

REPORT

USPTO EMPHASIZES IMPORTANCE OF OFFICE ACTION SUBMISSIONS, AND REVISES IDS PATENT TERM ADJUSTMENT ACCORDINGLY

December 21, 2011

U.S. Patent and Trademark Office (USPTO) rules have long penalized applicants for submitting Information Disclosure Statements disclosing USPTO Office Actions and references cited in them under certain circumstances, by reducing patent term adjustments. Citing several "recent" decisions by the U.S. Court of Appeals for the Federal Circuit that underscore the importance of disclosing material information that appears both in references cited and in Office Actions issued in related applications, the USPTO has now revised those rules.¹ Under the revised rules, very prompt submission of both domestic and foreign Office Actions and references cited therein in an Information Disclosure Statement will no longer result in a reduction of patent term adjustment.

I. Background

The term of a U.S. patent will be extended (adjusted) in the event of certain examination delays by the USPTO. However, the amount of Patent Term Adjustment (PTA) accrued due to

delays by the USPTO will be reduced by the amount of time during which the applicant failed to engage in reasonable efforts to conclude examination of the application. Subject to certain exceptions, discussed in more detail below, the filing of an Information Disclosure Statement (IDS):

- (1) less than one month before the mailing of an Office Action on the merits or a Notice of Allowance that requires the mailing of a supplemental Office Action or Notice of Allowance; or
- (2) after a reply to an Office Action on the merits has been filed; or
- (3) after a Notice of Allowance has been given or mailed

are circumstances that the USPTO defines as failures of the applicant to engage in reasonable efforts to conclude examination of an application. See 37 C.F.R. §§1.704(c)(6) and (8)–(10).

To permit applicants to avoid such reductions, former 37 C.F.R. §1.704(d) provided that submission of an IDS under the above circumstances will not result in PTA reduction if accompanied by a certification that each item of information contained in the IDS was "first cited in a communication from a foreign patent office

¹ The USPTO cites the 2003 *Dayco* case, the 2007 *McKesson* case and the 2009 *Larson* case. See our October 9, 2009 Special Report "The U.S. Duty Of Disclosure As Applied To U.S. And Foreign Office Actions." See also our June 6, 2011 Special Report "The Federal Circuit Announces A More Stringent Standard For Proving Inequitable Conduct," relating to statements made by applicants in prosecution of related applications.

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in a counterpart application and that this communication was not received by any individual designated in 37 C.F.R. §1.56(c) more than 30 days prior to the filing of the Information Disclosure Statement." This exception applied to information first cited in a communication from a foreign patent office, but did not apply to the communication itself. Additionally, the provision did not apply to information cited in an Office Action nor the Office Action itself issued by the USPTO in U.S. or international (PCT) applications.

II. The Rule Change

Effective December 1, the USPTO revised 37 C.F.R. §1.704(d) to include submission in an IDS of a communication (e.g., Office Action) from the USPTO and information first cited therein in a U.S. application, and of a communication and references cited in a counterpart foreign or international application. The revised rule still restricts the exception to items arising in counterpart foreign and international applications, but does not so restrict the exception as to items issued or cited by the USPTO.² Thus, under the revised rule, submission of the following items within 30 days of receipt of the communication by an individual subject to the duty of disclosure will not be considered a PTA-reducing event:

- (1) any communications from the USPTO;
- (2) references cited in such communications;

² For purposes of this distinction, treatment of communications and references cited by the USPTO acting as an International Searching Authority (ISA) or International Preliminary Examining Authority (IPEA) in PCT applications designating the United States is unclear. We plan to analyze such situations on a case-by-case basis as necessary if and when they arise.

- (3) any communication from any patent office in a counterpart foreign or international application; and
- (4) references cited in such communications.

III. Recommendations

Because an IDS must often be filed within 30 days of receipt of qualifying information to avoid PTA reduction, it is important that, immediately upon receipt of such information, you send your instructions along with copies of the U.S., international or foreign Office Actions and references, and an explanation of relevance or English-language translation of at least the substantive portion of non-English-language foreign Office Actions and references. Any available English-language translations of foreign-language documents must also be submitted.

When forwarding instructions relating to an Office Action that was issued close to or more than one month previously, please identify the date on which a person subject to the duty of disclosure first received that information. The 30-day period is measured from that receipt date, not from the Office Action mailing date.

Please also see the "Recommendations" sections of our October 9, 2009 Special Report "The U.S. Duty Of Disclosure As Applied To U.S. And Foreign Office Actions" regarding submission of Office Actions, and our April 1, 2003 Special Report "Are JPO Website Computer-Generated Translations 'Readily Available'?" regarding submission of computer-generated translations.

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