

Reconsidering Accelerated Examination — While It's Still Here

By **Howard Levy** (February 12, 2018, 1:05 PM EST)

The U.S. Patent and Trademark Office recently indicated that its accelerated examination program (AE) could be terminated and requested public input. There were only a few responses, some pro and some con.[1] To date, no changes have been made and, at least for now, AE is still available.

It's well known that AE offers applicants the opportunity to expedite examination and allowance of their patent applications. A subtler, but perhaps more important benefit is that AE applicants have the first, and sometimes the only, effective "bite" at the prosecution apple. AE applicants are often required to iteratively refine their claims prior to filing. This can result in improved claims and in AE applicants having a greater appreciation of relevant prior art leading to even further refinements and improvements and, ultimately, strengthened patents.



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As illustrated below, the AE applicants' "bite" at the prosecution apple derives from their opportunity to:

- Refine claims prior to filing and thus avoid post-filing activity with adverse effects (e.g., amendments that create prosecution history estoppel, and
- Illuminate the allowable features of the claimed subject matter in view of the most relevant prior art documents.

While standard patent prosecution is usually passive and characterized by applicants waiting for and then responding to USPTO actions, AE applicants actively define the scope and content of prosecution. This leads to measurable results: A USPTO report from 2012[2] confirmed that first action allowance rates for AE applications (42.6 percent) are substantially higher than average first action allowance rates of standard patent applications (13.4 percent).[3] Notably, while such high first action allowance rates might be indicative of narrow "kitchen-sink" or "picture" claims, this is not true for AE applicants. To the contrary, AE applicants are encouraged to write claims that are tailored to the scope of allowable subject matter and have means at their disposal to embolden examiners to recognize and respect the AE applicants' allowability opinion.

FIG. 1: Standard Patent Application Process

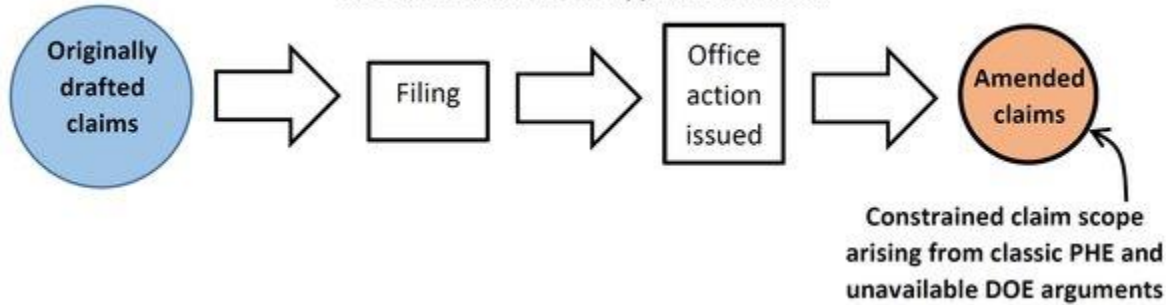


FIG. 2: Accelerated Examination Process

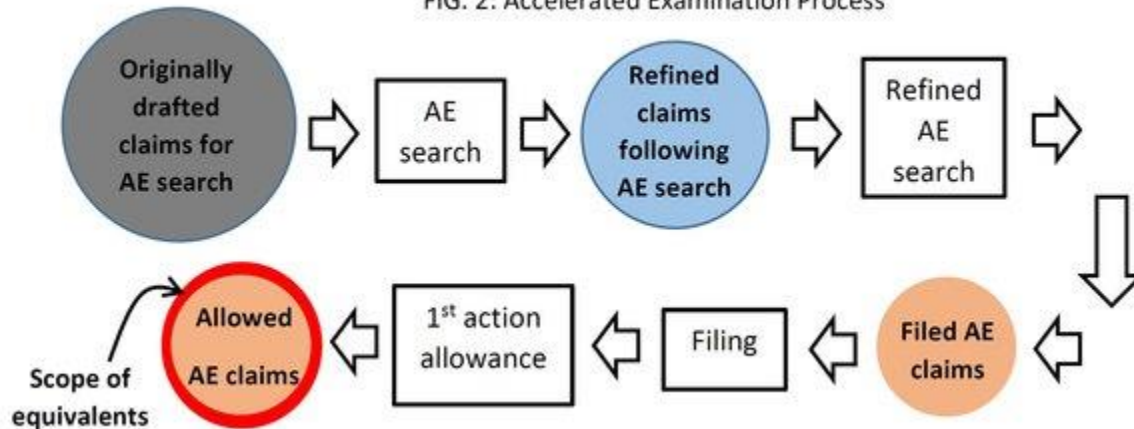


FIG. 1 illustrates an idealized standard patent application where originally drafted claims are filed and then amended during prosecution. FIG. 2 illustrates an idealized AE application where originally drafted claims are refined prior to filing and ultimately filed with a similar scope as the amended/allowed claims of FIG. 1. If the AE claims are issued in a 1st action allowance without post-filing amendments, the applicant avoids prosecution history estoppel and preserves doctrine of equivalents arguments.

Even if standard patent applications can sometimes sail unencumbered through regular prosecution, an AE patent could ultimately cover an appropriate or even slightly limited scope with claims that were arguably strengthened through the intellectually rigorous processes that distinguish AE from other programs.

Since AE was introduced, USPTO backlogs have declined with corresponding decreases in average application pendency from three years or more in 2009 to just over two years in 2017. Meanwhile, "Track 1" processing was introduced and offers applicants willing to pay the Track 1 fee the potential for reduced application pendency.

While reduced backlogs and Track 1 undercut some AE benefits, AE provides a unique combination of reduced application pendency and prosecution control. That is, while applicants can append search logic/results and unsolicited comments to a standard patent application, the costs of doing so might align with AE costs but those applicants will not enjoy reduced application pendency. If those applicants file for Track 1 processing also, costs are greatly increased as they would have to pay for the search, analysis and the Track 1 fee. In any case, while examiners seem to accept AE applicant disclosures and arguments for allowability as evidenced by the apparent increases in AE first action allowance rates, there are no

mechanisms outside of AE for ensuring that an examiner will even review, much less give weight to, a non-AE applicant's unsolicited comments.

Despite its availability and its advantages over standard patent prosecution and other methods for expediting prosecution, AE has not been widely used and only a few thousand AE applications have ever been filed.[4] This apparent hesitation to use AE surely has its basis in the persistent criticisms of AE. While these criticisms are valid, they might not justify the distinct rarity of AE usage.

A prospective AE applicant must comply with multiple requirements. These include filing the AE petition and fee (currently \$140 for other than small entities) electronically with a complete application, conducting a pre-examination search and providing an accelerated examination support document.[5]

The pre-examination search must be comprehensive.[6] The AE support document must include a discussion of the prior art documents most closely related to the claims. Typically, the discussion includes "positive admissions" that a claimed feature is found in the prior art and "negative admissions" that the claimed feature is missing. The AE support document must also be supported by an information disclosure statement, which only cites the prior art discussed in the AE support document. To the extent that additional prior art documents are known, a supplemental information disclosure statement can be submitted with a statement that the additional prior art documents are not more closely related to the claims than the ones cited in the AE support documents.[7]

Thus, preparation of the AE petition is costlier than standard patent application drafting even if particular expenses are minimized (e.g., by outsourcing the pre-examination search).[8] Nevertheless, the incremental expenses of preparing the AE petition should be weighed against the avoidance of long-term expenses of standard patent prosecution and the value of having a patent issued months or years early. Also, the benefit of drafting with an improved appreciation of the prior art resulting from the preparation of the AE petition may outweigh the potential adverse effect of AE. If one assumes that some of these cancel out, the positive value of arguably stronger claims could conceivably be all that remains.

AE processing can also be strict and punitive.[9] A patent application filed with a drawing having a single objectionable defect could cause its AE petition to be summarily denied. With this in mind, even if most applicants are capable of inexpensively avoiding the type of errors that would lead to summary denial, all applicants, but particularly cost-sensitive applicants, should be apprehensive about paying for something that could be summarily denied while still creating adverse file history.

Turning to more substantive concerns, the most pernicious criticisms of AE are the suggestions that AE creates file wrapper estoppel[10] and that the AE patentee will be open to allegations of inequitable conduct.[11]

File wrapper estoppel encompasses prosecution disclaimer and prosecution history estoppel. Prosecution disclaimer arises from an applicant's statements that unequivocally disclaim without vagueness or ambiguity a certain meaning of a claim term to obtain a patent. Prosecution history estoppel arises from claim amendments. Both limit a patentee's prospect of regaining patent coverage that was surrendered during prosecution.[12]

Since prosecution following the grant of an AE petition proceeds in a manner that is expedited but otherwise similar to normal prosecution, the issue of file wrapper estoppel uniquely presented by AE pertains to the extent the "positive admission" and the "negative admission" in the AE support document could lead to prosecution disclaimer.

Even if prosecution disclaimer does attach to AE support document admissions, its extent is probably limited as the admissions are largely noncontroversial and, at least in the case of the “negative admissions,” would be similar to remarks an applicant might make in a standard patent application.[13] For an exemplary “positive admission” in which an AE patentee acknowledged that claim element A is found in a teaching of a prior art document, the AE patentee could still argue that the claimed element A is included in an infringing device’s similar component (though it’s conceivable that the “positive admission” itself could fortify an invalidity argument during inter partes review, re-examination proceedings or an infringement action). For an exemplary “negative admission” in which an AE patentee acknowledged that claimed element A is missing from a prior art document teaching a different component (or lacking such teaching altogether), the AE patentee might only disclaim scope that would be disclaimed during standard patent prosecution.

If AE presents a significantly higher likelihood of a first action allowance as suggested by the available data, the AE patentee could be subject to prosecution disclaimer to only a limited extent but might avoid prosecution history estoppel. This would place the AE patentee in a materially better position than if his/her patent were obtained through normal prosecution. If prosecution ensued following the grant of an AE petition, the eventual AE patentee’s position might only be slightly worse than it otherwise would have been owing to the presence of the AE support document in the record.

Inequitable conduct is a breach of the duty of candor and good faith during patent prosecution or similar proceedings.[14] In analyzing how each of these issues relate to AE, it is notable that the AE search has to meet and go well beyond the normal scope of disclosure requirements for applicants.[15] It is also notable that the AE review process at the USPTO is multi-tiered and will create at least a record that an AE applicant’s disclosures exist and have been approved by multiple USPTO personnel.

Of course, AE patentees could face questions of inequitable conduct during infringement actions, in particular, regardless of how comprehensive their pre-examination search was or how many detailed were included in their AE support document. Accused infringers could argue that the AE patentee was aware of prior art that was never cited, that the prior art documents included in the AE support document and the supporting information disclosure statement were known by the AE patentee to not have been the most closely related prior art documents and/or that the AE support document admissions intentionally misconstrued the disclosures of the prior art documents. Even if AE patentees can reliably avoid or overcome them by remaining truthful and acting in good faith,[16] the mere threat of the arguments being made is significant.

Certainly, AE is not always appropriate. Applicants lacking AE experience might find it difficult to navigate. Cost-sensitive applicants might object to AE costs whereas others might be willing to pay for comprehensive searching, iterative claim-refinements and Track 1 processing to obtain reduced application pendency without submitting the AE support document. Applicants anticipating contentious licensing negotiations or litigation should be wary of AE’s unusual features, the absence of case law specifically addressing AE and the possibility that, as AE patentees, they could face questions of invalidity and inequitable conduct that would not be raised had their patents not been obtained through AE.

Still, the peculiar risks presented by AE should be weighed against its substantial benefits. Indeed, those substantial benefits could easily offset the risks in some instances — especially to the extent that the vast majority of applicants do not fall squarely into the categories listed above. Thus, for a large number of cases, AE is a viable option and should be incorporated into patent filing strategies to at least a greater extent than it has been.

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[1] <https://www.uspto.gov/patent/laws-and-regulations/comments-public/comments-regarding-continuation-accelerated-examination>

[2] https://www.uspto.gov/sites/default/files/patents/process/file/accelerated/ae_petition_status_2012apr09.pdf

[3] <https://www.uspto.gov/corda/dashboards/patents/main.dashxml?CTNAVID=1007>

[4] <https://www.uspto.gov/patent/initiatives/accelerated-examination>

[5] https://www.uspto.gov/sites/default/files/documents/ae_guidelines_20160816.pdf, pages 1-3.

[6] https://www.uspto.gov/sites/default/files/documents/ae_guidelines_20160816.pdf, pages 3-4.

[7] https://www.uspto.gov/sites/default/files/documents/ae_guidelines_20160816.pdf, pages 4-6.

[8] <https://blog.oppedahl.com/?p=938>

[9] <http://www.ipwatchdog.com/2016/08/30/uspto-end-accelerated-examination/id=72377/>, paragraph 9.

[10] <http://www.ipwatchdog.com/2016/08/30/uspto-end-accelerated-examination/id=72377/>, paragraph 8.

[11] <https://blog.oppedahl.com/?p=938>

[12] *Cordis Corp. v. Medtronic Ave, Inc.*, 511 F.3d 1157, 1177 (Fed. Cir. 2008).

[13] <http://www.harborlaw.com/publications/ACPaper.pdf>, section 4.

[14] A party invoking the defense must provide clear and convincing evidence that the applicant (1) misrepresented or omitted material information, and (2) did so with specific intent to deceive the PTO. *Therasense v. Becton, Dickinson & Co.*, 649 F.3d 1276, 1287 (Fed. Cir. 2011).

[15] <http://www.harborlaw.com/publications/ACPaper.pdf>, section 2.

[16] Intent to deceive under *Therasense* requires that an accused infringer prove that the applicant acted with specific intent to deceive the PTO. *Id.* at 1290. If only circumstantial evidence is available, as is usually the case, then the intent to deceive must be "the single most reasonable inference able to be drawn from the evidence." *Id.* at 1291.