



# NAVIGATING an APPEAL

IN THE AGE OF BIG DATA

## Introduction

In the patent world, the phrase “final rejection” has something of a unique meaning. While most would assume that a final rejection indicates the end of the patent prosecution process, it is actually only the beginning of the final stage of prosecution, when applicants must decide how hard they really want to fight for their patents. To continue to push for an allowance, an applicant can choose to either interview the examiner, file a Request for Continued Examination (RCE), or appeal the examiner’s rejection. This eBook will focus on the third of these options. Using the power of big data, we’re going to illustrate some general trends regarding appeals at the USPTO and then show practitioners how to use big data to win their own appeals.

## Overview of Trends

Of all applications at the USPTO that received a final rejection between 2004 and the date of this publication only 6.6% were appealed, although that small percentage still amounts to almost 170,000 appealed applications. Those applicants who sought an appeal were able to get their examiners either reversed or partially reversed in almost 85% of cases. In terms of where appeals were found at the USPTO, they were almost evenly distributed across every technology center. See Figure 1 for the

### Total Appeals Distribution

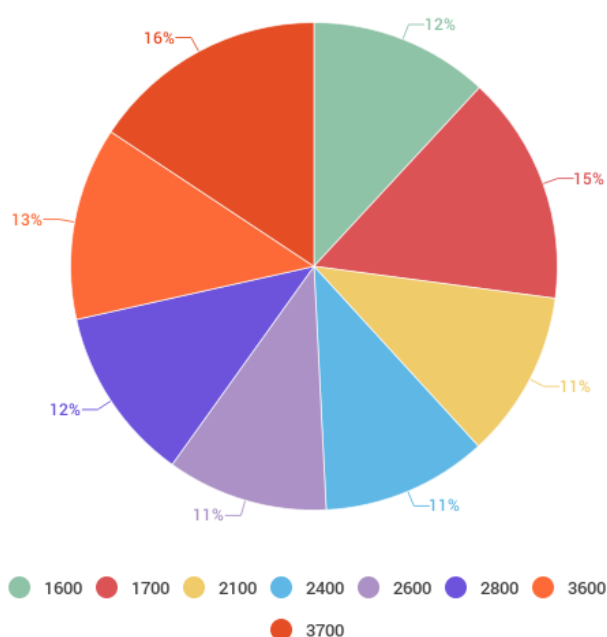


Figure 1

distribution of appeals across all tech centers at the USPTO.

Although the number of appeals filed is more or less evenly distributed across the USPTO, appeal outcomes are more varied between the technology centers. Juristat considers appeal outcomes in terms of wins and losses for the applicant. An examiner being affirmed is a loss for an applicant, while an examiner being reversed is a win for an applicant. When an examiner is

## Examiner Affirmed/Reversed Rates

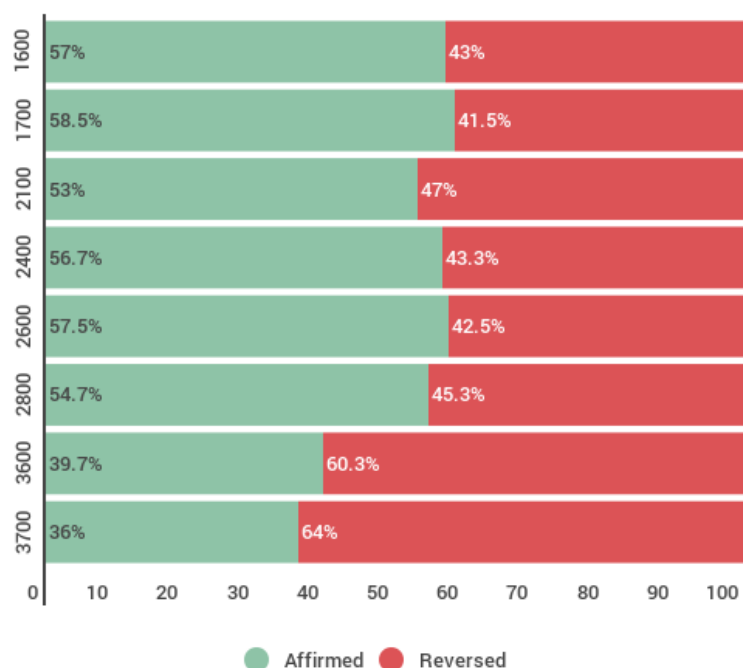


Figure 2

affirmed in part, it necessarily implies that the examiner was also reversed in part. Thus, we also consider examiners being affirmed in part as wins for applicants.

When it comes to the proportion of appeals where examiners are affirmed the most, technology centers 1700 and 1600 rank the highest, at about 59% and 57%, respectively. On the other end of the spectrum, examiners are reversed most often in technology centers 3700 and

3600, at about 64% and 60%,

respectively. See Figure 2 for a full ranking of all technology centers according to the percentages of appeals where examiners were affirmed and reversed.

Looking at the art unit level, the most appealed and least appealed art units tend to cluster into certain technology centers. For example, the overwhelming majority of the top ten most appealed art units are in TC 2100, which handles computer architecture, software, and information security. Meanwhile, a clear majority of the least appealed art units are found in TC

2800, which handles semiconductors and electrical and optical systems and components.

Coincidentally, both of these technology centers have almost equal rates of examiners being affirmed and reversed. See Figures 3 and 4 for a full breakdown of the most and least appealed art units.

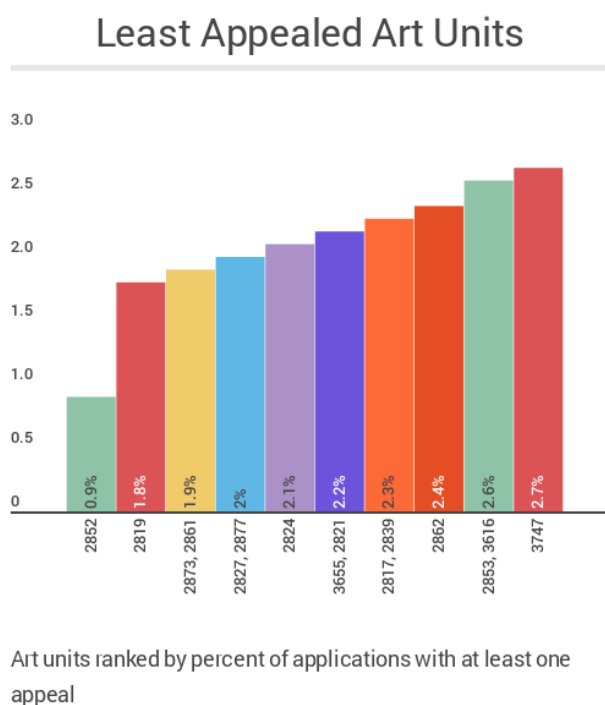


Figure 3

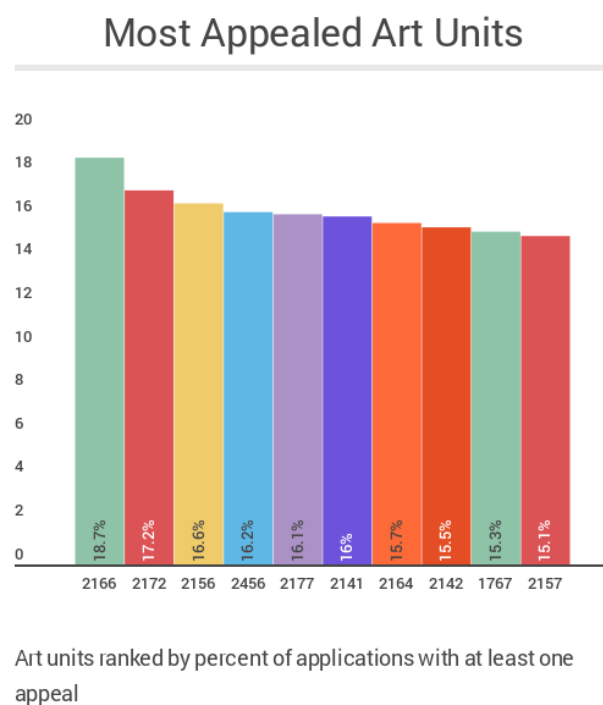


Figure 4

While a particular art unit may have a high rate of appeal, that does not always mean that appeals in that art unit are necessarily successful, and vice-versa. We also measured the rates at which examiners were affirmed and reversed in the most appealed and least appealed art units, and what we found was rather surprising. For the most appealed art units above, the average rate at which examiners were reversed was 48.5%. For the least appealed art units, the average rate of reversal was 46.2%, indicating that appeals in both of these groups of art units are almost equally successful. This suggests that many practitioners simply may not be aware of the benefits of filing an appeal over an RCE in art units with very low appeal rates.



This may be because many practitioners choose their strategies based on their gut feelings or past experience, when they should be doing so based on provable data.

## Using Big Data in an Appeal

While an overview of general appeals trends at the USPTO gives practitioners a good sense of the big picture, an overview is not specific enough for individual practitioners prosecuting individual applications. But big data can also be used for patent analytics at the individual level. As practitioners are being pushed to be more efficient and more effective with rapidly shrinking budgets, using big data in the prosecution of every application is becoming more and more necessary, especially when making a major decision such as whether to appeal a final rejection.

For most attorneys, the usual method of responding to a final rejection is to either interview the examiner and/or file an RCE. These strategies provide many benefits in that they are considerably cheaper and faster than appeals. However, every examiner has unique opinions and biases about patent law that influence his or her decisions. As such, an RCE for one examiner may lead to claims being allowed quite often, while an RCE for another examiner just as often leads to abandonment. Given this reality, it is essential for practitioners to know the best way to respond to a final rejection for their specific examiner, and, in many cases, the best option is an appeal.

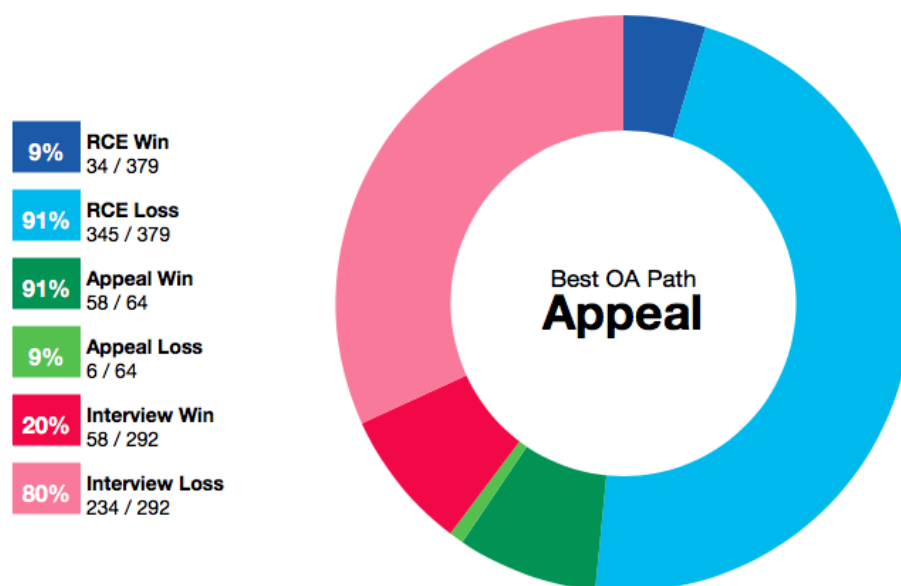


Figure 5

For example, see Figure 5 for an explanation of applicants' office action response win rates before David Parsley, a real examiner in art unit 3643. While filing an RCE to reopen prosecution may initially seem like an efficient strategy,

applicants who do so before Examiner Parsley receive allowances only 9% of the time.

Applicants who choose to appeal Mr. Parsley do considerably better, obtaining at least a partial reversal in 91% of cases. In this case, it turns out that an appeal is actually the better, more efficient option than an RCE. This is particularly true considering that many attorneys file multiple RCEs for each application, the overwhelming majority of which would be futile before this examiner.

Once practitioners weigh the costs and benefits of the various options for responding to a final rejection and settle on an appeal, they can continue to use data to make the most of that decision. Knowing one's chances of success on appeal is important, but before going into any appeal, practitioners need to know how their examiners have responded to appeal briefs in the past. Juristat presents every examiner's full appeals history to users, including access to all applicable appeal briefs, examiner answers, reply briefs, and PTAB decisions. Once it is time to file an appeal brief or a reply brief, practitioners can easily study briefs from past appeals to see which arguments were successful for their particular examiner and which were not. Thus, big

data allows practitioners to use their examiners' appeal history like case law, carefully avoiding losing arguments and tailoring their strategy to win.

In addition to providing a case law-like tool that practitioners can use to craft their arguments, big data can also provide a roadmap of the outcome of all appeals before their examiner and even an estimate of how much additional time an appeal will add to their prosecution timeline. For example, see Figure 6 for Examiner Parsley's appeal history flow graph.

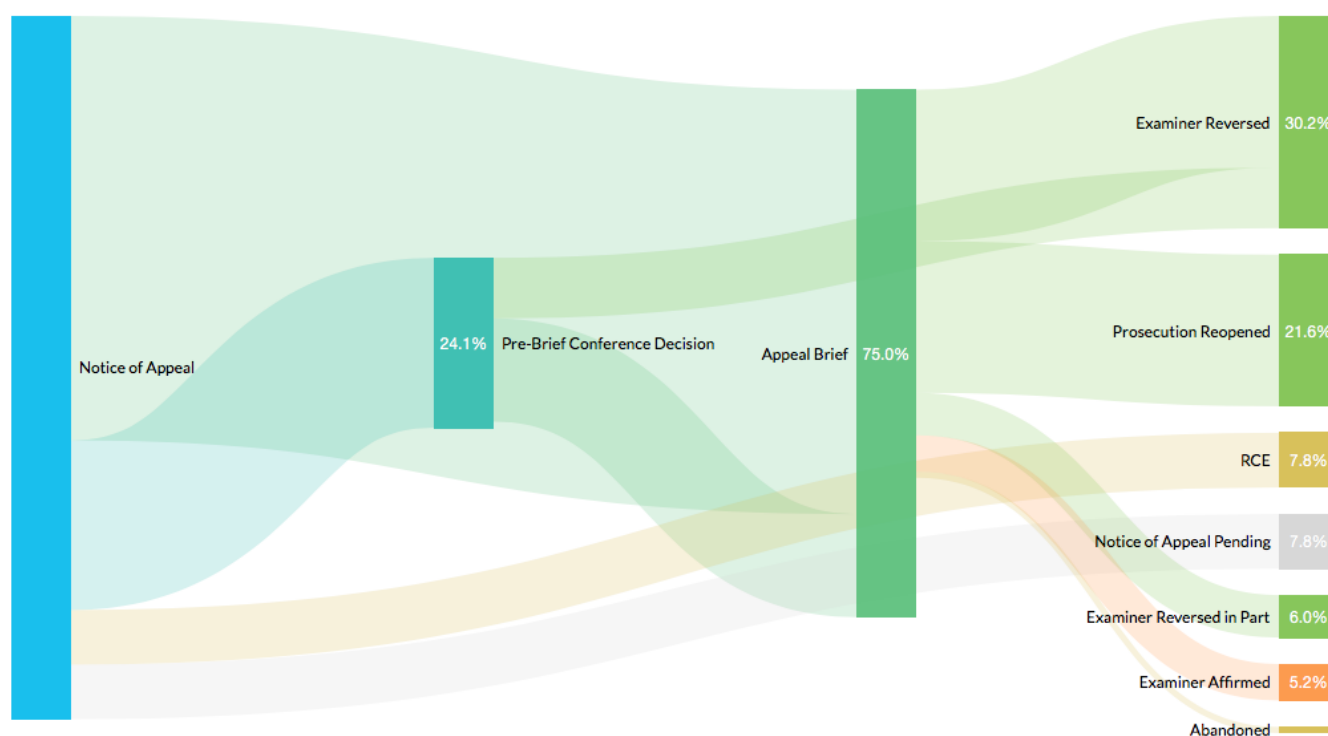


Figure 6

As shown in the graph, 75% of appeals filed before Mr. Parsley make it to the appeal brief stage. After that, he is either reversed or prosecution is reopened in about half of all cases. He is reversed in part in 6.3% of cases, and is affirmed in only 5.2%. Additionally, 9% of appeals are resolved favorably for the applicant at the pre-brief conference stage, which obviates the need to continue the appeal. Thus, the chances of success from filing a notice of appeal from Examiner Parsley are quite high.

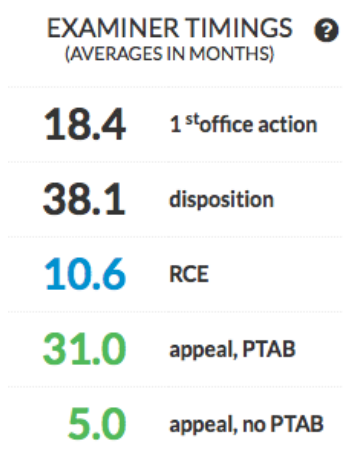


Figure 7

Big data can also assist practitioners in planning their appeal.

Looking at Figure 7, we see that, if an appeal goes to the Patent Trial and Appeal Board (PTAB), it will take an average of 31 months between the filing of the appeal brief and the PTAB's decision. If the appeal is resolved in a manner that does not involve the PTAB, that time is reduced to 5 months. Practitioners can use these appeal history flow graphs and estimates of examiner timings to manage their clients' expectations and assure them that an appeal actually is their best strategy to get an allowance.

## Conclusion

Because appeals consume the most time and resources of all of the various strategies for responding to final rejections, they are significantly less common than the more popular RCEs and examiner interviews. However, in many cases, the practitioner who researches his or her examiner and chooses an appeal will be at a significant advantage over others who choose less ideal responses. When it comes to undertaking an appeal, practitioners can now use big data to justify their strategies, manage their clients' expectations, and plan every detail of their appeal like never before.

To discover how Juristat can revolutionize your appeal practice, get started with a free trial.

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