

United States Patent and Trademark Office

Setting and Adjusting Patent Fees

At a Glance



September 6, 2012

This document is a compliment to the Setting and Adjusting Patent Fees Proposed Rules (77 Fed. Reg. 55028, September 6, 2012)



Introduction

- This document provides an overview of the following information included in the Section 10 Notice of Proposed Rulemaking (NPRM), *Setting and Adjusting Patent Fees*:
 - ↪ Rulemaking Goals and Strategies
 - ↪ Benefits and Costs of the Rulemaking
 - ↪ Proposed Fee Amounts
- The following additional USPTO Section 10 – Fee Setting documents are an integral part of the proposal and should be read with this document:
 - ↪ Section 10 NPRM, *Setting and Adjusting Patent Fees*;
 - ↪ Regulatory Impact Analysis (RIA) for Setting and Adjusting Patent Fees;
 - ↪ Table of Patent Fee Changes;
 - ↪ Activity-Based Information and Costing Methodology;
 - ↪ Description of Elasticity Estimates;
 - ↪ Initial Regulatory Flexibility Act (IRFA) Tables; and
 - ↪ The five Aggregate Revenue Estimates Tables.



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Fee Setting Goals and Strategies



Fee Setting Goals and Strategies

- Ensure the patent fee schedule generates sufficient aggregate revenue to recover the aggregate cost to achieve two significant USPTO Goals:
 - ↪ Optimize patent timeliness and quality; and
 - ↪ Implement a sustainable funding model for operations.

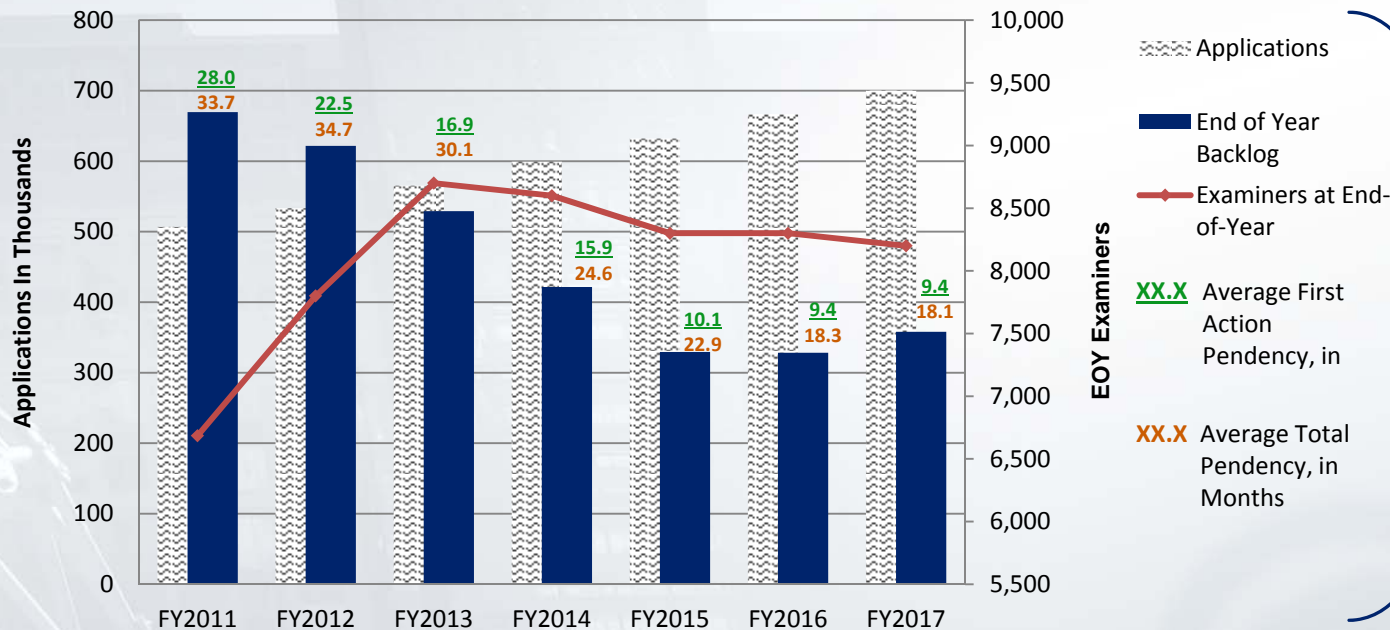
- Set individual fees to further key policy considerations while taking into account the cost of the particular service. Policy factors contemplated are:
 - ↪ Fostering innovation;
 - ↪ Facilitating the effective administration of the patent system; and
 - ↪ Offering patent prosecution options to applicants.



Optimize Patent Timeliness and Quality

○ Timeliness: Decreasing Patent Application Pendency

↳ Based on the assumptions contained in the NPRM, the Office will reduce Total Pendency by more than 12 months during a five-year period (FY 2013 to FY 2017)



Permits applicants to obtain a patent sooner than he or she would have without the proposed fee changes.

In most cases, the sooner an applicant can obtain a patent, the sooner the patent holder is able to commercialize or otherwise obtain value from the exclusive right for the technology.

↳ Provides for an incremental benefit (increase in the average value of a patent) to patent applicants, holders, stakeholders and society of nearly \$7 billion over the same five-year period.



Optimize Patent Timeliness and Quality

- **Quality:** the quality of application review is critical to the value of an issued patent.
 - ↪ Quality issuance of a patent provides certainty in the market and allows businesses and innovators to make informed and timely decisions on product and service development.

- The proposed fees will permit the Office to continue improving patent quality through:
 - ↪ Comprehensive training for examiners;
 - ↪ Expanded and enhanced Ombudsman program;
 - ↪ Reengineering the examination process;
 - ↪ Guidelines for examiners to address clarity in patent applications; and
 - ↪ Encouraging and facilitating examiner-applicant interviews.



Sustainable Funding Model

- The proposed fee structure allows the Office to operate within a more sustainable funding model than in the past.

- The proposal includes the cost to continue building an operating reserve of three months of operating expenses.
 - ↪ The Office estimates reaching the three-month target in 2017.
 - ↪ It facilitates the Office's long-term operational and financial planning.
 - ↪ It increases the USPTO's ability to absorb and respond to unanticipated shocks and temporary changes in its operating environment or circumstances.

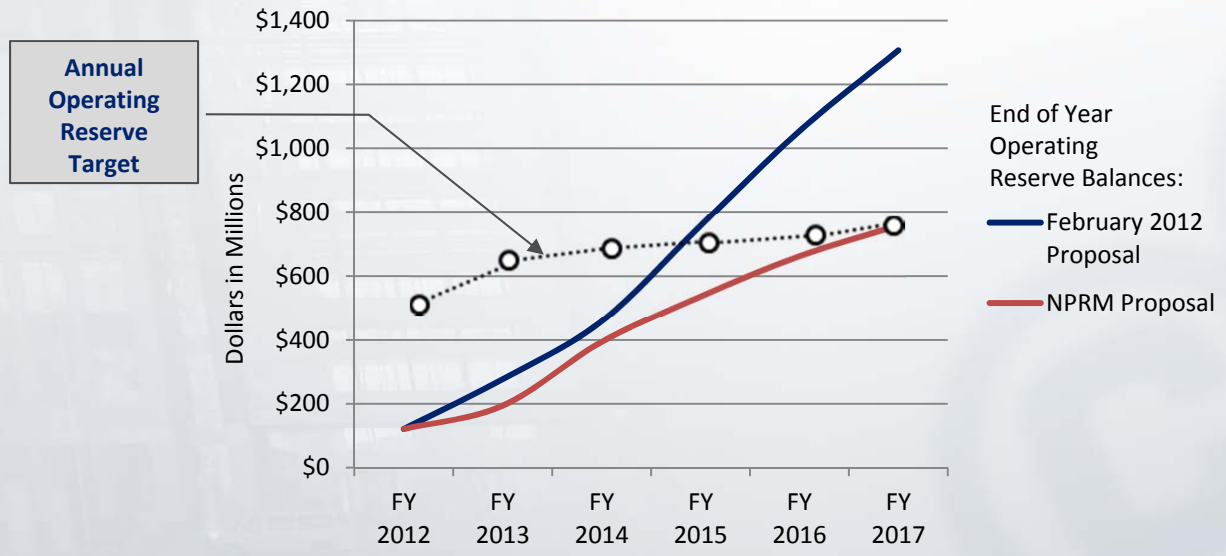


Sustainable Funding Model

○ The operating reserve estimates in the proposal are as follows:

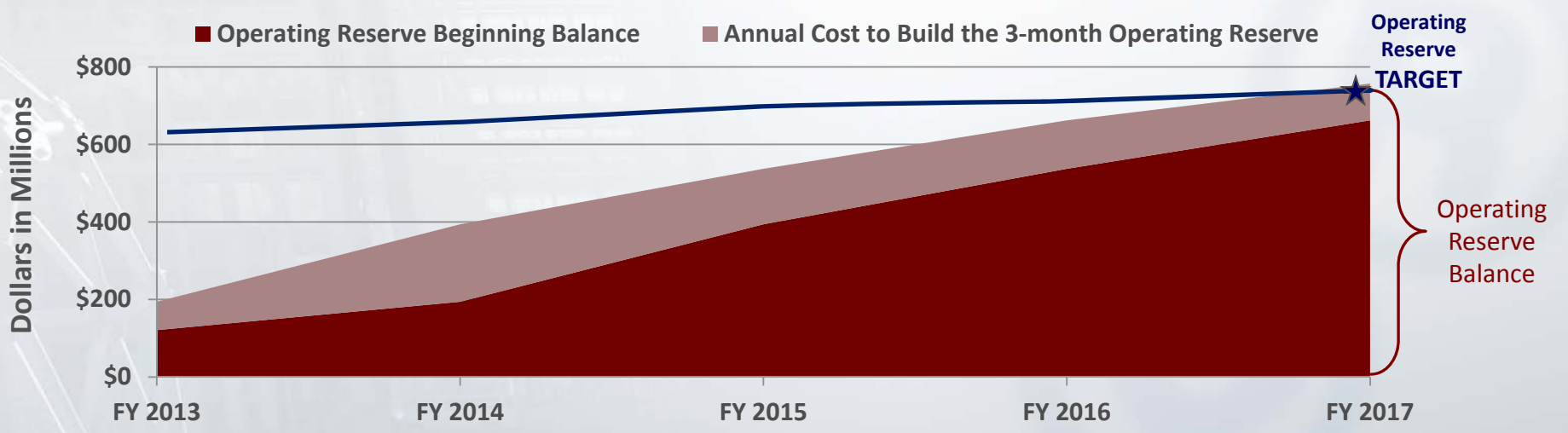
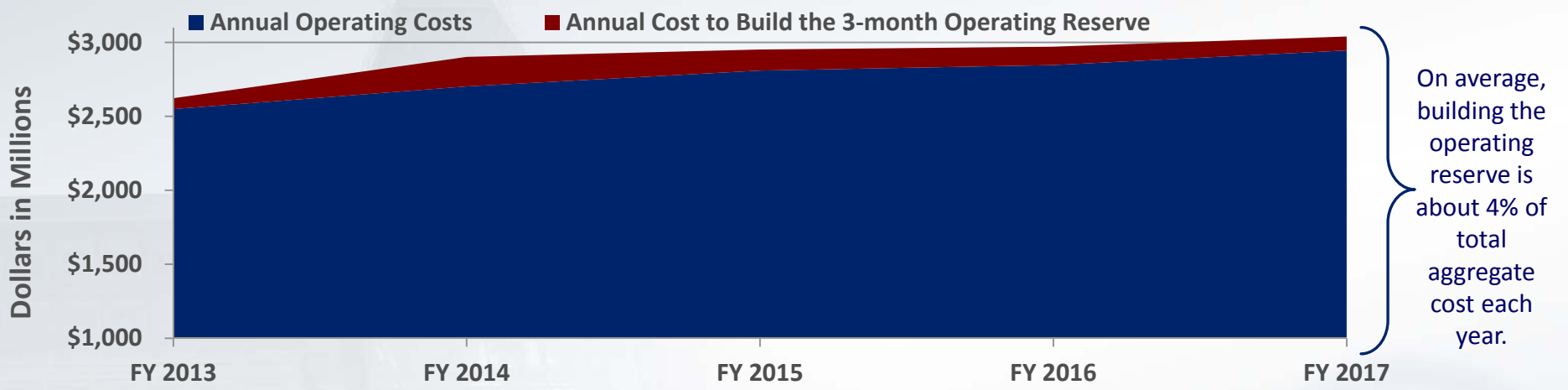
| Description | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 |
|--------------------------------------|---------|---------|----------|---------|---------|
| 3 Months Operating Expense | \$637 M | \$676 M | \$702 M | \$712 M | \$736 M |
| Estimated End of Year Balance | \$194 M | \$394 M | \$537 M | \$662 M | \$757 M |
| Annual Cost (Increase to Reserve) | \$73 M | \$200 M | \$ 143 M | \$125 M | \$95 M |

Target Achieved





Operating Reserve Plan Trends

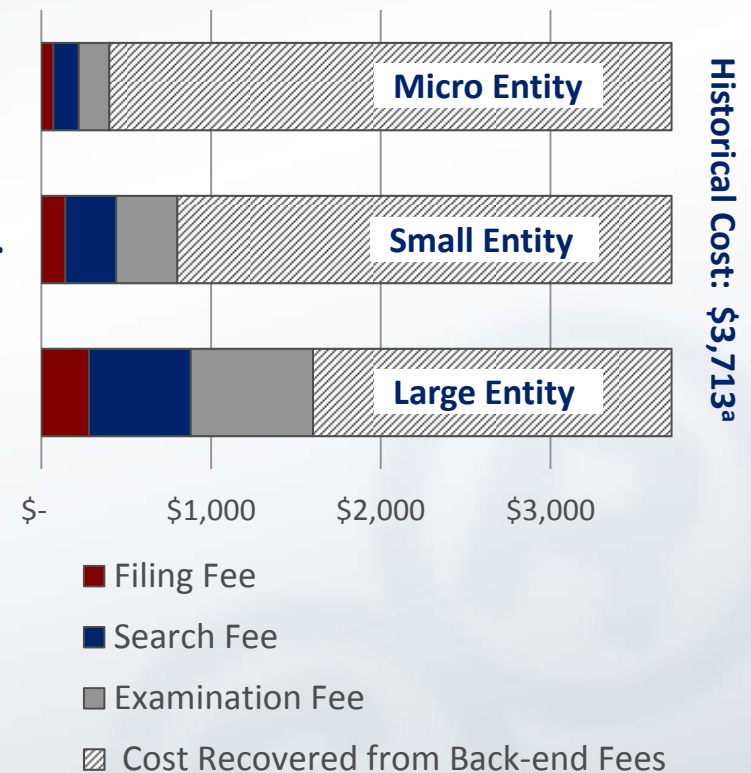




Policy Factors Contemplated

○ **Fostering Innovation:** The proposed fee schedule helps to foster innovation by:

- ↪ Setting basic “front-end” fees (e.g., filing, search, and examination) below the actual cost of carrying out these activities.
- ↪ Providing fee reductions for small (50%) and micro (75%) entity innovators.
 - ⇒ Setting these fees below cost requires other fees to be set above cost.
- ↪ Setting basic “back-end” fees (e.g., issue and maintenance) above cost to recoup the revenue not collected by “front-end” and small and micro entity fees.



^a Throughout this document, historical cost represents the three-year (2009, 2010, 2011) average historical cost.



Policy Factors Contemplated

○ **Fostering Innovation** (continued):

- ⇒ Higher “back-end” fees also foster innovation and benefit the overall patent system.
 - ⇒ Patent owners more closely assess the expected value of an existing patent over its life.
 - ⇒ If this individual cost-benefit assessment indicates the value of the patent is out-weighed by the cost for maintaining the patent in force (e.g., paying the next maintenance fee), then the patent holder may forgo paying the maintenance fee, leaving the patent to expire.
 - ⇒ Expiration moves the subject matter of the patent to the public domain for subsequent commercialization.



Policy Factors Contemplated

○ *Facilitating the effective administration of the patent system:*

- ↪ Encourage the submission of applications or other actions that enable examiners to provide prompt and quality interim and final decisions;
- ↪ Encourage the prompt conclusion of prosecution of an application, which results in pendency reduction, faster dissemination of information, and certainty in patented inventions; and
- ↪ Help recover the additional costs imposed by some applicants' more intensive use of certain services.



Policy Factors Contemplated

○ ***Offering patent prosecution options to applicants:***

- ↪ Providing applicants with flexible and cost-effective options for seeking patent protection. For example,
 - ⇒ Prioritized examination for utility and plant applications offers applicants a choice for greater control over the timing of examination by choosing a “fast track” examination for an additional fee.
 - Enables greater certainty in patent rights sooner.
 - ⇒ Multi-part fees for requests for continued examination (RCE).
 - Maintains lower fees, considerably below cost, for filing a first RCE and then a higher fee, still below cost, for second and subsequent RCEs.
 - When used, most applicants require only one RCE to complete prosecution.
 - ⇒ Staged fees for *ex parte* appeals.
 - Allows applicants to pay less in situations where an application is allowed or prosecution is reopened before being forwarded to the Patent Trial and Appeal Board.
 - Provides opportunity for decisions at multiple points in the process.



Benefits and Costs



Rulemaking Benefits and Costs

- The U.S. economy depends on high quality and timely patents to protect new ideas and investments for business and job growth.
 - ↪ The Office estimates that the additional aggregate revenue derived from the proposed fee schedule will benefit patentees by enabling:
 - ⇒ Total patent pendency to decrease by 12 months during the five-year planning period (FY 2013 – FY 2017).
 - ⇒ A three-month patent operating reserve by FY 2017, thereby maintaining a sustainable funding model to aid the Office in maintaining low pendency and a smaller patent application backlog.



Rulemaking Benefits and Costs

- The Office prepared a RIA to analyze the benefits and costs of the NPRM over a five-year period (FY 2013 – FY 2017).
 - ↪ The analysis compared the proposed fee schedule to the current fee schedule (baseline) and three other alternatives.
 - ↪ The proposed fee schedule has the largest **incremental net benefit** to patent applicants, patent holders, other patent stakeholders, and society of **nearly \$7 billion* over the five-year period**.
 - ⇒ The **incremental benefit** of an increase in private patent value of nearly **\$7.7 billion** is discussed on page 18 of this document.
 - ⇒ The **qualitative benefits** are summarized on page 19 of this document.
 - ⇒ The **incremental cost** of patent operations of about **\$0.7 billion** is discussed on page 20 of this document.
 - ⇒ The **incremental cost** of lost patent value of over **\$0.1 billion** is discussed on page 21 of this document.



Rulemaking Benefits and Costs

- The most significant **benefit** is the increase in the average value of a patent that stems from a decrease in patent application pendency. This is estimated to be a total of \$7.7 billion.
 - ↪ The majority of the benefit was estimated assuming that when patent pendency decreases, a patentee holds the exclusive right to the invention earlier - increasing the private value of that patent.
 - ⇒ The analysis assumed that an increased value to patent holders depends on patent holders being sensitive to the time value of money by preferring profits earlier as opposed to later in time.
 - ⇒ The Office discounted the baseline private patent value forward by the amount of time that pendency decreased.
 - ↪ This decrease in pendency is a benefit by increasing patent value because it speeds the commercialization of new technologies.



Rulemaking Benefits and Costs

- The following two qualitative **benefits** were identified when assessing the impact of the rule:
 - ↪ The design of the proposed fee schedule offers benefits associated with the three policy factors listed below and discussed previously on pages 11 through 14 of this document.
 - ⇒ Fostering innovation;
 - ⇒ Facilitating the effective administration of the patent system; and
 - ⇒ Offering patent prosecution options to applicants.
 - ↪ By decreasing patent pendency, applicants and other potential innovators have greater certainty through clearly defined and an unambiguous scope of patent rights sooner.
 - ⇒ This has an overall beneficial impact on the freedom to innovate and the market for technology.



Rulemaking Benefits and Costs

- The Office estimated an incremental increase in the **cost** of patent operations which will be funded by the increased fees paid by patent applicants and holders. The most significant reasons for the increase in the cost of patent operations of \$0.682 billion over the five-year period are:
 - ↪ The increased patent examination capacity to work on the large backlog of patent applications in inventory, thus reducing patent application pendency.
 - ↪ Building the three-month operating reserve by FY 2017 to support a sustainable funding model.



Rulemaking Benefits and Costs

- The Office also estimated that the proposed rule will result in a **cost** associated with the short-term reduction in the number in patent applications filed as applicants adjust to the new pricing.
 - ↪ Overall, the number of patent applications filed will continue to grow year-over-year.
 - ↪ The Office estimates that fewer applications than the number estimated in the absence of a fee increase will be filed as follows:
 - ⇒ FY 2013 1.3 percent less;
 - ⇒ FY 2014 2.7 percent less; and
 - ⇒ Beginning in FY 2015 4.0 percent less.
 - ↪ Beginning in FY 2016, the Office estimates that application filings will return to the same growth rate as anticipated in the absence of a fee increase.
 - ↪ The estimated private patent value that is lost from the applications never filed is estimated to be a cost of \$0.135 billion over the five-year period.



Overview of Proposed Fee Structure



Summary of Fees Set and Adjusted

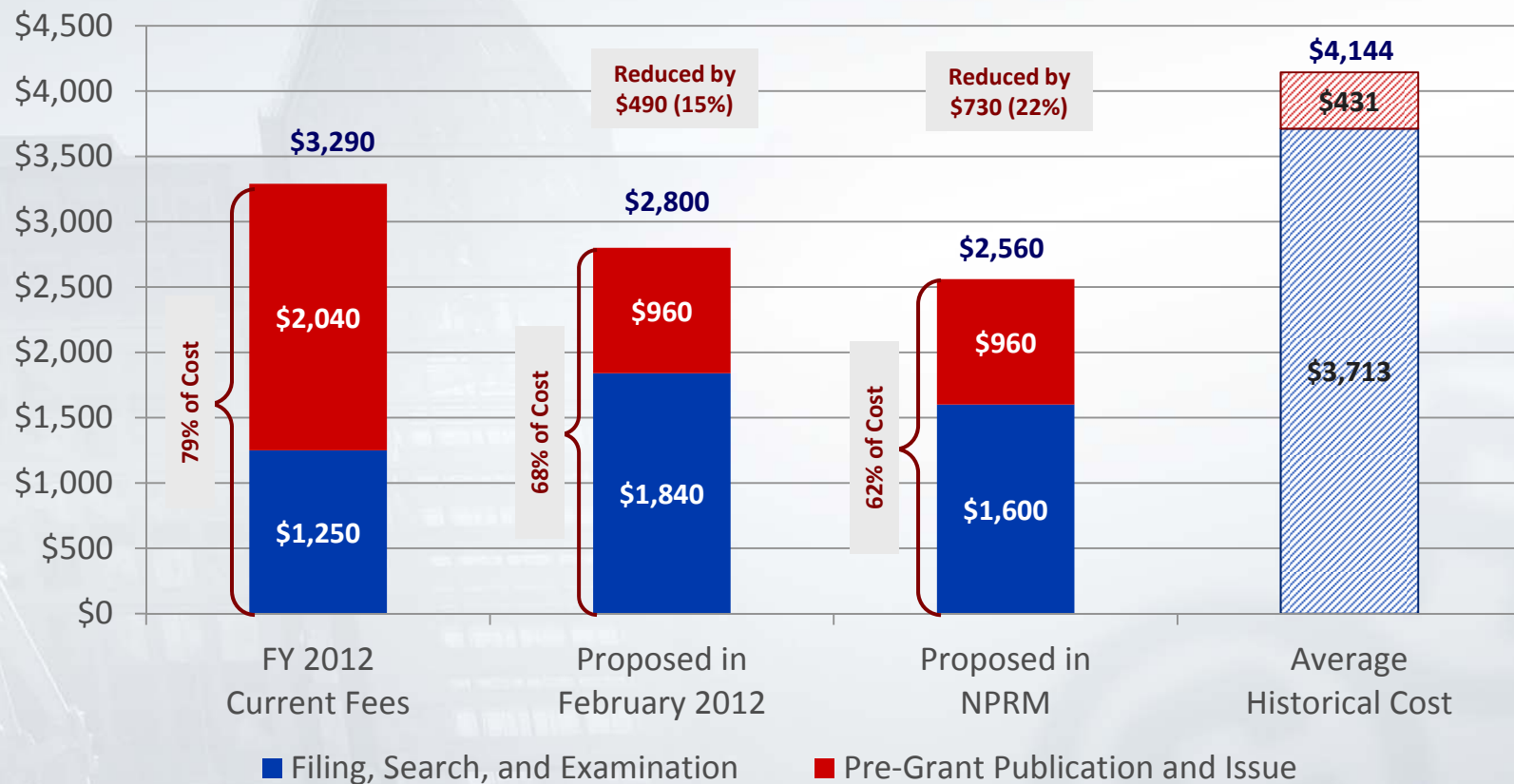
- Proposing to set or adjust 352 patent fees.
 - ↪ 94 applicable to large entities.
 - ⇒ 66 are being adjusted, 19 are set at existing amounts, and 9 are newly proposed in this rule.
 - ↪ 94 applicable to small entities.
 - ⇒ 80 are being adjusted, 5 are set at existing fee amounts, and 9 are newly proposed in this rule.
 - ↪ 93 applicable to micro entities.
 - ⇒ All 93 are newly proposed and are being adjusted to be 25% of the large entity fee amounts.
 - ↪ 71 are not entity specific
 - ⇒ 65 are set at existing fee amounts and 6 are either being adjusted or newly proposed in this rule.

See the ***Table of Patent Fee Changes*** at the link below for a complete listing:
http://www.uspto.gov/aia_implementation/fees.jsp#heading-1 .



Comparison of Proposed Fee Schedule to Current Fees

From Filing through Issue

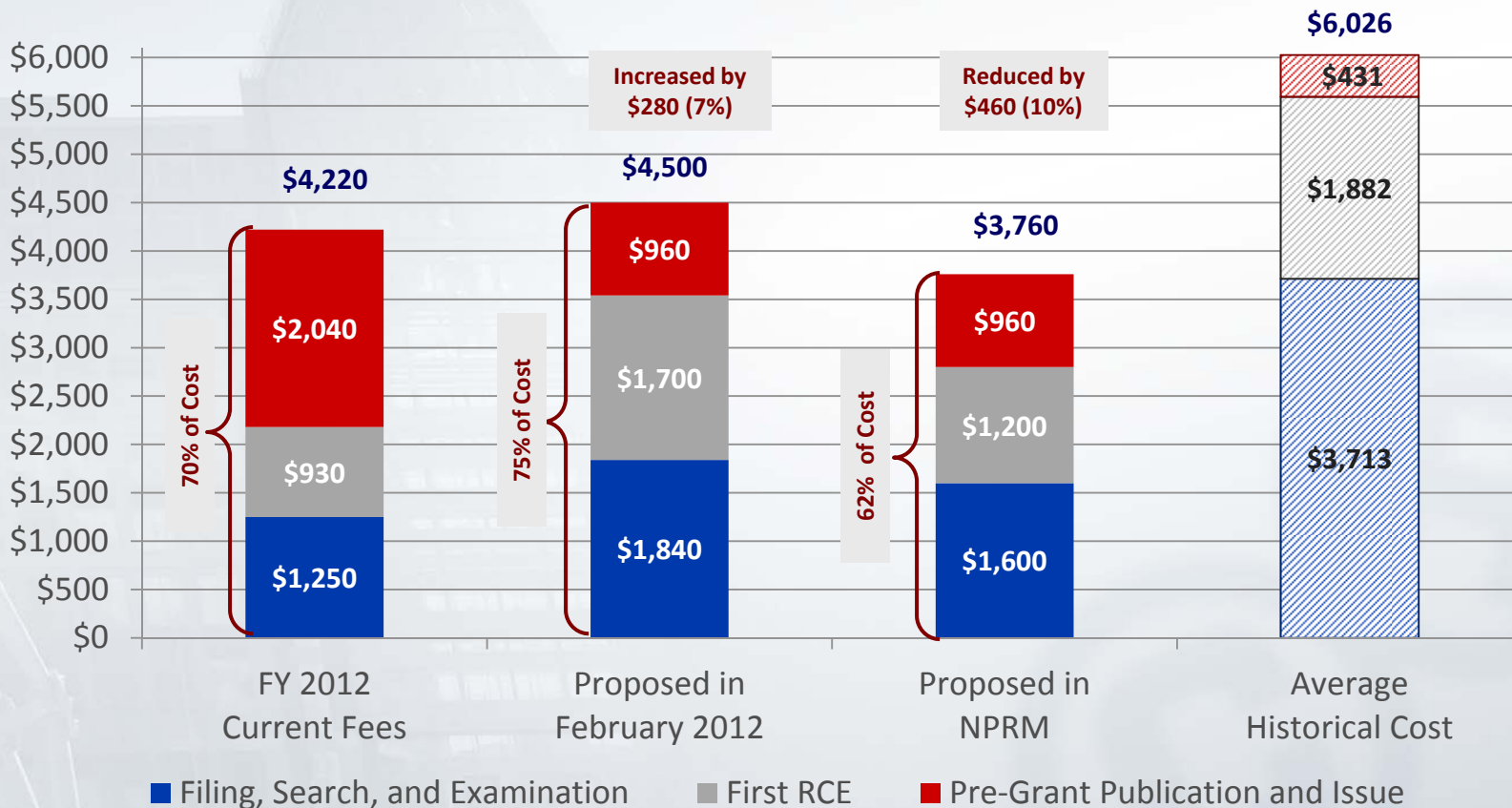


Note: In each of the following summary pages, from the Current to the NPRM fee structures, the fees paid could also increase by (a) \$170 for each independent claim in excess of 3; (b) \$20 for total claims in excess of 20; and (c) \$330 for each multiple dependent claim.



Comparison of Proposed Fee Schedule to Current Fees

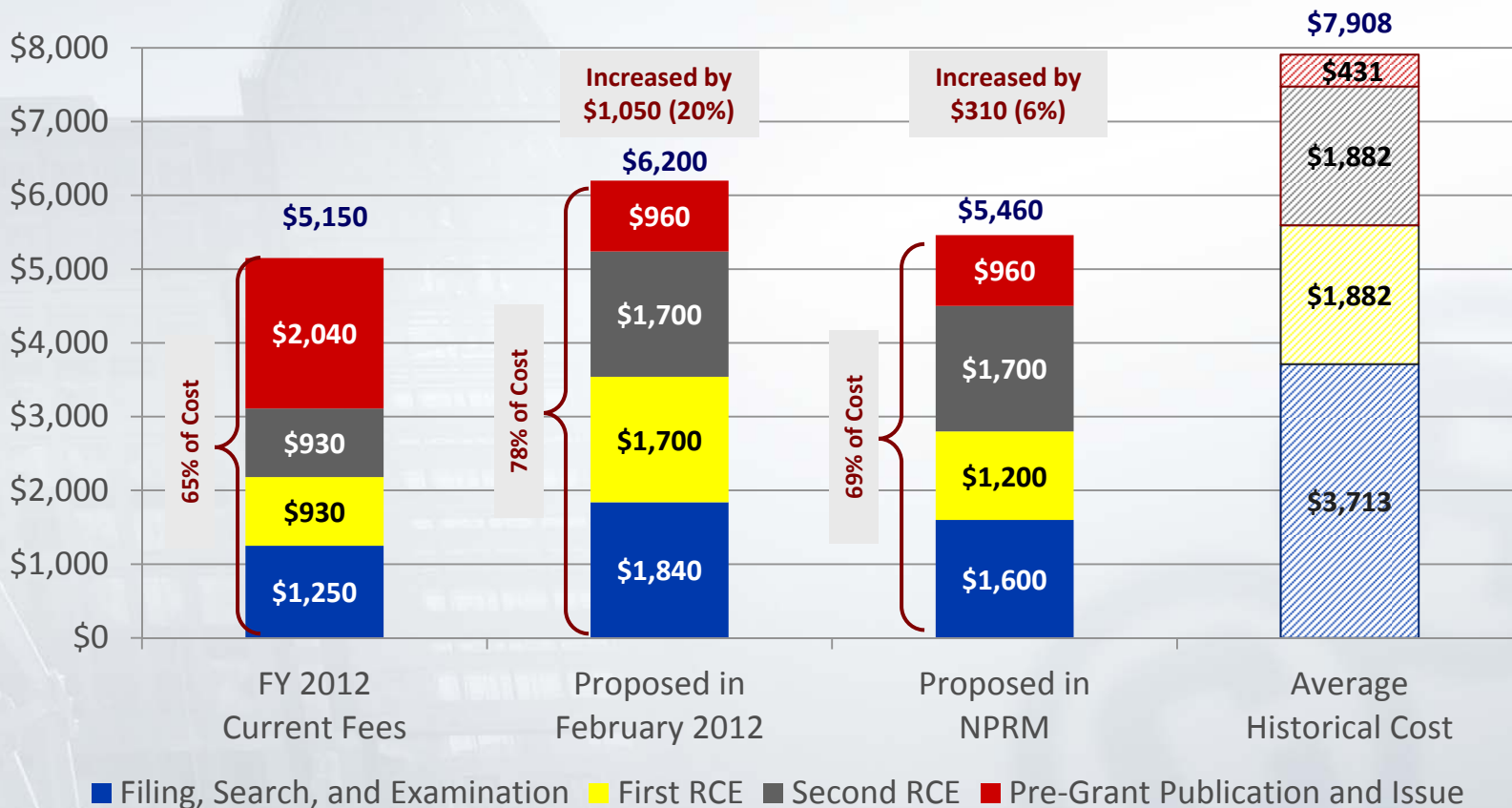
From Filing through Issue, with One RCE





Comparison of Proposed Fee Schedule to Current Fees

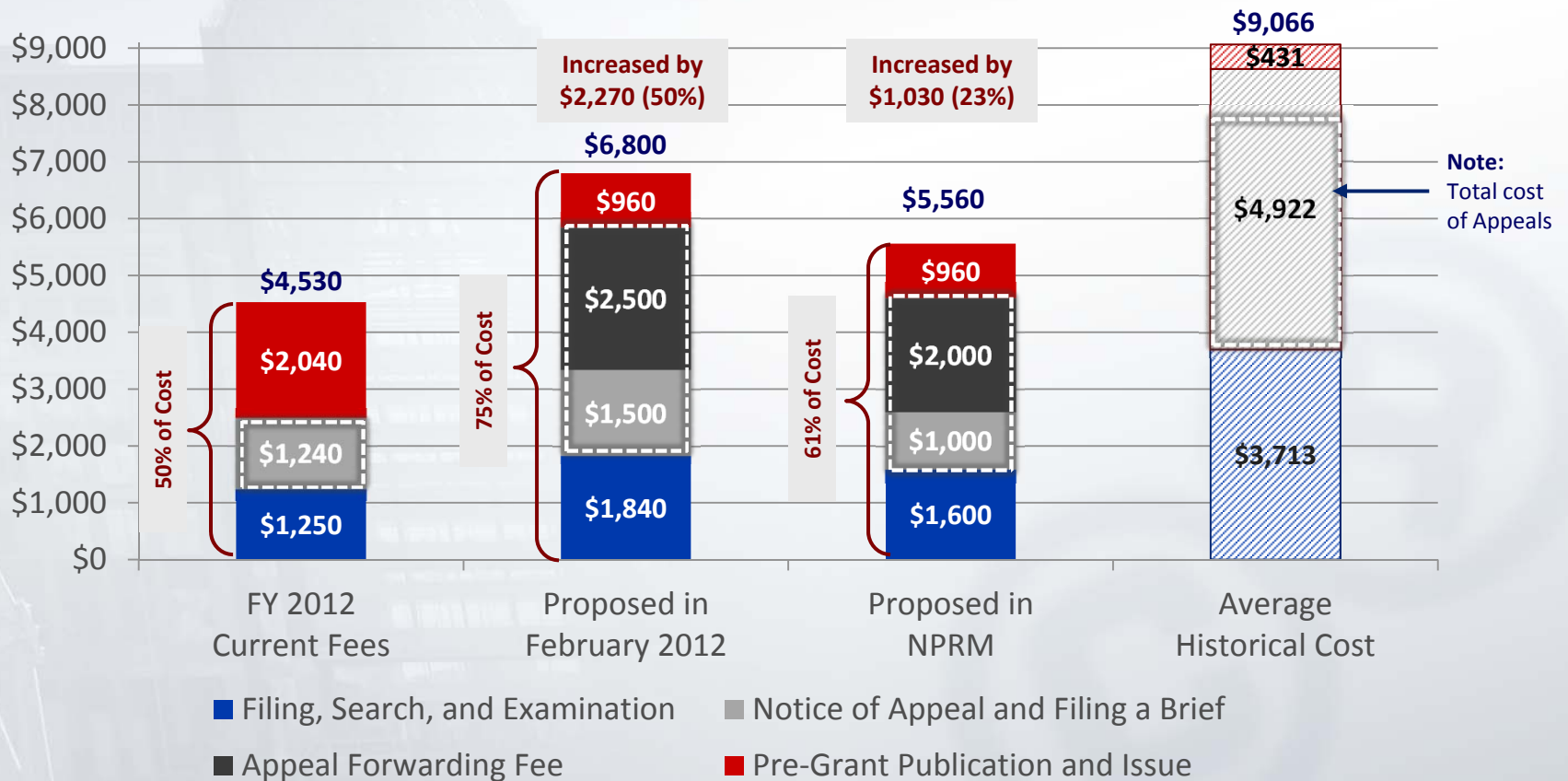
From Filing through Issue, with Two RCEs





Comparison of Proposed Fee Schedule to Current Fees

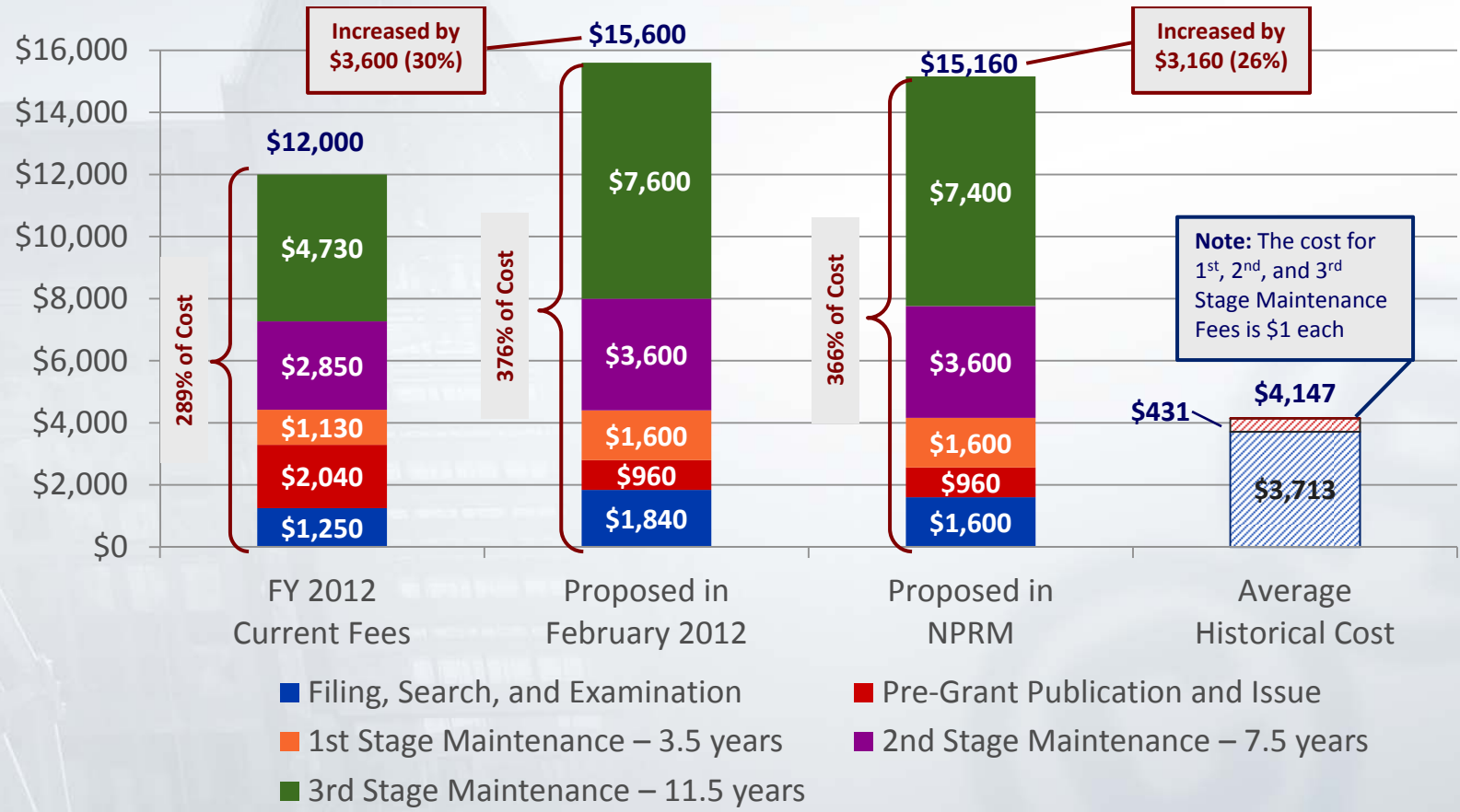
From Filing through Issue, with a Notice of Appeal and Appeal Forwarding Fee





Comparison of Proposed Fee Schedule to Current Fees

From Filing through 3rd Stage Maintenance





Overview of Individual Fee Changes



Individual Fee Changes

Filing, Search, and Examination Fees

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro | |
|---|--|--------------|--------------|----------------|-----------------------|--------------|---------------|------------|------------|--|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | 2/7 Proposal | NPRM Proposal | | | |
| Filing of Utility Patent Application | 241 | 243 | 234 | 239 | 380 | 400 | 280 | 140 | 70 | |
| Search of Utility Patent Application | 1,520 | 1,694 | 1,521 | 1,578 | 620 | 660 | 600 | 300 | 150 | |
| Examination of Utility Patent Application | 1,904 | 1,969 | 1,814 | 1,896 | 250 | 780 | 720 | 360 | 180 | |
| | 3,665 | 3,906 | 3,569 | 3,713 | 1,250 | 1,840 | 1,600 | 800 | 400 | |
| | Increase/(-)Decrease over current fee rate | | | | | | 47% | 28% | | |

Pre-Grant Publication and Issue Fees

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro | |
|--|--|------------|------------|----------------|-----------------------|--------------|---------------|-------|-------|--|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | 2/7 Proposal | NPRM Proposal | | | |
| Utility or Reissue Issue | 224 | 231 | 257 | 237 | 1,740 | 960 | 960 | 480 | 240 | |
| Publication Fee for Early, Voluntary or Normal Publication | 243 | 158 | 181 | 194 | 300 | - | - | - | - | |
| | 467 | 389 | 438 | 431 | 2,040 | 960 | 960 | | | |
| | Increase/(-)Decrease over current fee rate | | | | | | -53% | -53% | | |



Individual Fee Changes

Request for Continued Examination Fees

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro | |
|-----------------------------------|--|-------|-------|----------------|-----------------------|--------------|---------------|-------|-------|--|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | 2/7 Proposal | NPRM Proposal | | | |
| Request for Continued Examination | 1,881 | 1,696 | 2,070 | 1,882 | 930 | 1,700 | 1,200 | 600 | 300 | |
| Second and Subsequent RCEs | | | | | | | 1,700 | 850 | 425 | |
| | Increase/(-)Decrease over current fee rate (1st RCE) | | | | | | 83% | 29% | | |
| | Increase/(-)Decrease over current fee rate (2nd and Subsequent RCEs) | | | | | | | 83% | | |

Appeal Fees

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro | |
|---|---|--------------|--------------|----------------|-----------------------|--------------|---------------|--------------|------------|--|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | 2/7 Proposal | NPRM Proposal | | | |
| Notice of Appeal to Patent Trial and Appeal Board | | | | | 620 | 1,500 | 1,000 | 500 | 250 | |
| Filing a Brief in Support of an Appeal | | | | | 620 | - | - | - | - | |
| Appeal Forwarding | | | | | - | 2,500 | 2,000 | 1,000 | 500 | |
| | <u>5,008</u> | <u>4,960</u> | <u>4,799</u> | <u>4,922</u> | <u>1,240</u> | <u>4,000</u> | <u>3,000</u> | <u>1,500</u> | <u>750</u> | |
| | Increase/(-)Decrease of Notice of Appeal and Filing a Brief over current fee rate | | | | | | 21% | -19% | | |
| | Increase/(-)Decrease total fees over current fee rate | | | | | | | 223% | 142% | |



Individual Fee Changes

Prioritized Examination Fees

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro |
|-------------------------------------|--|------|------|----------------|-----------------------|--------------|---------------|-------|-------|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | 2/7 Proposal | NPRM Proposal | | |
| Request for Prioritized Examination | N/A | N/A | N/A | N/A | 4,800 | 4,000 | 4,000 | 2,000 | 1,000 |
| | Increase/(-)Decrease over current fee rate | | | | | -17% | -17% | | |

Extension of Time Fees

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro |
|--|--|------|------|----------------|-----------------------|--------------|---------------|-------|-------|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | 2/7 Proposal | NPRM Proposal | | |
| Extensions for response within 1st month | N/A | N/A | N/A | N/A | 150 | 200 | 200 | 100 | 50 |
| Extensions for response within 2nd month | N/A | N/A | N/A | N/A | 560 | 600 | 600 | 300 | 150 |
| Extensions for response within 3rd month | N/A | N/A | N/A | N/A | 1,270 | 1,400 | 1,400 | 700 | 350 |
| Extensions for response within 4th month | N/A | N/A | N/A | N/A | 1,980 | 2,200 | 2,200 | 1,100 | 550 |
| Extensions for response within 5th month | N/A | N/A | N/A | N/A | 2,690 | 3,000 | 3,000 | 1,500 | 750 |
| | Increase/(-)Decrease over current fee rate | | | | 1st Mo: | 33% | 33% | | |
| | Increase/(-)Decrease over current fee rate | | | | 2nd Mo: | 7% | 7% | | |
| | Increase/(-)Decrease over current fee rate | | | | 3rd Mo: | 10% | 10% | | |
| | Increase/(-)Decrease over current fee rate | | | | 4th Mo: | 11% | 11% | | |
| | Increase/(-)Decrease over current fee rate | | | | 5th Mo: | 12% | 12% | | |



Individual Fee Changes

Application Size Fees

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro | |
|--|--|------|------|----------------|-----------------------|--------------|---------------|-------|-------|--|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | 2/7 Proposal | NPRM Proposal | | | |
| Utility Application Size Fee - for each additional 50 sheets that exceeds 100 sheets | N/A | N/A | N/A | N/A | 310 | 400 | 400 | 200 | 100 | |
| | Increase/(-)Decrease over current fee rate | | | | | | 29% | 29% | | |

Excess Claim Fees

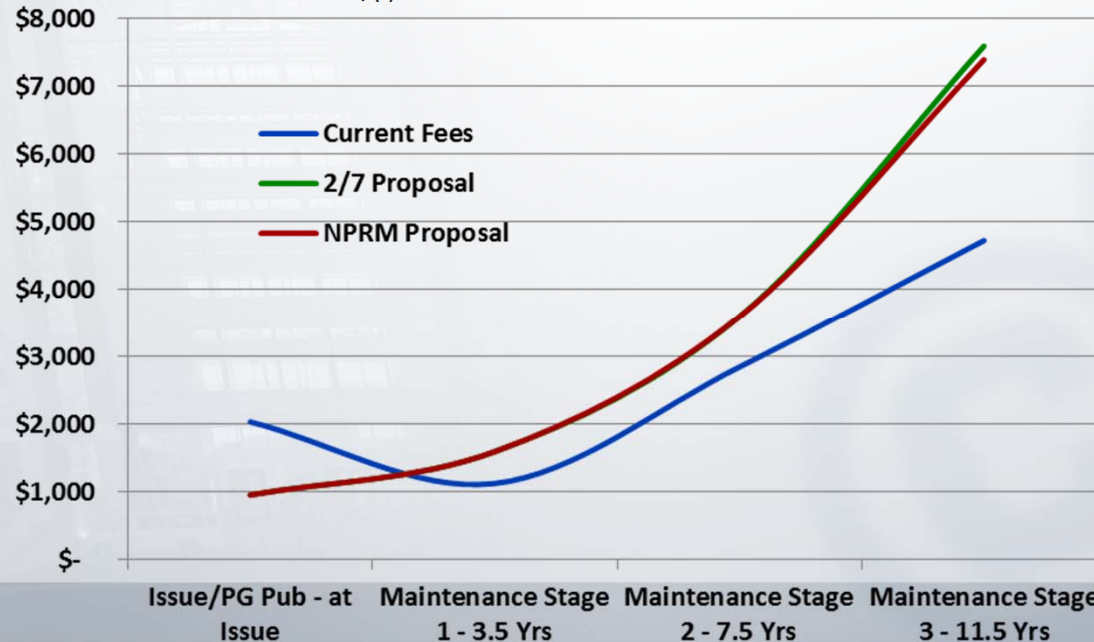
| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro | |
|-----------------------------------|--|------|------|----------------|-----------------------|--------------|---------------|-------|-------|--|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | 2/7 Proposal | NPRM Proposal | | | |
| Independent Claims in Excess of 3 | N/A | N/A | N/A | N/A | 250 | 460 | 420 | 210 | 105 | |
| Total Claims in Excess of 20 | N/A | N/A | N/A | N/A | 60 | 100 | 80 | 40 | 20 | |
| Multiple Dependent Claim | N/A | N/A | N/A | N/A | 450 | 860 | 780 | 390 | 195 | |
| | Increase/(-)Decrease over current fee rate (Independent Claims) | | | | | | 84% | 68% | | |
| | Increase/(-)Decrease over current fee rate (Total Claims) | | | | | | 67% | 33% | | |
| | Increase/(-)Decrease over current fee rate (Multiple Dependent Claims) | | | | | | 91% | 73% | | |



Individual Fee Changes

Maintenance Fees

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro |
|--|------------------|------|------|----------------|-----------------------|--------------|---------------|-------|-------|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | 2/7 Proposal | NPRM Proposal | | |
| First Stage Maintenance (3.5 Years) | 2 | 1 | - | 1 | 1,130 | 1,600 | 1,600 | 800 | 400 |
| Second Stage Maintenance (7.5 Years) | 2 | 1 | - | 1 | 2,850 | 3,600 | 3,600 | 1,800 | 900 |
| Third Stage Maintenance (11.5 Years) | 2 | 1 | - | 1 | 4,730 | 7,600 | 7,400 | 3,700 | 1,850 |
| | 6 | 3 | - | 3 | 8,710 | 12,800 | 12,600 | 6,300 | 3,150 |
| Increase/(-)Decrease over current fee rate | | | | | 1st Stage | 42% | 42% | | |
| Increase/(-)Decrease over current fee rate | | | | | 2nd Stage | 26% | 26% | | |
| Increase/(-)Decrease over current fee rate | | | | | 3rd Stage | 61% | 56% | | |
| Increase/(-)Decrease over current fee rate | | | | | Total: | 47% | 45% | | |





Individual Fee Changes

Ex Parte Reexamination

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro | |
|---|------------------|--------|--------|----------------|--|--------------------------|---------------|-------|-------|--|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | AIA 12 mo & 2/7 Proposal | NPRM Proposal | | | |
| Request for <i>Ex Parte</i> Reexamination | 17,162 | 16,648 | 19,626 | 17,812 | 2,520 | 17,750 | 15,000 | 7,500 | 3,750 | |
| | | | | | Increase/(-)Decrease over current fee rate | | 604% | 495% | | |

Supplemental Examination

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro | |
|--|------------------|--------|--------|----------------|--|--------------|---------------|-------|-------|--|
| | 2009 | 2010 | 2011 | 2-year Average | AIA 12mo NPRM | 2/7 Proposal | NPRM Proposal | | | |
| Supplemental Examination Request | N/A | 19,978 | 23,551 | 21,764 | 5,180 | 7,000 | 4,400 | 2,200 | 1,100 | |
| Supplemental Examination Reexamination | N/A | 19,978 | 23,551 | 21,764 | 16,120 | 20,000 | 13,600 | 6,800 | 3,400 | |
| | N/A | 19,976 | 23,551 | 21,374 | 21,300 | 27,000 | 18,000 | 9,000 | 4,500 | |
| | | | | | Increase/(-)Decrease over new AIA cost recovery (41(d)) fee rate | | 27% | -15% | | |
| Supp Exam document size fees; 21-50 | N/A | N/A | N/A | N/A | 170 | 170 | 180 | 90 | 45 | |
| Supp Exam doc size fees; each add'l 50 | N/A | N/A | N/A | N/A | 280 | 280 | 280 | 140 | 70 | |



Individual Fee Changes

Inter Partes Review

| Fee Description | Historical Costs | | | | Proposed Fees | | | | |
|---|------------------|------|------|----------------|---------------|---|---------------|--------|-------|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | AIA 12 mo & 2/7 Proposal | NPRM Proposal | Small | Micro |
| Inter Partes Review - up to 20 claims | N/A | N/A | N/A | N/A | N/A | 27,200 | N/A | N/A | N/A |
| IPR with 21 - 30 Claims | N/A | N/A | N/A | N/A | N/A | 34,000 | N/A | N/A | N/A |
| IPR with 31 - 40 Claims | N/A | N/A | N/A | N/A | N/A | 40,800 | N/A | N/A | N/A |
| IPR with 41 - 50 Claims | N/A | N/A | N/A | N/A | N/A | 54,400 | N/A | N/A | N/A |
| IPR with 51 - 60 Claims | N/A | N/A | N/A | N/A | N/A | 68,000 | N/A | N/A | N/A |
| IPR with 61 - 70 Claims | N/A | N/A | N/A | N/A | N/A | 95,200 | N/A | N/A | N/A |
| IPR with 71 - 80 Claims | N/A | N/A | N/A | N/A | N/A | 122,400 | N/A | N/A | N/A |
| IPR with 81 - 90 Claims | N/A | N/A | N/A | N/A | N/A | 149,600 | N/A | N/A | N/A |
| IPR with 91 - 100 Claims | N/A | N/A | N/A | N/A | N/A | 176,800 | N/A | N/A | N/A |
| Additional 10 Claims | N/A | N/A | N/A | N/A | N/A | 27,200 | N/A | N/A | N/A |
| Inter Partes Review Request - up to 20 claims | | | | | | N/A | 9,000 | N/A | N/A |
| IPR Request Per Claim Fee Greater than 20 | | | | | | N/A | 200 | N/A | N/A |
| Inter Partes Post Institution Fee - up to 15 claims | | | | | | N/A | 14,000 | N/A | N/A |
| IPR Post Institution Per Claim Fee Greater than 15 claims | | | | | | N/A | 400 | N/A | N/A |
| | | | | | | Total Base Fee | 23,000 | | |
| | | | | | | Increase/(-)Decrease over new AIA cost recovery (41(d)) and 2/7 proposed fee rate | -15% | | |
| | | | | | | Example: Request review of 52 claims and institute review of 40 claims | 68,000 | 39,400 | |
| | | | | | | Increase/(-)Decrease in example fee rates | -42% | | |



Individual Fee Changes

Post Grant Review/Covered Business Methods

| Fee Description | Historical Costs | | | | Proposed Fees | | | | |
|--|------------------|------|------|----------------|---------------|---|---------------|--------|-------|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | AIA 12 mo & 2/7 Proposal | NPRM Proposal | Small | Micro |
| PGR/CBM - up to 20 claims | N/A | N/A | N/A | N/A | N/A | 35,800 | N/A | N/A | N/A |
| PGR/CBM with 21 - 30 Claims | N/A | N/A | N/A | N/A | N/A | 44,750 | N/A | N/A | N/A |
| PGR/CBM with 31 - 40 Claims | N/A | N/A | N/A | N/A | N/A | 53,700 | N/A | N/A | N/A |
| PGR/CBM with 41 - 50 Claims | N/A | N/A | N/A | N/A | N/A | 71,600 | N/A | N/A | N/A |
| PGR/CBM with 51 - 60 Claims | N/A | N/A | N/A | N/A | N/A | 89,500 | N/A | N/A | N/A |
| PGR/CBM with 61 - 70 Claims | N/A | N/A | N/A | N/A | N/A | 125,300 | N/A | N/A | N/A |
| PGR/CBM with 71 - 80 Claims | N/A | N/A | N/A | N/A | N/A | 161,100 | N/A | N/A | N/A |
| PGR/CBM with 81 - 90 Claims | N/A | N/A | N/A | N/A | N/A | 196,900 | N/A | N/A | N/A |
| PGR/CBM with 91 - 100 Claims | N/A | N/A | N/A | N/A | N/A | 232,700 | N/A | N/A | N/A |
| Additional 10 Claims | N/A | N/A | N/A | N/A | N/A | 35,800 | N/A | N/A | N/A |
| PGR/CBM Request - up to 20 claims | | | | | | N/A | 12,000 | N/A | N/A |
| PGR/CBM Request Per Claim Fee Greater than 20 | | | | | | N/A | 240 | N/A | N/A |
| PGR/CBM Post Institution Fee - up to 15 claims | | | | | | N/A | 18,000 | N/A | N/A |
| PGR/CBM Post Institution Per Claim Fee Greater than 15 | | | | | | N/A | 550 | N/A | N/A |
| | | | | | | Total Base Fee | 30,000 | | |
| | | | | | | Increase/(-)Decrease over new AIA cost recovery (41(d)) and 2/7 proposed fee rate | -16% | | |
| | | | | | | Example: Seeking Post Grant Review of 52 claims and institute review of 40 claims | 89,500 | 51,750 | |
| | | | | | | Increase/(-)Decrease in example fee rates | -42% | | |



Individual Fee Changes

Oath and Declaration Fees

| Fee Description | Historical Costs | | | | Proposed Fees (Large) | | | Small | Micro |
|--|------------------|------|------|----------------|-----------------------|--------------|---------------|---------|-------|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | 2/7 Proposal | NPRM Proposal | | |
| File an oath/declaration up to the notice of allowance | N/A | N/A | N/A | N/A | - | 3,000 | Deleted | Deleted | |
| Correct inventorship after first action on the merits | N/A | N/A | N/A | N/A | - | 1,700 | 1,000 | 500 | 250 |
| Increase/(-)Decrease over 2/7 proposed fee rate | | | | | | | -41% | | |

Derivation Proceedings

| Fee Description | Historical Costs | | | | Proposed Fees | | | Small | Micro |
|---|------------------|------|------|----------------|---------------|--------------------------|---------------|-------|-------|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | AIA 12 mo & 2/7 Proposal | NPRM Proposal | | |
| Petition to institute a derivation proceeding | N/A | N/A | N/A | N/A | - | 400 | 400 | N/A | N/A |
| Derivation Institution and Trial Fee | N/A | N/A | N/A | N/A | - | N/A | 0 | N/A | N/A |
| Increase/(-)Decrease over new AIA cost recovery (41(d)) and 2/7 proposed fee rate | | | | | | | 0% | | |



Individual Fee Changes

Assignment Fees

| Fee Description | Historical Costs | | | | Proposed Fees | | | Small | Micro |
|--|------------------|------|------|----------------|---------------|--------------------------|--|-------|-------|
| | 2009 | 2010 | 2011 | 3-year Average | Current Fee | AIA 12 mo & 2/7 Proposal | NPRM Proposal | | |
| Recording each patent assignment, agreement, or other paper, per property | N/A | N/A | N/A | N/A | 40 | 40 | N/A | N/A | N/A |
| Recording each patent assignment, agreement, or other paper, per property if not submitted electronically | N/A | N/A | N/A | N/A | - | N/A | 40 | N/A | N/A |
| Recording each patent assignment, agreement, or other paper, per property if submitted electronically | N/A | N/A | N/A | N/A | - | N/A | 0 | N/A | N/A |
| | | | | | | | Increase/(-)Decrease over current fee rate | 0% | |
| | | | | | | | Increase/(-)Decrease over current fee rate | -100% | |