

REPORT

USPTO IMPLEMENTS POST-PROSECUTION PILOT PROGRAM (P3)

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On July 11, 2016, the United States Patent and Trademark Office (USPTO) initiated a new after-final pilot program—the Post-Prosecution Pilot Program (P3). The goal of the P3 is to reduce the number of appeals and Requests for Continued Examination (RCEs) filed in response to final rejections.

Under the P3, a panel of examiners will hold a conference with the applicant to review the applicant's response to a final Office Action. In order to participate in the P3, the applicant will be required to file a request for consideration under the P3 within two months from the mailing date of the final rejection (and prior to filing a notice of appeal) along with a response to the final rejection and a statement that the applicant is willing and available to participate in the conference. There is no government fee for participating in the P3.

The USPTO will accept requests to participate in the P3 until either January 12, 2017 or the date that the USPTO accepts a total of 1,600 compliant requests, whichever occurs first. Additionally, each individual USPTO technology center will accept no more than 200 compliant requests, and thus the P3 may close with respect to an individual technology center before closing of the entire program. Of course, as with previous pilot programs, the USPTO may extend (or make permanent) the P3 depending on its success.

I. BACKGROUND

Our firm participated in a meeting at USPTO headquarters on July 13 in which the Director of Technology Center 3700 introduced the P3 and provided those in attendance with the opportunity to obtain further information regarding this new after-final pilot program. The USPTO is enthusiastic about the P3 and believes that it will provide a more efficient and thorough review of examiners' actions, and thus will be more effective in reducing appeals/RCEs and expediting allowance of applications than current after-final pilot programs.

The USPTO currently offers two programs for dealing with final rejections: the Pre-Appeal Brief Conference Pilot Program (Pre-Appeal program) and the After Final Consideration Pilot Program 2.0 (AFCP 2.0).¹ The goals of these programs are to avoid the time and expense associated with appeals for cases in which appeal is clearly unnecessary, and to reduce application pendency by reducing the number of RCEs and encouraging increased collaboration between applicants and examiners to more effectively advance prosecution.

According to the USPTO, the P3 is designed to combine effective features of the Pre-Appeal and AFCP 2.0 programs with new

¹ The AFCP 2.0 is described in our Special Report dated May 17, 2013 (available in the "Resources" section of our website at www.oliff.com).

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features. Specifically, the P3 provides for (i) an after-final response to be considered by a panel of examiners (like the Pre-Appeal program), (ii) an after-final response to include an optional proposed amendment (like the AFCP 2.0), and (iii) an opportunity for the applicant to make an oral presentation to the panel of examiners (new).

Implementation of the P3 program does not discontinue either of the Pre-Appeal program or AFCP 2.0.

II. P3 REQUIREMENTS AND PROCEDURE

The P3 applies to non-provisional utility patent applications, including original applications, continuing (continuation or divisional) applications, and national stage entries of PCT applications. Reissue, design, and plant applications (as well as reexamination proceedings) are not eligible to participate in the P3. As clarified during the July 13 meeting, in instances where an applicant has already used either of the Pre-Appeal program or AFCP 2.0 in response to a pending final Office Action, the P3 program cannot be used. However, if a new final Office Action is issued later in prosecution (e.g., after the filing of an RCE), the P3 program will be available.

A. The P3 Request

To participate in the program, the P3 request must include (i) a P3 transmittal form, (ii) an after-final response that includes no more than five pages of argument (including any conclusions, definitions, claim charts, diagrams, and evidence), and (iii) a statement that the applicant is willing and available to participate in the conference with the panel of examiners. To reduce space, the arguments in the after-final response can be single-spaced. Additionally, the response may refer to an argument already of record rather than repeating the argument. The transmittal form and any page that is solely a

signature page will not count towards the five-page limit.

Optionally, the P3 request can also include one or more proposed claim amendments (which do not count towards the five-page limit on arguments). A proposed amendment under the P3 may not broaden the scope of a claim in any respect. In the USPTO's notice announcing the P3, it is stated that "[e]ntry of any proposed amendment . . . is governed by 37 CFR 1.116." However, based on the USPTO's comments during the July 13 meeting, it appears that proposed amendments will be treated in a similar manner as amendments under the AFCP 2.0. That is, narrowing amendments that are more than simply incorporating dependent claims will be considered. In any event, proposed amendments may be considered, but only to the extent possible given the time allotted to the examiners under the P3. Thus, extensive amendments are less likely to be successful. According to the USPTO, a proposed amendment that focuses the issues with respect to a single independent claim "provides the best opportunity for leading to the application being placed into condition for allowance."

The P3 request must be filed within two months from the mailing date of the final rejection and prior to filing a notice of appeal, and all papers must be electronically filed using the USPTO's EFS-WEB electronic filing system. As noted above, there is no fee required to request consideration under the P3. Only one P3 request will be accepted in response to a final Office Action. To avoid abandonment, further action (such as filing a notice of appeal or RCE) is necessary within the six-month period unless the applicant receives written notice that the application has been allowed or prosecution is being reopened.

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B. The P3 Conference

The relevant technology center will review the P3 request for timeliness and compliance with the requirements discussed above. After verifying that the P3 request is timely and compliant, the applicant will be contacted to schedule the conference to be conducted before the panel of examiners. Once contacted, the applicant has ten calendar days to agree on a time to hold the conference. If an agreement on the timing of the conference cannot be reached within ten calendar days, or if the applicant declines to participate in the conference, the request will be deemed improper and the response will be treated under standard after-final practice.

The applicant may participate in the conference in-person, by telephone, or through WebEx® videoconference. The P3 conference will permit the applicant to present arguments to the panel of examiners in a manner similar to oral arguments in an *ex parte* appeal before the Patent Trial and Appeal Board (PTAB). A Supervisory Patent Examiner (SPE) will coordinate a panel of examiners experienced in the relevant technical field to review the response. The examiners on the panel are not specified, including the number of examiners, but the USPTO indicates that the panel may include the examiner of record, the SPE of the examiner of record, and another senior or supervisory examiner. If the examiner of record is a junior examiner, the third panel member will likely be the signing primary examiner for that junior examiner. If the examiner of record is a primary examiner, the third panel member will likely be another supervisory-level examiner in the relevant technical field.

The conference will begin with the applicant's presentation, which is limited to 20 minutes. At the end of the presentation, the applicant will be excused from the conference.

Any materials used by the applicant during the presentation (e.g., a PowerPoint® presentation or exhibit) will be made of record in the application (but will not count against the five-page limit on arguments). The USPTO commented during the July 13 meeting that the panel of examiners should confer and make a decision immediately after applicant's presentation and promptly notify the applicant of their decision in writing.

C. The P3 Decision

The applicant will be informed of the panel's decision in writing via mailing of a notice of decision. The notice of decision will indicate one of the following: (i) the final rejection is upheld, (ii) the application is allowable, or (iii) prosecution is reopened. In appropriate circumstances, a proposed amendment may accompany the notice of decision proposing changes that, if accepted, may result in allowance. Because the decision should be made immediately after applicant's presentation, there should not be any significant delay between the P3 conference and the issuance of the notice of decision.

If the final rejection is upheld, the notice of decision will not contain any additional grounds of rejection or restatement of a previously made rejection. In this circumstance, the notice of decision will include: (i) a summary of the status of the pending claims (allowed, objected to, rejected, or withdrawn from consideration) and the reasons for maintaining the rejection(s); (ii) an indication of any rejection that has been withdrawn as a result of the conference; and (iii) the status of any proposed amendment (entered/not entered) for purposes of appeal and, if entered, an indication as to which ground(s) of rejection would be used to reject the amended claim(s).

If upheld, the extendible time period for taking further action in response to the final rejection expires on the mailing date of the notice

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of decision or the shortened statutory period for reply (three-month time period) set forth in the final rejection, whichever is later. Thus, after a rejection is upheld, any response that is filed within one month of the notice of decision should require, at most, a one-month extension of time. Of course, a response after a final rejection that is upheld must always be filed within the six-month statutory due date for responding to the final rejection.

If the application is deemed allowable, the notice of decision will be mailed concurrently with a notice of allowance.

When prosecution is reopened, the notice of decision will state that the rejection(s) is/are withdrawn and a new Office Action will be mailed. The notice of decision will also state that no further action is required by the applicant until after the new Office Acton is mailed.

III. RECOMMENDATIONS

The P3 appears to offer advantages over both the Pre-Appeal program and AFCP 2.0, because it provides a single mechanism to both present written and oral arguments and, optionally, the opportunity to propose non-broadening claim amendments to a panel of examiners in an effort to avoid appeal or RCE. Further, the USPTO indicated during the July 13 meeting that the merits of the pending rejections will be considered—not just whether the rejections are based on "clear error," as is done in the Pre-Appeal program.

As with any new USPTO program addressing such issues, it remains to be seen whether the P3 will succeed in its goals. There are also some significant limitations to the program in its current form. For example, the Pre-Appeal program has mixed results because the panel of examiners is constituted from examiners that typically are predisposed to uphold the rejections. Similarly composed panels

for the P3 may have similar biases. However, the presentation afforded by the P3 program offers a new opportunity to directly address and counter any such biases.

Also, the P3 request must be filed within two months of the mailing date of the final rejection (i.e., final Office Action). Although two months may appear to be a reasonable amount of time for deciding whether to utilize the P3 and file the request, it could be a difficult deadline for some clients to meet in practice, particularly because written arguments must be included with the request. In view of the deadline, participation in the P3 will require timely evaluation of the final rejection and close communication between clients and the prosecuting attorneys.

When timing permits, the P3 appears to be preferable over the Pre-Appeal program and AFCP 2.0 because, as noted above, it offers advantages over both of these after-final pilot programs and there is no USPTO fee for participating. We also expect, at least in the short term, for examiners to provide more careful consideration under the P3 than the other after-final pilot programs, because USPTO leadership is actively promoting and monitoring the use of this program.

Based on our experiences using the Pre-Appeal program and the AFCP 2.0, we expect the P3 to be most useful for avoiding appeals/RCEs and obtaining allowance when:

- minor narrowing amendments can be made to address a broad claim interpretation advanced by the examiner, and which clearly overcome the outstanding rejections;
- the rejection is facially improper due to, for example, the absence of a claimed element in the prior art;
- the examiner is clearly misapplying the relevant law or USPTO guidance, especially regarding recent or less

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established precedent such as §101 eligibility issues;

- new evidence (e.g., §1.132 Declaration) is available to support applicant's patentability position (new evidence will count towards the five-page limit on arguments); and
- the application has a lengthy prosecution history resulting from the examiner's inefficient handling of the matter (e.g., the examiner continuously changes positions to seemingly avoid allowance by withdrawing previously reached agreements and/or issuing several Office Actions with new rejections), and thus intervention by the SPE is clearly necessary to conclude prosecution.

Further, although not as clear-cut as the above-noted situations, based on the USPTO's comments during the July 13 meeting, participation in the P3 should also be considered for avoiding appeals/RCEs when:

- challenging the combinability of prior art references that together disclose all claim elements;
- asserting nonobviousness based on secondary considerations, e.g., unexpected or critical results; and
- distinguishing prior art based on subtle legal arguments.

In conclusion, the P3 should be seriously considered as an option for initially challenging an examiner's final rejection in many circumstances, especially as an alternative to the AFCP 2.0 and Pre-Appeal program. However, in view of the two-month due date, applicants should strive to evaluate final rejections and provide instructions as soon as practicable. Although preparing and conducting an effective presentation will require some additional attorney time, we do not expect that the additional time will be substantially more than the AFCP 2.0 or Pre-Appeal program. In addition, the P3 does not require the notice of appeal fee.

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Oloff PLC is a full-service Intellectual Property law firm based in historic Alexandria, Virginia. The firm specializes in patent, copyright, trademark, and antitrust law and litigation, and represents a large and diverse group of domestic and international clients, including businesses ranging from large multinational corporations to small privately owned companies, major universities, and individual entrepreneurs.

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