

Effective Patent Application Drafting and Prosecution in Light of Recent Developments

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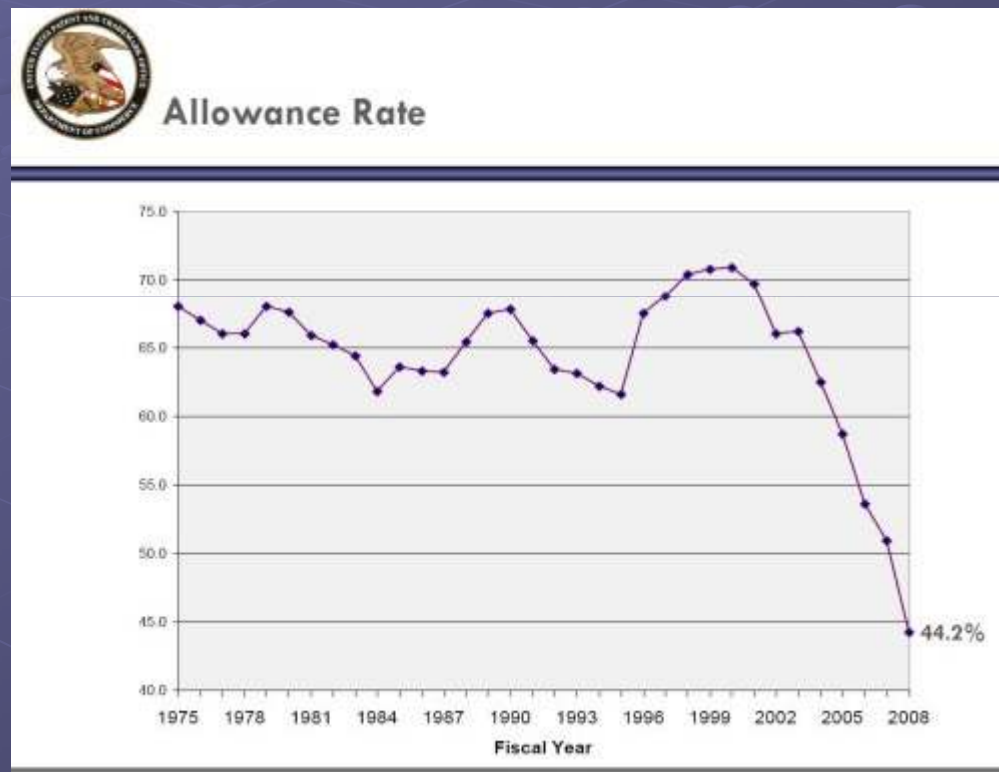
Topics Covered

- Background
- Recent Changes in the Law
- Before Writing
- Prior Art Searches
- Effective Application Drafting Techniques
- Effective Prosecution Techniques
- Summary

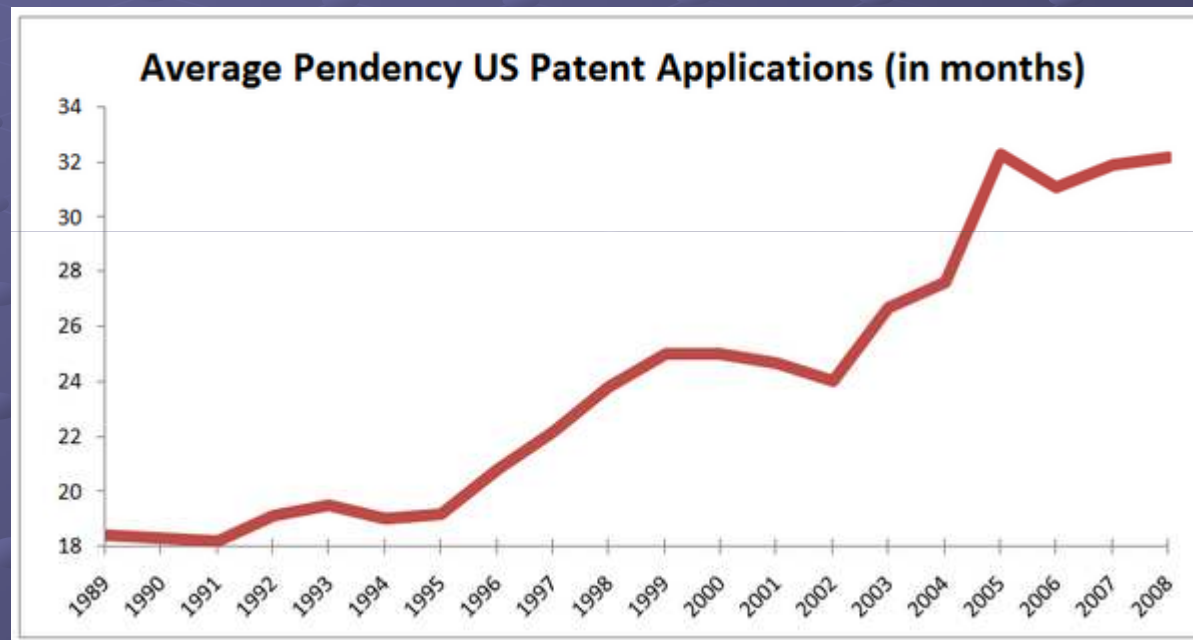
Background

- Difficulty of drafting patent applications
- Patents have become more difficult to obtain
- Problems administering patent applications at the USPTO
- Recent changes in the law
- Economic pressures
- A changed patent landscape

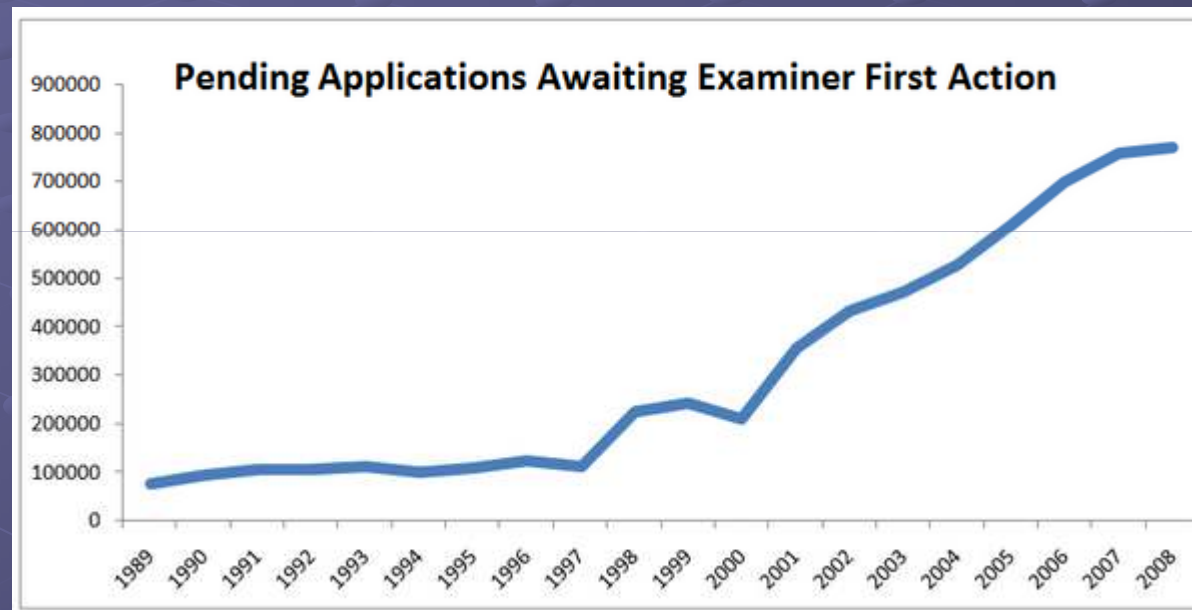
Reductions in rates of allowance



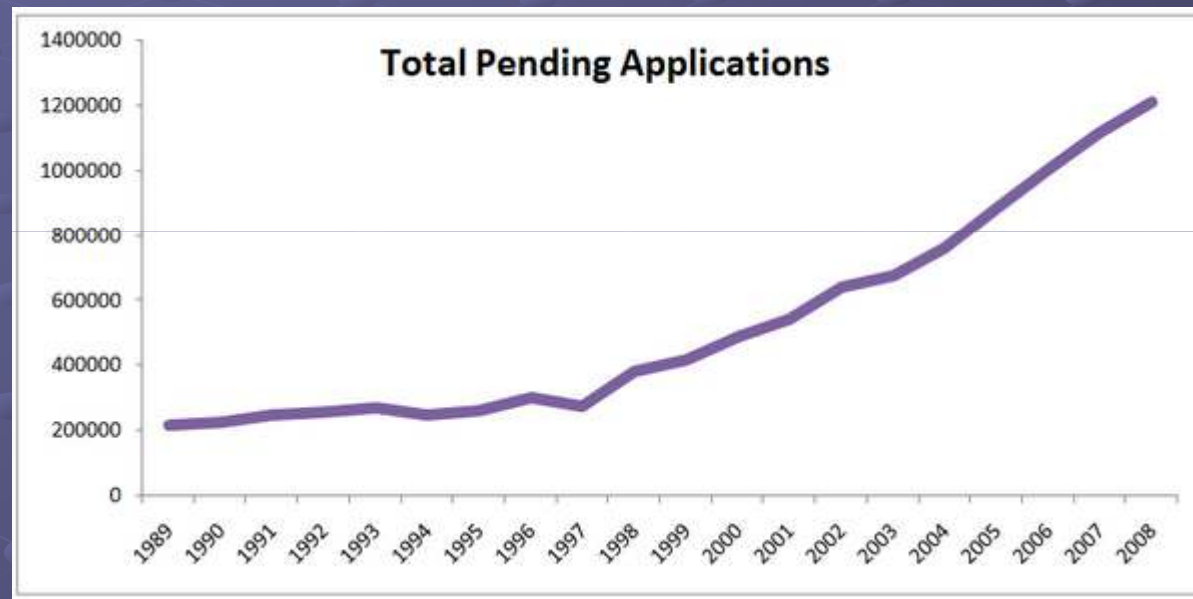
Increasing Pendency



Backlog of Pending Patent Applications



Total Pending Applications



Kappos at the USPTO

- Kappos has significant patent experience
- Changes at the USPTO are apparent
- Better guidance re. *KSR* recently provided by the USPTO
- Changes to the Examiner quota system
- First Action Pilot Program
- Patent Application Backlog Reduction Stimulus Plan

Patent Examination Corps Hiring

- Recent growth in the Examiner Corps
- Better searches
- Backlog could begin to clear
- Implications for interviews and written communications

Appeals

- Reversal rates in appeals have dropped precipitously post-*KSR*
- *KSR* is being applied frequently by the BPAI
- The number of appeals has increased
- Backlog at the BPAI has increased
- Decreasing quality of BPAI decisions

Recent Changes in the Law

KSR Int'l Co. v. Teleflex, Inc.

- *KSR* is the most important decision regarding obviousness in many years
- Upends decades of careful obviousness jurisprudence established by the Federal Circuit
- Reaffirms traditional obviousness analysis of *Graham v. John Deere*
- Rigid application of the TSM test is to be avoided
- (TSM and MTC are not dead, however)
- New “common sense,” “obvious to try,” “finite number of predictable solution” and “ordinary creativity” standards
- Examiner must still articulate a reason or rationale to support obviousness (*Graham* fact findings central)

KSR Int'l Co. v. Teleflex, Inc.

- “Whether there was an apparent reason to combine the known elements in the fashion claimed;” analysis “should be made explicit.”
- *KSR* is cited in 60% of BPAI decisions
- USPTO Guidelines regarding the *KSR* decision
- Rates of allowance have dropped significantly in the wake of *KSR*
- *KSR* provides poor guidance regarding obviousness
- The doctrine of missing elements remains black letter law
- The value of arguably overbroad claims continues to fall

Bilski et al. v. Kappos

- No dramatic changes affecting property rights
- At least some business method claims are patentable
- The machine-or-transformation test is not the sole test, but can provide “clues,” for determining the patentability of process claims under §101
- Prohibition on patenting “abstract ideas” is re-emphasized, but with little guidance from the Court
- For further guidance, look to §100(b), *Charkrabaty*, *Benson*, *Flook*, and *Diehr*

Ariad v. Eli Lilly

- *En banc* decision by the Federal Circuit
- In Section 112, paragraph 1, the written description requirement is separate from the enablement requirement
- Primary application to pharmaceutical, biotechnology and some software cases
- Prevent patentees from claiming too much

Phillips v. AWH Corp.

- When interpreting claims, intrinsic evidence trumps extrinsic evidence
- Does the patentee “intend for the claims and the embodiments in the specification to be coextensive”?
- Disclose more than one embodiment
- Be careful in your choice of words

McKesson Information Solutions v. Bridge Medical

- What is a “related case”?
- Disclosing existence of related applications is not enough
- If co-pending cases have “substantially similar” claims, then cite rejections as well
- Contemporaneously record assessments of prior art and reasons why not cited

Drafting the Patent Application

Before Writing

- Carefully consult with the inventors
- Ask open-ended questions; let the inventors educate you
- Data sheets, manuals, products
- What is the closest prior art of which the inventors have knowledge?
- Obtain a comprehensive disclosure of the invention – *with drawings* – from the inventors
- What is the system within which the invention will operate?
- Understand what the invention is, and whether or not it may be patentable

Prior Art Searches

- Prior art searches can be expensive, and carry risk and potential liability
- The importance of prior art searches
- Farming out prior art searches
- Prior art search results

Effective Drafting of the Specification

- What is the invention?
- Start with the claims
- Sections of the patent application
- Disclose methods and more than one embodiment
- Incorporation by reference
- Reciting metrics and measurements
- More figures rather than fewer
- Choose words carefully

Effective Claim Drafting

- Draft surgical claims
- How many references would have to be combined for a *prima facie* 103 rejection?
- Dependent claims
- The post-filing value of narrow claims
- Consider the effects of reexamination
- Cite the most relevant prior art

Prosecuting the Patent Application

Get Feedback from the Inventors

- Especially helpful in difficult or complicated cases
- Reduce client fees
- You are likely to find out something you don't know, either about the invention or the cited prior art
- Opportunity to strengthen relationships with the inventors and the client

Missing Elements

- Most likely avenue for securing allowance
- The “All Elements Rule” is black letter patent law
- *Pennwalt v. Durand-Wayland, Inc.*, 883 F.2d 931 (Fed. Cir. 1987) (*en banc*), affirmed by the Supreme Court in *Warner-Jenkinson Co., Inc. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997)
- Pushes the Examiner into the *KSR* no-man’s land and sharpens the issues at hand
- Other avenues: Newly updated USPTO *KSR* guidelines, teaching away, unpredictable or surprising results, level of ordinary skill in the art
- Avoid or minimize pre-*KSR* unobviousness arguments

Interviews

- Communication via paper is inherently deficient
- More compact prosecution
- Encouraged by Kappos
- Number of interviews is up sharply
- Examiners are ready to talk
- Opportunity to develop relationships with individual Examiners

Interviews

- Impart a sense of urgency and importance
- Find out what the Examiner is really thinking
- Opportunity to discuss and analyze the prior art with someone else
- You might learn something new
- The Examiner may have suggestions for amending the claims you would not have thought of or proposed
- Consider requesting an SPE attend the interview

Related cases

- Watch out for the requirements of *McKesson*
- Identify related applications
- Disclosing the existence of a related case is not enough
- File complete copies of rejections and responses in related cases having “substantially similar” claims
- Keep continuations alive to obtain claims directed to competitors’ products

Appeals

- Requests for Pre-Appeal Conferences
- Interview before filing an appeal brief
- Call the Examiner's SPE or Group Leader
- Many appeal briefs are rejected on technical grounds
- Possibility of prosecution being re-opened after an appeal brief is filed
- Appeals can be used to limit costs and have other advantages

Summary

- The *KSR* decision has significantly changed the U.S. patent landscape
- Patents have become more difficult and expensive to obtain
- Consider not pursuing patent applications covering inventions of marginal patentability
- Conduct thorough searches of the prior art before drafting and filing
- Patent applications must be carefully drafted
- Surgical independent claims are especially important

Summary (cont')

- Carefully analyze and respond to rejections
- Talk to the inventors
- Talk to the Examiner
- Focus on Missing Elements
- Watch out for the requirements of *McKesson*
- Carefully vet appeal briefs for technical errors before filing