Patent Quality Chat
Rationale Statements in
35 U.S.C. 103 Rejections
January 19, 2017
To send in questions or comments during the webinar, please email:

PatentQuality@uspto.gov
I'm looking for...

Learn about the process

Patents
- General information concerning patents
  Find out if a utility, design, or plant patent is right for you
- Patent process overview
  An overview of a patent application and maintenance process

Trademarks
- Trademark basics
  Learn about trademarks and find out if it's right for you to apply for registration
- Trademark process
  An overview of a trademark application and maintenance process

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Initiatives
- Enhanced Patent Quality Initiative
  Learn about USPTO efforts to increase patent quality
Enhanced Patent Quality Initiative

High-quality patents enable certainty and clarity of rights, which fuels innovation and reduces needless litigation. To ensure we continue issuing high-quality patents well into the future, we established the Enhanced Patent Quality Initiative (EPQI). We are strengthening work products, processes, services, and how we measure patent quality at all stages of the patent process.

Updates

- **The Stakeholder Training on Examination Practice and Procedure (STEEP) Program** launched July 12th and is one of our current efforts to enhance patent quality through customer service. This program provides perspective on patent examination to our external stakeholders. Visit the STEEP web page for more information and to take a short survey so you can help us determine future training topics.
- We received over 135 qualified topics for our **Topic Submission for Case Study pilot program**. To view the six (6) selected topics, please visit the Selected Topics for Case Studies Pilot webpage. Check back periodically for case study results.
- **Tune in to Quality Chats!** We host a series of events collectively entitled Patent Quality Chats, a lunchtime patent quality webinar series held on the second Tuesday of each month. The Patent Quality Chat series is designed to provide information on patent quality topics and gather your input.
  - Visit our Patent Quality Chat webpage for more information.

EPQI programs
Patent Quality Chat

Rationale Statements in 35 U.S.C. 103 Rejections

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Case Studies - Background

- Case studies used internally on an *ad hoc* basis to study particular issues

- Federal Register Notice initiated a more formal program, **Topic Submission for Case Studies**, on December 21, 2015
  - USPTO invited stakeholders to submit patent quality-related topics for study
  - Submissions were accepted through February 12, 2016

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Topic Submissions and Selection

Submissions:
- Received over 135 ideas for case studies from 87 stakeholders
  - Intellectual property organizations, law firms, companies, and individuals

Process of review and selection:
1. Assessed whether the topic was appropriate or capable of being timely assessed via a case study
2. Determined whether other programs or mechanisms within the USPTO were more appropriate
3. Grouped the remaining submissions by subject matter

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## Topics Selected for Case Studies

<table>
<thead>
<tr>
<th>Patent Quality Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Consistency of application of 35 U.S.C. 101 across Art Units/Technology Centers</td>
</tr>
<tr>
<td>3. Use of compact prosecution when making 35 U.S.C. 101 rejections</td>
</tr>
<tr>
<td><strong>4. Correctness and clarity of rationale statements in 35 U.S.C. 103 rejections</strong></td>
</tr>
<tr>
<td>5. Enforcement of 35 U.S.C. 112(a) written description in continuing applications</td>
</tr>
<tr>
<td>6. Consistent treatment of claims after May 2014 35 U.S.C. 112(f) training</td>
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</table>

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Objective of 103 Case Study

To study whether Examiners are making clear and correct rationale statements for modification when setting forth rejections under 35 U.S.C. 103.

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Case Study Data Collection

• 4916 random reviews completed in the Office of Patent Quality Assurance (OPQA) using the Master Review Form (MRF) were identified where at least one 103 rejection was made

• These reviews were completed between November 2015 and April 2016 (MRF Version 1.0)

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MRF Section: 103 Rejection Made
Questions Considered to Address Rationale Correctness

Proper rationale to combine prior art references provided (e.g., motivation to combine)

- Yes
- In-Part
- No
- N/A

OVERALL
- OK
- Needs Attention
- Significant Deficiency

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# Correctness of Articulated Rationale

<table>
<thead>
<tr>
<th>TC</th>
<th>Yes</th>
<th>In Part</th>
<th>No</th>
<th>N/A*</th>
<th>Total</th>
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</tbody>
</table>

* The wording of the MRF question “Proper Rationale to combine prior art references” led some reviewers to answer “N/A” (not applicable) if a single reference was used.

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Rationale Correctness Overall

95.3% with at least one correct rationale

“Yes” 85.7%

“In Part” 9.6%

“No” 4.7%

14.3% with at least one incorrect rationale

*Percentages of reviews without N/A (4659 applications)

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Rationale Correctness by TC

*Percentages of reviews without N/A
Does Rationale Correctness Drive Overall 103 Correctness?

<table>
<thead>
<tr>
<th>Rationale Correctness</th>
<th>Overall Correctness</th>
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</thead>
<tbody>
<tr>
<td></td>
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<tr>
<td>Yes</td>
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<tr>
<td>In Part</td>
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</tr>
<tr>
<td>No</td>
<td>36</td>
</tr>
</tbody>
</table>
Rationale Correctness Alone Does Not Drive Overall 103 Correctness

Ok Overall
- Yes: 93%
- In Part: 6%
- No: 1%

Needs Attention
- Yes: 54%
- In Part: 29%
- No: 17%

Significant Deficiency
- Yes: 43%
- In Part: 23%
- No: 34%

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MRF Section: 103 Rejection Made
Question Considered to Address Rationale Clarity

Was the rationale to combine/reasons for obviousness clearly explained?

- Yes
- In-Part
- No

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## Clarity of Articulated Rationale

<table>
<thead>
<tr>
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<th>Yes</th>
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<th>Total</th>
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<td>657</td>
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</tbody>
</table>

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Rationale Clarity Overall

- "Yes": 89.1%
- "In Part": 7.5%
- "No": 3.4%

96.6% with at least one clear rationale

10.9% with at least one unclear rationale

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Rationale Clarity by TC

<table>
<thead>
<tr>
<th>TC</th>
<th>Percent of Reviews</th>
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</thead>
<tbody>
<tr>
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<td>94.8</td>
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</tbody>
</table>

*Percentages of reviews without N/A

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Does Rationale Clarity Drive Overall 103 Correctness?

<table>
<thead>
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<th>Overall Correctness</th>
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<tbody>
<tr>
<td></td>
<td>OK</td>
</tr>
<tr>
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<tr>
<td>In Part</td>
<td>205</td>
</tr>
<tr>
<td>No</td>
<td>42</td>
</tr>
</tbody>
</table>

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Rationale Clarity Alone Does Not Drive Overall 103 Correctness

**Ok Overall**
- Yes: 94%
- No: 1%
- In Part: 5%

**Needs Attention**
- Yes: 69%
- No: 12%
- In Part: 19%

**Significant Deficiency**
- Yes: 67%
- No: 18%
- In Part: 15%

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Top Findings

• 95% of 103 rejections reviewed included at least one articulated rationale statement that was found to be correct; whereas, only 85.7% found all articulated rationale statements correct.

• 96.6% of 103 rejections reviewed included at least one articulated rationale statement that was found to be clear; whereas, only 89.1% found all articulated rationale statements clear.

• Even when the articulated rationale statement was found to be incorrect or unclear, prosecution was not impacted in a majority of instances.
Top Recommendations

• Provide refresher workshops with emphasis on identification of rationale statements and the handling of multiple modifications and/bases in support of the finding of obviousness.

• Reassess TC 2400 and TC 2800 data after implementation of formalized definitions for “In-Part”. If data remains outlying, implement a root cause analysis to develop a targeted action plan for improvement.

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Let’s Chat about
Rationale Statements in
35 U.S.C. 103 Rejections

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Mary Beth Jones
Supervisor, Office of Patent Quality Assurance
Next Patent Quality Chat
Understanding the ADS: Little Things Make a Big Difference
February 14, 2017
Thank you for joining us today!

Patent Quality Chat
Webinar Series 2017
January 19, 2017