# REEXAMINATION AND PETITION PRACTICE UNDER THE AIA

HERSHKOVITZ IP GROUP INTA 2012 WASHINGTON, D.C.

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# **Reexamination Requests**

- Accused Infringer:
  - Not Infringing
  - Patent Invalid, Requests Reexamination
  - Patent Owner Wishes to Strengthen Patent at PTO

# **Reexamination Types**

- Ex Parte
- Inter Partes (pre 9/16/11)
- Inter Partes (post 9/16/11, but pre 9/16/12)
- Inter Partes (post 9/16/12)

- Who Can File?
  - Patent Owner
  - Any Third Party

Requester Must be Identified in Inter Partes only

# Reexamination (ex Parte)

- Requirements
  - Substantial New Question of Patentability (new reference)
  - Previously Considered Reference being viewed in a new Light
  - Non-Cumulative

# Reexamination (inter Partes)

- Requirements 9/16/11-9/16/12
  - Reasonable likelihood that the requester will prevail with respect to at least one of the claims
  - Examined by Patent Trial and Appeals Board Judges

# Reexamination (inter Partes)

- After 9/16/12
  - Not Permitted
  - Replaced by Petition to Conduct Inter Partes Review

# **Other Challenges by Opposers**

- After 9/16/12
  - Post-Grant Review Permitted (New)
  - Supplemental Examination (New)
  - Transitional post-grant review proceeding for review of the validity of covered business-method patents

# Reexamination

- Within 3 Months, Reexam Must Be
  - Ordered
  - Refused
  - Opportunity to Correct Provided (New Filing date)

- If Reexam Ordered
  - 2 Months for Patent Owner Statement if by 3<sup>rd</sup> Party (Not Recommended Generally)
  - PTO Action within about 9-12 Months from Filing

# **Reexamination Strategies**

- Interviews (ex-parte; not available for inter-partes)
- Cannot broaden
- Prior Art: Patent, Printed Publication

# Reexam Strategies (cont'd)

# NO RCE

- New claims must be underlined
- Response: Not extendable unless petition is granted
- Inter partes: 50 page limit

# Reexam Strategies (cont'd)

- Patent Prosecution Goals vs. Litigation Goals
- Today's Goals Insight into the litigation perspective

Past Damages for Infringement

# Reexam Strategies (cont'd)

- Amend Claims?
- Practical advice claim Drafting

   Arguments Laitram Corp. v.
   NEC Corp., 163 F.3d 1342. (Fed.
   Cir. Dec. 18, 1998).

- After Amendment/Response PTO usually Issues Final Rejection or NIRC
- If Final Rejection, Interview Again, New Claims, Arguments
   If NIRC, file Comments

- After Final Amendment or Response, PTO Issues Advisory Action or NIRC
- Advisory Gives About 1 month for Filing Appeal

- Patent Owner may appeal in Ex Parte
- Both Sides May Appeal in Inter Partes
- In Inter Partes, Requester Participates Throughout

Reexamination Filing Data -September 30, 2011

Ex Parte

 1. Total requests filed since start of ex parte reexam on 07/01/81 .....
 11,782 **Inter Partes** 

 1. Total requests filed since start of inter partes reexam on 11/29/99 .....
 1,389

# Filings

#### **Ex Parte**

#### **Inter Partes**

- a. By patent owner
- b. By other member of public 7,815.....66%
- c. By order of Commissioner

166..... 1%

a. By patent owner

#### N/A

- b. By other member of public 1,389.....100%
- c. By order of Commissioner

N/A

# 2. Number of filings by discipline *Ex Parte* Inter Partes

- a. Chemical Operation 3,211 ..... 27%
- b. Electrical Operation 4,405 ..... 37%
- c. Mechanical Operation 3,987 ..... 34%
- d. Designs 179 ..... 2%

- a. Chemical Operation 260 ..... 18%
- b. Electrical Operation 722 ..... 52%
- c. Mechanical Operation 401 ..... 29%
- d. Designs 16 ..... 1%

#### 3. Determinations on Requests **Inter Partes** Ex Parte Total ..... 11,262 Total ..... 1,246 a. No. granted a. No. granted 10,333 ..... 92% 1,187 ..... 95% (1) By examiner ..... (1) By examiner ..... .....1,178 (2) By Director (on (2) By Director (on petition) .....9 petition) .....120

# 3. Determinations on Requests *Ex Parte* Inter Partes

- b. Number denied 929 ..... 8%
  - (1) By examiner ...894 (47% PO; 53%TP)
  - (2) Order vacated...35

- b. Number denied 59 ...... 5%
  - (1) By examiner.... 54
  - (2) Order vacated ... 5

4. Overall reexamination pendency (Filing date to certificate issue date)

#### **Ex Parte** Inter Partes

- a. Average pendency a. Average pendency 25.6 months 36.2 months
- b. Median pendency b. Median pendency 19.9 months 32.9 months

# 5. Total Reexamination Certificates Issued

#### **Ex Parte**

a. Certificates with all claims confirmed 1,943 ..... 23%

#### **Inter Partes**

(1999 - present) ..... 305

a. Certificates with all claims confirmed 35 ..... 11%

# 5. Total Reexamination Certificates Issued

#### **Ex Parte**

#### **Inter Partes**

b. Certificates with all claims canceled 974 ......11%
c. Certificates with claims changes 5,661 ......66%
d. Certificates with claims changes 137 .....44%
In Litigation .... 3,894....33% In Litigation .... 974...70%

# PETITION PRACTICE BEFORE THE US PTO

# What is a PetitionWhat is an Appeal

# **Requirements of a Petition**

- A. The petition must be in writing, 37 CFR 1.2.
- B. The petition must contain a statement of the facts involved and the point or points to be reviewed and the action requested, 37 CFR 1.181(b).
- C. Some petitions require a fee, 37 CFR 1.181(d).

# Requirements of a Petition (cont'd)

- D. The petition must be timely filed, as required in 37 CFR 1.181(f), or as required in a specific statute or regulation.
- E. The petition must comply with any special requirements as provided by statute, regulation or PTO policy.

- A. Petitions for Access
  - Applications are ordinarily preserved in secrecy pursuant to 35 U.S.C. 122 and 37 CFR 1.14(a). However, certain abandoned applications are available without a petition. See 37 CFR 1.14(a)(3)(iv).

- If a patent incorporates an application by reference, a copy of the application as filed may be obtained upon payment of the fee set forth in 37 CFR 1.19(b)(1) without notice to the applicant.
- In order for a member of the public to get access to, or copies of, any pending or abandoned applications preserved in secrecy, he or she must either file (1) a petition accompanied by the petition fee; or (2) provide written authority for access from the applicant, assignee or attorney or agent of record. 37 CFR 1.14(e).

- A. Petitions For Access (cont'd)
  - Once an application is published, copies of file wrapper of application may be obtained without a petition
  - Two other types of petitions involving access are (1) by an assignee to exclude the inventor from inspecting the file under 37 CFR 3.71 (see MPEP 106) and (2) by an inventor or assignee to identify an application where suspicion of filing an application exists.

- B. Petitions to Permit Filing When An Inventor Refuses to Sign or Cannot Be Reached
  - Where a joint inventor refuses to join in an application for patent or cannot be found or reached after diligent effort, a petition under 37 CFR 1.47(a) can be filed to permit acceptance of an application filed by the other inventor(s) on his or her behalf and that of the nonsigning inventor. The submission must contain proof of the pertinent facts of the diligent efforts made, the required fee and the last known address of the nonsigning inventor.

- C. Correction of Inventorship in Applications Filed under 37 CFR 1.53(b)
  - Where through error without deceptive intention the original oath or declaration of an application is filed naming incorrect inventor(s), applicant may petition under 37 CFR 1.48 for correction. The requirements of the petition are:

- C. Requirements of Petition (cont'd)
  - 1. A statement of facts by each person being added as an inventor and from each person being deleted as an inventor that the error occurred without deceptive intention;
  - 2. An oath or declaration under 37 CFR 1.63 executed by the correct inventors;
  - 3. A petition fee; and
  - The written consent of any existing assignee of the originally named inventors supported by a 37 CFR 3.73(b) certification.

# **Petitions Relating to Filing Dates**

- D. Petitions to Obtain or Correct a Filing Date
  - 37 CFR 1.53 provides procedures for filing applications. Under § 1.53(b), an original, continuation, divisional or continuation-in-part (C-I-P) application may be filed. All applications filed under 37 CFR 1.53(b) require a specification, including at least one claim and drawings, if necessary to understand the claimed subject matter.

# Petitions Relating to Abandoned Applications

#### E. Revival

37 CFR 1.137 covers petitions to revive applications abandoned for failure to prosecute, or failure to pay the required issue fee. There are two kinds of petitions to revive identified in this regulation. Section 1.137(a) concerns revival based upon an unavoidable delay in prosecution or payment of the required issue fee, whereas § 1.137(b) concerns revival based upon an unintentional delay in prosecution or payment of the required issue fee.

## Petitions Relating to Abandoned Applications

- E. Revival (cont'd)
  - (a) Unavoidable Delay
    - Requirements for a petition under 37 CFR 1.137(a) (delay was unavoidable):
    - (1) Required reply, unless previously filed.
    - (2) Petition fee set forth in 37 CFR 1.17(I).

## Petitions Relating to Abandoned Applications

### (a) Unavoidable Delay (cont'd)

- (3) Showing that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition was unavoidable.
- (4) Any terminal disclaimer under 37 CFR 1.321 (with fee) dedicating to the public a terminal part of the term of any patent granted thereon equivalent to the period of abandonment of the application if the application is a design application (regardless of filing date) or a utility application filed before June 8, 1995, or a plant patent application filed before June 8, 1995.

## Petitions Relating to Abandoned Applications

- (b) Requirements for a petition under 37 CFR 1.137(b) (delay was unintentional):
  - (1) Required reply, unless previously filed.
  - (2) Petition fee.
  - (3) A statement that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition was unintentional. No showing of reasons for delay is necessary.
  - (4) Any terminal disclaimer under 37 CFR 1.321 dedicating to the public a terminal part of the term of any patent granted thereon equivalent to the period of abandonment of the application if the application is a design application (regardless of filing date) or a utility application filed before June 8, 1995 or a plant patent application filed before June 8, 1995.

A petition to withdraw the holding of abandonment, if promptly filed, is appropriate in at least three circumstances. This type of petition does not require a petition fee.

- a. A reply and/or fee has been filed timely and received in the Office but not correlated with the application and the application has been erroneously held abandoned. The requirements for withdrawing the holding of abandonment are:
  - Petition to withdraw the holding of abandonment under 37 CFR 1.181.
  - 2. Evidence of receipt of the reply and/or fee by the Office, such as a post card receipt.
  - **3.** A copy of the earlier filed reply and/or fee.

- b. A proper reply and/or fee has been timely sent to the Office accompanied by a certificate of mailing or facsimile transmission but is not received by the Office. The requirements for withdrawing the holding of abandonment are:
  - **1.** Petition to withdraw the holding of abandonment under 37 CFR 1.8.
  - 2. An additional copy of the previously sent reply and/or fee with the certificate of mailing or facsimile transmission thereon.
  - **3.** A statement attesting on a personal knowledge basis to the previous timely mailing or sending by facsimile transmission of the reply and/or fee. A copy of the sending unit's report confirming transmission may be used to support an assertion of earlier transmission by facsimile.

c. An Office action or notice requiring reply is mailed by the PTO but never received by the applicant or the registered practitioner. There is a strong presumption that papers duly addressed and indicated as mailed by the PTO are timely delivered to the addressee. Rebuttal of this presumption may result in the withdrawal of the holding of abandonment. Delgar, Inc. et al. v. Schuyler, 172 USPQ 513 (D.D.C. 1971). The requirements for withdrawing the holding of abandonment are:

#### I. For Practitioners

- A. Petition to withdraw holding of abandonment under 37 CFR 1.181.
- B. A statement from the practitioner stating that the Office action was not received by the practitioner and attesting to the fact that a search of the file jacket and docket records indicates that the Office action was not received. A copy of the docket record where the non-received Office action would have been entered had it been received and docketed must be attached to and referenced in practitioner's statement.

- 2. For other than practitioners
  - A. Petition to withdraw holding of abandonment under 37 CFR 1.181.
  - B. All direct tangible and other supporting evidence reasonably available as proof contra to the presumption. Copies of records which disclose the receipt of other correspondence mailed from the Office on or about the same date as the action or notice in question but fail to disclose receipt of that action or notice. Also, copies of records in which the action or notice would have been entered had it been received, for example, file jacket notations, docket records and so forth.
  - C. Declaration that the action or notice was not received.

# Suspension of Rules (37 CFR 1.183)

- Petitions under 37 CFR 1.183 to suspend or waive a requirement of the regulations require:
  - 1. Showing of extraordinary circumstances where justice requires the suspension or waiver.
  - 2. Petition fee.
  - 3. Prompt and diligent filing.
  - 4. Compliance with any requirement of the regulation in question which is not specifically suspended or waived or with such other requirements as may be imposed.

# Questions Not Specifically Provided For (37 CFR 1.182)

- Petitions under 37 CFR 1.182 are requests not specifically provided for in the regulations of 37 CFR, which require:
  - 1. Petition fee (37 CFR 1.17(h)).
  - **2.** Prompt and diligent filing.
  - **3.** Compliance with such requirements as may be imposed.

### **Maintenance Fees**

- M. Relating to Maintenance Fees
- Maintenance fees may be paid during the 6-month period following the 3rd, 7th, and 11th anniversary of issuance of a utility patent. If not timely paid, a surcharge will be required between 3 1/2 and 4 years, seven 1/2 and eight years, and 11 1/2 and 12 years after issuance of the patent. Utility patents will expire after 4 years, 8 years and 12 years from issuance if the maintenance fee and surcharge, if required, are not timely paid. The due date for payment of maintenance fees in reissue applications is computed from the date of grant of the original nonreissue application.

## **Payment Prior to Expiration**

- A patentee who is not satisfied with the PTO refusal to accept and record a maintenance fee paid prior to expiration of a patent may petition under 37 CFR 1.377. The requirements for acceptance of the payment are:
  - (a) Petition under 37 CFR 1.377.
  - (b) Filing within 2 months of action complained of or within the time set in the action complained of.
  - (c) Petition fee. The petition may include a request for refund of the petition fee if the refusal to accept and record the maintenance fee is determined to be Office error.
  - (d) Statement of facts as outlined at 37 CFR 1.181(b).
  - (e) Signature by registered attorney or party in interest as outlined at 37 CFR 1.377(c).

## **Payment After Expiration**

- (a) Requirements when the delay was unavoidable.
  - Payment of maintenance fees after expiration of the patent will be accepted and the patent will be reinstated as if it had never expired, provided the following are filed:
    - (i) Petition under 37 CFR 1.378(b) signed by registered attorney or party in interest as outlined at 37 CFR 1.378(d).
    - (ii) Maintenance fee set forth in 37 CFR 1.20(e)-(g).
    - (iii)Surcharge set forth in 37 CFR 1.20(i)(1).
    - (iv) Showing of unavoidable delay including an enumeration of steps taken to ensure timely payment, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.

### **Payment After Expiration**

- (b) Requirements when the delay was unintentional.
  - Payment of maintenance fees after expiration of the patent will be accepted and the patent will be reinstated as if it had never expired, provided the following are filed:
    - (i) Petition under 37 CFR 1.378(c) filed within 24 months after the six- month grace period signed by registered attorney or party in interest as outlined at 37 CFR 1.378(d).
    - (ii) Maintenance fee set forth in 37 CFR 1.20(e)-(g).
    - (iii)Surcharge set forth in 37 CFR 1.20(i)(2).
    - (iv) A statement that the delay in payment of the maintenance fee was unintentional

## N. Petitions Relating to Reexamination Practice

- I. Request for reconsideration of examiner denial of reexamination request.
  - a. Filed under 37 CFR 1.181; 37 CFR 1.515(c).
    - (i) No petition fee is required.
    - (ii) The request must be filed within one month of the denial date and is decided by the Group Director by way of a de novo review.
    - (iii)The Director's decision is final and is not appealable

## **Reexamination-Late Papers**

- Petitions filed under 35 U.S.C. 133 for entry of late papers of patent owner (not available for third party requester).
  - a. Petition showing unavoidable delay:
    - (i) A petition fee is required (37 CFR 1.17(I)(1)).
    - (ii) Small entity status is available.
    - (iii)These petitions are decided by the Office of Petitions.
    - (iv) Petitioner must make a showing of "unavoidable delay" which should detail the specific circumstances causing the delay and should provide evidence to support the showing.

## **PCT Petition Practice**

- Those petitions filed in international stage applications frequently request inter alia,
  - (a) waiver of the rules so that a filing date can be accorded where applicant has erred (essentially a 37 CFR 1.183 waiver situation where the rule to be waived is 37 CFR 1.431(b) - this is also a PCT Article 11 issue but the treaty provisions may not be waived), and
  - (b) waiver of the rules so that a filing date can be accorded (Article 11 and 37 CFR 1.431) where the applicant is not a U.S. resident or national as indicated in the request for an international application.

## **PCT Petition Practice**

- Office policy is and has been to deny such petitions unless the circumstances are such that the failure on applicant's part to comply with treaty requirements can be considered an obvious error under Rule 91.1 of the Treaty.
- Those petitions filed in national stage applications usually request relief due to quite common issues such as:
  - (a) adverse inventors (§ 1.47),
  - (b) change of inventorship (§ 1.48),
  - (c) deceased inventor (§ 1.42), and
  - (d) revival under § 1.137(a) or § 1.137(b) for failure to timely satisfy national stage filing requirements.

### Requirement for Concurrent Handling of PCT Application with Nonprovisional Application

- Use PCT as a way to get expedited handling of nonprovisional application especially in high first action pendency art units
- File the nonprovisional application first or within 12 months of filing the PCT application or a provisional application and select the US as the ISA
- Serves as a form of petition to make the nonprovisional application special without the hassle

## **Prosecution Tips Before the PTO**

- How to Cut Costs
  - Decide Importance of Invention
  - Quick-Responses to Associates
  - Electronic Copies, Use of E-mails
  - Do it Right the First Time
  - Interviews
  - Information Disclosure Statements

## Patent Term Adjustment (PTA)

- **Effective May 29, 2000**
- Applies to utility and plant applications filed on or after May 29, 2000
- The patent term extension provisions of Public Law 103-465 (URAA) will continue to apply to utility and plant applications filed before May 29, 2000 but on or after June 8, 1995

## Patent Term Adjustment (PTA)

- Patent term adjustment or extension under 35 U.S.C. § 154(b) does not apply to design applications
- Since June 8, 1995, patent term runs 20-years from the earliest effective filing date (including claims under 35 USC 120 and 365(c)) with (as of May 29, 2000) new possible positive PTA due to PTO delays

## PTA: RCE Eligibility

- A request for continued examination (RCE) is not a new application
  - Filing a RCE on/after May 29, 2000 in an application filed before May 29, 2000 does not cause that application to be eligible for patent term adjustment under the "American Inventors Protection Act of 1999"

## Patent Term Adjustment: Bases

Provides three (3) bases for adjustment:

(1) USPTO failure to take certain actions within specified time frames (35 U.S.C. § 154(b)(1)(A)),

(2) USPTO failure to issue a patent within three years of the actual filing date 35 U.S.C. § 154(b)(1)(B)), and

(3) Delays due to interference, secrecy order, or successful appellate review (35 U.S.C. § 154(b)(1)(C))

Provides day-for-day adjustment for each failure or delay resulting in adjustment

PTA: Failure of USPTO to take certain actions within specified time frames (1<sup>st</sup> basis)

- Failure to initially act on the application within fourteen (14) months after filing or national stage entry date
- Failure to act on a reply or appeal within four (4) months
- Failure to act on an application within four (4) months after a BPAI or court decision where allowable claims remain in the application
- Failure to issue the patent within four (4) months of the date the issue fee was paid and all outstanding requirements were satisfied

PTA: USPTO failure to issue a patent within three years of the actual filing date (2<sup>nd</sup> basis)

- The following periods are not counted against the three years
  - time consumed by continued examination under 35 U.S.C. § 132(b) (RCE)
  - time consumed by secrecy order, interference, or appellate review
  - time consumed by applicant requested delays

PTA: Delays due to interference, secrecy order, or successful appellate review (3<sup>rd</sup> basis)

- Delays caused by an interference proceeding (35 U.S.C. § 135(a))
- Delays caused by imposition of a secrecy order (35 U.S.C. § 181)
- Delays caused by appellate review in a case in which the patent was issued under a decision in the review reversing an adverse determination of patentability
  - Note: a final decision reversing ALL rejections of at least one claim is required
  - An allowance after a remand is not a final decision

The above-three delays are the bases for patent term extension under Public Law 103-465 (URAA)

## PTA: Limitations on (patent term) adjustments (as to all three bases)

- No adjustment beyond any date specified in a terminal disclaimer
- Reduction of adjustment for period during which applicant failed to engage in reasonable efforts to conclude processing or examination of an application (to be defined by regulation)
  - The reductions offset or reduce any of the 3 bases for PTA
  - PTA, however, may not be negative

# PTA: Reduction of (patent term) adjustments (as to all 3 bases)

- Failure to engage in reasonable efforts to conclude processing or examination of an application include any of the following:
  - Suspension of action or requesting deferral of issue
  - Abandonment of application or failure to timely request withdrawal of a holding of abandonment
  - Conversion of provisional to non-provisional

## PTA: Reduction of (patent term) adjustments (as to all 3 bases) (cont.)

- Failure to engage in reasonable efforts to conclude processing or examination of an application also include any of the following: (cont.)
  - Submitting preliminary amendments or other papers requiring re-mailing of actions
  - Submitting replies that are not complete
  - Submitting supplemental replies
  - Submitting amendments or other papers after notice of allowance

## PTA: Reduction of (patent term) adjustments (as to all 3 bases)(cont.)

- Failure to engage in reasonable efforts to conclude processing or examination of an application also include any of the following: (cont.)
  - Submission of amendment or other paper to reopen prosecution after BPAI or court decision
  - Failure to reply to any USPTO action within three months of the action
  - Continued prosecution via a continuing application, no entitlement to any PTA accumulated in any prior application of the continuing application.

## **PTA: Notice and Reconsideration**

- USPTO shall make a determination of adjustment and include it with the notice of allowance
- Applicant will be provided with one opportunity to request reconsideration of the USPTO's determination
- USPTO to issue patent after completing its determination (judicial review does not delay patent grant)

## Final Patent Term Adjustment Determination

- Procedures for determining final adjustment:
  - Two weeks prior to issue, PALM will make a final calculation of adjustment when the patent number and issued date is assigned with Issue Notification
  - Patent will include the USPTO's final adjustment determination; a 30 day period is provided after the patent issue date for patentee to request reconsideration of PTA attributed to an error in predicting the issue date
  - Applicant has 180 days from patent grant to seek judicial review of the USPTO's adjustment determination
  - No third party challenge to USPTO determination prior to patent grant

## **PTA: Impact on Patent Practice**

- Applicants need to review initial determination of PTA calculation on notice of allowance, relying on usage of PAIR, and make decisions before payment of the issue fee about:
  - filing request for reconsideration of PTA calculation, and/or
  - submission of due care showing
- Applicants need to review final adjustment determination on patent and decide whether to take further action

## Earliest of US filing Date or International Filing Date of Utility Appl.

Prior to 6/8/95	6/8/95- 5/28/00	On or After 5/29/00
Not Eligible for PTA or PTE, 17 Yr Not Eligible for PTA or PTE, 17 Yr Term from Date of Issuance of Patent	Eligible for PTE	Eligible for PTA

## Thank You

Abe Hershkovitz

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#### J.S. PATENT AND TRADEMARK OFFICE

## The End

#### Hershkovitz IP Group

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