

USPTO Issues Proposed Rulemaking for Supplemental Examination Provisions of AIA

By [Andrew Williams](#) -- February 08, 2012



On January 25, 2012, the U.S. Patent and Trademark Office published its notice of proposed rulemaking to implement the supplemental examination provisions of the Leahy-Smith America Invents Act ("the AIA") ([77 Fed. Reg. 3666](#)). This is one of the ten notices that the Office plans to publish to implement the various provisions of the AIA, and specifically deals with § 12 of the Act, which amends chapter 25 of title 35, United States Code by adding new § 257 "Supplemental examinations to consider, reconsider, or correct information." We provided an overview of the supplemental examination provisions of the AIA last fall (see "[AIA Overview: Supplemental Examination](#)"). In short, this new provision permits "a patent owner to request supplemental examination of a patent by the Office to consider, reconsider, or correct information believed to be relevant to the patent." 77 Fed. Reg. 3666. The Office is required by statute to determine within three months of a request whether it raises a substantial new question of patentability, and if so, the Director is required to order an *ex parte* reexamination of the patent. Such a reexamination follows the same rules as a normally requested reexamination, except that the patent owner does not get the opportunity to submit a statement pursuant to section § 304 after the reexamination is ordered, and the reexamination is not limited to patents and printed publications. In addition to providing notice of rules for implementing this new procedure, the Office also proposed fees for both supplemental examination and various reexamination fees. Notably, the Office is proposing raising the cost for filing a request for *ex parte* reexamination to \$17,750! Written comments related to these proposed rules must be received by March 26, 2012.

In general, the proposed rules track the provisions of § 12 of the AIA, but there are a few notable exceptions. The AIA did provide the Office with the authority to implement some of its own procedures, but otherwise the Office took the opportunity to interpret some sections of the AIA and propose its own rules when the AIA was silent on an issue. This report will mainly focus on the unique aspects of the Office's proposed implementation of supplemental examination, but where necessary to provide context, the provisions of § 12 of the AIA and the reasons for its enactment will be described. In addition, even though this report provides an overview of some of the more interesting aspects of the proposed rule, it is not meant to be exhaustive.

As may be self-evident, one of the purposes of the new supplemental examination procedure is to help cure an application from potential future allegations of inequitable conduct. Therefore, one of the most significant differences between this procedure and *ex parte* reexamination is that supplemental examination is not limited to patents and printed publications. The Office recognizes that the type of information that can come from a variety of new sources, and some of these types of information may be difficult for the Office to review, especially in the view of the imposed three-month deadline. Moreover, in addition to raising issues of novelty or obviousness, the patent owner is allowed to raise issues of patentability under 35 U.S.C. §§ 101 and 112. As a result, the Office is proposing specific rules to ensure that the determination of whether there is a substantial new question of patentability can be made within this three-month time frame. First, the Office is proposing setting a limit of ten (10) "items

of information" that can be included with such a request. According to the Office, the rationale for such a number is that allegations of inequitable conduct during patent litigation typically concern fewer than ten items of information. Moreover, the Office reasons, if a patentee has more than ten items, more than one supplemental examination request can be filed at the same time. This limit on the number of items, however, is irrelevant to whether the items need to be combined, for example, where the request includes an issue of obviousness. In such a case, it is easy to see where the limit of ten items could be reached. Second, the Office is proposing an additional fee for any document submitted with the request that is in excess of 20 pages, as well as requiring a summary of the relevant portions of document over 50 pages. The Office does suggest that overly long documents can be redacted, provided that no relevant information is excluded. However, it is probably not advisable to submit a redacted portion of a document, especially if the document was responsible for the determination to file supplemental examination in the first place. Finally, the Office is proposing that the request must include (1) an identification of each issue raised by each item of information, (2) a detailed explanation for each issue, and (3) an explanation of how each item of information is relevant to each aspect of the patent to be examined and how each item raises each identified issue. It is clear that these requirements are meant to assist the Office in meeting its deadline. However, even though it might be advisable for a patent holder to alert the Office to reasoning as to why it is citing an item of information in its request, patent holders will likely be weary of providing too much information, and therefore will need to approach such a task cautiously.

And, for clarification, the proposed rules do define what an "item of information" is. For example, an item can be a document that is submitted as part of the request. Examples of these items include journal articles, patents, affidavits, declarations, and transcripts of recordings (in fact, it appears that as long as it is written, it can be an item of information). However, an item need not be a document, as documentary evidence may not be available for some issues, such as issues related to satisfying 35 U.S.C. § 101. In these cases, the Office is proposing that the "item of information" be the discussion of the issue within the body of the request. However, the proposed rules are clear that if the item is text within the request (or even another "document" reproduced in the request), the patentee still must count that item as one of the ten. And, the Office is proposing that the item of information must be in writing. As such, audio or video recordings must be submitted in the form of a written transcript.

An interesting provision of the AIA as it relates to supplemental examination involves what happens if the Director becomes aware that "material fraud" on the Office was committed in connection with a patent. In such a case, the Director is authorized to take certain actions, such as the cancellation of claims. However, the Director is required to refer the matter to the Attorney General. As a result, the Office stated clearly in the proposed rules that the standard for "material fraud" is narrower than for inequitable conduct as defined by the Federal Circuit in [Therasense, Inc. v. Becton, Dickinson & Co.](#), 649 F.3d 1276 (Fed. Cir. 2011). No further explanation of how much narrower was provided, however.

The Office has proposed several other interesting rules in connection with supplemental examination. First, the patentee cannot file any amendments with the request for supplemental examination. In fact, because the patentee does not get an opportunity to submit a statement should a reexamination be declared, the first opportunity to file claim amendments is after the first Office action on the merits. The Office is also proposing a prohibition on interviews during the supplemental examination proceedings. However, this does not preclude a call to the Office to confirm receipt of a request or to discuss

procedural questions. In addition, the Office is proposing a rule that prohibits third parties from participating or filing papers in a supplemental examination proceeding. Of course, this proposal isn't that surprising, because third parties are also prohibited from participating in any *ex parte* reexamination proceeding, should one be ordered.

One of the more shocking aspects of the proposed rules is the size of the proposed fees for both requesting supplemental examination and for filing a request for *ex parte* reexamination. Currently, the fee of the reexamination request is \$2,520. However, the Office is proposing that this fee be raised to \$17,750, with a subset of the fee refunded should the request be refused. In addition, the proposed fee for a supplemental examination request is \$5,180, but such a request must also include the fee for reexamination should it be ordered, in this case \$16,120. Therefore, provided there are no documents over 20 pages submitted with the request (because documents over 20 pages require an additional fee), the fee that must accompany a request for supplemental examination is \$21,300. The Patent Office acknowledges that it is not following the provisions of the AIA that set out the process for setting or adjusting fees, allegedly because it is not feasible to have these fees in place by September 16, 2012 under that scheme. Therefore, the Office is relying on 35 U.S.C. § 41(d)(2) for its authority, which allows the Office to set fees to recover the estimated average cost to the Office of processing, services, or materials. The notice does discuss the analysis of how these estimated numbers were derived, and refers the reader to the Patent Office [website](#). Still, considering the onerous requirements that the AIA placed on the Office in relation to supplemental examination (for example, requiring a decision within three months), one can't help but wonder whether the Office is proposing these new fees as a way to deter patent holders from filing such a request, rather than an effort to recoup their ultimate costs.

Similar to the other notices of rulemaking, comments can be submitted by e-mail to supplemental_examination@uspto.gov; by regular mail addressed to: Mail Stop Comments -- Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, marked to the attention of Cynthia L. Nessler, Senior Legal Advisor, Office of Patent Legal Administration, Office of the Associate Commissioner for Patent Examination Policy; or via the Federal eRulemaking Portal. Again, the deadline for submitting comments is March 26, 2012. Additional information regarding the submission of comments can be found in the Office's Federal Register notice ([77 Fed. Reg. 3666](#)).

For information regarding the Office's implementation of other AIA provisions, please see:

- "[USPTO Proposes Rules Changes for Implementing AIA Provisions -- Oath or Declaration Provisions](#)," January 30, 2012
- "[USPTO Proposes Rules Changes for Implementing AIA Provisions -- Statute of Limitations Provisions for Office Disciplinary Proceedings](#)," January 16, 2012
- "[USPTO Proposes Rules Changes for Implementing AIA Provisions -- Preissuance Submissions Provision](#)," January 12, 2012
- "[USPTO Proposes Rules Changes for Implementing AIA Provisions -- Miscellaneous Post Patent Provisions](#)," January 11, 2012

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