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FRISHAUF, HOLTZ, GOODMAN &
CHICK, PC
220 5TH AVE FL 16
NEW YORK, NY 10001-7708

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OFFICE OF PETITIONS

In re Patent No. 7,335,765	:	FINAL AGENCY DECISION
Kaneko et al.	:	DISMISSING REQUEST FOR
Issue Date: February 26, 2008	:	RECONSIDERATION OF
Application No. 09/925,673	:	PATENT TERM ADJUSTMENT
Filed: August 9, 2001	:	UNDER 37 CFR 1.705(d)
Atty Docket No. 01376CIP/HG	:	

This is a decision on the "RESPONSE TO THE AUGUST 12, 2008 DECISION ON THE REQUEST FOR RECONSIDERATION OF DECISION ON APPLICATION FOR PATENT TERM ADJUSTMENT FILED FEBRUARY 14, 2008" filed October 8, 2008. Patentees continue to request[1] correction of the patent term adjustment from two hundred twenty-five (225) days to one thousand sixty-seven (1067) days on the basis that the patent issued on February 26, 2008, which is 872[2] days after 4 months from the payment of the issue fee on June 27, 2005.

The request for reconsideration is granted to the extent that the determination has been reconsidered; however, the request for reconsideration of patent term adjustment is DENIED with respect to making any change in the patent adjustment determination under 35 U.S.C. § 154(b) of 225 days. This decision may be viewed as a final agency action within the meaning of 5 U.S.C 704 and for purposes of seeking judicial review. See MPEP § 1002.02(b).

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[1] By decision mailed August 20, 2008, the Office dismissed the "REQUEST FOR RECONSIDERATION OF DECISION ON APPLICATION FOR PATENT TERM ADJUSTMENT" filed February 14, 2008, as supplemented by the APPLICATION FOR PATENT TERM ADJUSTMENT INCLUDING REQUEST FOR RECONSIDERATION OF PATENT TERM ADJUSTMENT INDICATED IN AN ISSUED PATENT (37 CFR §1.705(d)" filed March 20, 2008.

[2] At issuance, the Office entered 30 days for Office delay pursuant to 35 USC 154(b)(1)(A)(iv) and 37 CFR §§ 1.702(a)(4) and 1.703(a)(6).

BACKGROUND

On January 28, 2004, a first Notice of Allowance and Fee Due was mailed in this application. In response on April 13, 2004, patentees timely filed a request for continued examination (RCE). Accordingly, no issue fee was required in response to the Notice of Allowance, prosecution was reopened, and on August 11, 2004, a new Notice of Allowance and Fee Due was mailed.

In response thereto on August 17, 2004, patentees again timely filed a request for continued examination, in lieu of, paying the issue fee and again reopening prosecution. Again, on March 14, 2005[3], a new Notice of Allowance and Fee Due was mailed. However, no issue fee was paid in response to this Notice. Pursuant to requests by patentees to correct the Notice to include copies of initialed references, a corrected Notice of Allowance and Fee Due was mailed on April 5, 2005. Then, on May 4, 2005, initialed 1449s with respect to IDSs filed on August 17, 2004 and September 30, 2004 were mailed. No distinct but concurrent requirement was set forth in the outstanding Notice of Allowability. Finally, in response to this corrected Notice, on June 27, 2005, patentees timely paid the issue fee.

However, on August 1, 2006[4], the Office mailed an Office action, withdrawing the application from issuance and reopening prosecution in view of the reference cited in applicants IDS filed February 17, 2005. Thereafter on August 7, 2006, patentees filed another request for an initialed copy of form PTO/SB/08A. Moreover, on November 8, 2006, patentees responded to the withdrawal from issuance with the filing of 1) an amendment, 2) a declaration under 37 CFR 1.132, 3) an Information Disclosure Statement, and 4) a one-month extension of time to make the response timely.

Thereafter, on February 7, 2007, having considered the amendment filed November 8, 2006, the Office mailed a final rejection. On

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[3] A previous Notice of Allowance was "mailed" on January 31, 2005. However, by petition filed March 18, 2005, it was requested that the period for response be reset as the postmark date of the correspondence was more than one month later than the mail date printed on the PTO Notice of Allowance. Prior to a decision being rendered on this request, the Notice had been remailed and the period reset with the mailing of March 14, 2005.

[4] A Notice of Withdrawal from Issue was originally mailed June 26, 2006. The record indicates that pursuant to a request for correct of the Notice to refer to 37 CFR 1.313(b), not 37 CFR 1.313(c), the Notice was corrected and mailed on August 1, 2006.

May 7, 2007, applicant resubmitted the declaration under 37 CFR 1.132 along with a notice of appeal.

On July 26, 2007, the Office mailed a new Notice of Allowance and Fees Due. The accompanying Notice of Allowability set forth no distinct but concurrent requirements. On September 27, 2007, patentees filed the issue fee transmittal, requesting reapplication of the previously submitted issue fee. On February 26, 2008, the patent issued.

At issuance, the Office entered a period of adjustment of 30 days pursuant to 37 CFR 1.702(a)(4) as the patent issued four months and 30 days after September 27, 2007, the date the issue fee had been paid and all outstanding requirements had been met. Accordingly, the application issued as U.S. Patent No. 7,335,765, with a revised patent term adjustment of 225 days.

Notwithstanding the Office's withdrawal of issuance of August 1, 2006 (and patentees' subsequent filings), patentees maintain that the Office delay in issuance of the patent after payment of the issue fee and satisfaction of all outstanding requirements should be based on payment of the issue fee on June 27, 2005. This would increase the patent term adjustment by 842 days to 1067 days.

STATUTE AND REGULATION

35 U.S.C. § 154(b) as amended by § 4402 of the American Inventors Protection Act of 1999 (AIPA) provides that:

ADJUSTMENT OF PATENT TERM. —
(1) PATENT TERM GUARANTEES. —
(A) GUARANTEE OF PROMPT PATENT AND TRADEMARK OFFICE RESPONSES. — Subject to the limitations under paragraph (2), if the issue of an original patent is delayed due to the failure of the Patent and Trademark Office to —

...

(iv) issue a patent within 4 months after the date on which the issue fee was paid under section 151 and all outstanding requirements were satisfied, the term of the patent shall be extended 1 day for each day after the end of the period specified in clause (i), (ii), (iii), or (iv), as the case may be, until the action described in such clause is taken.

37 CFR § 1.702, provides:
(a) Failure to take certain actions within specified time frames. Subject to the provisions of 35 U.S.C. 154(b) and this subpart, the term of an original patent shall be adjusted if the issuance of the patent was delayed due to the failure of the Office to:

...

(4) Issue a patent not later than four months after the date on which the issue fee was paid under 35 U.S.C. 151 and all outstanding requirements were satisfied.

37 CFR § 1.703, provides:
(a) The period of adjustment under § 1.702(a) is the sum of the following periods:
...

(6) The number of days, if any, in the period beginning on the day after the date that is four months after the date the issue fee was paid and all outstanding requirements were satisfied and ending on the date a patent was issued.

OPINION

The decision that entry of an additional period of adjustment pursuant to 35 USC 154(b)(1)(A)(iv) and 37 CFR 1.702(a)(4) and 1.703(a)(6) is not warranted in this case is affirmed. The Office properly determined that any period of adjustment calculated under 35 USC 154(b)(1)(A)(iv) and 37 CFR 1.702(a)(4) and 1.703(a)(6) would be based on the date of September 27, 2007, the date the issue fee was paid in response to the new notice of allowance and all outstanding requirements were met.

35 USC 154(b)(1)(A)(iv) provides for entry of a period of adjustment for Office failure to:

> issue a patent within 4 months after the date on which the issue fee was paid under section 151 and all outstanding requirements were satisfied, the term of the patent shall be extended 1 day for each day after the end of the period

> specified in clause (i), (ii), (iii), or (iv), as the case may be, until the action described in such clause is taken.

37 CFR 1.702(a)(4), implements the statute, by providing for adjustment of patent term due to Office failure to issue a patent not later than four months after the date on which the issue fee was paid under 35 U.S.C. 151 and all outstanding requirements were satisfied.

Section 1.703(a)(6) pertains to the provisions of 35 U.S.C. 154(b)(1)(A)(iv) and § 1.702(a)(4). Section 1.703(a)(6) specifies that:

> the period is the number of days, if any, beginning on the day after the date that is four months after the date the issue fee was paid and all outstanding requirements were satisfied and ending on the date the patent was issued.

Patentees' are incorrect in relying solely on the date of payment of the issue fee to calculate this period. As clearly stated in the rules and supported by the statute, the period begins on the date that is four months after the date the issue fee was paid and all outstanding requirements were satisfied.

Further, it is proper for the Office to determine when all outstanding requirements are satisfied. The Office has stated in the final rule:

> the date the issue fee was paid and all outstanding requirements were satisfied is the later of the date the issue fee was paid or the date all outstanding requirements were satisfied. However, if prosecution in an application is reopened after allowance (see MPEP 1308), all outstanding requirements are not satisfied until the application is again in condition for allowance as indicated by the issuance of a new notice of allowance under 35 U.S.C. 151 (see MPEP 1308). See *Changes to Implement Patent Term Adjustment under Twenty-Year Patent Term; Final Rule*, 65 Fed. Reg. 54366 (September 18, 2000).

This interpretation is not inconsistent with the statute. Both the statute and the rule consider Office delay based on the date the Office takes action after the issue fee is paid and all outstanding requirements are met. Payment of the issue fee in of itself may not be sufficient to have the patent issue. A

patent cannot issue until all outstanding requirements necessary to be satisfied for its issuance have been met. Accordingly, the Office is not deemed to have engaged in examination delay until 4 months after the issue fee has been paid and all outstanding requirements have been met.

Moreover, where prosecution in an application is reopened after allowance, all outstanding requirements are not satisfied until the application is again in condition for allowance as indicated by the issuance of a new notice of allowance under 35 U.S.C. 151. After reopening of prosecution, the patent cannot issue until all outstanding requirements necessary to be satisfied for its issuance have been met. In the circumstance where the Office determines that withdrawal of the application from issue is appropriate, prosecution is reopened and the patent cannot issue until the matter that served as the basis for the withdrawal from issue is addressed, and if at all, a new Notice of Allowance is issued. Further, regardless of the previous payment of the issue fee, all outstanding requirements are not met until an applicant replies to the new notice of allowance. For the patent to issue (and the application not to be considered abandoned), applicant must return Part B of the issue fee transmittal. Thus, it is proper to consider all outstanding requirements not satisfied until the application is again in condition for allowance as indicated by the issuance of a new notice of allowance under 35 U.S.C. 151 and applicant properly responds to the new notice of allowance.

In this instance, a new notice of allowance was mailed July 26, 2007 and all outstanding requirements were met when the new issue fee transmittal was submitted on September 27, 2007. After payment of the issue fee on June 27, 2005, all requirements necessary for issuance of the patent were not met. The Office determined that there were matters that had to be addressed before issuance and thus, withdrew the application from issuance. (Patentees filed responsive papers raising further matters). In this instance, not until issuance of the new Notice of Allowance on July 26, 2007 and payment of the issue fee on September 27, 2007 were the matters that served as the basis for withdrawal from issuance resolved and all outstanding requirements met for issuance of this patent. The conclusion that the controlling date in calculating the period of adjustment for Office delay pursuant to 35 USC 154(b)(1)(A)(iv) and 37 CFR 1.702(a)(4) is the date of submission of the issue fee transmittal on September 27, 2007 in response to the

new notice of allowance mailed July 26, 2007 is affirmed. The period of adjustment of 30 days is correct.

CONCLUSION

The patent issued with a correct patent term adjustment of two hundred twenty-five (225) days.

The request for reconsideration of the revised patent term adjustment is denied. This decision may be viewed as a final agency action. See MPEP § 1002.02(b).

The Office acknowledges that patentees previously submitted the $200 fee set forth in §1.18(e) on application for patent term adjustment.

Telephone inquiries specific to this matter should be directed to Nancy Johnson, Senior Petitions Attorney, at (571) 272-3219.

Anthony Knight
Director
Office of Petitions