

5 KEY TOP TAKEAWAYS

Ex Parte Appeals: A Multi-Year & Expensive Trajectory or an Allowance within 2 Months?

Kilpatrick Townsend attorneys [Kate Gaudry, Ph. D.](#) and [Sameer Vadera](#) recently presented to the [Intellectual Property Owners Association \(IPO\) Software Related Inventions Committee](#) regarding “Ex Parte Appeals: A Multi-Year & Expensive Trajectory or an Allowance within 2 Months?”

5 Key Takeaways from the presentation include:

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Options after receiving a Final Rejection:

- Abandon application
- Keep working with the examiner (e.g., interview, file Request for Continued Examination)
- Engage a supervisor (via a Pre-Appeal Brief Conference or requesting supervisor's attendance at an interview)
- Initiate an appeal to the Patent Trial and Appeal Board (PTAB)

Traditional opinions of disadvantages of an appeal:

- Delay: PTAB decisions generally are not issued until years after the appeal is initiated
- Expense: Notice of Appeal (\$800, PTO fee for large entity) + Attorney fees for drafting an Appeal Brief (industry average of \$5800) + Forwarding Fee (\$2000, PTO fee for large entity)

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Research Result #1 — Many appeals receive quick and positive results:

- 20% of appeals are pulled from the appeal cycle by an examiner/supervisor via an allowance (before an Examiner Answer, which is within approximately 2 months from an Appeal Brief filing)
- An additional 20% of appeals are pulled from the appeal cycle via a new office action (before an Examiner Answer), and most of these cases end up being allowed
- Thus, 40% of appeals avoid the multi-year delay and \$2000 Forwarding Fee

Research Result #2 — Applications assigned to art units with higher allowance rates are more likely to have quick and positive results:

- There is a positive correlation between an art unit's allowance rate and a probability of an examiner/supervisor pulling an appeal from the appeal cycle before an Examiner Answer (within approximately 2 months)
- There is a positive correlation between an art unit's allowance rate and a probability that any early-appeal exit is an allowance (versus an office action)

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Conclusion — Appeals offer different advantages in different circumstances:

- Applications assigned to an art unit with a low allowance rate: opportunity to engage other decision-makers not associated with such dismal statistics
- Applications assigned to an art unit with a high allowance rate: substantial probability of receiving a quick allowance
- Advantageous to use high-level and application-specific statistics to inform prosecution decisions

[Kate Gaudry, Ph. D.](#), focuses her practice on patent prosecution and counseling, with an emphasis on software, computer systems, and quantitative biology. [Sameer Vadera](#) is a patent attorney who focuses his practice on patent prosecution in a range of technical areas. Both Kate and Sameer work from the firm's Washington D.C. office.

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