent on the unique factual circumstances of each application or proceeding and any attempt to provide an exhaustive list would be counterproductive.

*Comment 56:* Another comment opposed the explanation of new ground of rejection in the notice of proposed rule making and commented that *In re DeBlauwe*, 736 F.2d 699, 706 n.9 (Fed. Cir. 1984), contains a stronger limitation than the NPRM with respect to what constitutes a new ground of rejection. This comment suggested that a ground of rejection should be considered “new” whenever it departs from a previous statement of a ground of rejection, be it by relying on a different portion of the same reference, a different reference or merely different examiner reasoning. The comment further stated that the “fact specific” approach proposed by the Office invites abuse by the examining corps.

*Response:* The USPTO appreciates the comments submitted on the proposed guidance on new grounds of rejection. The USPTO will follow applicable law in determining on a case-by-case basis whether a new ground of rejection has been made. While the examples provided in the NPRM are intended to provide sample factual situations based on actual case law, as noted in the notice of proposed rule making, the inquiry of whether a new ground of rejection has been made in each case is highly fact specific. *See, e.g., In re Kronig*, 539 F.2d 1300, 1303 (CCPA 1976). The general test that the USPTO will apply is to determine whether the appellant has had a fair opportunity to respond to the basic thrust of the rejection. *Id.*

*Comment 57:* One comment suggested that whether something constitutes a new ground of rejection should be handled the same whether it appears in a final rejection, an answer, or in a Board decision.

*Response:* For the reasons set forth in the notice of proposed rule making, the USPTO’s view is that the question of whether an applicant has had a full and fair opportunity to respond to a rejection depends in part on the stage

the application is in when the ground of rejection is first raised (*e.g.*, after final rejection versus after filing an appeal brief, versus in a Board decision). Procedurally, an applicant’s opportunity to fully and fairly respond to the rejection differs at different stages of the prosecution. For example, an applicant may be able to submit evidence after a final rejection to rebut a ground of rejection that would not be admissible at the time of filing an appeal brief.

*Compare* Rule 1.116(e) and final Bd.R. 41.33(d).

*Comment 58:* Two comments suggested that approval by a Technology Center Director be required for an examiner to reopen prosecution after filing of an appeal brief, and that the reasons for reopening should be delineated clearly for the Record. One comment further suggested that the rules or the MPEP include a requirement that Office actions reopening prosecution include an authorization to search after a reversal.

*Response:* The USPTO declines to adopt these suggestions because they are outside the scope of the proposed rules. The proposed rules do not address reopening of prosecution by the examiner after filing of an appeal brief. Rather, subparagraph (a)(2) of proposed and final Bd.R. 41.39 addresses only new grounds of rejection raised in an examiner’s answer, and subparagraph (b)(1) of final Bd.R. 41.39 addresses the appellant’s right to reopen prosecution in this instance. MPEP § 1207.04 already requires approval from the supervisory patent examiner to reopen prosecution after appellant’s brief or reply brief has been filed. MPEP § 1214.04 also states that the examiner should never regard a reversal as a challenge to make a new search and that if the examiner has specific knowledge of the existence of a particular reference(s) which indicate nonpatentability of any claims, he or she should submit the matter to the Technology Center Director for authorization to reopen prosecution. *See also* 37 CFR 1.198 (after a Board decision has become final, prosecution will not be reopened without the written authority of the Director, and then only for the consideration of matters not already adjudicated, sufficient cause being shown).

*Comment 59:* One comment opposed proposed Bd.R. 41.39(b) to the extent that rights arising out of this paragraph are dependent on the USPTO’s designation of a new ground of rejection. The comment suggested that these rights should arise whenever the action meets the definition of a new ground of rejection.

*Response:* The USPTO declines to adopt this suggestion. The final rule provides appellants with a full and fair opportunity to respond to the rejections and to petition if appellants feel that such an opportunity has not been provided.

*Bd.R. 41.40*

*Comment 60:* The majority of the comments favored the proposed rule to toll the time period to file a reply brief. Several of those comments in favor of the proposed rule expressed concern that the rule could be used by appellants in *ex parte* reexamination to delay prosecution. One comment proposed providing an expedited review of *ex parte* patent reexamination petitions by requiring these petitions be filed within a non-extendable period of time from the answer (less than the time for submitting a reply brief) and require that the USPTO make a decision within a set time frame (*i.e.*, 30 days). Another comment suggested that petitions be decided by a party removed from the Technology Center that conducted the examination.

*Response:* The USPTO appreciates the concern raised in these comments. The USPTO declines to adopt the suggestion to set special expedited time limits for *ex parte* reexamination proceedings because depending on workloads and budgetary issues facing the Office, the USPTO cannot guarantee that such petitions will be acted on within any specific time frame; however, the USPTO will take steps to ensure that such petitions are handled expeditiously to avoid the incentive to abuse the petition process simply as a delay tactic. As to the suggestion of how such petitions are decided, the USPTO declines to modify the rule, as this is a matter of internal agency management.

*Comment 61:* One comment opposed the petition procedure under Rule 1.181 because it “adds unnecessary cost and delay to an already expensive and lengthy appeal process” and creates delay and inefficiencies at USPTO.

*Response:* Given the majority of comments received in favor of proposed Bd.R. 41.40, the USPTO has decided to include this tolling provision in the final rule. The USPTO’s past practice has been for the BPAI to remand any docketed appeal back to the examiner if any undecided petition was pending which had been filed prior to the BPAI’s taking jurisdiction. This back-and-forth will be eliminated under the current rule, because the filing of a petition will automatically toll the time for filing a reply brief (and thus the start of the BPAI’s jurisdiction). The need to remand a docketed appeal due to a

pending petition will therefore be eliminated under the current rule.

*Comment 62:* One comment suggested defining or deleting the use of “primary examiner” in Bd.R. 41.40 because this term is not defined in the CFR or the MPEP.

*Response:* The suggestion is not adopted. The term “primary examiner” is used in 35 U.S.C. 134, the 2004 version of Bd.R. 41.39 and previous versions of the rule (e.g., Rule 1.193 (1959)). The USPTO is using “primary examiner” in this section to have the same meaning as used in 35 U.S.C. 134 and Bd.R. 41.39.

*Comment 63:* One comment opposed Bd.R. 41.40(b) to the extent that it calls for dismissing the entire appeal if the petition is granted, and then appellant fails to file a reply under Rule 1.111 in the instance where the new ground of rejection does not cover all the appealed claims. The comment suggested in this situation allowing the appeal to proceed and allowing the appellant to treat the newly designated new ground of rejection in his reply brief. If appellant failed to address the new ground of rejection in the reply brief, then the appeal would be terminated as to those claims so rejected, but would continue as to any other appealed claims.

*Response:* The USPTO declines to adopt this suggestion. If an appellant desires to simply respond to the rejection (whether designated as a new ground of rejection or not) in the reply brief, then the appellant should simply file the reply brief within the two-month time period and not file a petition. The rule is written so that appellants will not use the petition process simply as a means to obtain an extension of time on filing a reply brief. There is no advantage to be gained by appellants from petitioning to have a rejection in the answer designated as a new ground of rejection and then simply filing a reply brief to respond to such rejection. Final Bd.R. 41.41 allows appellants to include in reply briefs arguments that are responsive to arguments raised in the examiner’s answer.

*Comment 64:* One comment requested clarification of the rule with respect to tolling of time when “re-petitioning” or requesting reconsideration of the decision. The comment specifically asked whether an appellant would still be required to file a reply brief within two months of the decision refusing to grant the original Rule 1.181 petition.

*Response:* The rule tolls the time period for filing a reply brief only until the initial petition is decided. Under this rule, the appellant would still be required to file a reply brief within two months of the decision on the initial

petition, even if the appellant chooses to request reconsideration of the decision.

*Comment 65:* One comment opposed the new petition procedure because it does not go far enough to allow for tolling of time periods when petitioning to have a new ground of rejection designated that appears in an advisory action or pre-appeal brief conference decision.

*Response:* Appellants have a remedy under Rule 1.181 to file a petition for supervisory review of an examiner’s final rejection, advisory action, or pre-appeal brief conference decision, should any of those actions include statements that appellants feel constitute a new ground of rejection to which appellants feel they have not had “a fair opportunity to respond.”

*Comment 66:* One comment stated that there appears to be no separate mechanism to ensure that examiners fulfill the prima facie case requirement. This comment suggested that the USPTO implement a separate mechanism to allow applicants to request review of whether an examiner has made a prima facie showing prior to appellate review by the Board.

*Response:* This suggestion is outside the scope of the proposed rules. Applicants who believe the examiner has failed to satisfy the notice-function of 35 U.S.C. 132, and thus failed to satisfy the Office’s burden of establishing a prima facie case, can raise that issue with the examiner in their response to the office action, and by conducting an interview with the examiner early in the prosecution (e.g., after the first office action). Alternatively, the applicant can challenge the merits of the rejection. But creating a mechanism by which the applicant can first challenge the procedural aspects of the rejection, and then the merits if unsuccessful, is “both manifestly inefficient and entirely unnecessary.” See generally *In re Jung*, 637 F.3d 1356, 1363 (Fed. Cir. 2011) (permitting applicant to “procedurally challenge and appeal the prima facie procedural showing before having to substantively respond to the merits of the rejection \* \* \* is both manifestly inefficient and entirely unnecessary.”).

#### *Bd.R. 41.41*

*Comment 67:* One comment suggested adding “within the later of” before “two months” in Bd.R. 41.41(a).

*Response:* The USPTO appreciates the suggested clarification to the language of Bd.R. 41.41(a) and adopts this language in the final rule as it is in keeping with the intent of the proposed rule.

*Comment 68:* One comment suggested that this section of the rule clearly state

that there is no requirement to file a reply brief, and that the absence of a reply brief should not raise an inference or presumption that the appellant acquiesces to any new arguments made by the examiner in the answer. The comment stated that even with a designated new ground of rejection, the rule should not require appellants to respond.

*Response:* The USPTO declines to adopt this suggested change. To the extent this comment suggests to make it purely optional for appellants to file a reply brief responding to new grounds of rejection, the Board must receive appellant’s explanation as to “why the examiner erred” as to the new ground of rejection appellants are contesting in order to review the rejection. The rules, however, do not require appellants to respond to a new ground of rejection if they wish not to challenge that ground of rejection. If no arguments are raised by appellants in response to a new ground of rejection contained in the answer, then the Board appropriately will dispose of the appeal as to those claims subject to the new ground, and the appeal will proceed as to any remaining claims. The USPTO declines to amend the rule explicitly to provide that the absence of a reply brief should not raise an inference or presumption that the appellant acquiesces to any new arguments made by the examiner.

*Comment 69:* One comment requested clarification on the prohibition against including “new” or “non-admitted” amendments, affidavits or other evidence in briefs, as set forth in Bd.R. 41.41(b)(1), would not bar the submission of items otherwise permitted under Bd.R. 41.33.

*Response:* This comment is addressed above in the response to Comment 12.

*Comment 70:* One comment favored proposed Bd.R. 41.41(b)(2) and suggested a similar rule be adopted with respect to appeal briefs, i.e., that appellants not be able to raise arguments in the appeal brief that have not been raised after a non-final or final action.

*Response:* This comment is addressed above in the response to Comment 36.

The USPTO declines to adopt the suggestion to limit the scope of arguments that can be raised by appellants in the appeal brief.

*Comment 71:* One comment opposed proposed Bd.R. 41.41(b)(2) as being overly restrictive and creating a burden on appellants by applying a stricter standard on appellants than on examiners. The comment stated that this limitation will prevent the Board from having a full record on which to make its decision. The comment requested

clarification as to whether arguments in response to a reworded rejection in an examiner's answer would be permitted as falling within the "good cause" requirement of the proposed rule. The comment suggested that, to allow the Board to review a fully developed record, the rule should permit appellants to respond to all arguments appearing in the answer that do not appear in *haec verbae* in the rejection from which the appeal is taken.

*Response:* The rule allows appellants the option to raise arguments in the reply brief which are "responsive to an argument raised in the examiner's answer," including those that do not appear in *haec verbae* in the appealed rejection. Thus satisfying the good cause requirement would not be necessary.

#### *Bd.R. 41.43*

*Comment 72:* The USPTO received three comments in favor of eliminating Bd.R. 41.43, which requires the primary examiner to acknowledge receipt and entry of the reply brief and allows examiners to enter a supplemental examiner's answer, and three comments opposed to this change because it would eliminate the examiner's opportunity to consider the reply brief and possibly allow the case or reopen prosecution. One comment requested clarification of whether the Examiner would still review the reply brief.

*Response:* In response to the comments opposing elimination of this section of the rule, USPTO data for the past ten years (FY 2001—FY 2010) shows that examiners allow applications in approximately 1% of all appeals and reopen prosecution in approximately 1% of appeals after the filing of a reply brief. It is most often the case that once the examiner has held an appeal conference on the case and prepared an examiner's answer, the examiner simply acknowledges and enters the reply brief and the appeal proceeds to the Board for review and decision. Meanwhile, USPTO data shows over the same time period that in those cases where the examiner simply acknowledged and entered the reply brief, the average pendency from the filing of a reply brief to the time the examiner acknowledged and entered the reply brief is 55 days. As such, the advantage in shorter pendency received by all appellants from elimination of this section of the rule—at which point, the examiner has held an appeal conference on the case and prepared an examiner's answer—outweighs, in the view of the USPTO, the advantage gained in those rare instances where an appeal may become unnecessary after filing of the reply brief. For these

reasons, the final rule eliminates Bd.R. 41.43.

#### *Bd.R. 41.50*

*Comment 73:* One comment suggested extending the Board's role, as set forth in proposed Bd.R. 41.50(a), to "allow" claims in an effort to simplify the procedure after a reversal based on the current power of the Board to act as a "de facto" examiner in entering new grounds of rejection under Bd.R. 41.50(b).

*Response:* The USPTO declines to adopt this suggestion, which effectively would turn the Board into an extension of the examining corps. The Board's principal role is to "review adverse decisions of examiners." 35 U.S.C. 6(b). While Bd.R. 41.50 permits the Board to include a new ground of rejection of which it has knowledge in its decision, the Board is not charged with performing the tasks necessary to determine whether claims stand in condition for allowance (e.g., perform searches of prior art). Nor should it be required to do so, given its statutory charge to review adverse examiner decisions.

*Comment 74:* One comment was in favor of eliminating the Board's independent authority to remand appeals in Bd.R. 41.50(a)(1). One comment was opposed to stripping the Board of its power to remand applications because remands are the best available remedy for inadequate fact finding and incomplete examination in some instances. Another comment was opposed to this proposed change to the extent that, even though this proposed modification would remove the independent ability of the Board to remand cases to the examiner, the Board would still be able to do so with approval of the Director and the Director would be reluctant to block the Board's request for a remand and thus the remand process would be complicated rather than simplified.

*Response:* In light of comments received in response to this proposed change and in light of considerations of administrative efficiencies, the USPTO has decided to retain the last sentence of Bd.R. 41.50(a)(1) authorizing the Board to remand an application to the examiner. This change also necessitates retaining Bd.R. 41.50(a)(2), (a)(2)(i), and (a)(2)(ii) to address treatment of the case when a "substitute" examiner's answer is written in response to a remand. The USPTO will rely on internal management controls to ensure that this remand authority is used only in situations where remand is proper.

*Comment 75:* One comment suggested amending Bd.R. 41.50(a) to require the

Board to decide all rejections on appeal—including, for instance, rejections under 35 U.S.C. 103 if there is also a rejection under 35 U.S.C. 101. The comment stated that if the Board decides only a § 101 rejection that is easily remedied by a Request for Continued Examination, and does not address an art rejection, appellants would be required to file another appeal brief, thereby increasing the number of appeals the Board has to decide.

*Response:* This comment is outside the scope of the NPRM. The USPTO declines to institute a rule dictating how individual panels of the Board must resolve issues in cases that come before them.

*Comment 76:* One comment suggested revising Bd.R. 41.50(b) so that the Board is not allowed to issue decisions containing an affirmance with a new ground of rejection, because these types of decisions preclude applicants from gaining patent term protection that would otherwise be provided by 35 U.S.C. 154(b)(1)(C)(iii). The comment suggested that the Board should reverse the examiner's rejection and enter a new ground of rejection, rather than affirming. The comment also stated that the use of an affirmance and a new ground of rejection introduces confusion about how many times a claim has been rejected—which causes difficulty in the case of RCEs.

*Response:* This comment is outside the scope of the NPRM. The USPTO declines to institute a rule dictating how individual panels of the Board must resolve issues in cases that come before them.

*Comment 77:* One comment suggested that Bd.R. 41.50(b)(1) be revised so that after a decision containing a new ground of rejection, prosecution could be reopened based on appellant argument alone—with no a requirement to submit new evidence. The comment further suggested that the examiner should not be bound by a new ground of rejection in a Board decision because examination should take place in front of the examining corps—not in front of the Board.

*Response:* The USPTO declines to adopt these suggestions. The Board, having made the new ground of rejection and thus having the most complete understanding of the logic and analysis that led to the new ground, is in the best position to evaluate appellant's rebuttal arguments in a request for rehearing. It is only in the instance where appellant chooses to amend the claims or submit new evidence that prosecution must be reopened and the case returned to the examiner to consider the amendment

and/or new evidence in the first instance.

*Comment 78:* Three comments opposed eliminating the Board's power to include a statement of how a claim can be amended to overcome a rejection. One comment stated that use of such a statement would foster cooperation between the Board and appellants. Another comment stated that the statement is merely a suggestion and does not obligate the examiner or the appellant in any way. The third comment stated that the Board should not forego opportunities to suggest how prosecution can be concluded.

*Response:* To clarify, the 2004 version of Bd.R. 41.50(c) allows the Board to include a statement of how a claim on appeal may be amended to overcome a specific rejection. Under the 2004 version of Bd. R. 41.50(c), if the Board includes such a statement, appellant has the right to amend the claim in conformity therewith, and such an amendment will overcome the specific rejection. Thus, the Board's statement is binding on the examiner, and the examiner may reject a claim so-amended only by instituting a new ground of rejection. As such, this power of the Board under the 2004 rule puts the Board squarely in the shoes of the examiner by allowing the Board to mandate how a claim can be amended to overcome a rejection. The USPTO declines to adopt the suggestion to add back the Board's power to include a statement as to how a claim on appeal may be amended to overcome a specific rejection. In the USPTO's experience, since the adoption of this rule in 2004, this power has been used rarely by the Board, and since the Board's principal function is to review adverse decisions of examiners, and in light of the backlog of appeals at the Board, the USPTO sees no need for the Board to spend judicial resources proposing amendments to the claims.

*Comment 79:* One comment opposed proposed Bd.R. 41.50(c), which provides that failure of an appellant to timely file a request for rehearing seeking review of a panel's failure to designate a new ground of rejection in its decision will constitute a waiver of any arguments that a decision contain an undesignated new ground, stating that this waiver provision is ultra vires, inappropriate because the Board is not an Article III court, and incompatible with the new grounds provisions proposed in the NPRM.

*Response:* This comment is addressed above in the response to Comment 37.

*Bd.R. 41.52*

*Comment 80:* One comment favored the "flexible approach" reflected in Bd.R. 41.52(a)(4) that allows appellants to present new arguments when they believe the Board has made a new ground of rejection that has not been so designated.

*Response:* The final rule adopts Bd.R. 41.52(a)(4) as proposed.

*Bd.R. 41.54*

*Comment 81:* One comment opposed proposed Bd.R. 41.54, which requires the Board to return jurisdiction to the examiner after decision by the Board because it would not permit the Board to allow applications and pass them to issuance. The commenter would prefer that the Board be able to review applications and pass them to issuance rather than returning jurisdiction to the examiner.

*Response:* To the extent this comment seeks to have the Board to allow applications and pass them to issuance, the USPTO declines to adopt the suggestion to make the Board into an extension of the examining corps. The Board's principal function is to review adverse decisions of examiners.

*Other Comments Not Related to a Particular Proposed Rule Change*

*Comment 82:* One comment noted that some BPAI decisions have been so brief that it was not possible to determine what arguments the panel found persuasive or unpersuasive. The comment requested that the Board be required by rule to state with particularity their reasoning in reaching a decision and to state which arguments of which party were and were not persuasive.

*Response:* The USPTO declines to adopt a rule that dictates to a particular panel of the Board a specific level of detail of analysis that must be included in each opinion. The level of specificity of the panel's reasons for affirming or reversing a decision of the examiner will vary depending on the particular facts and nature of each appeal.

*Comment 83:* One comment noted a disparity between the amount of time that appellants have to respond and the amount of time that the Board and examiners have to respond. Specifically, the comment suggested that "however long it takes from the time a brief is filed till an answer is received shall be such length of time as appellant has to file a reply brief" and that "however long it takes from the time a reply brief is filed till a board decision is received shall be such length of time as appellant has to file a request for rehearing."

*Response:* The USPTO has considered the comment but the Office declines to adopt the suggested changes.

*Comment 84:* One comment requested that the USPTO adopt a separate mechanism to rigorously enforce Rule 1.104 and the prima facie case requirement (*i.e.*, a separate appellate body, below the Board, which reviews only whether the examiner made a prima facie case). They further suggest that examiners be required to use the rationales set forth in MPEP § 2143 except if granted an exception from two Supervisory Patent Examiners or a Technology Center Director.

*Response:* The USPTO notes that it has already adopted a separate mechanism for review prior to appeal in the Pre-Appeal Brief Conference pilot program. The USPTO is considering a different rule making initiative that pertains to the pre-appeal brief conference option. As such, the USPTO declines to adopt these suggestions at this time because they are outside the scope of the present proposed rule changes.

*Comment 85:* One comment requested that Image File Wrappers be made text searchable and that applicants be allowed to submit .doc files to the USPTO to reduce the burden on applicants and examiners and to allow the patent bar to prepare statistics on success and failure rates for different prosecution strategies, and to allow the patent bar to identify outlier patent agents, attorneys, examiners, art units, and Board judges who receive or issue either inordinate numbers of rejections or allowances.

*Response:* The USPTO declines to adopt this suggestion because it is outside the scope of the proposed rule changes.

*Comment 86:* Two entities commented on the statistics presented in the NPRM concerning pre-appeal brief conferences and appeal conferences. Specifically, one comment noted that the statistics show that both procedures have been reasonably successful at preventing improper rejections from reaching the Board, but that it is surprising to see no significant change for either type of conference in the percent of cases proceeding to the Board. The comment suggested that USPTO should analyze what these statistics mean with respect to the rest of the examination process, including training efforts to improve quality of final rejections. The other comment noted that the percentage of cases that were reopened or allowed after filing a request for a pre-appeal conference or an appeal brief are "unacceptably high." The comment requested the USPTO

evaluate the entire appeal process, including the steps that lead to an appeal, *i.e.*, final office actions and after final practice.

*Response:* The USPTO thanks the public for their thoughtful comments on ways to improve the patent process. While these suggestions are outside the scope of the proposed rule making, the USPTO appreciates this input.

*Comment 87:* One comment suggested that the pre-appeal brief conference option be included as part of the *ex parte* appeal rules to reflect that this option is an important and significant part of the appeal process.

*Response:* The USPTO declines to adopt this suggestion at this time because it is outside the scope of the proposed rule changes. The USPTO is considering a different rule making initiative that pertains to the pre-appeal brief conference option.

### Rule Making Considerations

*Executive Order 12866:* This rule making has been determined to be significant for purposes of Executive Order 12866 (Sept. 30, 1993).

The Office received one comment regarding Executive Order 12866.

*Comment 88:* The comment suggested that the Office should designate all of its rules as having an economically significant effect under Executive Order 12866, either because “innovation and invention is a substantial part of the American economy,” or because the commenter alleges the paperwork burdens of the information collections associated with some patent rules cost more than the \$100 million threshold for an economically significant action.

*Response:* To the extent that this comment is directed to regulatory actions other than the BPAI rules, the comment is outside the scope of this rule making. To the extent that this comment is directed to the instant regulatory action, the Office notes that it fully complied with Executive Order 12866 in the promulgation of this rule. Moreover, the Office of Information and Regulatory Affairs (OIRA) determines whether the Office’s rules are “significant” and/or “economically significant” under Executive Order 12866. *See* Exec. Order No. 12866, 58 FR 51735, § 6(b)(1) (Sept. 30, 1993). OIRA determined that these rules are “significant,” but not “economically significant.” Furthermore, there is nothing in Executive Order 12866 that requires that OIRA’s analysis begin with the presumption that all rules are economically significant. The Office presents each proposed rule to OIRA, which considers the economic significance of each rule individually.

The Office will continue this practice in future rule makings.

*Administrative Procedure Act:* The changes in the final rule relate solely to the procedure to be followed in filing and prosecuting an *ex parte* appeal to the Board. Therefore, these rule changes involve rules of agency practice and procedure under 5 U.S.C. 553(b)(A), and prior notice and an opportunity for public comment are not required pursuant to 5 U.S.C. 553(b)(A) (or any other law). *See Bachow Commc’ns, Inc. v. F.C.C.*, 237 F.3d 683, 690 (D.C. Cir. 2001) (rules governing an application process are “rules of agency organization, procedure, or practice” and exempt from the Administrative Procedure Act’s notice and comment requirement); *Merck & Co. v. Kessler*, 80 F.3d 1543, 1549–50 (Fed. Cir. 1996) (the rules of practice promulgated under the authority of former 35 U.S.C. 6(a) (now in 35 U.S.C. 2(b)(2)) are not substantive rules to which the notice and comment requirements of the Administrative Procedure Act apply); *Fressola v. Manbeck*, 36 USPQ2d 1211, 1215 (D.D.C. 1995) (“it is extremely doubtful whether any of the rules formulated to govern patent or trade-mark practice are other than ‘interpretive rules, general statements of policy, \* \* \* procedure, or practice’” (quoting C.W. Ooms, *The United States Patent Office and the Administrative Procedure Act*, 38 Trademark Rep. 149, 153 (1948))).

Because the rule is procedural, it is not required to be published for notice and comment. Nevertheless, the Office published a notice of proposed rule making in the **Federal Register** (75 FR 69828 (Nov. 15, 2010)) in order to solicit public comment before implementing this final rule.

The Office received the following comments regarding the Administrative Procedure Act.

*Comment 89:* The Office received three comments suggesting that these rules are substantive rather than procedural, are required to be promulgated through notice and comment, and must be submitted to the Office of Management and Budget (OMB) for approval and analysis under Executive Order 12866 and to the Small Business Administration (SBA) for review under the Regulatory Flexibility Act.

*Response:* These rules are procedural because they are “rules of agency organization, procedure, or practice,” *see* 5 U.S.C. 553(b)(A), and because they do not “foreclose effective opportunity to make one’s case on the merits,” *JEM Broad. Co. v. F.C.C.*, 22 F.3d 320, 328 (DC Cir. 1994). The Office declines to accept one commenter’s suggestion that

any rule that mentions any statute, regulation, or case automatically should be designated as substantive because the rule must automatically affect substantive rights. Such a designation would not comport with administrative law and would render the distinction between procedural and substantive rules meaningless. *See id.* at 327 (“Of course, procedure impacts on outcomes and thus can virtually always be described as affecting substance, but to pursue that line of analysis results in the obliteration of the distinction that Congress demanded. The issue, therefore, is one of degree, and [a court’s] task is to identify which substantive effects are sufficiently grave so that notice and comment are needed to safeguard the policies underlying the APA.” (internal quotations and citations omitted)). Because these rules are procedural, notice and comment were not required under the Administrative Procedure Act (APA) or any other statute. Furthermore, to ensure maximum efficacy of the rules and to provide the public with an opportunity to comment, the Office published notice of the proposed rules in the **Federal Register**, sought comment on the proposed rules, and fully considered and responded to all comments received.

The Office submitted the proposed and final rules to the Office of Management and Budget (OMB) for full review prior to issuance. OMB determined, and the Office agreed, that the final rules are not economically significant within the meaning of Executive Order 12866. Additionally, although analysis under the Regulatory Flexibility Act is not mandatory for procedural rules such as these, the Office fully complied with the Act. Under the Act, an agency need not complete an Initial Regulatory Flexibility Analysis “if the head of the agency certifies that the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.” *See* 5 U.S.C. 605(b). For the reasons set forth at length in the NPRM (75 FR 69828–01, 69843–44), the Deputy General Counsel has certified to the Chief Counsel for Advocacy of the Small Business Administration that this rule will not have a significant economic impact on a substantial number of small entities, in accordance with 5 U.S.C. 605(b). The SBA’s Office of Advocacy did not disagree with this certification.

*Regulatory Flexibility Act:* Prior notice and an opportunity for public comment are not required pursuant to 5 U.S.C. 553 or any other law. Neither a Regulatory Flexibility Act analysis nor a

certification under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) is applicable to this final rule. See 5 U.S.C. 603.

Nonetheless, the Deputy General Counsel for General Law of the United States Patent and Trademark Office has certified to the Chief Counsel for Advocacy of the Small Business Administration that, for the reasons discussed below, this final rule for the Rules of Practice Before the Board of Patent Appeals and Interferences in *Ex Parte* Appeals [RIN 0651-AC37], will not have a significant economic impact on a substantial number of small entities. See 5 U.S.C. 605(b) (Regulatory Flexibility Act).

There are no fee changes associated with the final rule. The estimates of economic impact provided below are based on agency expertise in patent prosecution practice.

#### Claims on Appeal

In those instances where appellants wish to appeal all claims under rejection, which are the majority of appeals, there will be a cost savings. The final rule eliminates the requirement for appellants to affirmatively state (by eliminating the status of claims section of the appeal brief) all of the claims on appeal. There may be a slight increase in cost, however, to a small subset of appellants who choose not to appeal all of the rejected claims. For this small subset of appellants, the final rule requires cancellation of any non-appealed claims by filing an amendment.

The Office estimates that, for those appellants choosing to appeal fewer than all of the rejected claims, this change may result in two hours of attorney time toward the preparation of such an amendment. For purposes of comparison, the 2011 report of the Committee on Economics of Legal Practice of the American Intellectual Property Law Association (“the AIPLA 2011 Report”) notes that the median cost for the preparation and filing of a patent application amendment/argument of minimal complexity is \$1,800. Using the AIPLA 2011 Report’s median billing rate for attorneys in private firms of \$340 per hour, this cost equates to approximately 5.3 hours of attorney time. The Office’s estimate of two hours of attorney time (\$680) for an amendment merely cancelling claims is based on the fact that such an amendment will not contain an argument section, unlike a regular patent application amendment/argument. As such, the Office estimates that the amendment to cancel claims will be significantly less time-

consuming than a regular patent application amendment/argument.

Based on the Office’s experience, it estimates that such an amendment cancelling claims will only be filed in approximately 1% of appeals. The Board decided *Ex parte Ghuman*, 88 USPQ2d 1478, 2008 WL 2109842 (BPAI 2008) (precedential) in May 2008. Of the approximately 2,056 reported Board decisions and orders issued in the remainder of FY 2008, only ten such decisions and orders cited *Ghuman* in noting that an appellant had withdrawn claims from appeal. In FY 2009 (October 2008–September 2009), of the approximately 5,612 reported Board decisions and orders, only twenty cited *Ghuman* in noting that an appellant had withdrawn claims from appeal. In FY 2010 (October 2009–September 2010), of the approximately 5,990 reported Board decisions and orders, only twenty-six cited *Ghuman* in noting that an appellant had withdrawn claims from appeal. In FY 2011 (October 2010–September 2011), of the approximately 6,126 reported Board decisions and orders, only thirty-five cited *Ghuman* in noting that an appellant had withdrawn claims from appeal. While these numbers may not represent a precise indication of the numbers of appeals where appellants chose not to appeal all of the rejected claims, these figures are provided as an indication of the relatively small number of appeals in which appellants choose to appeal fewer than all of the rejected claims without cancelling such unappealed claims prior to appeal. Based on this data, the Office found that approximately 0.46% of all appeals had *Ghuman* issues, *i.e.*, where fewer than all of the rejected claims were appealed. For purposes of calculating additional cost to appellants from this rule change, the Office rounded up to 1% and used this as a conservative (high) estimate for the number of amendments expected. As this rule change will only impact 1% of all appellants, this final rule will not have a significant economic impact on a substantial number of small entities.

Additionally, for the majority of appellants this final rule will likely result in cost savings. Because the rule had allowed appellants to appeal fewer than all of the claims under rejection, the rule also required appellants to affirmatively state (in the status of claims section of the appeal brief) all of the claims on appeal. Under this final rule, the Board will presume that appellants intend to appeal all claims under rejection unless those claims under rejection for which review is not sought are cancelled. This change to the rule allows the Office to eliminate the

requirement for appellants to separately identify the claims on appeal in the appeal brief. Thus, in those instances where appellants wish to appeal all claims under rejection, which represents the majority of appeals, the appellant’s burden is lessened by not having to include a listing of the status of all of the claims under rejection.

#### Changes to Appeal Brief Requirements

The Office also estimates a net cost savings to all appellants as a result of the changes to the appeal brief requirements in the final rule. In particular, the Office estimates a savings due to the elimination of certain appeal brief requirements and changes to other requirements to make them more flexible. The Office estimates a small increase in cost to the subset of appellants who choose to argue claims separately or as a subgroup.

For the subset of appellants who choose to argue claims separately or as a subgroup, the small increase in cost would merely be related to the addition of subheadings before separately argued claims or subgroups. The Office estimates this added burden may increase the time it takes to prepare an appeal brief by 0.2 hours for those appellants who choose to separately argue claims. This estimate is based on the Office’s view of the time it would take to add subheadings based on agency expertise in patent prosecution practice. The estimated small increase in cost would not apply to all appeal briefs because some appellants choose to argue all of the claims rejected under a ground of rejection as a single group. However, since the Office does not track the number of appeals in which appellants argue all claims as a single group versus the number of appeals in which appellants argue some claims separately, the Office has applied this increase to the estimate of all appeal briefs filed. Applying this increase to the estimate of all appeal briefs filed still will not have a significant economic impact on a substantial number of small entities.

Notably, the overall changes to the appeal brief requirements in the final rule will result in net savings to all appellants. By allowing more flexibility in how an appellant chooses to present an appeal to the Board and by eliminating many appeal brief requirements, appellants will incur less cost overall in preparation of appeal briefs. As discussed *infra* in the Paperwork Reduction Act section of the notice, the Office estimates a net average savings in preparation time under the final rule of two hours of attorney time as compared to the previous estimate

under the 2004 rules. This estimate is based on the Office's view of the net time saved in preparation of an appeal brief as a result of the final rule based on agency expertise in patent prosecution practice. As such, the overall average attorney time and cost it will take to prepare an appeal brief under the final rule will be reduced from 34 hours (\$11,560) to 32 hours (\$10,880). Using the median billing rate of \$340 per hour, as published in the APLA 2011 Report, the Office estimates that the final rule will result in an average savings of \$680 per appeal brief. This savings will apply equally to large and small entities.

Accordingly, any costs related to the filing of an amendment cancelling claims and the addition of subheadings to an appeal brief will not have a significant economic impact on a substantial number of small entities. Moreover, this final rule as a whole will likely result in a net cost savings to appellants and, therefore, also will not have a significant economic impact on a substantial number of small entities.

*Unfunded Mandates:* The Unfunded Mandates Reform Act requires, at 2 U.S.C. 1532, that agencies prepare an assessment of anticipated costs and benefits before issuing any rule that may result in expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more (adjusted annually for inflation) in any given year. This rule would have no such effect on State, local, and tribal governments or the private sector.

*Executive Order 13132:* This rule making does not contain policies with federalism implications sufficient to warrant preparation of a Federalism Assessment under Executive Order 13132 (Aug. 4, 1999).

*Executive Order 13563 (Improving Regulation and Regulatory Review):* The Office has complied with Executive Order 13563 (Jan. 8, 2011). Specifically, the Office has: (1) Used the best available techniques to quantify costs and benefits, and has considered values such as equity, fairness and distributive impacts; (2) provided the public with a meaningful opportunity to participate in the regulatory process, including soliciting the views of those likely affected, by issuing a notice of proposed rule making and providing on-line access to the rule making docket; (3) attempted to promote coordination, simplification and harmonization across government agencies and identified goals designed to promote innovation; (4) considered approaches that reduce burdens and maintain flexibility and freedom of choice for the public; and (5) ensured the objectivity of scientific and

technological information and processes, to the extent applicable.

*Paperwork Reduction Act:* This final rule involves information collection requirements which are subject to review by the Office of Management and Budget under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). The collections of information in the rule have been reviewed and previously approved by OMB under control numbers 0651-0031 and 0651-0063.

As stated above in the Regulatory Flexibility Act section of this notice, while the majority of the changes to the rule will either have no impact on or will lessen the burden to the public as compared to the collection of information previously approved by OMB, the Office has identified two changes that may, in certain circumstances, increase the burden to the public.

Specifically, the Office has estimated that final Bd.R. 41.31(c) will impose an increased burden of two hours of added time to a small subset of appellants (1%) who choose not to seek review of all claims under rejection by requiring such appellants to file an amendment cancelling any unappealed claims, or otherwise have the Board treat all rejected claims as being on appeal. Additionally, the Office estimated that the change to the briefing requirements in final Bd.R.

41.37(c)(1)(iv)(renumbered) (requiring appellants to place any claim(s) argued separately or as a subgroup under a separate subheading that identifies the claim(s) by number) would result in 0.2 hours of added time for those appellants who choose to separately argue their claims. These estimates are based on the Office's expertise in patent prosecution practice. This increase in burden hours would not apply to all appeal briefs because some appellants choose to argue all of the claims rejected under a ground of rejection as a single group. However, since the Office does not track the number of appeals in which appellants argue all claims as a single group versus the number of appeals in which appellants argue some claims separately, for purposes of estimating the overall burden, the Office has applied this 0.2 hour increase to the estimate of all appeal briefs filed.

The Office has also specifically identified below at least nine changes in the final rule that will lessen the burden to the public as compared to the 2004 rule.

1. Final Bd.R. 41.12(b) lessens the burden on appellant by removing the requirement for appellant to include parallel citations (Bd.R. 41.12(a)(2)-(3)) to both the West Reporter System and to

the United States Patents Quarterly for any decision other than a United States Supreme Court decision, and further lessens the burden on appellant by no longer requiring citation to a particular reporter.

2. Final Bd.R. 41.37(c)(1)(i) lessens the burden on appellant because it provides for a default in the event that this item is omitted from the brief, such that appellant is not required to include this section in the brief if the inventors are the real party in interest.

3. Final Bd.R. 41.37(c)(1)(ii) lessens the burden on appellant because it (a) Limits the duty to provide information as to only those related cases that involve an application or patent co-owned by appellant or assignee; (b) provides a default assumption in the event that this item is omitted from the brief so that appellants are no longer required to make a statement that "there are no such related cases"; and (c) no longer requires filing of copies of decisions in related proceedings.

4. The final rule lessens the burden on appellant by eliminating the requirement under the 2004 rule (specifically Bd.R. 41.37(c)(1)(iii)) for appellant to identify the status of claims in the appeal brief.

5. The final rule lessens the burden on appellant by eliminating the requirement under the 2004 rule (specifically Bd.R. 41.37(c)(1)(iv)) for appellant to include a statement of the status of any amendments.

6. Final Bd.R. 41.37(c)(1)(iii) (renumbered) lessens the burden on appellant by providing more flexibility than corresponding Bd.R. 41.37(c)(1)(v) by allowing citation to paragraph number (instead of limiting citation to page and line number). The final rule also clarifies the current Office policy, which does not allow reference to the patent application publication in the summary of claim subject matter. Since improper reference to the patent application publication is a current cause of defective briefs, this rule change is intended to reduce confusion and thereby reduce the number of defective briefs.

7. The final rule lessens the burden on appellant by eliminating the requirement under the 2004 rule (specifically Bd.R. 41.37(c)(1)(vi)) for appellant to state the grounds of rejection to be reviewed on appeal in the appeal brief. The Board would look to documents already of Record (*i.e.*, the Office action from which the appeal is taken and any subsequent Advisory Action or Pre-Appeal Conference Decision) to determine the grounds of rejection on appeal.

8. Final Bd.R. 41.37(c)(1)(iv) (renumbered) lessens the burden on appellant by allowing appellant's headings to "reasonably identify the ground being contested (e.g., by claim number, statutory basis, and applied reference, if any)." The corresponding Bd.R. 41.37(c)(1)(vii) (the 2004 rule) has occasionally been interpreted as a verbatim requirement and resulted in briefs being found defective for failure to state the ground of rejection in the heading exactly the same as stated in the Office action from which the appeal was taken. The final rule clarifies that this is not a verbatim requirement and allows more flexibility in the brief.

9. The final rule lessens the burden on appellant by eliminating the requirement under the 2004 rule (specifically Bd.R. 41.37(c)(1)(x)) for appellants to file a related proceedings appendix containing copies of decisions in related proceedings. The Board will look to the records in the Office and other publicly available sources to locate and review decisions rendered in any related proceedings.

In the approved information collection [OMB Control Number 0651-0063], the Office estimated the average appeal brief took 34 hours to prepare. In light of the changes in the final rule (final Bd.R. 41.37) as compared to the 2004 rule for briefing requirements for filing appeal briefs, and taking into account the nine changes that will lessen the burden and the one change (i.e., addition of subheadings) that will add a burden, the agency estimates that the changes in the final rule as compared to the 2004 rule will result in a net average decrease of approximately 2 hours per appeal brief from the prior estimate, thereby lowering the previous average estimate of approximately 34 hours to 32 hours to prepare an appeal brief. This estimate is based on the net impact of the changes and time saved in preparation of an appeal brief based on agency expertise in patent prosecution practice. Using the median billing rate of \$340 per hour, as published in the AIPLA 2011 Report, the Office estimates that these rule changes will result in an average savings of \$680 per appeal brief.

The Office notes that the number and significance of these changes effecting a lessening of the burden to appellants substantially outweigh the changes that may result, in certain circumstances, in increased burden to appellants. The Office submitted an information collection package to OMB for its review and approval at the same time as publication of the NPRM and OMB pre-approved the information collection. The Office also submitted an updated information collection package to OMB

concurrently with this final rule for its review and approval in light of the changes made in the final rule as compared to the rule as proposed in the NPRM, and OMB approved the updated information collection package.

The USPTO received several comments regarding the information collection submitted to OMB along with the NPRM.

*Comment 90:* The Office received a comment suggesting that it make clear where the supporting statement for the Information Collection Request for this rule may be obtained.

*Response:* The supporting statement is available at <http://www.reginfo.gov/public/do/PRAMain> under OMB control number 0651-0063. See Proposed Modification Supporting NPRM RIN 0651-AC37 (Rules of Practice Before the Board of Patent Appeals and Interferences in Ex Parte Appeals), 2 (Nov. 4, 2010), <http://www.reginfo.gov/public/do/PRAMain> (OMB Control No. 0651-0063) (hereinafter "Supporting Statement").

*Comment 91:* The Office received a comment claiming that the Office had not explained the practical utility of the information it sought to collect through amendments to appeal briefs, reply briefs, and requests for rehearing.

*Response:* The Office fully explained the need for this information in the supporting statement accompanying this information collection request, under the section entitled "Needs and Uses," which explained that the collections were necessary so the Board could identify the claims the appellant wanted to appeal, and that the burdens for collecting this information had changed because the new rules decreased the paperwork burden on appellants. See Supporting Statement at 2.

*Comment 92:* The Office received two comments suggesting that the burden estimates in the Supporting Statement were not supported by objective data and allegedly based on opinion and belief.

*Response:* In general, estimates of the number of responses expected per year for any particular item in the collection are derived from the internal data collected from PALM, and/or IFW and the data from previous iterations of the renewal process. If data from PALM or IFW is available for a particular item in the collection, the data is examined to determine whether a trend exists that can be used to provide annual estimates for the item for the next three years. If data from PALM or IFW is not available for an item, e.g., if the item is a new item, response estimates are arrived at from an analysis of PALM or IFW data for a closely analogous item(s) in the

same or another collection. This data is then combined with the Office's corporate planning and budget estimations to forecast the estimates for data for the next three years to include considerations such as the Office's projections for the growth in the number of patent applications. Agency expertise in patent prosecution practice is relied upon to confirm a reasonable basis for any trend suggested by the data and to identify the most closely analogous item(s), and Agency expertise in corporate planning is relied upon to project estimates over the next three years. Estimates of the hours per response for items in the collection are derived from data from the biennial AIPLA economic survey report, data from previous iterations of the renewal process, and Agency expertise in patent prosecution practice. To the extent that the Office uses staff expertise in crafting estimates, the BPAI on its own has many years of combined USPTO and non-USPTO patent prosecution experience, and the BPAI is but one of the offices involved in providing information contained in the Supporting Statement. Other offices include the Office of Planning and Budget and the Office of the Chief Economist. This prosecution experience spans multiple technologies and provides views from various perspectives, including the perspectives of former patent agents, associate attorneys, and law firm partners, working with both small and non-small entity patent applicants. One commenter suggested that the informed expertise of the BPAI staff should be replaced with the opinions and beliefs of commenters of unverified expertise. This suggestion would result in less verifiable and less trustworthy data. Accordingly, the Office does not adopt this suggestion. The Supporting Statement is substantively objective in that it presents all information in an "accurate, clear, complete, unbiased manner, and within the proper context." USPTO's Information Quality Guidelines, § IV, 6, a, <http://www.uspto.gov/products/cis/infoqualityguidelines.jsp> (hereinafter "USPTO's IQG").

*Comment 93:* The Office received a comment suggesting that its reliance on third party data such as the AIPLA economic survey in determining the burden estimates for the proposed information collections associated with this rule violated the Information Quality Act (IQA).

*Response:* In providing estimates of burden hours, the Office sometimes referenced the AIPLA economic survey report, as a benchmark for the estimates. Under the Office's Information Quality

Guidelines (IQG), the AIPLA economic survey report is not a “dissemination” of information. The Guidelines state that “dissemination” means an “agency initiated or sponsored distribution of information to the public.” USPTO’s IQG, at § IV, A, 1. Subsection (a) further defines “agency initiated distribution of information to the public” to mean “information that the agency distributes or releases which reflects, represents, or forms any part of the support of the policies of the agency.” *Id.* at § IV, A, 1, a. The Office did not distribute or release the AIPLA economic survey report. Likewise, the AIPLA economic survey report does not qualify as an “agency sponsored distribution of information” under Subsection (b) of the Guidelines, which “refers to situations where the agency has directed a third party to distribute or release information, or where the agency has the authority to review and approve the information before release.” *Id.* at § IV, A, 1, b. The Office did not commission the report, had no input into the structure of the report and does not rely exclusively upon the results of the report to arrive at estimates. Thus, there is no violation under the IQA because the Office utilized the AIPLA economic survey report in formulating some burden estimations.

*Comment 94:* The Office received a comment asking if these rules inappropriately shift the paperwork burden onto applicants and away from the USPTO.

*Response:* As explained in the NPRM, the vast majority of the changes to this rule will either decrease the paperwork burden on applicants or have no effect on the paperwork burden. The only changes that the Office estimates would add to any applicant’s paperwork burden are (1) The requirement that appellants cancel any unappealed claims and (2) the requirement that subheadings with claim numbers be used to identify the claims or groups of claims argued in that particular section. With regard to the first change, for 99% of appellants, this change will shift the paperwork burden away from appellants because they will no longer need to identify which claims they wish to appeal. For the 1% of appellants who do not pursue appeals of all of their claims, this rule will result in a slight increase in paperwork because they will be required to identify which claims they are not appealing. Both changes appropriately place the burden on the appellant because only the appellant is in a position to know which claims the appellant wants to appeal and the appellant is in the best position to know

which claims the appellant intends to argue in each section of the appeal brief.

*Comment 95:* One commenter noted a typographical error in the Supporting Statement.

*Response:* The Office has corrected this error so that the Supporting Statement now reads, “The Information Quality Guidelines \* \* \* apply to this information collection and *this information collection and its supporting information* comply with all applicable information quality guidelines \* \* \*.” See Supporting Statement at 3.

*Comment 96:* The Office received two comments suggesting it should have used the mean rather than the median when calculating the average hourly rate and cost of the paperwork burden created by these rules.

*Response:* OMB regulations do not require a particular arithmetic technique for calculating burden estimates. Nothing in the plain text of the regulation or the Office’s IQG suggests that mean values are required or that an agency’s use of median values is inappropriate. See *San Luis & Delta-Mendota Water Auth. v. Salazar*, 2010 WL 5422597, at \*88–93 (E.D. Ca. 2010) (holding that nothing in the IQA or the agency’s guidelines on the IQA mandated how the agency conducted its calculations). 5 CFR 1320.8(b)(3)(iii) simply requires an agency to provide “an estimate, to the extent practicable, of the average burden of the collection.” The Office considers the median figure to be an appropriate value upon which to base estimates because attorneys charging both above the median and below the median would be expected to participate in the process. Supporting Statement at 9. Accordingly, the burden calculations need no correction.

*Comment 97:* The Office received one comment claiming that it must disclose the data, models, and analyses used to estimate the PRA burdens and requesting correction of the supporting statement to include that information.

*Response:* The basis for providing various estimates is explained in the Supporting Statement and further detailed in the responses to these comments. Under the IQA, certain influential information must be reproducible under certain circumstances. The burden “estimates” of which the commenter complains do not qualify as “information” within the meaning of the IQA. “Information” is defined as “any communication or representation of knowledge such as facts or data, in any medium or form, including textual, numerical, graphic, cartographic, narrative, or audiovisual forms.” USPTO’s IQG, Section IV, A, 4.

By definition, estimates do not represent knowledge such as facts or data.

“Information,” not estimation, is subject to certain reproducibility requirements. See USPTO’s IQG, Section IV, 7 (“reproducibility” means the “information is capable of being substantially reproduced, subject to an acceptable degree of imprecision.”). No correction is warranted for matters not involving “information.” See USPTO’s IQG, Section XI, A, 4, a.

*Comment 98:* The Office also received a comment requesting the source of the data in the NPRM on the number of requests for pre-appeal brief conference and appeal conference review the Office receives each year.

*Response:* The Office tracks this information in PALM.

*Comment 99:* The Office received a comment suggesting it does not adequately consider public comments on Information Collection Requests (ICRs).

*Response:* The Office greatly appreciates the time and effort the public expends commenting on ICRs and proposed rules. The Office fully considers all comments and strives to incorporate these comments to the greatest extent possible to improve the ICRs and rules it promulgates.

*Comment 100:* The Office received a comment on Bd.R. 41.33(d)(1) suggesting that the rule precluding affidavits filed after the date of filing an appeal and prior to the date of filing a brief under some circumstances does not comply with the Paperwork Reduction Act’s requirement to minimize the paperwork burden on the public because the precluded affidavit may have convinced the examiner to reconsider the rejection and obviated the need for the appeal.

*Response:* First, no change has been proposed to this long-standing practice of the USPTO. Second, the Office is not requesting information in the form of late-submitted affidavits; in most cases it will not even accept such information. And finally, to the extent that the commenter suggests that the Paperwork Reduction Act issue comes not from the affidavit itself but from the appeal that may result from the inability to submit the affidavit, the Office disagrees that this affects the burden on the appellant. Appellant may still request continued examination under 37 CFR 1.114 rather than pursue an appeal.

*Comment 101:* One commenter suggested that the Office is required by the Paperwork Reduction Act to submit an Information Collection Request for oral hearings before the BPAL.

*Response:* The Paperwork Reduction Act does not apply to oral hearings.

First, under the Act, a “collection of information” is defined as collecting information “by means of identical questions posed to, or identical reporting, recordkeeping, or disclosure requirements imposed on, ten or more persons \* \* \*.” See 5 CFR 1320.3(c). Oral hearings do not involve identical questions posed to 10 or more persons and thus are not “collections of information.” Furthermore, the facts and arguments recited at an oral hearing do not constitute “information” under the Paperwork Reduction Act because the Act specifies that “[i]nformation” does not generally include items in the following categories \* \* \*: (6) A request for facts or opinions addressed to a single person.” See 5 CFR 1320.3(h)(6). Accordingly, the Act does not require the Office to submit an Information Collection Request for oral hearings and the Office has not submitted such a request.

*Comment 102:* One commenter suggested that the Office did not comply with the Paperwork Reduction Act because it allegedly did not seek public comment on the estimation of burden hours for the new rules before publishing the NPRM in the **Federal Register**.

*Response:* The commenter misunderstands the Paperwork Reduction Act. The Paperwork Reduction Act clearly states that “[t]he agency need not separately seek such public comment for any proposed collection of information contained in a proposed rule to be reviewed under § 1320.11, if the agency provides notice and comment through the notice of proposed rulemaking for the proposed rule \* \* \*.” 5 CFR 1320.8(d)(3). Because this collection associated with these rules is a collection of information in a proposed rule under 5 CFR 1320.11, the Office was not required to seek public comment beyond notice and comment through the NPRM. Moreover, the Office did seek public participation prior to publishing the NPRM. The USPTO conducted a roundtable discussion with the public on the Board rules.

Notwithstanding any other provision of law, no person is required to respond to nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB control number. The valid OMB control number assigned to these final regulations is OMB Control Number 0651-0063.

This final rule supersedes the rules governing practice before the Board in

*ex parte* patent appeals (as published in 69 FR 50003 (August 12, 2004)). See 37 CFR 41.1 *et seq.* (2010). The Office also withdraws the indefinitely delayed 2008 final rule (73 FR 32938 (June 10, 2008)) that never went into effect.

**List of Subjects**

*37 CFR Part 1*

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and recordkeeping requirements, Small businesses.

*37 CFR Part 41*

Administrative practice and procedure, Inventions and patents, Lawyers.

**Amendments to the Regulatory Text**

For the reasons discussed in the preamble, under the authority of 35 U.S.C. 2(b)(2), the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office withdraws the final rule published June 10, 2008 (73 FR 32938) and amends Parts 1 and 41 of title 37 of the Code of Federal Regulations as follows:

**PART 1—RULES OF PRACTICE IN PATENT CASES**

- 1. The authority citation for part 1 continues to read as follows:

**Authority:** 35 U.S.C. 2(b)(2), unless otherwise noted.

- 2. Amend § 1.197 by revising the section heading and removing and reserving paragraph (a). The revision reads as follows:

**§ 1.197 Termination of proceedings.**

\* \* \* \* \*

**PART 41—PRACTICE BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

- 3. Revise the authority citation for part 41 to read as follows:

**Authority:** 35 U.S.C. 2(b)(2), 3(a)(2)(A), 21, 23, 32, 41, 132, 133, 134, 135, 306, and 315.

**Subpart A—General Provisions**

- 4. Revise § 41.12 to read as follows:

**§ 41.12 Citation of authority.**

(a) For any United States Supreme Court decision, citation to the United States Reports is preferred.

(b) For any decision other than a United States Supreme Court decision, citation to the West Reporter System is preferred.

(c) Citations to authority must include pinpoint citations whenever a specific

holding or portion of an authority is invoked.

(d) Non-binding authority should be used sparingly. If the authority is not an authority of the Office and is not reproduced in the United States Reports or the West Reporter System, a copy of the authority should be provided.

**Subpart B—Ex parte Appeals**

- 5. Amend § 41.30 by adding definitions for “evidence” and “record” in alphabetical order to read as follows:

**§ 41.30 Definitions.**

\* \* \* \* \*

*Evidence* means something (including testimony, documents and tangible objects) that tends to prove or disprove the existence of an alleged fact, except that for the purpose of this subpart *Evidence* does not include dictionaries, which may be cited before the Board.

\* \* \* \* \*

*Record* means the items listed in the content listing of the Image File Wrapper of the official file of the application or reexamination proceeding on appeal or the official file of the Office if other than the Image File Wrapper, excluding amendments, Evidence, and other documents that were not entered. In the case of an issued patent being reissued or reexamined, the *Record* further includes the *Record* of the patent being reissued or reexamined.

- 6. Amend § 41.31 by revising paragraphs (a) introductory text, (b), and the first sentence of paragraph (c) to read as follows:

**§ 41.31 Appeal to Board.**

(a) *Who may appeal and how to file an appeal.* An appeal is taken to the Board by filing a notice of appeal.

\* \* \* \* \*

(b) The signature requirements of §§ 1.33 and 11.18(a) of this title do not apply to a notice of appeal filed under this section.

(c) An appeal, when taken, is presumed to be taken from the rejection of all claims under rejection unless cancelled by an amendment filed by the applicant and entered by the Office.

\* \* \*

\* \* \* \* \*

- 7. Amend § 41.33 by revising the section heading, and revising paragraphs (c) and (d) to read as follows:

**§ 41.33 Amendments and affidavits or other Evidence after appeal.**

\* \* \* \* \*

(c) All other amendments filed after the date of filing an appeal pursuant to § 41.31(a)(1) through (a)(3) will not be

admitted except as permitted by §§ 41.39(b)(1), 41.50(a)(2)(i), and 41.50(b)(1).

(d)(1) An affidavit or other Evidence filed after the date of filing an appeal pursuant to § 41.31(a)(1) through (a)(3) and prior to the date of filing a brief pursuant to § 41.37 may be admitted if the examiner determines that the affidavit or other Evidence overcomes all rejections under appeal and that a showing of good and sufficient reasons why the affidavit or other Evidence is necessary and was not earlier presented has been made.

(2) All other affidavits or other Evidence filed after the date of filing an appeal pursuant to § 41.31(a)(1) through (a)(3) will not be admitted except as permitted by §§ 41.39(b)(1), 41.50(a)(2)(i), and 41.50(b)(1).

■ 8. Revise § 41.35 to read as follows:

**§ 41.35 Jurisdiction over appeal.**

(a) *Beginning of jurisdiction.*

Jurisdiction over the proceeding passes to the Board upon the filing of a reply brief under § 41.41 or the expiration of the time in which to file such a reply brief, whichever is earlier.

(b) *End of jurisdiction.* The jurisdiction of the Board ends when:

(1) The Director or the Board enters a remand order (see §§ 41.35(c), 41.35(e), and 41.50(a)(1)),

(2) The Board enters a final decision (see § 41.2) and judicial review is sought or the time for seeking judicial review has expired,

(3) An express abandonment which complies with § 1.138 of this title is recognized,

(4) A request for continued examination is filed which complies with § 1.114 of this title,

(5) Appellant fails to take any required action under §§ 41.39(b), 41.50(a)(2), 41.50(b), or 41.50(d), and the Board enters an order of dismissal, or

(6) Appellant reopens prosecution pursuant to § 41.40(b) or in response to a new ground of rejection entered in a decision of the Board (see § 41.50(b)(1)).

(c) *Remand ordered by the Director.* Prior to the entry of a decision on the appeal by the Board (see § 41.50), the Director may sua sponte order the proceeding remanded to the examiner.

(d) *Documents filed during Board's jurisdiction.* Except for petitions authorized by this part, consideration of any information disclosure statement or petition filed while the Board possesses jurisdiction over the proceeding will be held in abeyance until the Board's jurisdiction ends.

(e) *Administrative remands ordered by the Board.* If, after receipt and review

of the proceeding, the Board determines that the file is not complete or is not in compliance with the requirements of this subpart, the Board may relinquish jurisdiction to the examiner or take other appropriate action to permit completion of the file.

■ 9. Amend § 41.37 by:

■ a. Adding headings to paragraphs (a), (b), (c), (d) and (e);

■ b. Revising paragraph (c);

■ d. Revising the second sentence in paragraph (d); and

■ e. Adding new third and fourth sentences to paragraph (d).

The revisions and additions read as follows:

**§ 41.37 Appeal brief.**

(a) *Timing and fee.* \* \* \*

(b) *Failure to file a brief.* \* \* \*

(c) *Content of appeal brief.* (1) Except as otherwise provided in this paragraph, the brief shall contain the following items under appropriate headings and in the order indicated in paragraphs (c)(1)(i) through (v) of this section, except that a brief filed by an appellant who is not represented by a registered practitioner need only substantially comply with paragraphs (c)(1)(i), (c)(1)(ii), (c)(1)(iv), and (c)(1)(v) of this section:

(i) *Real party in interest.* A statement identifying by name the real party in interest at the time the appeal brief is filed, except that such statement is not required if the named inventor or inventors are themselves the real party in interest. If an appeal brief does not contain a statement of the real party in interest, the Office may assume that the named inventor or inventors are the real party in interest.

(ii) *Related appeals and interferences.* A statement identifying by application, patent, appeal or interference number all other prior and pending appeals, interferences or judicial proceedings (collectively, "related cases") which satisfy all of the following conditions: Involve an application or patent owned by the appellant or assignee, are known to appellant, the appellant's legal representative, or assignee, and may be related to, directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal, except that such statement is not required if there are no such related cases. If an appeal brief does not contain a statement of related cases, the Office may assume that there are no such related cases.

(iii) *Summary of claimed subject matter.* A concise explanation of the subject matter defined in each of the rejected independent claims, which shall refer to the specification in the

Record by page and line number or by paragraph number, and to the drawing, if any, by reference characters. For each rejected independent claim, and for each dependent claim argued separately under the provisions of paragraph (c)(1)(iv) of this section, if the claim contains a means plus function or step plus function recitation as permitted by 35 U.S.C. 112, sixth paragraph, then the concise explanation must identify the structure, material, or acts described in the specification in the Record as corresponding to each claimed function with reference to the specification in the Record by page and line number or by paragraph number, and to the drawing, if any, by reference characters. Reference to the patent application publication does not satisfy the requirements of this paragraph.

(iv) *Argument.* The arguments of appellant with respect to each ground of rejection, and the basis therefor, with citations of the statutes, regulations, authorities, and parts of the Record relied on. The arguments shall explain why the examiner erred as to each ground of rejection contested by appellant. Except as provided for in §§ 41.41, 41.47 and 41.52, any arguments or authorities not included in the appeal brief will be refused consideration by the Board for purposes of the present appeal. Each ground of rejection contested by appellant must be argued under a separate heading, and each heading shall reasonably identify the ground of rejection being contested (e.g., by claim number, statutory basis, and applied reference, if any). For each ground of rejection applying to two or more claims, the claims may be argued separately (claims are considered by appellant as separately patentable), as a group (all claims subject to the ground of rejection stand or fall together), or as a subgroup (a subset of the claims subject to the ground of rejection stand or fall together). When multiple claims subject to the same ground of rejection are argued as a group or subgroup by appellant, the Board may select a single claim from the group or subgroup and may decide the appeal as to the ground of rejection with respect to the group or subgroup on the basis of the selected claim alone. Notwithstanding any other provision of this paragraph, the failure of appellant to separately argue claims which appellant has grouped together shall constitute a waiver of any argument that the Board must consider the patentability of any grouped claim separately. Under each heading identifying the ground of rejection being contested, any claim(s) argued separately or as a subgroup shall be

argued under a separate subheading that identifies the claim(s) by number. A statement which merely points out what a claim recites will not be considered an argument for separate patentability of the claim.

(v) *Claims appendix.* An appendix containing a copy of the claims involved in the appeal.

(2) A brief shall not include any new or non-admitted amendment, or any new or non-admitted affidavit or other Evidence. See § 1.116 of this title for treatment of amendments, affidavits or other evidence filed after final action but before or on the same date of filing an appeal and § 41.33 for treatment of amendments, affidavits or other Evidence filed after the date of filing the appeal. Review of an examiner's refusal to admit an amendment or Evidence is by petition to the Director. See § 1.181 of this title.

(d) *Notice of non-compliance.* \* \* \* If appellant does not, within the set time period, file an amended brief that overcomes all the reasons for non-compliance stated in the notification, the appeal will stand dismissed. Review of a determination of non-compliance is by petition to the Chief Administrative Patent Judge. See § 41.3.

(e) *Extensions of time.* \* \* \*  
 ■ 10. Amend § 41.39 by revising paragraph (a); adding a heading to paragraph (b) introductory text; revising the first two sentences of paragraph (b)(1); revising the second, third, and fourth sentences of paragraph (b)(2); and adding a heading to paragraph (c) to read as follows:

**§ 41.39 Examiner's answer.**

(a) *Content of examiner's answer.* The primary examiner may, within such time as may be directed by the Director, furnish a written answer to the appeal brief.

(1) An examiner's answer is deemed to incorporate all of the grounds of rejection set forth in the Office action from which the appeal is taken (as modified by any advisory action and pre-appeal brief conference decision), unless the examiner's answer expressly indicates that a ground of rejection has been withdrawn.

(2) An examiner's answer may include a new ground of rejection. For purposes of the examiner's answer, any rejection that relies upon any Evidence not relied upon in the Office action from which the appeal is taken (as modified by any advisory action) shall be designated by the primary examiner as a new ground of rejection. The examiner must obtain the approval of the Director to furnish an answer that includes a new ground of rejection.

(b) *Appellant's response to new ground of rejection.* \* \* \*

(1) \* \* \* Request that prosecution be reopened before the primary examiner by filing a reply under § 1.111 of this title with or without amendment or submission of affidavits (§§ 1.130, 1.131 or 1.132 of this title) or other Evidence. Any amendment or submission of affidavits or other Evidence must be relevant to the new ground of rejection. \* \* \*

(2) \* \* \* Such a reply brief must address as set forth in § 41.37(c)(1)(iv) each new ground of rejection and should follow the other requirements of a brief as set forth in § 41.37(c). A reply brief may not be accompanied by any amendment, affidavit (§§ 1.130, 1.131 or 1.132 of this title) or other Evidence. If a reply brief pursuant to this section is accompanied by any amendment, affidavit or other Evidence, it shall be treated as a request that prosecution be reopened before the primary examiner under paragraph (b)(1) of this section.

(c) *Extensions of time.* \* \* \*

■ 11. Add § 41.40 to read as follows:

**§ 41.40 Tolling of time period to file a reply brief.**

(a) *Timing.* Any request to seek review of the primary examiner's failure to designate a rejection as a new ground of rejection in an examiner's answer must be by way of a petition to the Director under § 1.181 of this title filed within two months from the entry of the examiner's answer and before the filing of any reply brief. Failure of appellant to timely file such a petition will constitute a waiver of any arguments that a rejection must be designated as a new ground of rejection.

(b) *Petition granted and prosecution reopened.* A decision granting a petition under § 1.181 to designate a new ground of rejection in an examiner's answer will provide a two-month time period in which appellant must file a reply under § 1.111 of this title to reopen the prosecution before the primary examiner. On failure to timely file a reply under § 1.111, the appeal will stand dismissed.

(c) *Petition not granted and appeal maintained.* A decision refusing to grant a petition under § 1.181 of this title to designate a new ground of rejection in an examiner's answer will provide a two-month time period in which appellant may file only a single reply brief under § 41.41.

(d) *Withdrawal of petition and appeal maintained.* If a reply brief under § 41.41 is filed within two months from the date of the examiner's answer and on or after the filing of a petition under

§ 1.181 to designate a new ground of rejection in an examiner's answer, but before a decision on the petition, the reply brief will be treated as a request to withdraw the petition and to maintain the appeal.

(e) *Extensions of time.* Extensions of time under § 1.136(a) of this title for patent applications are not applicable to the time period set forth in this section. See § 1.136(b) of this title for extensions of time to reply for patent applications and § 1.550(c) of this title for extensions of time to reply for *ex parte* reexamination proceedings.

■ 12. Amend § 41.41 by revising paragraph (a) and paragraph (b), and adding a heading to paragraph (c) to read as follows:

**§ 41.41 Reply brief.**

(a) *Timing.* Appellant may file only a single reply brief to an examiner's answer within the later of two months from the date of either the examiner's answer, or a decision refusing to grant a petition under § 1.181 of this title to designate a new ground of rejection in an examiner's answer.

(b) *Content.* (1) A reply brief shall not include any new or non-admitted amendment, or any new or non-admitted affidavit or other Evidence. See § 1.116 of this title for amendments, affidavits or other evidence filed after final action but before or on the same date of filing an appeal and § 41.33 for amendments, affidavits or other Evidence filed after the date of filing the appeal.

(2) Any argument raised in the reply brief which was not raised in the appeal brief, or is not responsive to an argument raised in the examiner's answer, including any designated new ground of rejection, will not be considered by the Board for purposes of the present appeal, unless good cause is shown.

(c) *Extensions of time.* \* \* \*

**§ 41.43 [Removed]**

■ 13. Remove § 41.43.

■ 14. Amend § 41.47 by revising paragraph (b) and by revising the second and third sentences of paragraph (e)(1) to read as follows:

**§ 41.47 Oral hearing.**

\* \* \* \* \*

(b) If appellant desires an oral hearing, appellant must file, as a separate paper captioned "REQUEST FOR ORAL HEARING," a written request for such hearing accompanied by the fee set forth in § 41.20(b)(3) within two months from the date of the examiner's answer or on the date of

filing of a reply brief, whichever is earlier.

\* \* \* \* \*

(e)(1) \* \* \* At the oral hearing, appellant may only rely on Evidence that has been previously entered and considered by the primary examiner and present argument that has been relied upon in the brief or reply brief except as permitted by paragraph (e)(2) of this section. The primary examiner may only rely on argument and Evidence relied upon in an answer except as permitted by paragraph (e)(2) of this section.

\* \* \* \* \*

■ 15. Revise § 41.50 to read as follows:

**§ 41.50 Decisions and other actions by the Board.**

(a)(1) *Affirmance and reversal.* The Board, in its decision, may affirm or reverse the decision of the examiner in whole or in part on the grounds and on the claims specified by the examiner. The affirmance of the rejection of a claim on any of the grounds specified constitutes a general affirmance of the decision of the examiner on that claim, except as to any ground specifically reversed. The Board may also remand an application to the examiner.

(2) If a substitute examiner's answer is written in response to a remand by the Board for further consideration of a rejection pursuant to paragraph (a)(1) of this section, the appellant must within two months from the date of the substitute examiner's answer exercise one of the following two options to avoid sua sponte dismissal of the appeal as to the claims subject to the rejection for which the Board has remanded the proceeding:

(i) *Reopen prosecution.* Request that prosecution be reopened before the examiner by filing a reply under § 1.111 of this title with or without amendment or submission of affidavits (§§ 1.130, 1.131 or 1.132 of this title) or other Evidence. Any amendment or submission of affidavits or other Evidence must be relevant to the issues set forth in the remand or raised in the substitute examiner's answer. A request that complies with this paragraph (a) will be entered and the application or the patent under *ex parte* reexamination will be reconsidered by the examiner under the provisions of § 1.112 of this title. Any request that prosecution be reopened under this paragraph will be treated as a request to withdraw the appeal.

(ii) *Maintain appeal.* Request that the appeal be maintained by filing a reply brief as provided in § 41.41. If such a reply brief is accompanied by any amendment, affidavit or other Evidence,

it shall be treated as a request that prosecution be reopened before the examiner under paragraph (a)(2)(i) of this section.

(b) *New ground of rejection.* Should the Board have knowledge of any grounds not involved in the appeal for rejecting any pending claim, it may include in its opinion a statement to that effect with its reasons for so holding, and designate such a statement as a new ground of rejection of the claim. A new ground of rejection pursuant to this paragraph shall not be considered final for judicial review. When the Board enters such a non-final decision, the appellant, within two months from the date of the decision, must exercise one of the following two options with respect to the new ground of rejection to avoid termination of the appeal as to the rejected claims:

(1) *Reopen prosecution.* Submit an appropriate amendment of the claims so rejected or new Evidence relating to the claims so rejected, or both, and have the matter reconsidered by the examiner, in which event the prosecution will be remanded to the examiner. The new ground of rejection is binding upon the examiner unless an amendment or new Evidence not previously of Record is made which, in the opinion of the examiner, overcomes the new ground of rejection designated in the decision. Should the examiner reject the claims, appellant may again appeal to the Board pursuant to this subpart.

(2) *Request rehearing.* Request that the proceeding be reheard under § 41.52 by the Board upon the same Record. The request for rehearing must address any new ground of rejection and state with particularity the points believed to have been misapprehended or overlooked in entering the new ground of rejection and also state all other grounds upon which rehearing is sought.

(c) *Review of undesignated new ground of rejection.* Any request to seek review of a panel's failure to designate a new ground of rejection in its decision must be raised by filing a request for rehearing as set forth in § 41.52. Failure of appellant to timely file such a request for rehearing will constitute a waiver of any arguments that a decision contains an undesignated new ground of rejection.

(d) *Request for briefing and information.* The Board may order appellant to additionally brief any matter that the Board considers to be of assistance in reaching a reasoned decision on the pending appeal. Appellant will be given a time period within which to respond to such an order. Failure to timely comply with the

order may result in the sua sponte dismissal of the appeal.

(e) *Remand not final action.* Whenever a decision of the Board includes a remand, that decision shall not be considered final for judicial review. When appropriate, upon conclusion of proceedings on remand before the examiner, the Board may enter an order otherwise making its decision final for judicial review.

(f) *Extensions of time.* Extensions of time under § 1.136(a) of this title for patent applications are not applicable to the time periods set forth in this section. See § 1.136(b) of this title for extensions of time to reply for patent applications and § 1.550(c) of this title for extensions of time to reply for *ex parte* reexamination proceedings.

■ 16. Amend § 41.52 by revising the fourth sentence of paragraph (a)(1), revising paragraphs (a)(2) and (a)(3), and adding paragraph (a)(4) to read as follows:

**§ 41.52 Rehearing.**

(a)(1) \* \* \* Arguments not raised, and Evidence not previously relied upon, pursuant to §§ 41.37, 41.41, or 41.47 are not permitted in the request for rehearing except as permitted by paragraphs (a)(2) through (a)(4) of this section. \* \* \*

(2) Appellant may present a new argument based upon a recent relevant decision of either the Board or a Federal Court.

(3) New arguments responding to a new ground of rejection designated pursuant to § 41.50(b) are permitted.

(4) New arguments that the Board's decision contains an undesignated new ground of rejection are permitted.

\* \* \* \* \*

■ 17. Revise § 41.54 to read as follows:

**§ 41.54 Action following decision.**

After decision by the Board, jurisdiction over an application or patent under *ex parte* reexamination proceeding passes to the examiner, subject to appellant's right of appeal or other review, for such further action by appellant or by the examiner, as the condition of the application or patent under *ex parte* reexamination proceeding may require, to carry into effect the decision.

Dated: November 8, 2011.

**David J. Kappos,**

*Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.*

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