

**UNITED STATES COURT OF APPEALS  
FOR THE FEDERAL CIRCUIT**

In re: Xencor, Inc.

Appeal No. 2023-2048

**APPELLEE’S MOTION FOR REMAND**

Appellee, Director of the United States Patent and Trademark Office, respectfully moves to remand this case to the USPTO to permit further consideration and issuance of a revised decision by the Appeals Review Panel. Counsel for Appellant Xencor has indicated that Xencor intends to oppose the motion.

This is an appeal from the Board’s decision affirming the Examiner’s rejection, and designating new grounds of rejection, for claims 8 and 9 of U.S. Patent Application No. 16/803,690. Specifically, the Examiner rejected claims 8 and 9 under the judicially created doctrine of obviousness-type double patenting as obvious in view of claim 1 of U.S. Patent No. 8,546,543 and U.S. Patent Application Publication No. 2006/0018896 (“Schwaeble”).<sup>1</sup> The Board also entered new grounds of rejection of claims 8 and 9 for lack of adequate written

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<sup>1</sup> The Board also reversed a separate obviousness-type double patenting rejection by the Examiner.

description under 35 U.S.C. § 112(a) and of claim 9 for indefiniteness under 35 U.S.C. § 112(b).<sup>2</sup>

Claim 8 is written in Jepson format and recites:

8. In a method of treating a patient by administering an anti-C5 antibody with an Fc domain, the improvement comprising:

said Fc domain comprising amino acid substitutions M428L/N434S as compared to a human Fc polypeptide, wherein numbering is according to the EU index of Kabat, wherein said anti-C5 antibody with said amino acid substitutions has increased in vivo half-life as compared to said antibody without said substitutions.

Claim 9 includes a means-plus-function limitation and recites:

9. A method of treating a patient by administering an anti-C5 antibody comprising:

- a) means for binding human C5 protein; and
- b) an Fc domain comprising amino acid substitutions M428L/N434S as compared to a human Fc polypeptide, wherein numbering is according to the EU index of Kabat, wherein said anti-C5 antibody with said amino acid substitutions has increased in vivo half-life as compared to said antibody without said substitutions.

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<sup>2</sup> The Examiner had previously rejected claims 8 and 9 as lacking adequate written description in the Final Rejection, but later withdrew the rejection under 35 U.S.C. § 112(a) in the Examiner's Answer.

Xencor’s pending claims present novel questions involving the application of the Supreme Court’s and this Court’s precedent for both Jepson-format and means-plus-function claims in the field of biotechnology, and in particular the antibody art. The use of Jepson format and means-plus-function claiming in the life sciences is exceedingly rare. Therefore, the USPTO seeks remand in order to issue a revised decision that clearly and thoroughly expresses the Agency’s view on application of the case law to this important area of technology. A revised decision will allow this Court to provide more effective review.

The Director is particularly mindful of this Court’s admonition that “[t]he amount of explanation needed . . . to enable judicial review and to avoid judicial displacement of agency authority [] necessarily depends on context.” *Personal Web Techs., LLC v. Apple, Inc.*, 848 F.3d 987, 994 (Fed. Cir. 2017). Both the novelty of the legal questions and the complexity of the technology favor a more thorough explanation of the USPTO’s reasoning in this case.

The USPTO has established the Appeals Review Panel (ARP), which may be convened by the Director *sua sponte* to review decisions of the PTAB in *ex parte* appeals, reexamination appeals, and reissue appeals. *See* <https://www.uspto.gov/patents/ptab/appeals-review-panel>; *see also* 35 U.S.C. § 6. The ARP consists of three panel members who are, by default, the Director, the Commissioner for Patents, and the Chief Judge of the PTAB. *Id.*

For these reasons, there is good cause for the USPTO’s request for remand. This Court has consistently granted the USPTO’s measured requests to remand for further proceedings. *See, e.g., Marin Partners v. Heaven Hill Distilleries, Inc.*, 2023 WL 5286458 (Fed. Cir. 2023); *In re NCH Corp.*, 2022 WL 1676193 (Fed. Cir. 2022); *In re Rambus, Inc.*, 560 F. App’x 1005 (Fed. Cir. 2014); *In re Pannekoek*, 125 F. App’x 288 (Fed. Cir. 2005); *In re Mandeville*, 13 F. App’x 912 (Fed. Cir. 2001).

Because this motion, if granted, would terminate the appeal, the “time to serve and file the next brief due is suspended.” *See* Fed. Cir. R. 31(c).

## CONCLUSION

Accordingly, the Director respectfully requests that this Court remand this appeal to the USPTO for the purpose of convening the Appeals Review Panel.

Respectfully submitted,

November 27, 2023

/s/ Peter J. Sawert

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**CERTIFICATE OF COMPLIANCE**

I hereby certify that the foregoing motion complies with the type volume limitation. The total number of words in the foregoing motion is 712, as calculated by Microsoft Word 2019.

*/s/ Peter J. Sawert*\_\_\_\_\_

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