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Prosecution Guidance from the Fed. Cir. – How to Forfeit Arguments During Your Appeal

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The Federal Circuit decided an appeal in an *ex parte* prosecution for Google last week, which may be of interest to patent prosecutors (In re Google Technology Holdings LLC, Appeal No. 2019-1828, November 13, 2020)).

Google was prosecuting one of its gazillion patent applications and received a final rejection. It appealed the final rejection to the PTAB, but Google didn't like the Board's decision, so it appealed that decision to the Fed. Cir. The Federal Circuit decided that Google forfeited its right to certain arguments because they weren't raised in *ex parte* prosecution.

So why is this case so interesting? First, the Federal Circuit lays out the differences between forfeiture and waiver. (The Board used "waived" while the panel used "forfeit.") Second, the Fed. Cir. distinguishes its role in *de novo* claim construction arising from litigation from *ex parte* prosecution claim construction arguments and warns against bringing new arguments up on appeal that should have been brought in prosecution first to avoid wasting "appellate resources":

> Whatever other differences there may be, the context of an infringement determination after a bench trial is quite different from the context of a Board unpatentability determination after examination—the latter context is iterative. Once an examiner has made a prima facie case for rejecting the application claims, the applicant is provided with an opportunity to submit any saving claim construction it believes may be grounds for reversing the rejection both to the examiner and potentially again, to the Board. The burden lies with the applicant to present this argument in the initial instances. An applicant who does not take those opportunities and is then further disappointed by a Board claim construction should be encouraged to avoid waste of appellate resources and instead take the intra-PTO route of filing new or amended claims (perhaps through a continuation application) containing language that makes the desired scope clear, thereby serving the goal of facial clarity of patent claims.

In sum: we are, as an appellate court, charged in this instance with reviewing the Board's conclusions. 'The very word 'review' presupposes that a litigant's arguments have been raised and

considered in the tribunal of first instance. To abandon that principle is to encourage the practice of ‘sandbagging’: suggesting or permitting, for strategic reasons, that the [lower tribunal] pursue a certain course, and later—if the outcome is unfavorable—claiming that the course followed was reversible error.’ Freytag, 501 U.S. at 895 (Scalia, J., concurring in part and concurring in judgment). We decline to entertain Google’s effort here, for it would only encourage litigants to engage in more of this type of behavior.

Another interesting nugget comes from J. Chen’s perspective that the Google arguments before the Board were “hardly more than a pastiche of block quotes from the claims and references”:

> As to Google’s second argument, that its construction of “network penalty” on appeal is consistent with its arguments below, we disagree. Put frankly, Google’s arguments before the Board were hardly more than a pastiche of block quotes from the claims and references. See J.A. 211–13. Even under the most generous of readings, Google’s arguments below did not suggest any definition of “network penalty,” let alone the highly particularized definition it presents on appeal. Consistent with the aforemen-tioned reasoning for Google’s claim 1 arguments, we conclude that Google forfeited its claim 2 argument as to the construction of “network penalty” because Google failed to raise this argument in proceedings before the Board. In the absence of exceptional circumstances, we decline to address the merits of Google’s proposed claim constructions.

If you are curious about what Google argued in response to an Office Action or in its appeal brief, please see a response and the brief, linked. I had to look to see what Judge Chen considered “a pastiche of block quotes …” Compare this to your own practice and see if you can glean any insight to make your responses more meaningful.

Please know, this is not to say that the Google attorney didn’t do a good job here. This appears to be solid work product. At least some of the problem here is not about waiver or forfeiture, but it’s about going up on appeal before the record is fully developed. Perhaps this was a calculated risk to attempt to get a reversal. Not every patent prosecution merits a full work up (or even an appeal). And Google provides its rationale for why the arguments were timely presented and appropriate.

The take-away is that if an application is flagged to be very important, you will want to enter any evidence and arguments you need *before* appealing to the Fed. Cir. And to be fair, that may not be possible without approval of an additional prosecution budget. In any event we can all learn to counsel our clients about the need for a proper record going up on appeal to avoid a similar fate.

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