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Mr. Nicholas A. Fraser  
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Office of Information and Regulatory Affairs  
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Washington, DC 20503

RE: ICR 0651-00xx: ICs and Burden Estimates

Dear Nick:

As I promised during our meeting on October 17, I sent out a data call-in to patent attorneys and agents who have privately expressed to me an interest in providing data but fear retaliation by the U.S. Patent and Trademark Office (PTO).

I sent requests to several dozen contacts. I believe that a number of them have decided that they do not need anonymity and have provided comments to you directly with the understanding that their identities will be made public. I have received three sets of comments from persons who continue to prefer anonymity. I am enclosing PDF copies of what they sent me (Enclosure 1). I have redacted identifying information but have not modified their text in any way. Furthermore, I am sending all the information I received without editing it in any way.

Clearly, it is inappropriate to generalize from any data set consisting of three observations. That is especially so in a field like patent prosecution in which the nature of the tasks is the same but the scale of the effort could vary by an order of magnitude or more. Scale of effort appears to be dominated by a relatively small number of variables, most notably the technology center to which the patent application will be filed, the experience and expertise of the attorney, and the number of claims. The new rules treat all appeals the same irrespective of these factors, so the burden of complying with them will be greatest for those applications that are most complex.

Nonetheless, patterns emerge from these three anonymous submissions that are consistent with the information others have provided. The expected direct and obvious burdens of preparing Appeal Briefs and Reply Briefs under the June 10, 2008 final appeal rule appears to be between two and three times the burdens of the 2004-vintage rules. Several experienced patent attorneys have explained why other burdens will arise. While these additional burdens may be subtler, they appear to be quite substantial.

To expedite resolution of the technical burden estimation task, I believe that the first priority ought to be ensuring that all of the information collections (ICs) that

are related to appeals practice should be assembled in one place. Later the issue can be addressed concerning whether these ICs should be retained in ICR 0651-0031 (my preference, and the preference of others who have commented) or separated from that ICR and placed in a new collection. PTO's Supporting Statement does not give a convincing justification for separation, and as I've noted before, separation invites future mischief because future changes in ICR 0651-0031 will have spillover effects on any new, appeals-practice specific ICR, and vice versa. That would require PTO to seek a new clearance for both ICRs every time it makes a change relative to either of them. Indeed, with ICR 0651-0031 still under review after 14 months, I'd argue that if PTO insists on separation then it would have to immediately resubmit any new appeals-practice-specific ICR so that they could be reviewed again concurrently. That, of course, would require PTO to issue new 60-day public notices and request comment again. This can't be an efficient way for OMB to supervise the ICR process.

This task is made much more complicated by the fact that PTO has been sponsoring an illegal information collection for many years, possibly since the Paperwork Reduction Act was enacted 28 years ago. I have found no records indicating that PTO has ever sought OMB approval for appeals-related information collections. If there were any such evidence, it would be in OMB's paper dockets (not ROCIS), which are stored in archives and not readily accessible to any of us.

***A. Longstanding Information Collection Elements Omitted from ICR 0651--00xx and Not Found in Other ICRs***

It is essential to first catalog all of the ICS in the 2004-vintage appeal rules before trying to figure out the effect of the 2008 rules. In the Supporting Statement,<sup>1</sup> PTO attributes all of these burdens to programmatic changes (p. 25), which I believe is entirely appropriate. None of these burdens should be characterized as administrative adjustments or recalculations, because it is impossible to adjust or recalculate something that previously has never been quantified.

PTO identifies five ICs for appeals practice (Table 5) and two ICs for ICs now located in ICR 0651-0031 (Table 6). While this is a good start, PTO's list of ICs

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<sup>1</sup> All references are to the Supporting Statement for ICR 0651-00xx. PTO addresses non-burden-hour costs in Tables 7 through 10. The two ICs in Table 6 are the only appeals-practice ICS that PTO has heretofore acknowledged.

is seriously incomplete. Public commenters have identified many more ICs have, and they need to be accounted for.

## 1. Pre-Appeal Brief Request for Review

PTO has procedures in place whereby applicants expecting to appeal can seek resolution by a committee of senior patent examiners located above the examination corps but below the Board of Patent Appeals and Interferences (BPAI). The “pre-appeal request for review” is listed as IC Number 44 in on ICR 0651-0031,<sup>2</sup>

PTO estimated 3,200 responses at 0.5 hours per response, but it did not provide an objective basis for either figure. In my January 16, 2008 public comment on ICR 0651-0031, I estimated 60,000 responses based on the fact that PTO had by rule severely restricted continuations practice in August 2007 and had invited applicants to use appeals practice instead. I also estimated that the average pre-brief appeal required 10 burden-hours to complete.<sup>3</sup> PTO’s estimate included only the burden of filing the form, not the burden of following the procedure,<sup>4</sup>

## 2. Resubmissions of Appeal Briefs for Nonsubstantive Reasons

Several commenters have noted that compliance with the 2004-vintage appeals practice rules is not as straightforward as PTO represents it to be.

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<sup>2</sup> The fact that PTO does not propose to move this IC from -0031 into -00xx highlights the arbitrary nature of its proposal to separate patent processing from appeals practice in paperwork accounting.

<sup>3</sup> “The final Continuations Rule is expected by practitioners to dramatically increase the number of pre-appeal reviews and appeals. In the preamble to the final rule, PTO responded to commenters objecting to the limit on continuations practice by reminding them that they were still entitled to appeal and strongly recommended that applicants do so. Therefore, we estimate at least half of all final rejections will be appealed, including: There were 74,793 (~75,000) RCEs filed in FY 2006; the final Continuations Rule shuts down RCEs, and this is where we believe that about 80% will go.” See Belzer public comment, p. 65.

<sup>4</sup> “PTO estimate is not credible because it excludes the burden of preparing the appeal behind the required request.” See Belzer public comment on ICR 0651-0031, p. 65. See <http://www.reginfo.gov/public/do/DownloadDocument?documentID=57744&version=1>.

Frequently, appeal briefs and reply briefs are rejected by BPAI's intake office for nonsubstantive reasons that are either picayune, erroneous, or both. Responding to these nonsubstantive rejections is time consuming.

Examples of reasons for nonsubstantive rejections that my sources have told me about include such things as:

- Discussing issues in an order different from the order that the examiner had used in his last action, even if the applicant's choice of ordering makes the issues more transparent and easier for the Board to follow. (Note that being forced to follow the examiner's order may result in negative practical utility to BPAI.)
- Discussing similar issues as they apply to multiple claims in a single combined paragraph rather than multiple paragraphs, even when the latter necessitates duplicative text. (Under the 2008 final rule, Appeal Briefs and Reply Briefs are subject to strict page limits, so having to include duplicative text is inherently wasteful and abusive.)
- Failing to follow the examiner's grouping of issues or order of reasoning, even if the examiner's approach is confusing, muddled, or technically incorrect. (This is another example in which nonsubstantive requirements may result in negative practical utility.)
- Failing to use exactly the section headings prescribed in Rule 41.37 – no more, no less, and no different.
- Including a jurisdiction statement that now would be required, but at a time when the rules did not require one.
- Providing a “concise summary of the invention,” as required by Rule 41.37, that fully meets the Board's needs but is nonetheless “too concise” according to undisclosed criteria for measuring “conciseness.”

It should be obvious that PTO has become consumed by form over substance, and that this obsession has detrimental effects on applicants. When writing Appeal Briefs, appellants have very strong reasons for maximizing the practical utility of these documents to the Board because that also maximizes appellants' chance of being persuasive. PTO's rules require appellants to submit papers that are both less persuasive and less useful to the Board. Of course, these papers will all look the same, which apparently is more important to PTO than what the papers actually contain.

In the expectation that OMB will capitulate and approve ICR 0651-00xx, PTO recently published a checklist for the Board's intake office to use for determining if applicants have satisfied all the minutiae in the 2008 final rule.<sup>5</sup> A section from the checklist covering PTO's picayune formatting requirements and page limits is reproduced on the next page. I also have provided the full document as Enclosure 2.

<p><b>Appeal Brief Format Requirements – The brief must comply with the following format requirements (if not, check the appropriate box):</b></p> <p>13. <input type="checkbox"/> <b>Page numbering</b> – Check the box if the pages of the appeal brief are not numbered consecutively.</p> <p style="padding-left: 40px;">The pages of the appeal brief, including all sections in the appendix, shall be consecutively numbered using Arabic numerals beginning with the first page of the appeal brief, which shall be numbered page 1.</p> <p>14. <input type="checkbox"/> <b>Double spacing</b> – Check the box if the line spacing is not double space, except in headings, tables of contents, tables of authorities, signature blocks, and certificates of service. Block quotations must be indented and can be one and one half or double spaced.</p> <p>15. <input type="checkbox"/> <b>Font</b> – Check the box if the font size is not (e.g., smaller than) <b>14 point</b>, including the font for block quotations and footnotes.</p> <p>16. <input type="checkbox"/> <b>Length of appeal brief</b> – Check the box if the appeal brief exceeds the page limit. Appeal Center must check the file to determine whether any petition under § 41.3 requesting to exceed the 30-page limit has been granted. If such a petition has been granted, check whether the appeal brief exceeds the new page limit.</p> <p style="padding-left: 40px;">An appeal brief <b>may not exceed 30 pages (unless a petition under § 41.3 requesting to exceed the 30-page limit has been granted)</b>, counting only the following sections: grounds of rejection to be reviewed, statement of facts, and argument (do not count the pages of the following sections: any statement of the real party in interest, statement of related cases, jurisdictional statement, table of contents, table of authorities, status of amendments, signature block, and appendix). An appeal brief may not incorporate another paper by reference. A request to exceed the page limit shall be made by petition under § 41.3 filed at least <b>ten</b> calendar days prior to the date the appeal brief is due.</p>
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PTO has available to it data on the number of Appeal Briefs and Reply Briefs that it has rejected for nonsubstantive reasons. That data, combined with burden-hour estimates obtained from commenters, should be added as a separate IC. They should be separated because PTO has the programmatic discretion to decide how picayune its demands will be and how many errors it will make.

### 3. MPEP §1002.02(c)(7) Petition

PTO's Manual on Patent Examination Procedure (MPEP) § 1002.02(c)(7) has long provided that an applicant may file a petition to request relief from an

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<sup>5</sup> See <http://www.uspto.gov/web/offices/dcom/bpai/rule.html>.

examiner's or clerical staff's over-zealous enforcement of rules relating to appeals, or to require that an examiner complete his obligations under the appeal rules.

The PTO has a rich database that can easily inform OMB precisely how many of these petitions have been filed in recent years, and give a reasonable projection for the three future years covered by the ICR. In the experience of patent attorneys I have consulted, a reasonable figure for the average burden to prepare such a petition is 15 hours.

**1. MPEP §1003(10) re: "Examiner's answers containing a new provision of law"**

MPEP § 1003(10) permits an applicant to file a petition for correction of "Examiner's answers containing a new interpretation of law." As in the case of MPEP § 1002.02(c)(7), PTO has data concerning the number of petitions it receives and can easily provide them to OMB. In the experience of patent attorneys I have consulted, a reasonable figure for the average burden to prepare such a petition is 15 hours.

**4. Oral Hearing**

In the Supporting Statement, PTO acknowledges that oral hearings involve information collection and that they have actual burdens. However, PTO asserts that these burdens are not cognizable under the Paperwork Reduction Act, apparently because the "information" involved is strictly redundant:

The agency does not consider the time for preparation of the oral hearing to be a burden under the PRA in that there would be no collection of new information at the oral hearing. Since the oral hearing is limited to information already submitted and collected, it is essentially an opportunity for clarification of the information already collected or received.<sup>6</sup>

PTO's claim is wrong for both technical and legal reasons.

The technical reason PTO is wrong is that the information provided at an oral hearing is not merely a recitation of an Appeal Brief but an extended opportunity to explain points that PTO officials apparently did not understand from reading the text. The main activity at an oral hearing is answering questions posed by the PTO to

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<sup>6</sup> See ICR 0651-00xx Supporting Statement, p. 15.

applicant's counsel. Thus, by definition new information is being provided in an oral hearing. Otherwise, no purpose would be served by having them.<sup>7</sup>

The legal reason PTO is wrong is that the Information Collection Rule specifically and explicitly includes oral communications within the definition of "information" (5 C.F.R. § 1320.3(h)) unless they are explicitly exempt:<sup>8</sup>

"Information" means any statement or estimate of fact or opinion, regardless of form or format, whether in numerical, graphic, or narrative form, and whether oral or maintained on paper, electronic or other media.

In my January 16, 2007 public comment on ICR 0651-0031, I estimated that oral hearings entailed eight hours to prepare for and eight hours to travel to Alexandria, Virginia, and conduct the hearing, and that that there would be 16,000 oral hearing preparations and 14,400 oral hearings actually conducted per year.<sup>9</sup> I doubt that PTO could manage such a workload, but it is the likely unintended consequence of its decision to terminate continuation practice.

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<sup>7</sup> The need for this new information will only become greater under the page limits in the 2008 final rule.

<sup>8</sup> The information provided in an oral hearing is not covered by any of the exemptions in 5 C.F.R. § 1320.3(h). The closest potential exemption is in paragraph (9): "Facts or opinions obtained or solicited through nonstandardized follow-up questions designed to clarify responses to approved collections of information." This exemption covers telephone conversations between applicants and examiners, no matter how burdensome, but BPAI appeals practice is highly standardized – so much so that it is governed by explicit rules – and cannot be exempt. Moreover, and perhaps most obviously, patent attorneys representing applicants do not do oral hearings for free.

<sup>9</sup> See Belzer public comment on ICR 0651-0031, p. 85. I assumed that the final Continuations and Claims rules, which were then under legal challenge, would be implemented and that applicants follows PTO's advice to applicants that they reroute tens of thousands of (now forbidden) continuation applications per year into appeals. The Continuations and Claims rules were enjoined on April 1, 2008, but PTO has appealed to the Federal Circuit. Unless and until PTO withdraws this final rule, paperwork burdens must be based on the assumption that these rules will be upheld. In addition, PTO represented in the preamble to the final Continuations and Claims Final Rule notice and in its FY2007 budget request that it was budgeting for the increased staffing required to manage an increased workload.



## **2. Incremental Burdens Resulting from Remands to the Examiner when the Examiner Did an Incomplete Job**

In contrast to PTO's rigorous enforcement of rules that affect applicants, PTO apparently supervises examiners rather lightly. Consequently, a significant fraction of appeals are remanded by the Board back to the examiner with instructions to start over again, because the examiner's position was so inadequate that the Board could not decide on the merits of the application.

The number of responses is easy to determine; the Board's statistics pages indicate that applicants are denied a decision in about 8% of appeals.<sup>10</sup> The quantity of additional burden on the applicant can vary. However, the statistics available on the PTO's web page are too coarse to inform this estimate. OMB can ask PTO to provide a coherent basis for estimating this burden.

### ***B. Increases in Burden to Existing ICs Associated with Changes in Appeal Practice Made in the 2008 Final Rule***

A key issue is whether PTO has accurately described and objectively estimated the burdens for those ICs that it has already acknowledged. It is clear that PTO has not done so. First, and most obviously, PTO's burden estimates are based on an American Intellectual Property Law Association (AIPLA) economic report containing 2006 data. This report cannot contain data covering the burdens of the 2008 final rule.

Second, there are serious information quality issues surrounding the AIPLA economic report, and PTO's use of it. First, the report is actually a census of AIPLA members, with a 20% response rate.<sup>11</sup> No sampling occurred. Further, it is not known to what extent responders were representative, and federal statistical policy published by OMB requires a nonresponse bias analysis for any report with a response rate below 80%. Second, by using this report PTO becomes responsible for its objectivity. PTO cannot merely assume that it is. Third, because the report is proprietary, PTO is responsible for performing extensive robustness checks to buttress any claims of objectivity it might make. These requirements are in OMB's

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<sup>10</sup> See <http://www.uspto.gov/web/offices/dcom/bpai/docs/receipts/fy2008.htm>.

<sup>11</sup> The web-based survey instrument was made available to 14,132 AIPLA members and non-members, and 2,733 persons responded "to some or all of the questionnaire." See AIPLA, *Report of the Economic Survey: 2007*, p. 1.



Information Quality Guidelines for all agencies and in PTO's own information quality guidelines. PTO states in the Supporting Statement that it has adhered to these guidelines (p.3 and Appendix B), and it is up to OMB to ensure that this claim is true.

Also, there is ample evidence that PTO has used these data improperly even if they are found to be objective. For example, PTO uses median values for certain parameters<sup>12</sup> when PTO knows that the underlying distributions are skewed such that the mean may be significantly greater than the median. The Paperwork Act and OMB's rules require the use of unbiased central tendency estimates ("averages"), and the median only qualifies if the underlying distribution is not skewed.

## 1. Appeal Brief

The 2008 final rule imposes numerous new requirements for form and format in appeal briefs.

The primary changes in this rule are:  
(1) The requirements for an appeal brief include new sections for jurisdictional statement, table of contents, table of authorities, statement of facts, new format for arguments in the appeal brief and for claim support and drawing analysis section and means or step plus function analysis section in the appendix of the appeal brief, new section for table of contents in the evidence section of the appendix, new format in 14-point font, and 30-page limit for the grounds of rejection, statement of facts, and argument sections, (2) the requirements for a reply

**Figure 1: Some ICs Related to Appeal Briefs in the 2008 Final Rule**

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<sup>12</sup> See Supporting Statement, p. 14, and note the *non sequitur* PTO uses to purportedly justify the use of the median: "The agency believes the median figure is an appropriate figure upon which to base estimates given that attorneys charging above the median and below the median would be expected to participate in the appeal process" (emphasis added).

For paperwork burden estimation purposes, the two most important of these requirements are the requirement that appellants use

**14-point font**

and limit the brief to 30 pages. The practical consequence of these two provisions are that each Appeal Brief is much shorter and much more burdensome to produce. There may not be enough space to cover all of the issues that are relevant to the Board. This combination is per se a violation of the Paperwork Act because the law proscribes information collections that have negative practical utility.<sup>13</sup>

This increased burden is magnified by two other changes to appeals practice in the 2008 final rule. First, applicants are required to discuss and analyze issues that are not in dispute. This means they must consume scarce pages printed double-spaced in 14-point font. The practical utility to the Board of these two requirements is nowhere made clear in the preamble to the proposed rule, the preamble to the final rule, the so-called “60-day notice,” the 30-day notice, or the Supporting Statement.

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<sup>13</sup> I assume that the Board’s purpose in promulgating these rules is to improve the quality of decisions it makes. Quality cannot be improved by artificial, nonsubstantive restrictions on what information the Board considers. The only way for these provisions to have practical utility for the Board is if the Board’s undisclosed but true purpose is to reduce the number of appeals irrespective of their merits.

Second, all issues raised in the examiner's answer that the applicant does not contest in the Appeal Brief are automatically decided in the examiner's favor.<sup>14</sup> Applicants must pick and choose which issues that are in dispute not to contest in the Appeal Brief, and therefore which intellectual property claims to abandon solely for the convenience of the Board.<sup>15</sup>

All these requirements apply solely to applicants. Examiners are exempt from all of them. PTO never explains why the board needs applicants to submit briefs double-spaced in 14-point font and limited to 30 pages, but not from examiners.

In my January 16, 2008 public comment on ICR 0651-0031, I estimated that preparing an Appeal Brief required on average 30 burden-hours.<sup>16</sup> In the Supporting Statement, PTO cites this figure indirectly (it was included as an attachment to a public comment on the proposed rule). However, my estimate applied to the 2004-vintage appeal rules. I did not attempt to include the incremental burdens of the 2007 proposed appeal rules, nor would it have been possible for me to have provided in January 2008 a burden estimate for a final rule that PTO issued the following June. PTO must look to other public commenters for estimates of the incremental burdens they impose, and not attribute invalid estimates to me.

## 2. Petition to Increase the Page Limit

The 30-page limit can be breached if and only if an applicant petitions PTO to increase it. This petition costs \$400 to file. Applicants do not know what criteria PTO will use to decide whether a petition deserves approval. Further, they do not know if PTO intends to grant petitions rarely (thereby creating a circuit-breaker than does not trip) or grant them always (thereby using the page constraint primarily to generate revenue). In the Supporting Statement, PTO claims that 1,315 petitions will

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<sup>14</sup> Others have argued that this shift in the burden of proof is statutorily impermissible. Whether they are correct is immaterial for purposes of estimating paperwork burdens. PTO must estimate burden under the assumption that its new requirements are in fact legal.

<sup>15</sup> As indicated above, applicants must waste scarce pages on issues not in dispute or their briefs will be rejected for procedural reasons.

<sup>16</sup> Belzer public comment, p. 85.

be filed per year and that each petition will require 15 hours to produce.<sup>17</sup> PTO gives no objective basis for either of these figures.<sup>18</sup>

The new petition requirement does not apply to examiners, because examiners are exempt from all page limits. The stated purpose of the page limit is to “promote concise and precise writing,” a need that apparently applies always to applicants but never to examiners.<sup>19</sup>

### **3. Petition to Suppress Nominally Forbidden “New Grounds of Rejection” in an Examiner’s Answer**

In the 2004 Rules, when an examiner raised a new ground of rejection in an examiner’s answer, an applicant had several options. For example, the applicant could introduce new evidence (e.g., scientific literature, an affidavit from an expert, or a page from a technical dictionary) to rebut the examiner’s new position. Alternatively, the applicant could accept the examiner’s position, withdraw the appeal, and resume normal examination.

In the 2008 Final Rule, Rule 41.39(a) states “An examiner’s answer shall not include a new ground of rejection.” Other commenters have suggested that this change is illegal, and that examiners cannot by rule ever be prevented from raising new grounds of rejection. This prohibition was in effect from 1997 to 2004, and the PTO refused to enforce it. In 2004, PTO changed the rules to reflect actual practice and also established new procedural safeguards to ensure that applicants could respond. In the 2008 Final Rule, however, PTO rescinds these procedural safeguards, leaving applicants in the worst of all possible worlds: examiners can raise new grounds of rejection, even if the rules technically prohibit it, and

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<sup>17</sup> Supporting Statement, p. 20. A burden estimate of 15 hours means the petition is not a routine transaction, and suggests that PTO intends to grant them rarely.

<sup>18</sup> Supporting Statement, p. 18: “Based on an informal survey of appeal briefs in FY 2007, the Board expects less than three percent (3%) of all appeal briefs, reply briefs, and requests for rehearing filed would, under the amended rules, require a petition to increase the page limit. Given the estimated number of responses for appeal briefs (23,145), reply briefs (4,947), and requests for rehearing (123) (73 Fed. Reg. at 32560), three percent of that total  $((23,145 + 4,947 + 123) \times 3\% = 846)$  would be less than one thousand (1,000) requests per year. An estimate of 1,315 petitions seeking an increase in page limit is liberal and does not result in an underestimate of paperwork burden.”

<sup>19</sup> Supporting Statement, p. 8.

applicants are helpless to respond. This asymmetric result could be accidental, but the sheer number of anti-applicant provisions in the 2008 Final Rule strongly suggests that it is intentional.

When faced with a nominally prohibited new ground of rejection, an applicant has a couple options – neither of them are good, and both of them entail significant new paperwork burdens. For example, they can file a petition under 37 C.F.R. § 1.182.<sup>20</sup> Because there are no established criteria or procedures, this will be extremely expensive and unlikely to succeed. PTO is obligated to provide objectively based estimates of burden on which the public can provide informed comment.

Alternatively, during normal examination applicants can try to anticipate and pre-empt every conceivable new ground of rejection, whether legitimate or illegitimate. That is, they can prosecute applications in such a way as to prevent any issue from ever being “new.” This increases, by an unpredictable but logically large amount, the number of burden-hours for every significant IC in ICRs 0651-0031 and 0651-00xx.

#### **4. Petition for Continuation Application to Reopen Prosecution if Examiner’s Answer States a New Ground That Either Is Correct or Could Be Rebutted If Rebuttal Were Allowed**

The 2004-vintage rules give an applicant a clear option to withdraw an appeal if the examiner’s answer offers a new explanation of an issue that convinces the attorney.<sup>21</sup> PTO preserved this option in the 2007 proposed rule, but removed it in the 2008 final rule. If an examiner comes forward with a convincing new explanation of unpatentability, or an explanation that requires the affidavit of an expert for rebuttal (which the final rule also does not allow), the applicant has no way to proceed.

PTO might defend this rule as creating an appropriate incentive for applicants to ensure that examiners never find new grounds for rejection. That cannot exempt PTO from having to account for paperwork burden, however. As

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<sup>20</sup> “All situations not specifically provided for in the regulations of this part will be decided in accordance with the merits of each situation by or under the authority of the Director.”

<sup>21</sup> See § 41.39(b)(1) [2004]

indicated above, any change in appeals practice that shifts burdens of proof to the applicant, or increases the amount of work an applicant must perform during normal examination, must perforce increase paperwork burden. PTO must account for this burden, both here and in ICR 0651-0031.

The PTO's database contains reliable data indicating the number of appeals in which an examiner's answer results in withdrawal. This gives a good first-order estimate of the number of responses, but I am at a loss concerning how to estimate the number of burden-hours that are required to assure applicant omniscience during normal examination.

### **5. Petition for Extension of Time for Filing a Paper After Appeal Brief**

Historically, PTO has permitted extensions of time on a fairly minimal showing of "good cause" filed on the last day that a paper is due. In the 2008 final rule, PTO requires that these requests be submitted no less than 10 calendar days in advance, and the criteria for securing PTO's agreement are more stringent.

### **3. Reply Brief**

The 2008 final rule adds several new nonsubstantive requirements for Reply Briefs:

sections, (2) the requirements for a reply brief include new sections for table of contents, table of authorities, statement of additional facts, new format for arguments in the reply brief, new format in 14-point font, and 20-page limit for the statement of additional facts and argument sections, (3) the requirements

**Figure 2: Some New Requirements for Reply Briefs in the 2008 Final Rule**

PTO has not explained the practical utility of these provisions, and the burden estimates in the Supporting Statement are not objectively supported.<sup>22</sup> In my January 16, 2008 public comment on ICR 0651-0031, I estimated 16,000 responses at 16 hours each.<sup>23</sup>

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<sup>22</sup> Supporting Statement, p. 20: 4,947 responses at 5 hours each.

<sup>23</sup> Belzer public comment, p. 85.

#### **4. Request for Rehearing Before the BPAI**

In the event of an unfavorable decision from the Board, an applicant has an option to file a third brief, requesting a rehearing.

It is reasonable to expect that many more applicants will seek rehearing primarily because of the designed-in unfairness of the new appeals process, which I have already covered. In addition, there will be a vast increase in the number of appeals filed if the August 2007 final rule virtually eliminating continuations is revived on appeal.<sup>24</sup>

As for the number of burden-hours per response, they will rise because of new nonsubstantive requirements established in the 2008 final rule.

#### ***C. New Burdens Associated with the 2008 Final Rule Not Acknowledged in ICR 0651-00xx, with Spillover Effects into ICR 0651-0031***

In this section I cover new burdens that PTO has not yet acknowledged but which are readily predictable consequences of the 2008 final rule on appeals practice. Some of these burdens involve large spillover effects into ICR 0651-0031.

##### **1. Rule 116 Papers Before Appeal**

PTO says that the new rules will require a Rule 116 paper in most cases before an appeal is filed.<sup>25</sup> However, the ICR makes no mention of this procedural step, and includes no estimate of burden.

PTO does not reveal how many new Rule 116 papers can be expected.

##### **2. Burdens Due to the Changed Definition of “New Ground of Rejection”**

The term “new ground of rejection” has been defined by case law. In the preamble to the 2008 final rule, however, PTO announces a definition that is both different from case law and significantly narrower in scope. Thus, even if the Board

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<sup>24</sup> Unless and until PTO withdraws this rule, burden estimates must be based on the assumption that the rule is upheld and enforced.

<sup>25</sup> 73 Fed. Reg. 32943, col. 1,



were to strictly enforce its prohibition on “new grounds for rejection,” the scope of that prohibition is narrower than it appears.

This burden is difficult to quantify. Some of it may be redundant if the burdens associated with B.1 (Appeal Brief) and B.3 (Reply Brief) are fully counted. In that case, however, the new regulatory definition would be superfluous. The practical effect of the changes discussed with respect to B.1 and B.3 is to replace the existing statutory responsibility on PTO to prove unpatentability with a new regulatory burden on applicants to prove patentability. This burden shift is arguably illegal, but for burden estimation both PTO and commenters must assume that it is not. And, if the full ramifications of B.1 and B.3 are not accounted for, then this is a new IC.

### **3. Training in the Use of Headings and Styles in Word Processing Software**

The PTO states that “[m]odern word processors make the creation of a table of contents ... fairly easy when headings are used in a document.”<sup>26</sup> This may be true, but PTO cannot simply assume that all applicants and their attorneys already have sufficient expertise. PTO presents no data suggesting that they do, either. By making facility with headings and styles a regulatory requirement, PTO must take responsibility for the burden it imposes on those who do not have these skills.

### **4. Table of Authorities**

The PTO makes the same claim for a Table of Authorities, and this cannot be defended at all based on the notion that it is a conventional business practice. Using Microsoft Word as an example, its Table of Authorities feature is neither well known nor easy to use. I consider myself well above average in word processing skills, but prior to reviewing the 2008 final rule I had never attempted to use it. As a test, I did make such an attempt with a document that contained numerous citations to case law. I found the experience extremely frustrating and abandoned the effort after a half-day’s work.

### **5. Burdens Due to Ambiguity in the Term “Appealable Subject Matter”**

The 2008 final rule creates significant uncertainty about another established term of art: appealable subject matter.” The final rule abandons established case law

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<sup>26</sup> 73 Fed. Reg. 32969, col.3.

in favor of a new but ambiguous definition. The issue may be arcane but it is actually easy to understand.

Some patent processing procedures are conducted with a series of filings (“papers” in the trade), whereas others require the submission of a petition. Generally, the first category of transactions can be undertaken as a matter of right, but transactions involving petitions effectively require PTO concurrence to pursue. An issue that arises in the normal course of examination is supposed to be appealable to the Board.

The 2008 final rule narrows the scope of issues that can be appealed. It is unsurprising that the Board would want to do this to reduce its workload, for it appears to have been deluged by matters that should have been addressed in normal examination, but were not. It is a standard ploy of any review body to try to force others to do their jobs better, but in this case, it is applicants who are the innocent bystanders of this internal PTO struggle. The new rules narrow the scope of “appealable subject matter” without providing applicants any way to compel the examination corps to perform better. Issues that previously could be raised to the Board will no longer have any internal PTO venue in which resolution can be expected to occur.

#### **6. Burdens Due to Ambiguity in the Term “Misconduct” in § 41.56**

New § 41.56 introduces a new concept -- “appeal misconduct” -- and PTO makes clear that the consequences of even an accusation of “appeal misconduct” will be substantial. However, the PTO did not define what behavior would constitute “misconduct or bother to acknowledged, much less estimate, its paperwork burden implications.”<sup>27</sup>

#### ***D. Number of Responses***

The burdens of appeals-practice generally, and the 2008 final rule in particular, are highly sensitive to projections concerning the number of responses. PTO’s Supporting Statement assumes no changes will occur over the proposed 3-year clearance period, but all available information indicates that this is unrealistic. PTO has several times predicted a rapidly increasing number of appeals, and in the case of its 2007 final rule restricting continuation practice, PTO encouraged

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<sup>27</sup> A public comment submitted to OMB by Allen Hoover discusses this issue in much greater detail, and with considerable expertise.

applicants to use the appeals process instead of continuations. Thus, there is no justification for PTO's assumption that the numbers of responses to various ICs will be constant. Several public commenters with considerably greater expertise have specifically questioned this assumption, but PTO has not responded, much less refuted their alternative estimates.

Equally disturbing is PTO's consistent refusal to provide objectively supported burden estimates, or to disclose any of the data, models or other basis it used to derive its figures. PTO's acknowledgement that information quality guidelines and principles apply and its claim that it has adhered to them means that PTO, and not the public, has a legal duty to provide this information. Nonetheless, it still refuses to do so. These facts strongly suggest that PTO's burden estimates are simply made up.

In my January 16, 2008 public comment on ICR 0651-0031, I provided burden estimates for many of these ICs and provided the basis for how they were calculated. Other public commenters also have provided estimates, and in some cases they have provided the basis for their calculations. It is now time for PTO to respond. OMB should not approve any element of ICR 0651-00xx. Rather, it should exercise the statutory authority it has to direct PTO to begin a new rulemaking and fully comply with the Paperwork Reduction Act. The scope of this and other recent PTO rules is so great that OMB also ought to direct PTO to prepare a comprehensive Regulatory Impact Analysis, as required for economically significant rules under Executive Order 12,866.

Sincerely,



Enclosure 1: Public Comments from Parties Wishing to Remain Anonymous

Enclosure 2: PTO, "Appeal Brief Check List for Appeal Center," November 13, 2008.

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Richard B. Belzer, Ph.D.  
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Mt. Vernon, VA 22121  
703-780-1850  
[rbbelzer@post.harvard.edu](mailto:rbbelzer@post.harvard.edu)

Thank you for your help in preparing comments on the paperwork burdens of the Appeal Rule. **Please see the notes on the next page.** Email to [RBBelzer@post.harvard.edu](mailto:RBBelzer@post.harvard.edu), who will be compiling responses into a single submission to OMB. On request, your identity will remain anonymous.

**Item 1.** Please estimate hours of patent attorney/agent time per item for appeals.

		<b>Baseline: 6/9/08 rules apply Actual Burdens from Recent Personal Experience (not Hearsay)</b>	<b>New: 6/10/08 Appeal rules apply Assume PTO wins <i>Tafas v. Dudas</i> Best Estimates Based on Expertise &amp; Knowledge</b>
1	Notice of Appeal	1	1
2	Pre-Appeal Request for Review	0	0 these I have found do absolutely no good, and sometimes create a prejudice to true allowability
3	Appeal Brief	10	25 time is more than doubled (almost tripled, which my small entity clients will not be able to afford. This estimate is based on a reworking of a minimal 5 claim appeal brief, not 20 claims. There may be a complete hitch in the new rules as I could not find a way to provide a summary of the invention which only provides statements that have not been challenged.
4	Resubmitting Appeal Brief rejected for non-substantive reasons (____% of submissions)	100	100 it appears that every appeal brief I have filed within the last year has had something "improperly" presented, i.e., I had one brief ret'd because I did not put the applicant's name into the real party in interest section, though I stated it was the inventor whose name appears at the top of the page incorporating that section.
5	Petition to Increase Page Limit		I do not know as I cannot see any required format for this item anywhere in the rules. The simple 5 claim case referred to above was over 20 pages when completed, and would require petition if at 14 pt font
6	Petition under MPEP § 1002.02(c)(7) relating to form of an appeal		I have never done one, I avoid petitions as they take 6 mo or more to be decided, which puts me outside the time limits for filing the brief.
7	Petition under MPEP § 1003(10) re "Examiner's answers containing a new interpretation of law"		I have never done one.
8	Reply Brief	3	3 will also require call to duty examiner in each case, as above
9	Petition for Extension of Time for Filing Paper After Appeal Brief		I have never done one
10	Request for Oral Hearing	1	1 I have only done one and do not see anything regarding the requirements in the proposed new rules
11	Oral Hearing, including in-office prep time and oral argument	8	8 I would pray this time would not increase under the proposal
12	Request for Rehearing	1	1 I have never done one.

		<b>Baseline: 6/9/08 rules apply Actual Burdens from Recent Personal Experience (not Hearsay)</b>	<b>New: 6/10/08 Appeal rules apply Assume PTO wins <i>Tafas v. Dudas</i> Best Estimates Based on Expertise &amp; Knowledge</b>
13	Defensive practices due to potential sanctions in new definition of “misconduct” in Rule 41.56		3 vagueness will invariably require a call to a duty examiner for each appeal brief so I have a NAME to provide if I am advised of being outside the rule.
14	other – specify		

For both the “current rule” and “new rule” columns, please explain the basis of your estimate.

**Item 2.** Please estimate the hours per application of the incremental burden during regular §§ 131/132 prosecution for defensive practices resulting from the new rules (all taken together), and the percentage of all applications (not just of appeals) for which you would take these steps to protect patent value or your reputation. Note that you might take these steps even if the application is not ultimately appealed.

	incremental papers and actions	hours per item	0-5%	5-20%	20-60%	>60%
20	Affidavits	5	x			
21	continuations for entry of affidavits/arguments	1	x			
22	Interviews	1	x			
23	petitions seeking withdrawal of premature final rejection, for “new grounds of rejection:” e.g., new arguments and new citations of new portions of old references	2		x		
24	Requests under MPEP § 710.06 for more complete Office Actions	2			x	
	other – specify					

**Item 3.** Please describe your experience with appeal briefs rejected for non-substantive grounds, including how much time was spent making corrections and resubmitting **see above Instructions for Item 1:**

For the “current rules” column, please respond based on facts in your possession: bills (even if discounted or not paid in full), diaries, experience even if not recorded, etc.

For the “new rules” column, make these assumptions:

- The Continuations and Claims rules are put in effect -- that is, that the PTO wins its appeal in *Tafas v. Dudas*. (There is a separate effort to compel the PTO to take responsibility for these paperwork burdens.)
- You will exercise all available procedures to avoid loss of patent value. The PTO certified to OMB that the “new rules” would cause no significant loss of value. Therefore, follow that assumption wherever it leads in terms of paperwork that will be filed to prevent all loss of patent value.
- Your actual experience preparing similar documents is a reasonable guide for predicting these new burdens. Do not be “conservative” or aim high or low – be as “down the middle” and objective as you can.

For both the “old rules” and “new rules” columns, estimate the arithmetic average, not the median. If your experience includes a few outliers, assume that will continue. Write “+ skew” or “- skew” in the notes.

Make sure to add back any discounts or fee waivers you might have provided as an accommodation to a client. This exercise is about at getting an accurate burden or cost estimate, not about getting a client to pay a bill.

**Lines 3 and 4.** The new appeal rules add the following elements to the requirements for appeal briefs:

- Jurisdictional statement. (37 C.F.R. § 41.37(h))
- Table of Contents. (37 C.F.R. § 41.37(i))

- (j) Table of Authorities. (37 C.F.R. § 41.37(j))
- (n) Statement of Facts, which in the examiner’s opinion is “non-argumentative.” (37 C.F.R. § 41.37(n))
- (o)(1) “Any finding made or conclusion reached by the examiner that is not challenged will be presumed to be correct.” (37 C.F.R. § 41.37(o))
- (o)(3) “Unless a response is purely legal in nature, when responding to a point made in the examiner’s rejection, the appeal brief shall specifically identify the point made by the examiner and indicate where appellant previously responded to the point or state that appellant has not previously responded to the point. In identifying any point made by the examiner, the appellant shall refer to a page and, where appropriate, a line or paragraph, of a document in the Record.” (37 C.F.R. § 41.37(o)(3))
- (r) Claims support and drawing analysis section, requiring showing of support for “each limitation” of “each independent claim ... and each dependent claim argued separately” including limitations not involved in the appeal. (37 C.F.R. § 41.37(r))
- (s) Means or step plus function analysis section. (37 C.F.R. § 41.37(s))
- (t) Evidence section, including a separate table of contents.(37 C.F.R. § 41.37(i) and (t))
- (u) Related cases section with “copies of orders and opinions” of all cases that affect or may be affected by this appeal, subject to a continuing obligation to update while the appeal is pending. (37 C.F.R. § 41.37(g) and (u))
- (v)(1) all pages of the brief and all appendices must be numbered consecutively, starting with 1, with no skips of the type permitted for Federal Circuit briefs. (37 C.F.R. § 41.37(v)(1))
- (v)(5) ≤ 30 pages, 14-point font, double spaced (37 C.F.R. § 41.37(v)(2), (4) and (5))

**Line 8.** The new appeal rules add the following elements to the requirements for reply briefs:

- (d)(2) Table of Authorities. (37 C.F.R. § 41.41(d)(2))
- (f) Statement of additional facts. (37 C.F.R. § 41.41(f))
- (d) 20 page limit, 14-point font, double spaced.

**Line 13.** New Rule 41.56 defines sanctions for “misconduct.” The preamble to the final rule responds to a request for clarification by expressly disavowing any analogy to or reliance on the standards or case law of any jurisdiction. 73 Fed. Reg. at 32968, Response No. 107. The preamble to the final rule states that this introduces new obligations above those set forth in 37 C.F.R. Parts 10 and 11, and that the PTO will not attempt to follow the practices and standards of other tribunals. Individual attorneys/agents will instead be subject to new, undefined, standards of “misconduct” as perceived by individual APJs and the Office of Enrollment and Discipline. How will this affect your practice? What opportunities will you not pursue? How will this affect your representation of clients -- specifically, how will it affect the costs of preparing appeal paperwork?

**How is “paperwork burden” defined?** There is a specific legal definition, and it is an expansive one:

**5 C.F.R. § 1320.3 Definitions**

(b)(1) *Burden* means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency, including:

- (i) Reviewing instructions;
- (ii) Developing, acquiring, installing, and utilizing technology and systems for the purpose of collecting, validating, and verifying information;
- (iii) Developing, acquiring, installing, and utilizing technology and systems for the purpose of processing and maintaining information;
- (iv) Developing, acquiring, installing, and utilizing technology and systems for the purpose of disclosing and providing information;
- (v) Adjusting the existing ways to comply with any previously applicable instructions and requirements;
- (vi) Training personnel to be able to respond to a collection of information;

- (vii) Searching data sources;
- (viii) Completing and reviewing the collection of information; and
- (ix) Transmitting, or otherwise disclosing the information.

(2) The time, effort, and financial resources necessary to comply with a collection of information that would be incurred by persons in the normal course of their activities (e.g., in compiling and maintaining business records) will be excluded from the “burden” if the agency demonstrates that the reporting, recordkeeping, or disclosure activities needed to comply are usual and customary.

(h) *Information* means any statement or estimate of fact or opinion, regardless of form or format, whether in numerical, graphic, or narrative form, and whether oral or maintained on paper, electronic or other media. ...

To explain the basis for your estimates, please provide a sentence or two identifying the sources for both your “current rule” and “new rule” columns. Did you rely on actual bills? Diaries? What percentage of your applications require appeals under “current rules”? Do you expect this to be different under the “new rules,” taking into account the assumption that *Tafas v. Dudas* is overturned? If you present an aggregate of several attorneys’ experience or estimates, how many were involved? From what technologies?

**Instructions for Item 2.** The new appeal rules make the following changes:

- (a) new definition of “new ground of rejection,” based on unpublished cases and ignoring the operative precedent, 73 Fed. Reg. at 32945. This redefinition may give examiners far more latitude to withhold disclosure of positions during regular prosecution, and first present them in Examiner’s Answers, without triggering full rights to reply or reopen prosecution.
- (b) examiners are given authority to introduce new evidence with an Examiner’s Answer, and force inclusion of this evidence in the “Evidence Section,” 73 Fed. Reg. at 32944, col. 2, while applicants are denied the symmetric opportunity to add or designate rebuttal evidence with a Reply Brief, even evidence already of record. 37 C.F.R. 41.41(i).
- (c) new burden of proof and new standard of review that are more deferential to the examiner: where historically the burden always lay on the Office to establish all grounds of rejection by a preponderance of the evidence, the new rules state that the Board will presume that examiners’ factual and legal findings are all correct. 37 C.F.R. § 41.37(o); 73 Fed.Reg. at 32960, col. 3.
- (d) new limits on affidavits, even if already of record, and new limits on arguments in Reply Briefs, etc. 37 C.F.R. § 41.41(a), (d) and (i).

How will you adapt during regular §§ 131/132 prosecution to ensure that cases are fully set up for appeal? For example, will you file more Rule 130/131/132 Affidavits? In what percentage of all applications? How many more RCEs to get affidavits entered in the record? In what percentage of all applications will you file petitions for premature final rejection? Please describe the basis for your estimate.

**Instructions for Item 3.** Please discuss briefs rejected for non-substantive reasons, for example:

- (a) Stating “Evidence Appendix – none” rather than providing a separate sheet of paper captioned “Evidence Appendix” with the word “none”
- (b) Immaterial rewording of the heading text specified in Rule 41.37
- (c) A section inserted in addition to the headings set forth in the rules
- (d) Discussing two claims together in the “Summary” section – having the brief rejected with instructions to split one paragraph into two, or combine two paragraphs into one
- (e) Omitting reference numerals, and citations to column and line numbers for immaterial claim elements (for example, the *pro forma* “computer processor” of a typical software claim
- (f) etc.



What percentage of your briefs is rejected for nonsubstantive reasons? How many hours' work does it take you to revise and resubmit?

Application serial numbers would be helpful to provide concrete illustrations. If you feel you need to maintain anonymity, please note that on your submission and this information will be redacted.

**From:** [REDACTED]  
**Subject:** [REDACTED]  
**Date:** October 27, 2008 7:52:44 PM EDT  
**To:** [REDACTED]

**Item 1.** Please estimate hours of patent attorney/agent time per item for appeals.

		<b>Baseline: 6/9/08 rules apply Actual Burdens from Recent Personal Experience (not Hearsay)</b>	<b>New: 6/10/08 Appeal rules apply Assume PTO wins <i>Tafas v. Dudas</i> Best Estimates Based on Expertise &amp; Knowledge</b>
1	Notice of Appeal	1	1
2	Pre-Appeal Request for Review	8	10
3	Appeal Brief	15	50
4	Resubmitting Appeal Brief rejected for non-substantive reasons ( ___ % of submissions)	1.5 (50%)	5 (95%)
5	Petition to Increase Page Limit		10
6	Petition under MPEP § 1002.02(c)(7) relating to form of an appeal	--	--
7	Petition under MPEP § 1003(10) re "Examiner's answers containing a new interpretation of law"	--	--
8	Reply Brief	5	10
9	Petition for Extension of Time for Filing Paper After Appeal Brief		5
10	Request for Oral Hearing	1	1
11	Oral Hearing, including in-office prep time and oral argument	15	30
12	Request for Rehearing	10	20
13	Defensive practices due to potential sanctions in new definition of "misconduct" in Rule 41.56		2
14	other – specify		

2 <sup>nd</sup> and subsequent appeal briefs after Examiner reopens prosecution without filing an Answer (each)	20 (15%)	55 (40%)
Petition to exercise supervisory authority to preclude reopening prosecution without an Examiner's Answer	10 (3%)	10 (25%)

For both the “current rule” and “new rule” columns, please explain the basis of your estimate.

Reasons for changes between current and new rule are as follows:

All current rule are based on my experience (30 years before USPTO) and estimated 5 appeal briefs/year in previous 5 years; except for comments referring to “our office,” which is a 12-member firm of attorneys all practicing with USPTO.

#2 Increased review of record for what examiner said, when.

# 3 More review of record for examiner statements made before the Action being appealed from, documenting disputation of such statements, writing and editing summaries of same (“who said what when”), preparing additional tables, preparing record, putting record into a special format with page numbering, preparing drawing summary. These will more than triple the time spent writing the brief. Currently we appeal from last rejection. I refer to earlier statements only to the extent there is continuity in an argument of the Examiner in the last rejection that carries forward from an earlier action. I rarely refer to when I made an argument, unless it is part of an argument for inconsistency, i.e. showing that the Examiner has changed his position on a cited document, or of indifference, i.e. showing that the Examiner has ignored multiple presentations of the argument presented to the Board.

“Who said what when” has no relevance to the question presented of whether the Examiner erred in making particular rejections. The Office justifies it on the grounds that the Examiner needs to know when a new argument is being raised. If so we should only have to identify new arguments and the listing should not be part of the page limit. Including the “who said what when” listing in the page limit substantially reduces the applicant’s opportunity to make an effective presentation of the question on appeal by diverting the Brief to issues not part of the current rejection, and very substantially increases the burden of reviewing the record to make sure that the Board will not blind-side the applicant with something the Examiner had apparently abandoned.

Unless a previous statement is expressly incorporated by reference in the rejection at issue, and then not contested in the Appeal Brief, nothing the Examiner says prior to that rejection should be taken as fact by the Board. With piecemeal prosecution being the general rule today, it much too burdensome to require applicant to list everything the Examiner said years ago, but has not carried forward into the current rejection, and then challenge those abandoned statements in the Appeal Brief. Examiner’s write a lot of fiction that they abandon after it is challenged. The new

rules allow the Board to sucker-punch the applicant by holding an admission of such fictions if they are not listed in a “who said what when” statement in the Appeal Brief. This is arbitrary and capricious and violates Due Process. Protecting against such a sucker-punch, and doing so within a 30 page, 14, pt page limit, is a substantial part of the added cost of the appeal.

The requirement for tables of contents and authorities and the pagination requirements also add very substantially to the cost of the Appeal Briefs. At least in MS Word these require a very high labor input. For instance, the pages of the appendices cannot be consecutively numbered from MS-Word and indexed for reference in a Table of contents unless each page is individually inserted as a separate graphic image into the Appeal Brief.

The jurisdictional statement also makes no sense since the Board knows the source of its jurisdiction. The case is either an interference, an appeal from a Final rejection or an appeal from a second rejection. Reciting the jurisdictional basis has no function other than to provide more formalities that can be used to issue notices of non-compliant appeal briefs.

#4 The current practice of formalities objections has become very abusive. Under the new rules it will become much worse. I estimate the increase will be from 50% “our office” objections to 95% of all briefs. The time required for response will substantially increase, because many problems will come in the new facts or tables sections. Consequently there will require repagination of brief, recalculation of the tables, and frequently repagination of the appendices.

#5-7 I have no experience with these petitions. I estimate about 10 hrs to prepare a summary of the issues that will be raised in the brief and why the page length needs to be exceeded.

#8 Reply brief time will double because the Examiner can supplement the record. Every Answer will have to be reviewed first for formal new issues/evidence, as well as for the traditional response to key points.

#11 Oral hearing prep time will be doubled because the board is expected to quiz counsel on Examiner statements that are not found in the final rejection, but that can now be treated as admissions. Also the record in general will be enlarged as applicant’s seek to provide counter evidence to refute even the most outrageous and unsupported Examiner assertions that are now simply challenged on lack of evidence grounds. Consequently so the time spent reviewing the enlarged records will necessarily grow.

#13 Each brief will require a separate review by a non-prosecuting attorney for possible sanction issues.

# 14 The practice of reopening prosecution rather than filing an Examiner’s Answer is becoming very frequent. Sometimes this occurs even after a second appeal brief has been filed. I have begun petitioning for supervisory review in selected cases. Reopened prosecutions that are again taken to Final will become more frequent. The Examiners will find that some applicants will choose abandonment when they learn they can never be certain that their appeal will be decided and that the Examiner can effectively force preparation of repeated appeals and appeal briefs without ever filing an Answer. To counter this already growing trend I expect that when we have a client that is willing to file a second appeal brief we will also be filing a petition to the director seeking to force the Examiner to file an Answer or allow the case.

**Item 2.** Please estimate the hours per application of the incremental burden during regular §§ 131/132 prosecution for defensive practices resulting from the new rules (all taken together), and the percentage of all applications (not just of appeals) for which you would take these steps to protect patent value or your reputation. Note that you might take these steps even if the application is not ultimately appealed.

	incremental papers and actions	hours per item	0-5%	5-20%	20-60%	>60%
20	Affidavits	20		X		
21	continuations for entry of affidavits/arguments					
22	Interviews	5			X	
23	petitions seeking withdrawal of premature final rejection, for “new grounds of rejection:” e.g., new arguments and new citations of new portions of old references	7			X	
24	Requests under MPEP § 710.06 for more complete Office Actions	3			X	
	other – specify Programming and learning for new rules, strategic evaluations of application relationships, claim count evaluations	10				X (100%)
	ESD	40	X			
	Supplementing record in cases where Examiner has no evidence to support a naked assertion.	25			X	
	Appeals in cases where an RCE or continuation would currently be filed	60			X	

**Item 3.** Please describe your experience with appeal briefs rejected for non-substantive grounds, including how much time was spent making corrections and resubmitting.

The vast majority of the objections are to cosmetic omissions, for instance identifying the rejected claims in the Status of the Claims section but only identifying the claims on appeal in the argument, or they are improperly imposed. I have had objections to describing benefits of the invention in the Summary of the Invention section even though the MPEP specifically authorizes descriptions going beyond claim elements. I have also had objections to describing improper actions of the Examiner in the Status of Amendments section and to substantive arguments made in the Arguments section. In one case I had an objection to a document submitted in an appendix as not of record when it had been submitted in an IDS that was initialed by the same Examiner. In another case, in which I chose to appeal only some of the finally rejected claims and said so

explicitly in the Status of the Claims section, I received an objection to the fact that the unappealed claims were not included in the appendix of “claims on appeal,” (this was withdrawn when I called). In another case, I used brackets in the Summary of the Invention section to identify page and line numbers for support without expressly saying so and the Formalities Examiner said citations to page and line number were missing (this was also withdrawn when I called).

I sometimes challenge formalities objections as improper, and when I do they have been withdrawn, but the challenge takes more time than it takes to simply file replacement pages, so challenges are not frequent. Also, challenges are very risky. I have not actually petitioned these challenges. Therefore, after calling the involved examiner and getting agreement to withdraw, I have to spend a lot of time monitoring the PAIR record to make sure the objection is officially withdrawn. Otherwise my application can be treated as abandoned.

The USPTO is very clearly using these formalities objections as a way to extend their due dates for response and to increase applicant’s appeal expense. The new rules have so many new formalities that at least one objection can be expected with almost every appeal brief. In almost every case we will not be able to get an Examiner’s Action until we have dealt with these formality objections.

Our office has already had one case held abandoned when the Examiner ruled that a bona fide submission to cure an objection had not actually cured the alleged informality. This of course necessitated a petition to revive at our expense. I expect abandonment holdings will become much more frequent under the new rules because the formalities are much more complex, and the Examiners have a strong incentive to find that an objection has not been properly cured.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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Thank you for your help in preparing comments on the paperwork burdens of the Appeal Rule. **Please see the notes on the next page.** Email to [RBBelzer@post.harvard.edu](mailto:RBBelzer@post.harvard.edu), who will be compiling responses into a single submission to OMB. On request, your identity will remain anonymous.

**Item 1.** Please estimate hours of patent attorney/agent time per item for appeals.

		<b>Baseline: 6/9/08 rules apply Actual Burdens from Recent Personal Experience (not Hearsay)</b>	<b>New: 6/10/08 Appeal rules apply Assume PTO wins <i>Tafas v. Dudas</i> Best Estimates Based on Expertise &amp; Knowledge</b>
1	Notice of Appeal	0.5 hour	0.5 hour
2	Pre-Appeal Request for Review	N/A	N/A
3	Appeal Brief	8 hours	24 hours
4	Resubmitting Appeal Brief rejected for non-substantive reasons (____% of submissions)	50	90
5	Petition to Increase Page Limit		8 hours
6	Petition under MPEP § 1002.02(c)(7) relating to form of an appeal	N/A	N/A
7	Petition under MPEP § 1003(10) re “Examiner’s answers containing a new interpretation of law”	N/A	10 hours
8	Reply Brief	8 hours	16 hours
9	Petition for Extension of Time for Filing Paper After Appeal Brief		N/A
10	Request for Oral Hearing	N/A	0.5 hours
11	Oral Hearing, including in-office prep time and oral argument	N/A	30 hours
12	Request for Rehearing	N/A	0.5 hours
13	Defensive practices due to potential sanctions in new definition of “misconduct” in Rule 41.56		24 hours
14	other – specify	N/A	Unknown

For both the “current rule” and “new rule” columns, please explain the basis of your estimate.

Average of time currently spent in different matters (current rule). Estimates for new rules are based on (1) USPTO win in *Tafas* means winning appeal is critical; can’t submit RCE; (2) as a result, oral argument must be engaged in and requests for reconsideration must be made; (3) complying with the numerous details of the new appeal brief rules will take significant time, and will result in an even higher number of briefs being returned for nonsubstantive reasons; and (4) the definition of “misconduct”, which is inconsistent with the Federal Circuit’s ruling in *McKesson*, will force significant changes to practice.



**Item 2.** Please estimate the hours per application of the incremental burden during regular §§ 131/132 prosecution for defensive practices resulting from the new rules (all taken together), and the percentage of all applications (not just of appeals) for which you would take these steps to protect patent value or your reputation. Note that you might take these steps even if the application is not ultimately appealed.

	incremental papers and actions	hours per item	0-5%	5-20%	20-60%	>60%
20	Affidavits	8			X	
21	continuations for entry of affidavits/arguments	1		X		
22	Interviews	0				X
23	petitions seeking withdrawal of premature final rejection, for “new grounds of rejection:” e.g., new arguments and new citations of new portions of old references	8				X
24	Requests under MPEP § 710.06 for more complete Office Actions	8			X	
	other – specify					

**I already interview the majority of my cases.**

**Item 3.** Please describe your experience with appeal briefs rejected for non-substantive grounds, including how much time was spent making corrections and resubmitting.

On average, approximately 1 hour is spent on making corrections and resubmitting.

The LIE’s engage in piecemeal examination of the appeal briefs, failing to identify errors in the original appeal brief until a corrected appeal brief correcting other errors has been submitted. I have had to file 3 corrected appeal briefs in one case.

In one instance I received a notice of non-compliant appeal brief after the Examiner’s Answer.

I have received a notice of non-compliant appeal brief on the grounds that the headings between the grounds of rejection section and the argument section did not match – one recited 103, and the other obviousness. The LIE’s simply aren’t trained to understand that those are the same thing. If the LIE’s only rejected obviously deficient briefs, the process would go much more smoothly.

## Instructions for Item 1:

For the “current rules” column, please respond based on facts in your possession: bills (even if discounted or not paid in full), diaries, experience even if not recorded, etc.

For the “new rules” column, make these assumptions:

- (a) The Continuations and Claims rules are put in effect -- that is, that the PTO wins its appeal in *Tafas v. Dudas*. (There is a separate effort to compel the PTO to take responsibility for these paperwork burdens.)
- (b) You will exercise all available procedures to avoid loss of patent value. The PTO certified to OMB that the “new rules” would cause no significant loss of value. Therefore, follow that assumption wherever it leads in terms of paperwork that will be filed to prevent all loss of patent value.
- (c) Your actual experience preparing similar documents is a reasonable guide for predicting these new burdens. Do not be “conservative” or aim high or low – be as “down the middle” and objective as you can.

For both the “old rules” and “new rules” columns, estimate the arithmetic average, not the median. If your experience includes a few outliers, assume that will continue. Write “+ skew” or “- skew” in the notes.

Make sure to add back any discounts or fee waivers you might have provided as an accommodation to a client. This exercise is about at getting an accurate burden or cost estimate, not about getting a client to pay a bill.

**Lines 3 and 4.** The new appeal rules add the following elements to the requirements for appeal briefs:

- (h) Jurisdictional statement. (37 C.F.R. § 41.37(h))
- (i) Table of Contents. (37 C.F.R. § 41.37(i))
- (j) Table of Authorities. (37 C.F.R. § 41.37(j))
- (n) Statement of Facts, which in the examiner’s opinion is “non-argumentative.” (37 C.F.R. § 41.37(n))
- (o)(1) “Any finding made or conclusion reached by the examiner that is not challenged will be presumed to be correct.” (37 C.F.R. § 41.37(o))
- (o)(3) “Unless a response is purely legal in nature, when responding to a point made in the examiner’s rejection, the appeal brief shall specifically identify the point made by the examiner and indicate where appellant previously responded to the point or state that appellant has not previously responded to the point. In identifying any point made by the examiner, the appellant shall refer to a page and, where appropriate, a line or paragraph, of a document in the Record.” (37 C.F.R. § 41.37(o)(3))
- (r) Claims support and drawing analysis section, requiring showing of support for “each limitation” of “each independent claim ... and each dependent claim argued separately” including limitations not involved in the appeal. (37 C.F.R. § 41.37(r))
- (s) Means or step plus function analysis section. (37 C.F.R. § 41.37(s))
- (t) Evidence section, including a separate table of contents.(37 C.F.R. § 41.37(i) and (t))
- (u) Related cases section with “copies of orders and opinions” of all cases that affect or may be affected by this appeal, subject to a continuing obligation to update while the appeal is pending. (37 C.F.R. § 41.37(g) and (u))
- (v)(1) all pages of the brief and all appendices must be numbered consecutively, starting with 1, with no skips of the type permitted for Federal Circuit briefs. (37 C.F.R. § 41.37(v)(1))
- (v)(5) ≤ 30 pages, 14-point font, double spaced (37 C.F.R. § 41.37(v)(2), (4) and (5))

**Line 8.** The new appeal rules add the following elements to the requirements for reply briefs:

- (d)(2) Table of Authorities. (37 C.F.R. § 41.41(d)(2))
- (f) Statement of additional facts. (37 C.F.R. § 41.41(f))
- (d) 20 page limit, 14-point font, double spaced.

**Line 13.** New Rule 41.56 defines sanctions for “misconduct.” The preamble to the final rule responds to a request for clarification by expressly disavowing any analogy to or reliance on the standards or case law of any jurisdiction. 73 Fed. Reg. at 32968, Response No. 107. The preamble to the final rule states that this introduces new obligations above those set forth in 37 C.F.R. Parts 10 and 11, and that the PTO will not attempt to follow the practices and standards of other tribunals. Individual attorneys/agents will instead be subject to new, undefined,

standards of “misconduct” as perceived by individual APJs and the Office of Enrollment and Discipline. How will this affect your practice? What opportunities will you not pursue? How will this affect your representation of clients -- specifically, how will it affect the costs of preparing appeal paperwork?

**How is “paperwork burden” defined?** There is a specific legal definition, and it is an expansive one:

**5 C.F.R. § 1320.3 Definitions**

(b)(1) *Burden* means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency, including:

- (i) Reviewing instructions;
- (ii) Developing, acquiring, installing, and utilizing technology and systems for the purpose of collecting, validating, and verifying information;
- (iii) Developing, acquiring, installing, and utilizing technology and systems for the purpose of processing and maintaining information;
- (iv) Developing, acquiring, installing, and utilizing technology and systems for the purpose of disclosing and providing information;
- (v) Adjusting the existing ways to comply with any previously applicable instructions and requirements;
- (vi) Training personnel to be able to respond to a collection of information;
- (vii) Searching data sources;
- (viii) Completing and reviewing the collection of information; and
- (ix) Transmitting, or otherwise disclosing the information.

(2) The time, effort, and financial resources necessary to comply with a collection of information that would be incurred by persons in the normal course of their activities (e.g., in compiling and maintaining business records) will be excluded from the “burden” if the agency demonstrates that the reporting, recordkeeping, or disclosure activities needed to comply are usual and customary.

(h) *Information* means any statement or estimate of fact or opinion, regardless of form or format, whether in numerical, graphic, or narrative form, and whether oral or maintained on paper, electronic or other media. ...

To explain the basis for your estimates, please provide a sentence or two identifying the sources for both your “current rule” and “new rule” columns. Did you rely on actual bills? Diaries? What percentage of your applications require appeals under “current rules”? Do you expect this to be different under the “new rules,” taking into account the assumption that *Tafas v. Dudas* is overturned? If you present an aggregate of several attorneys’ experience or estimates, how many were involved? From what technologies?

**Instructions for Item 2.** The new appeal rules make the following changes:

- (a) new definition of “new ground of rejection,” based on unpublished cases and ignoring the operative precedent, 73 Fed. Reg. at 32945. This redefinition may give examiners far more latitude to withhold disclosure of positions during regular prosecution, and first present them in Examiner’s Answers, without triggering full rights to reply or reopen prosecution.
- (b) examiners are given authority to introduce new evidence with an Examiner’s Answer, and force inclusion of this evidence in the “Evidence Section,” 73 Fed. Reg. at 32944, col. 2, while applicants are denied the symmetric opportunity to add or designate rebuttal evidence with a Reply Brief, even evidence already of record. 37 C.F.R. 41.41(i).
- (c) new burden of proof and new standard of review that are more deferential to the examiner: where historically the burden always lay on the Office to establish all grounds of rejection by a preponderance of

the evidence, the new rules state that the Board will presume that examiners' factual and legal findings are all correct. 37 C.F.R. § 41.37(o); 73 Fed.Reg. at 32960, col. 3.

- (d) new limits on affidavits, even if already of record, and new limits on arguments in Reply Briefs, etc. 37 C.F.R. § 41.41(a), (d) and (i).

How will you adapt during regular §§ 131/132 prosecution to ensure that cases are fully set up for appeal? For example, will you file more Rule 130/131/132 Affidavits? In what percentage of all applications? How many more RCEs to get affidavits entered in the record? In what percentage of all applications will you file petitions for premature final rejection? Please describe the basis for your estimate.

**Instructions for Item 3.** Please discuss briefs rejected for non-substantive reasons, for example:

- (a) Stating "Evidence Appendix – none" rather than providing a separate sheet of paper captioned "Evidence Appendix" with the word "none"
- (b) Immaterial rewording of the heading text specified in Rule 41.37
- (c) A section inserted in addition to the headings set forth in the rules
- (d) Discussing two claims together in the "Summary" section – having the brief rejected with instructions to split one paragraph into two, or combine two paragraphs into one
- (e) Omitting reference numerals, and citations to column and line numbers for immaterial claim elements (for example, the *pro forma* "computer processor" of a typical software claim
- (f) etc.

What percentage of your briefs are rejected for nonsubstantive reasons? How many hours' work does it take you to revise and resubmit?

Application serial numbers would be helpful to provide concrete illustrations. If you feel you need to maintain anonymity, please note that on your submission and this information will be redacted.