

# The Limited Monopoly™

## “This action is FINAL.” Or Not - “FINAL” Rejection Doesn’t Mean Final

by John Hammond PE and Robert Gunderman PE

### Forewarned by Four Words

It’s been about four months since your patent practitioner worked with you to file an Amendment in response to an Office Action received from the USPTO in your patent application. The Action contained a “non-final” rejection of the claims. Nonetheless, after filing the Amendment, you are optimistic. You helped your practitioner identify errors in the Examiner’s reasoning in some of the claim rejections, and you agreed to make minor amendments to other claims to overcome the remaining rejections. You hope for a Notice of Allowance, the last big hurdle to clear in obtaining a patent.

At last, news arrives. You receive a cryptic e-mail cover note from your practitioner about an Office Action, with two attachments. Just the fact that it’s not a Notice of Allowance isn’t good news. So which pdf attachment do you open first – “Office Action,” or “OA cover letter?”

You choose the “Office Action” file. With one click, you’re past the cover page, and on to page 2, the “Office Action Summary.” You scan the page and see that your claims are still rejected. Worse yet, you see under “Status,” that box 2a is checked: “This action is FINAL” Final!?! You get a sinking feeling. Perhaps you think, “I’ll never get a patent.” Or, “All that money down the drain.” Or, “#\$\$%^&#\$#!”

### But It Ain’t Over...!

Calm down, and take a breath. And next time, open the cover letter first. If your practitioner is thorough, and a good communicator, he will explain in that cover letter that although you have received a “final rejection,” you still have some options remaining. In this column, we will set forth what those options are.

First, though, a word about how you got to this point. When your practitioner filed the prior Amendment in the Patent Office, it was a good faith effort to address all of the objections and rejections raised in the previous Office Action. Nonetheless, it is quite common to receive a Final Office Action after the filing of a response. Sometimes, it is justified. Since you amended your claims, the Examiner will likely do a further search, and if he finds new prior art that “reads on” the amended claims, he can make the rejection Final in the second Office Action. But sometimes, it is not justified. Examiners are not infallible, and they are under considerable time pressure to move cases through their dockets. Either way, you have to play the hand you’re dealt.

In the best case scenario, the hand may be a good one. The Examiner may have allowed most of the claims, and rejected only the broadest of them. If you decide that a patent

## “FINAL Rejection does not mean that you can never get a patent on your invention.”

having the allowed claims is valuable, you can file an Amendment canceling the rejected claims, which should result in a prompt Notice of Allowance, and an issued patent shortly thereafter. Up until your patent issues, you also have the option of filing a continuation application if you would like to make another attempt to patent the broader claims that were canceled in your Amendment.

If there is no allowable subject matter identified in the Office Action, but you (and your practitioner) still believe that you have a valid case, you can respond with further arguments and/or claim amendments. There are two options for doing so. There are costs associated with each; ultimately, going forward with either option is a business decision.



### Another Round with the Examiner...

For a fee comparable to the original application filing fee, you can file a Request for Continued Examination (RCE), with another response to the Final Office Action. Your response may contain further arguments and/or further amendments of the claims. The filing of an RCE will reopen prosecution. The Examiner will again take up the case and consider your arguments and amendments (if any). The Examiner may then issue a Notice of Allowance, or another Office Action with a non-final rejection of the claims.

In the latter case, you have up to another six months to respond to the Office Action. In pursuing this course, there is the risk of churning in a cycle of RCE/Response → Office Action → Response → Final Office Action. If you think that the rejections made so far by your Examiner are not well founded, and/or

that he just doesn’t understand the invention or the prior art, you are likely better off pursuing an Appeal.

### ...Or An Appeal

If you choose this option, you must file an Appeal to the Board of Patent Appeals and Interferences (BPAI). The Appeal filing fees are expensive, and the rules for the form and content of an Appeal are complex and stringent. (Yet another argument in favor of retaining a qualified patent practitioner to file and prosecute your patent application.)

Your Appeal will be considered by a three-member panel of administrative patent judges. The BPAI panel may rule in your favor, it may uphold the findings of the Examiner, or it may remand the application back to the Examiner for further action. If you lose on Appeal, and you have the funds and the belief in your case, you may then appeal to the Court of Appeals for the Federal Circuit (CAFC). If you still don’t prevail, you may appeal to the Supreme Court. Although such appeals are quite rare, they do occur. A case in point: on June 28<sup>th</sup>, the Supreme Court ruled in *Bilski et al. v. Kappos*, where the applicants sought to patent a method for commodity traders to protect or hedge against risk in markets.

### Know Your Options

If you receive the dreaded “Final Rejection,” feel free to vent as needed. Just do so knowing that your application and your opportunities are still alive. Your patent practitioner can help you map out an appropriate course of action that is in your best interest.

1. ...because the proverbial lady of low aspect ratio has not yet sung.
2. *Bilski v. Kappos*, SCOTUS No. 08-964.

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