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Mail Stop Comments – Patents  
Commissioner for Patents  
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*Via Email: [supplemental\\_examination@uspto.gov](mailto:supplemental_examination@uspto.gov)*

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RE: REQUEST FOR COMMENTS ON THE CHANGES TO IMPLEMENT THE SUPPLEMENTAL EXAMINATION PROVISIONS OF THE LEAHY-SMITH AMERICA INVENTS ACT AND TO REVISE REEXAMINATION

The Minnesota Intellectual Property Law Association (MIPLA) is grateful for the opportunity to provide input with respect to the Notice of Proposed Rulemaking (NPR) entitled "Changes To Implement the Supplemental Examination Provisions of the Leahy-Smith America Invents Act and To Revise Reexamination Fees", 77 Fed. Reg. 3666 (January 25, 2012) ("the Notice").

MIPLA is an independent organization of nearly 500 members in and around the Minnesota area representing all aspects of private and corporate intellectual property practice, as well as the academic community. MIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent law before the United States Patent and Trademark Office.

The comments submitted herewith reflect the general views of the Board of MIPLA after consultation and input from the IP Law, Patent Practice and Patent Litigation Committees, and do not necessarily reflect the view of opinions of any individual members or firms of the committees or MIPLA, or any of their clients.

**I. 37 C.F.R. § 1.625(d)(2): Clarify scope of Reexamination based on Supplemental Reexamination Request**

We respectfully submit that the proposed rules do not provide enough guidance as to the scope of a Reexamination based on an SER.

Proposed §1.625(d)(2) indicates that "Reexamination of any aspect of the patent may be conducted on the basis of any item of information as set forth in §1.605, and is not limited to patents and printed publications or to subject matter that has been added or deleted during the reexamination proceeding notwithstanding §1.552(c)."

Does this mean that all elements in the SER, regardless of whether the Patent Office determined that they raised a substantial new question of patentability, are within the scope of

the Reexamination? Or is the Reexamination limited to only those elements identified by the Patent Office as raising a substantial new question of patentability?

## **II. Lack of Clarity – When will an element be marked as "considered during a supplemental examination?"**

We respectfully submit that the proposed rules do not clearly indicate that an element is to be designated as having been "considered during a supplemental examination of the patent" (35 U.S.C. §257(c)(1)) if the element is deemed by the Patent Office to not raise a substantial new question of patentability. We respectfully request that the supplemental examination certificate list each element of the SER and expressly state that the element was considered during the supplemental examination of the patent even if the element is deemed by the Patent Office to not raise a substantial new question of patentability.

## **III. Lack of Clarity – Multiple Supplemental Examination Requests**

We respectfully submit that the new rules do not provide enough guidance as to how the Office intends to manage multiple simultaneous Supplemental Examination Requests (SERs) for the same patent; additional SERs that are submitted during an *Ex Parte* Reexamination based on an earlier SER; or SERs that are submitted during an *Ex Parte* Reexamination that is not based on an earlier SER.

Although the rules indicate that the Patent Owner is allowed to file multiple simultaneous SERs for the same Patent, the rules do not indicate the relationship between these SERs in the Patent Office. For example, if one SER is found to raise a substantial new question of patentability, do the items listed in the other SERs automatically become part of the Reexamination? Does each SER need to raise at least one substantial new question of patentability on its own? Does each SER trigger its own Reexamination resulting in parallel Reexamination proceedings? Will the Office raise rejections for combinations of references in different SERs?

Our thoughts on this are that parallel Reexamination proceedings are inefficient and difficult to manage both for the Patent Owner and the Patent Office. As such, we recommend that multiple SERs be folded into a single Reexamination proceeding. Further, if the Office determines that all elements in an SER are to be examined during Reexamination, and not just those elements that raise a substantial new question of patentability, once a Reexamination has been ordered based on one SER, the other SERs do not have to be examined by the Office to determine if any of the elements in the other SERs raise a substantial new question of patentability. Instead, supplemental examination certificates may be automatically issued for the other SERs. These certificates would make reference to the earlier SER certificate.

If SERs were automatically folded into a single Reexamination, we request that the rules provide for a refund of a substantial portion of the SER fee for those SERs that are made part of

an existing Reexamination without needing to be reviewed for a substantial new question of patentability. This refund would be based on the fact that the Patent Office would not need to expend resources reviewing the SER and as such, should have very low expenses tied to issuing the supplemental examination certificate.

#### **IV. Lack of Clarity – IDS practice**

We respectfully submit that the rules are also not clear as to whether a new reference cited in an IDS by the Patent Owner during a Reexamination based on an SER would be designated as being "considered during the supplemental examination of the patent" by the Patent Office. Without a clear indication that such a reference would receive a "considered" designation, Patent Owners will be inclined to file a new SER instead of an IDS in order to gain the benefit of the effect of 35 U.S.C. §257(c)(1). We believe this would be inefficient for both the Patent Office and the Patent Owner. As such, we respectfully request that the rules explicitly indicate that any reference cited in an IDS during a Reexamination based on an SER is to be designated as being "considered during the supplemental examination of the patent." We believe such an explicit statement in the rules will also help to reduce litigation costs associated with this question.

#### **V. 37 C.F.R. § 1.610(8): Detailed explanation for each identified issue.**

We respectfully submit that the requirement for a detailed explanation for each identified issue is unnecessary and places the Owner(s) in jeopardy of raising new inequitable conduct issues. It should be sufficient for the Owner(s) to identify potential issues raised by an item. For example, at most, the Owner(s) should have to say that a reference is being submitted because it may raise a 102 or 103 issue. It is up to the Office to determine if the reference in fact raises such issues. Often, patent owners will be submitting references that they do not believe affect the patentability of the claims. The references are only being submitted to ensure that an inequitable conduct defense cannot be raised later.

#### **VI. 37 C.F.R. § 1.20: Estimate fiscal year 2013 costs for Supplemental Examination Request, *Ex Parte* Reexamination, and petitions filed in *Ex Parte* and *Inter Partes* Reexamination proceedings.**

On page 3668 of the Notice and in a separate paper titled "Cost Calculations for Supplemental Examination and Reexamination" the Office estimated its cost for fiscal year 2013 for processing and treating a request for supplemental examination (\$5,180), for conducting an *Ex Parte* Reexamination ordered as a result of a Supplemental Examination Request ("SER")(\$16,120), for conducting an *Ex Parte* Reexamination that is not the result of an SER (\$17,750), and for refusing a request for *Ex Parte* Reexamination (\$4,320). Our Committees respectfully question some of those amounts.

First, we note the huge discrepancy in the Office's estimate of the cost of *Ex Parte* Reexamination (\$16,120) versus initial examination (\$1970) ([http://www.uspto.gov/aia\\_implementation/fee\\_setting\\_ppac\\_hearing\\_appendices\\_7feb12.pdf](http://www.uspto.gov/aia_implementation/fee_setting_ppac_hearing_appendices_7feb12.pdf)). It seems unusual that an *Ex Parte* Reexamination that is limited to a predefined set of issues would be over 8 times more costly than an open-ended initial examination. We respectfully request that the Office provide an explanation for this discrepancy.

Second, in the computation of the estimated cost for conducting an *Ex Parte* Reexamination that is not the result of an SER, the Office's fiscal year 2010 examination-related total cost of granted *Ex Parte* Reexamination proceedings was said to be \$10,999,951. This value was then divided by the total number of Office Actions in 2010 *Ex Parte* Reexaminations (2,638) to arrive at a purported 2010 cost per Office Action in granted *Ex Parte* Reexaminations of \$4170. Our Committees respectfully submit that this computation is incorrect because it incorrectly assumes that the only costs that are included in the \$10,999,951 figure are costs attributable to Office Actions.

In fact, the Office's fiscal year 2010 examination-related total cost of granted *Ex Parte* Reexamination proceedings (\$10,999,951) includes the costs of determining that requests for *Ex Parte* Reexamination should be granted. Such costs were not subtracted from the total *Ex Parte* Reexamination costs when forming the examination-related total cost because only the costs of refusing such a request were subtracted. (See table 1D of Cost Calculations) The costs associated with determining whether to grant a request for *Ex Parte* Reexamination were not addressed.

Assuming the cost of determining that a request for *Ex Parte* Reexamination should be granted is the same as the costs of determining that a request for *Ex Parte* Reexamination should be refused, there is a cost of \$4050 per *Ex Parte* Reexamination request granted in 2010 that remains in the \$10,999,951 figure. According to the Quarterly Reexamination statistics published September 2011 by the U.S. PTO at [http://www.uspto.gov/patents/EP\\_quarterly\\_report\\_Sept\\_2011.pdf](http://www.uspto.gov/patents/EP_quarterly_report_Sept_2011.pdf), there were 780 requests for *Ex Parte* Reexamination in 2010 and, according to the present Notice, 54 of those requests were refused. This means there were 726 (780 – 54) granted requests for *Ex Parte* Reexamination resulting in a total cost of \$2,940,300 (726 X \$4050) for considering and granting requests for *Ex Parte* Reexamination in 2010. This amount must be subtracted from the examination-related total cost of \$10,999,951 to arrive at the true examination-related cost of granted *Ex Parte* Reexamination proceedings \$8,059,651.

Dividing the true examination-related costs of granted *Ex Parte* Reexamination by the number of 2010 *Ex Parte* Reexamination Office Actions (2,638) results in a per Office Action cost of \$3,055 (\$8,059,651/2,638) not \$4,170. Multiplying this value by the Office's estimated number of Office Actions per *Ex Parte* Reexamination (3.92) results in a 2010 *Ex Parte* Reexamination cost of \$11,976. Adding the paper and publication costs of \$302, multiplying by the CPI for 2011, 2012 and 2013 (1.066) and rounding up to nearest ten results in a Fiscal Year 2013 estimate of *Ex Parte* Reexamination costs of \$13,090.

Adding the 2013 estimated cost of considering and granting a request for *Ex Parte* Reexamination (\$4,320) results in a total cost for filing a request for *Ex Parte* Reexamination of \$17,410 (\$13,090 + \$4,320). Multiplying the 2013 estimated *Ex Parte* Reexamination costs (\$13,090) by 1.2, the *Ex Parte* Reexamination cost in response to a SER becomes \$15,710.

The committee further questions the Office's estimate that a Reexamination in response to a SER will take 20% more work than other Reexaminations. The reasoning provided for this estimate is that other issues such as §101 and §112 issues can be raised in a Reexamination that is based on an SER but not for other *Ex Parte* Reexaminations. This assumes that in an SER, the patent owner will present §101 and §112 issues in addition to patent and prior art issues raised in non-SER Reexaminations. However, there is no basis for this assumption. It may be that patent owners will file SERs just for §101 issues or just for §112 issues. The Office's assumption that §101 issues and §112 issues will always be presented with patent and prior art issues is unsupported. The Office simply does not know how many or what types of issues will be presented in SERs and the guess of 20% more work may be grossly inaccurate.

We also note that the Office's proposed tiered pricing model appears arbitrary and capricious. In particular, the per element fee varies from \$21,300 for one element in a SER to \$2,130 for ten elements in a SER. The Proposed Rules provide no justification for this arbitrary pricing structure.

As an alternative, we recommend that the Patent Office base the fees for the SER on the number of elements in the SER and that the Patent Office not limit the Patent Owner to any particular number of elements in an SER. This will allow the Patent Office to generate a more accurate estimate since the Patent Office can easily estimate a base fee based on administrative costs of handling a generic incoming SER and issuing a generic supplemental examination certificate as well as an average fee to consider whether an individual element raises a substantial new question of patentability. If this fee structure is adopted, we respectfully request that the rules provide for refunding fees for any element that the Patent Office did not need to review because an earlier element already triggered a Reexamination.

**VII. 37 C.F.R. § 1.20: Provide a discount for applicants that submit information associated with supplemental examination electronically via EFS-Web.**

It is recommended that Rule 1.20 be amended to allow for a discount for patent owners that use EFS-Web to submit information associated with an SER. A similar discount of approximately 25% is already applied by the USPTO when an application is filed electronically via EFS-Web as opposed to via postal mail. See, for example, 37 C.F.R. § 1.52(f)(2) and MPEP § 607, which allow a 100-page application filed electronically to be treated as a 75-page application filed via mail.

**VIII. 37 C.F.R. § 1.20(k)(3): Clarify fees for translated documents over 20 sheets in length and for documents over 50 pages in length for which a summary is provided.**

Proposed rule 1.20(k)(3) discloses the fees for processing and treating in a supplemental examination proceeding a non-patent document over 20 sheets in length. Our Committees recommend that rule 1.20(k)(3) be altered so that there is no additional charge for submitted documents that are over 50 pages in length if a summary is provided as required by 37 C.F.R. § 1.610(b)(11). Alternatively, the summary should not be included in the page count when determining fees since it is being provided to assist the Patent Office. It is believed that providing such a summary would alleviate the Office from having to thoroughly review the entire 50 or more pages of the submitted document and as such, the Office's cost for working with such documents should be lower.

It is further recommended that rule 1.20(k)(3) be amended to specify that when the non-patent document being submitted is in a language other than English, the page limit and the applicable fees should apply only to the page count of the English translation of the non-patent document. The page count of the non-English document should be excluded from all fee calculations since the Examiner does not have to read the non-English document.

**IX. 37 C.F.R. § 1.601: Correct minor typographical errors in paragraphs (b) and (c).**

Proposed rule 1.601(a) provides that a request for supplemental examination of a patent must be filed by the *owner(s)* of the entire right, title, and interest in the patent. (Emphasis added.) Rule 1.601(b) then provides that the patent *owner* must establish the entirety of the ownership interest in the patent of paragraph (a) by filing, as part of the request, a submission in compliance with the provisions of § 3.73(b). (Emphasis added.) Similarly, rule 1.601(c) states that any party other than the patent *owner* (*i.e.*, any third party) is prohibited from filing papers or otherwise participating in any manner in a supplemental examination proceeding. (Emphasis added.) Since paragraph (a) refers to patent owner(s) in a plural form, paragraphs (b) and (c) should be corrected to similarly refer to the patent owner(s) in the plural form.

**X. 37 C.F.R. § 1.610(b)(8): Clarify how the detailed explanation for each issue identified in the SER will be used by the Office.**

Proposed rule 1.610 sets forth rules regarding the content that is necessary when filing an SER. Specifically, proposed rule 1.610(b)(8)(iii) requires the patent owner to provide an explanation of how each limitation of each claim identified for examination with respect to an issue under 35 U.S.C. §§ 102, 103, or a double patenting issue, is met or is not met by each item of information. The proposed rule further provides that this detailed explanation may also include an explanation of how the claims distinguish over the items of information.

The proposed rule is not clear as to how this detailed explanation will be used by the Office. Will it only be used to determine if a Reexamination will be ordered? Will it be available to the Examiner during Reexamination? Does it become part of the Reexamination record?

In particular, if the patent owner's explanation includes an explanation of how the claims distinguish over the items of information and this explanation is considered during Reexamination, would permitting such explanations be contrary to the spirit of 35 U.S.C. § 257(b), which provides that "reexamination shall be conducted according to the procedures established by chapter 30, except that the patent owner shall not have the right to file a statement pursuant to section 304."

**XI. 37 C.F.R. § 1.610(b)(9): Eliminate requirement of submitting copies of patent for which supplemental examination is requested and any certificates concerning that patent issued by the patent office.**

Proposed rule 1.610 lists the content that would be necessary to file an SER. Proposed rule 1.610(b)(9) requires that a copy of the patent for which supplemental examination is requested be included with the SER. The same paragraph further requires that a copy of any disclaimer, certificate of correction, certificate of extension, supplemental examination certificate, post grant review certificate, *inter partes* review certificate, or reexamination certificate issued for the patent also be included with the request for supplemental examination. Our Committees believe that patent owners requesting supplemental examination should be not required to provide copies of the patent for which supplemental examination is requested or any certificates issued by the Office for the patent since those items should be readily available to the Office.

**Conclusion**

We hope the Office finds these comments helpful in promulgating rules to implement the new Supplemental Examination proceedings.

Respectfully Submitted on behalf of MIPLA by,

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