

REPORT

USPTO ANNOUNCES ACCOMMODATIONS FOR THOSE AFFECTED BY THE RECENT TRAGIC EVENTS IN JAPAN

March 22, 2011

We are deeply saddened by the devastating and tragic earthquake, tsunami, and power plant damage that have struck Japan. Our thoughts are with the Japanese people at this difficult time. We stand ready to support our affected clients in any way that we can.

The USPTO issued a March 17 Notice announcing special procedures to help patent and trademark owners and applicants (hereafter collectively "Applicants") affected by those events. The USPTO has very limited authority to extend due dates or excuse missed due dates, because many such due dates are governed by statute, which the USPTO cannot change. However, the USPTO announced that it will take certain actions that reset some due dates or waive certain USPTO petition and late fees.

These special procedures announced by the USPTO are limited to Applicants affected by the March 11 events in Japan. In particular, the procedures are limited to patent applications, reexamination proceedings, patents, and trademark applications and registrations having one or more inventors, an assignee or owner, or a correspondence address, in areas of Japan affected by the earthquake and tsunami. Although the USPTO is not requiring any particular proof that a given matter was affected by the events of March 11, filing a request under the procedures described in the Notice is treated as a representation that the matter was affected by the events of March 11, and false statements or representations may later be held to render any resultant patent or trademark registration unenforceable based on inequitable conduct.

I. Accommodations Announced By The USPTO

By statute, the USPTO has authority to excuse the late filing of papers or the late taking of actions in the

event of an emergency, natural disaster, or the like. However, in most cases that authority is limited by statute to instances in which the events occur within the United States and result in a U.S. Postal Service interruption. The USPTO has exercised this authority in the past, such as when U.S. Postal Service interruptions occurred as a result of hurricanes and extensive fires. However, because the March 11 events occurred in Japan and did not result in a U.S. Postal Service interruption, the USPTO does not have the authority to take any broad-based actions under this statute.

Instead, the USPTO announced that it can accommodate Applicants affected by the March 11 events by resetting due dates in affected applications or waiving the payment of certain petition or surcharge fees. Specifically, the USPTO will, upon request, grant limited relief to Applicants affected by the events in Japan as follows:

- 1) For patent or trademark applications in which there is a pending due date, such as a due date for responding to an Office Action, paying an Issue Fee, or the like, the USPTO upon request will withdraw and re-mail the pending Office Action, Notice of Allowance or the like, thereby resetting the due date.
- 2) For patent applications in which a Maintenance Fee is due, the USPTO upon request will allow payment of the Maintenance Fee within the six-month grace period, while waiving payment of the late surcharge fee. (There will be no waiver as to the final grace period deadline.)
- 3) For non-provisional patent applications filed on or after March 11 and before April 12, 2011, without

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an executed declaration or payment of the basic filing fee, search fee, and/or examination fee, the USPTO upon request will waive the late filing surcharge.

- 4) For trademark applications and registrations that were abandoned or cancelled due to inability to timely respond to a trademark-related USPTO communication due to the March 11 events, the USPTO upon request will waive the petition fee to revive the abandoned application or cancelled registration.

Each of these actions, along with our recommendations, is addressed below.

A. Resetting Of Pending Due Dates

If a patent or trademark application, or trademark registration, has a pending due date resulting from the issuance of a communication by the USPTO, then in most instances we can request that the USPTO withdraw and re-mail the pending communication, thereby resetting the due date. Any such request to withdraw a communication must occur prior to the expiration of the relevant time period or deadline. Actions that can be withdrawn by this procedure appear to include pre-examination formality notices (e.g., Notices to File Corrected Application Papers, Notices to File Missing Parts, etc.), Restriction/Election Requirements, Rejections (non-final or final), responses to Examiner's Answers, patent application Notices of Allowance, trademark Notices of Allowance (only during the six-month period following the Notice of Allowance issue date), and trademark Office Actions (e.g., non-final or final refusals, Suspension Inquiries, etc.).

Due dates that cannot be reset under this procedure include due dates that are not set by issuance of a USPTO communication. Examples include the due dates for: filing a convention priority application (patent or trademark), filing an Appeal Brief after a Notice of Appeal has been filed, filing a broadening reissue application, requesting a recalculation of patent term adjustment after issuance of a patent, making a claim for foreign priority without the necessity of filing a petition, filing Declarations of Use and renewal applications for trademark registrations, filing Notices of Opposition or

related papers in connection with third-party trademark applications, and the like. In addition to the foregoing, it only is possible to revive an intent-to-use U.S. trademark application during the 36 months following the date on which the Notice of Allowance was issued, meaning that any available action to preserve rights in an intent-to-use application must take place before the expiration of that 36-month period.

In order to use this procedure, we must file a paper with the USPTO, on behalf of an affected individual or entity, requesting that the pending action be withdrawn and re-mailed. That paper must be filed while the application or registration is still pending, and with sufficient time to allow the USPTO to withdraw and re-mail the pending action while the application or registration remains pending. If the shortened period for response to the USPTO communication has expired, then the appropriate extension of time fee must also be paid when filing the paper requesting that the pending action be withdrawn and re-mailed.

If you are aware of any cases in which the events in Japan have caused a problematic delay, please contact us as soon as possible so that we may confirm the availability of relief and file the necessary request at the earliest possible time. This procedure may be particularly helpful, for example, in cases where significant technical input is required, where experimental results are desired that need to be developed, or where significant business interruption has occurred that has resulted in prioritization of resources outside of the intellectual property area.

B. Patent Maintenance Fees Paid During The Six-Month Grace Period

Maintenance Fees are due at 3½, 7½, and 11½ years after issuance of a patent. If the Maintenance Fee is not timely paid, it can still be paid within a six-month grace period upon payment of a \$130 government late payment surcharge (\$65 for small entities).

The USPTO will waive the late payment surcharge for patents in which the Maintenance Fee is not timely paid, but is paid within the six-month grace period, as a result of the events of March 11. However, this procedure applies to payment of the Maintenance Fee

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within the grace period only; this procedure does not apply to instances where the Maintenance Fee is not paid even within the grace period, and the patent has expired.

In order to use this procedure, we must file a paper with the USPTO, on behalf of an affected individual or entity, along with payment of the Maintenance Fee, requesting that the late payment surcharge be waived. This waiver may only be requested where the original window of time to pay the Maintenance Fee without the late payment surcharge expired on or after March 11, 2011, and the delay in paying the fee was due to the effects of the events of March 11. The paper must be filed, and the Maintenance Fee paid, before expiration of the six-month grace period.

C. Filing Of Declaration Or Paying Filing Fees Without Payment Of Late Filing Surcharge

When a non-provisional patent application is filed, Applicant can elect to file a copy of the executed Declaration, and pay the required filing fees, either with the initial application filing or at a later date. If the executed Declaration is filed, or the required filing fees are paid, after the initial application filing date, then an additional \$130 government surcharge is due (\$65 for small entities). A similar \$130 government surcharge is also due if an English-language translation of a foreign-language application is filed after the initial application filing date. These documents are typically filed in response to a Notice to File Missing Parts.

The USPTO will waive the surcharge for patents in which the Declaration was not originally filed, or the filing fees were not originally paid, as a result of the events of March 11. However, this procedure does not apply to late filing of the English-language translation of a foreign-language application.

In order to use this procedure, we must file with the USPTO, on behalf of an affected individual or entity, a proper Response to the Notice to File Missing Parts, along with the required omitted items, and a paper requesting that the surcharge be waived. This waiver may only be requested in non-provisional applications filed on or after March 11, 2011, and prior to April 12, 2011, and in which the late filing of the Declaration or late payment of the filing fees was due to the effects of

the events of March 11. The complete Response must also be filed while the application remains pending, with payment of any appropriate extension of time fees.

This procedure does not appear to be applicable to either provisional applications or to PCT-U.S. national phase applications.

D. Petitions To Revive Abandoned Trademark Applications Or Canceled Trademark Registrations

If a trademark Applicant does not timely respond to a trademark-related USPTO communication, the USPTO will abandon the trademark application or cancel the trademark registration. If the failure to timely respond to the USPTO communication was unintentional, then the Applicant can file a Petition to revive the application or registration upon payment of a \$100 petition fee.

The USPTO will waive the petition fee for trademark applications or trademark registrations that were abandoned or canceled as a result of a failure to respond to the USPTO communication due to the events of March 11.

In order to use this procedure, we must file with the USPTO, on behalf of an affected individual or entity, a proper Response to the USPTO communication, along with a Petition to Revive, and a paper requesting that the petition fee be waived.

II. Costs For Filing A Request For These Procedures

As a courtesy to our clients, we will prepare, file, and monitor the progress of any requests to proceed under the special procedures that have been implemented by the USPTO at no charge for our services.

III. Limitations And Important Exclusions

Although the USPTO Notice provides several procedures that will help accommodate delays resulting from the events of March 11, there are significant restrictions on those procedures, and significant events that cannot be changed.

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**A. Delay Must Be Due To
The Events Of March 11**

As mentioned with respect to each of the four procedures above, the subject patent application, patent, trademark application, or trademark registration must be associated with a Japanese individual or entity affected by the events of March 11. That is, the procedures are limited to patent applications (including reissue applications), reexamination proceedings, patents, trademark applications and trademark registrations having one or more inventors, an assignee or owner, or a correspondence address, in an area of Japan affected by the earthquake and tsunami. Furthermore, the failure to timely respond or take action in the patent application, patent, trademark application or trademark registration must have been due to the events of March 11. If these conditions are not met, relief under the Notice should not be requested.

The USPTO is not requiring any particular proof that the particular matter was affected by the events of March 11. However, the USPTO is treating the filing of a request, under the procedures described in the Notice, as a representation that the particular matter was affected by the events of March 11. While any such request should be granted by the USPTO, false statements or representations may later be held to render any affected patent or trademark registration unenforceable based on inequitable conduct.

Accordingly, we recommend that the circumstances of any particular matter be carefully considered before requesting relief under the Notice. We would be pleased to address with you any specific matters that may be in question.

**B. Items Not Mentioned In
The Notice Are Unaffected**

While the procedures in the Notice affect a wide range of patent and trademark matters, there are significant patent and trademark matters that are not affected by the Notice.

Application Filings

First, the filing date accorded to a new patent or trademark application is not affected. Any provisional, non-provisional, or PCT national phase patent application, and any trademark application, will be accorded the date that the application is actually filed, and any delay will not be excused under the Notice. Thus, convention priority applications must still be filed in accordance with the period set forth in the Paris Convention, and PCT national phase applications must still be filed in accordance with the 30-month time limit for national phase entry (although national phase applications that are not filed by the 30-month due date can still be revived by filing a Petition, as described below). For new application filings that may be delayed due to the events of March 11, we provide the following information and recommendations.

If the application is the U.S. national phase of a PCT application, and the 30-month national phase filing due date is missed, then it is possible to revive the application with a Petition to Revive based on either an unavoidable or unintentional abandonment. The government fees for such a Petition are \$540 and \$1,620, respectively (\$270 and \$810 for small entities), although a Petition based on an unavoidable abandonment often requires significant additional detail and documentation that would likely offset the lower petition fee.

For a Paris Convention application, however, failure to meet the filing due date results in a loss of priority to the earlier application. A Petition to Revive cannot be filed to obtain the priority date.

If a convention priority due date is approaching, and there is a concern that the date might be missed, then we believe that there are at least three possibilities:

- 1) We can file a U.S. application (as well as a U.S. national phase of a PCT application) in Japanese, without an English translation and without an executed Declaration or Assignment. The Patent Office will then set an extendible due date as early as two months after the filing date to submit the English translation and executed Declaration.

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We can file the application based on either a facsimile or email copy of the application papers, and request waiver of the government surcharge for the late filing of the Declaration.

- 2) If a Paris Convention due date is approaching (or has passed) for a U.S. patent application, and if the Japanese Receiving Office has implemented contingencies excusing the late filing of PCT international applications, then filing a PCT application in Japan on the first available filing date may preserve the priority claim for a subsequent U.S. national phase application. Thus, for example, if the Japanese Receiving Office has implemented contingencies allowing an excused later filing date, similar to when the due date falls on a Japanese national holiday or the like, then we believe that the convention due date would be satisfied if the PCT international application is filed on the first available filing date. If so, the subsequent U.S. national phase would likewise be entitled to the convention priority date (although it may be necessary to later present proof that the Japanese Receiving Office indeed excused the late filing). This approach would of course need to be confirmed with the Japanese Receiving Office.
- 3) If a Paris Convention deadline is approaching (or has passed) for claiming priority in a U.S. trademark application, and if the Japanese Trademark Office has implemented contingencies excusing the late filing of applications claiming priority in the Japanese Trademark Office, it may still be possible to obtain the benefit of priority in the United States. Specifically, by filing an application for international registration under the Madrid Protocol through the Japanese Trademark Office on the first available filing date, it may be possible to claim priority for an extension of protection to the United States that is designated as part of that international application.

35 U.S.C. §102(b) Dates

Under 35 U.S.C. §102(b), an Applicant is not entitled to a U.S. patent if “the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more

than one year prior to the date of the application for patent in the United States.”

Similar to the Paris Convention due dates described above, the Notice’s procedures do not affect the creation of any bar dates under 35 U.S.C. §102(b). Thus, if there are any potential bar dates that might arise, a U.S. patent application or PCT international application must still be filed within one year of that date in order to preserve the right to a patent.

IV. Conclusion

In view of the tragic events in Japan, we are continuing to closely monitor all of our matters for all of our clients, to ensure that the matters are attended to and to minimize the possibility that valuable intellectual property rights will be lost. We stand ready to assist our clients in any way possible.

Should any questions arise regarding a particular matter, we would be pleased to discuss that matter and potential actions to be taken in more detail. For example, if there are any questions regarding whether a particular matter qualifies for relief under the above USPTO procedures, or if there are any questions regarding whether relief should be requested in a particular matter, we would be pleased to address any such questions in more detail.

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