

From: Alun Palmer <apalmer@rabinberdo.com>
Sent: Thursday, October 04, 2012 9:24 PM
To: fee.setting
Subject: Fee Setting (Response to Proposed Rules)

Dear Sirs,

I am writing to ask that the huge fee increases in reexamination be reduced, at least for reexams initiated by the applicant.

At the AIA Roadshow at the PTO in Alexandria, I was told that prosecution fees could be kept low because they were funded by money recouped from maintenance fees, but that this financial theory could not be applied to reexams, as reexam fees were not offset by maintenance fees. However, my answer to that is that where the reexam is applied for by the owner of the patent, this is not the case, as they ARE paying maintenance fees. Consequently, I believe that the reexam fees could be adjusted downwards for patent owners without departing from these principles.

Not all reexaminations are brought about due to ongoing (or even prospective) litigation. In some cases the patent owners become aware of art found during foreign prosecution after the US patent has issued, and this leaves a question mark over the value of the patent, whether in terms of possible infringement or in licensing, including cross-licensing. Absent the threat of immediate litigation, the newly increased costs of an ex parte reexam cannot be justified in these circumstances. It cannot be good policy to price patent owners out of reexamination, and yet that is the effect of the new fees.

Under the new rules, and referring to the fee schedule effective October 5, 2012, a patent owner may either apply directly for ex parte reexamination, at a cost of \$17,750 (increased from \$2,520), as set by rule 1.20(c)(1), or they may apply for supplemental examination and pay a total of \$21,260, as set by rules 1.20(k)(1) and (2), in which case and if a reexamination is not ordered by the PTO, they may receive a refund of \$16,120, being the fee set under rule 1.20(k)(2).

I propose that ex parte reexams initiated by a patent owner should cost no more than 15% above the previous fee, i.e. \$2,520 plus 15%, which is \$2,898. Specifically, the fees set under rules 1.20(c)(1) and 1.20(k)(2) should be no more than \$2,900 after rounding off, in the case where the request is filed by the patent owner.

Sincerely,

Alun Palmer
Reg. No. 47,838

Rabin & Berdo PC