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In re Patent of Kanios et al.	:	
Patent No.: 8,703,175	:	DECISION ON REQUEST
Issue Date: April 22, 2014	:	FOR RECONSIDERATION OF
Application No.: 10/975,043	:	REDETERMINATION OF PATENT
Filing date: October 28, 2004	:	TERM ADJUSTMENT
Attorney Docket No.: 041457-0749	:	

This is a response to Patentee’s “REQUEST FOR RECONSIDERATION OF PATENT TERM ADJUSTMENT FOR ISSUED PATENT,” filed August 4, 2015, pursuant to 37 CFR 1.705(b), requesting that the Office adjust the patent term adjustment from one thousand, six hundred and twenty-seven (1627) days to at least two thousand, one hundred and forty-four (2144) days.

The request for reconsideration is granted to the extent that the determination has been reconsidered; however, the request for reconsideration of patent term adjustment (“PTA”) is **DENIED** with respect to making any change in the patent adjustment determination under 35 U.S.C. § 154(b) of one thousand, six hundred and twenty-seven (1627) days.

This is the Director’s decision on the applicant’s request for reconsideration under 35 USC 154(b)(3)(B)(ii). Any appeal from this decision is pursuant to 35 U.S.C. § 154(b)(4)(A).

**Relevant Procedural History**

The patent issued with a PTA determination of 1486 days on April 22, 2014. On June 19, 2014, patentee filed an Application for Patent Term Adjustment under 37 CFR 1.705(b) seeking reconsideration of the patent term adjustment and requesting that the Office grant PTA in an amount of 2142 days. On June 12, 2015, the USPTO mailed a redetermination of patent term adjustment, indicating that the Office has re-determined the PTA to be 1627 days. The present request for reconsideration of PTA was timely filed on August 4, 2015.

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### Decision

Upon review, the USPTO finds that patentee is entitled to one thousand, six hundred and twenty-seven (1627) days of PTA. Patentee and the Office are in agreement regarding the amount of “A” delay under 35 § USC 154(b)(1)(A), “B” delay under 35 U.S.C. 154(b)(1)(B), “C” delay under 35 U.S.C. 154(b)(1)(C), and overlap under 35 § USC 154(b)(2)(A).

The sole disagreement between patentee and the Office is with respect to the amount of reduction of PTA under 35 U.S.C. § 154(b)(2)(C)(iii) and 37 CFR 1.704.

### **“A” Delay**

The patentee and Office agree that there are 1740 days of “A” delay. The periods of “A” delay are:

- (1) 896 days under 37 CFR 1.703(a)(1) beginning on December 19, 2005(the day after the date that is fourteen months after the day the application was filed) and ending on June 11, 2008 (the date the first Office action was mailed);
- (2) 844 days under 37 CFR 1.703(a)(2) beginning on June 12, 2011(the day after the date that is four months after the date a reply was filed) and ending on October 2, 2013(the date of mailing of a non-final Office action).

### **“B” Delay**

The patentee and Office agree that there are 885 days of “B” delay.

*Novartis AG v. Lee*, 740 F.3d 593 (Fed. Cir. 2014) includes “instructions” for calculating the period of “B” delay. Specifically, the decision states,

The better reading of the language is that the patent term adjustment time [for “B” delay] should be calculated by determining the length of the time between application and patent issuance, then subtracting any continued examination time (and other time identified in (i), (ii), and (iii) of (b)(1)(B)) and determining the extent to which the result exceeds three years.<sup>1</sup>

The length of time between application filing and issuance is 3464 days, which is the number of days beginning on the filing date of the application (October 28, 2004) and ending on the date the patent issued (April 22, 2014).

The time consumed by continued examination is 1483 days, beginning on the filing date of the first RCE (November 13, 2009) and ending on the mailing date of the notice of allowance (December 4, 2013).

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<sup>1</sup> *Novartis*, 740 F.3d at 601.

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The number of days beginning on the filing date of application (October 28, 2004) and ending on the date three years after the filing date of the application (October 28, 2007) is 1096 days.

The result of subtracting the time consumed by continued examination (1483 days) from the length of time between the application's filing date and issuance (3464 days) is 1981 days, which exceeds three years (1096 days) by 885 days. Therefore, the period of "B" delay is 885 days.

### **"C" Delay**

The patentee and the Office agree that the amount of "C" delay under 37 CFR 1.703(e) is zero days

### **Overlap**

The patent and the Office agree that the amount of overlap under 35 § USC 154(b)(2)(A) is 227 days, beginning October 29, 2007 and ending on June 11, 2008.

### **Reduction under 35 U.S.C. § 154(b)(2)(C)(iii) & 37 CFR 1.704 [Applicant Delay]**

The patentee and the Office agree regarding four periods of reduction under 37 CFR 1.704, and disagree regarding one period of reduction under 37 CFR 1.704.

The Office has determined that patentee failed to engage in reasonable efforts to conclude processing or examination of its application during the following periods:

- (1) The patentee and the Office are in agreement in regards to an 88-day period pursuant to 37 CFR 1.704(b) for the period beginning January 16, 2009 and ending April 13, 2009 because the Office mailed a non-final Office action on October 15, 2008. Accordingly, the three-month response date was January 15, 2009. However, patentee did not file its amendment until April 13, 2009.
- (2) The patentee and the Office are in agreement in regards to a 46-day period pursuant to 37 CFR 1.704(b) for the period beginning September 29, 2009 and ending November 13, 2009 because the Office mailed a final Office action on June 26, 2009. Accordingly, the three-month response date was Monday, September 28, 2009. However, the patentee did not file its RCE under November 13, 2009.
- (3) The patentee and the Office are in agreement in regards to a 91-day period pursuant to 37 CFR 1.704(b) for the period beginning May 4, 2010 and ending August 2, 2010 because the Office mailed a non-final Office action on February 3, 2010. Accordingly, the three-month response date was May 3, 2010. However, the patentee did not file its amendment under August 2, 2010.

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- (4) The patentee and the Office are in agreement in regards to a 29-day period pursuant to 37 CFR 1.704(b) for the period beginning January 14, 2011 and ending February 11, 2011 because the Office mailed a final Office action on October 13, 2010. Accordingly, the three-month response date was January 13, 2011. However, the patentee did not file its RCE under February 11, 2011.
- (5) The patentee and the Office are in disagreement in regards to a 517-day reduction that was assessed pursuant to 37 CFR 1.704(c)(8), which provides that:

Circumstances that constitute a failure of the applicant to engage in reasonable efforts to conclude processing or examination of an application also include the following circumstances, which will result in the following reduction of the period of adjustment set forth in § 1.703 to the extent that the periods are not overlapping:

...

Submission of a supplemental reply or other paper, other than a supplemental reply or other paper expressly requested by the examiner, after a reply has been filed, in which case the period of adjustment set forth in § 1.703 shall be reduced by the number of days, if any, beginning on the day after the date the initial reply was filed and ending on the date that the supplemental reply or other such paper was filed; ...

The Office mailed a final Office action on October 13, 2010, a RCE was filed on February 11, 2011, and supplemental replies in the form of Information Disclosure Statements (IDSs) were received on May 8, 2012 and July 12, 2012. Neither IDS was accompanied by a proper statement under 37 CFR 1.704(d). Neither IDS was expressly requested by the examiner. The period beginning on the day after the filing of the RCE on February 12, 2011 and ending with the filing of the final aforementioned IDS on July 12, 2012 totals 517 days. It follows that a 517-day reduction is warranted pursuant to 37 CFR 1.704(c)(8), and the Office assessed a reduction of 517 days.

With this renewed petition, patentee asserts that no reduction is warranted because the IDSs were timely filed in accordance with 37 CFR 1.97(b)(4) and no actual delay was caused by the IDSs' filing. Patentee's arguments have been considered, but have been found to be unpersuasive, for the reduction is warranted pursuant to 37 CFR 1.704(c)(8).

With respect to patentee's argument that no reduction is warranted because the IDSs were timely filed in accordance with 37 CFR 1.97(b)(4), patentee is directed to the language in the June 12, 2015 redetermination, which states, in pertinent part:

The question of timeliness of an IDS under 37 CFR 1.97 is separate and independent of the patent term statute and regulations in 37 CFR 1.704. *Id.*

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(response to comment 36). Indeed, the statute itself expressly contemplates that timely responses by an applicant (e.g., those that are made between three and six months after an Office action) will nevertheless be considered to be applicant delay. See 35 U.S.C. § 154(b)(2)(C)(ii). By measuring the amount of applicant delay under 37 CFR 1.704(c)(8) from the filing date of the earlier reply to the filing date of the later supplemental reply or paper, the Office encourages early submission of such papers (by minimizing the amount of applicant delay imposed) while properly balancing the effect of such submissions against the Office's requirement to respond to the earlier reply within four months under 35 U.S.C. § 154(b)(1)(A). See 65 Fed. Reg. at 56385 (responses to comments 35 and 36).

With respect to patentee's argument that no reduction is warranted because the filing of the two IDSs did not cause any delay: The Office notes recently the Federal Circuit determined that submission of an IDS after the filing of a response to an election or restriction requirement is a reduction under 37 CFR 1.704(c)(8). See *Gilead Sciences, Inc. v. Lee* cv 14-1159 (Fed. Cir. 2015). In *Gilead*, the court noted that conduct of filing an IDS after the submission of a response to an election or restriction requirement interferes with the PTO's ability to conclude the application process because of significant time constraints faced by the PTO. See *Gilead* at page 15. Because the "A" Delay provision of the statute penalizes the PTO if the examiner fails to respond within four months of the applicant's response to the restriction requirement, any relevant information received after an initial response to a restriction requirement "interferes with the [PTO's] ability to process an application. *Id.* A supplemental IDS may force an examiner to go back and review the application again, while still trying to meet his or her timeliness obligations under § 154. *Id.*

The same analysis applies to submission of an IDS document after the filing of an RCE. The Office must respond to the submission of an RCE within four months of the filing of the RCE or provide additional "A" delay. Any IDS submission by patentee after the filing of a RCE "interferes" with the [PTO's ability] to process an application because the examiner may be forced to go back and review the application again. Patentee's related arguments that deduction is inconsistent with the statute because IDSs does not reflects an effort to advance prosecution is not persuasive since the submission of an IDS after an RCE has been submitted interferes with the Office's ability to process the application as the examiner may be forced to go back and review the application again.

Patentee's final argument that the deduction is not consistent with the Office's practice because the Office has not consistently charged an Applicant Delay when a IDS is filed subsequent to an RCE and before an action has been mailed in reply to the RCE is not persuasive as no delay would accrue if the IDSs were accompanied by a proper statement under 37 CFR 1.704(d) or the IDSs were expressly requested by the examiner. Moreover, assuming *arguendo*, that the Office has not consistently applied 37 CFR 1.704(c)(8), the Office possess inherent authority to reconsider its decision. See *Japanese Found. for Cancer Research v. Lee*, 773 F.3d 1300, (Fed. Cir. 2014). Moreover, the Office is not compelled to continue to make errors that it may have

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made in the past once the Office recognizes its prior errors. *In re Cordua Rests., Inc.*, 823 F.3d 594, 600 (Fed. Cir. 2016) (“The PTO is required to examine all trademark applications for compliance with each and every eligibility requirement, including non-genericness, even if the PTO earlier mistakenly registered a similar or identical mark suffering the same defect.”); *In re Shinnecock Smoke Shop*, 571 F.3d 1171, 1174, 91 USPQ2d 1218, 1221 (Fed. Cir. 2009) (“Even if all of the third-party registrations should have been refused registration under section 1052(a), such errors do not bind the USPTO to improperly register Applicant’s marks.”) (citation omitted); *In re Ric-Wil Co.*, 87 F.2d 516, 32 USPQ 396 (CCPA 1937) (“The applicant cites a large number of marks registered by the office recently, which are claimed to be more descriptive than the one here involved. Even if this be true, it constitutes no reason why the registration of appellant’s mark should be allowed, if it be descriptive. Administrative errors cannot change the law.”)

Accordingly, the Office maintains the 517 day period of reduction under 37 CFR 1.704(c)(8) for the filing of IDSs on May 8, 2012 and July 12, 2012 after the filing of an RCE on February 11, 2011.

### **Overall PTA Calculation**

#### **Formula:**

“A” delay + “B” delay + “C” delay - Overlap - Applicant delay = X days of PTA

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**USPTO's Calculation:**

$1740$  (i.e.,  $896 + 844$ ) +  $885$  (i.e.,  $3464 - 1483 - 1096$ ) +  $0 - 227 - 771$  (i.e.,  $88 + 46 + 91 + 29 + 517$ ) =  $1627$

**Patentee's Calculation:**

$1740$  (i.e.,  $896 + 844$ ) +  $885$  (i.e.,  $3464 - 1483 - 1096$ ) +  $0 - 227 - 254$  (i.e.,  $88 + 46 + 91 + 29 + 0$ ) =  $2144$

Patentee is entitled to PTA of one thousand, six hundred and twenty-seven (1627) days. Using the formula "A" delay + "B" delay + "C" delay - Overlap - Applicant delay = X, the amount of PTA is calculated as following:  $1740 + 885 + 0 - 227 - 771 = 1627$  days.

The Office will *sua sponte* issue a certificate of correction in an amount of 1627 days. A draft certificate of correction was enclosed in the June 12, 2015 Redetermination of Patent Term Adjustment. The Office did not issue the draft certificate of correction because patentee timely filed a request for reconsideration. Since the request for reconsideration of PTA has been denied, the Office will now issue a certificate of correction adjusting the amount of PTA to 1627 days.

Telephone inquiries regarding this decision may be directed to Attorney Advisor Shirene Willis Brantley at (571) 272-3230.

/ROBERT CLARKE/

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for Patent Examination Policy - USPTO