CHUDIK v. HIRSHFELD, Appeal No. 2020-1833 (Fed. Cir. February 8, 2021). Before Taranto, Bryson, and Hughes. Appealed from E.D. Va. (Judge Trenga).

Background:

A patentee contested the amount of patent term adjustment (PTA) calculated for his patent, arguing that the patent should have been entitled to C-delay PTA due to PTO inefficiencies during appeal. During prosecution, the applicant brought the case to appeal four times, and each time the examiner reopened prosecution to issue a new rejection.

The C-delay provision of 35 U.S.C. §154(b)(1)(C)(iii) covers delay due to "appellate review by the Patent Trial and Appeal Board or by a Federal Court in a case in which the patent was issued under a decision in the review reversing an adverse determination of patentability."

The relevant rules provide:

"[T]he term of an original patent shall be adjusted if the issuance of the patent was delayed due to review by the Patent Trial and Appeal Board under 35 U.S.C. 134 or by a Federal court under 35 U.S.C. 141 or 145, if the patent was issued under a decision in the review reversing an adverse determination of patentability." 37 C.F.R. § 1.702(e).

"The period of adjustment under § 1.702(e) is the sum of the number of days, if any, in the period beginning on the date on which jurisdiction passes to the [Board] under § 41.35(a) of this chapter and ending on the date of a final decision in favor of the applicant by the [Board] . . . ." 37 C.F.R. § 1.703(e).

Both the Board and the district court determined that the patent was not entitled to C-delay PTA because (i) the Board's jurisdiction never attached, and (2) there was no Board reversal.

Issue/Holding:

Did the court err in determining that the patent was not entitled to C-delay PTA?
No, affirmed.

Discussion:

The Federal Circuit determined that the words of the statute were clear, and the best interpretation of the statute precludes awarding C-delay PTA for an examiner's repeated reopening of a case to withdraw his own rejection. The term "appellate review" commonly requires a distinct reviewing authority, and does not refer to reconsideration of one's own decision.

And in any case, the PTO rules—which would be afforded *Chevron* deference to the extent that the statute is unclear—also support this interpretation. The language of the rules clearly indicates that the Board must have jurisdiction of the case and issue a reversal decision in order for any C-delay PTA to accrue.

Although examiner delay on appeal does not constitute C-delay, the court noted that such delay could constitute B-delay (if application pendency extends beyond three years). In this case, however, the applicant forfeited B-delay for the time spent on appeal by filing a Request for Continued Examination earlier in prosecution before filing any appeals.