

(ii) Maps, plans, photographs, or drawings of man-made or natural features in a DoD SNM facility or nuclear weapons not observable from a public area; i.e., tunnels, storm or waste sewers, water intake and discharge conduits, or other features having the potential for concealing surreptitious movement.

(iii) Communications and computer network configurations and capabilities.

(4) *Intrusion Detection and Security Alarm Systems.* (i) Information on the layout or design of security and alarm systems at a specific DoD SNM or nuclear weapons facility, if the information is not observable from a public area.

(ii) The fact that a particular system make or model has been installed at a specific DoD SNM or nuclear weapons facility, if the information is not observable from a public area.

(iii) Performance characteristics of installed systems.

(5) *Keys, Locks, Combinations, and Tamper-Indicating Devices.* (i) Types and models of keys, locks, and combinations of locks used in DoD SNM or nuclear weapons facilities and during shipment.

(ii) Method of application of tamper-indicating devices.

(iii) Vulnerability information available from unclassified vendor specifications.

(6) *Threat Response Capability and Procedures.* (i) Information about arrangements with local, State, and Federal law enforcement agencies of potential interest to an adversary.

(ii) Information in "non-hostile" contingency plans of potential value to an adversary to defeat a security measure, e.g., fire, safety, nuclear accident, radiological release, or other administrative plans.

(iii) Required response time of security forces.

(7) *Physical Security Evaluations.* (i) Method of evaluating physical security measures not observable from public areas.

(ii) Procedures for inspecting and testing communications and security systems.

(8) *In-Transit Security.* (i) Fact that a shipment is going to take place.

(ii) Specific means of protecting shipments.

(iii) Number and size of packages.

(iv) Mobile operating and communications procedures that an adversary could exploit.

(v) Information on mode, routing, protection, communications, and operations that must be shared with law enforcement or other civil agencies, but not visible to the public.

(vi) Description and specifications of transport vehicle compartments or security systems not visible to the public.

(9) *Information on Nuclear Weapon Stockpile and Storage Requirements, Nuclear Weapon Destruction and Disablement Systems, and Nuclear Weapon Physical Characteristics.* Refer to DOE CG-SS-4 for guidance about the physical protection of information on nuclear weapon stockpile and storage requirements, nuclear weapon destruction and disablement systems, and nuclear weapon physical characteristics that may, under certain circumstances, be unclassified. Such information meeting the adverse effects test shall be protected as DoD UCN.

Dated: March 25, 2011.

**Patricia L. Toppings,**

*OSD Federal Register Liaison Officer,  
Department of Defense.*

[FR Doc. 2011-9751 Filed 4-22-11; 8:45 am]

**BILLING CODE 5001-06-P**

## DEPARTMENT OF COMMERCE

### Patent and Trademark Office

#### 37 CFR Chapter I

[Docket No.: PTO-P-2011-0018]

#### Streamlined Patent Reexamination Proceedings; Notice of Public Meeting

**AGENCY:** United States Patent and Trademark Office, Commerce.

**ACTION:** Notice of public meeting; request for comments.

**SUMMARY:** This document announces a public meeting to solicit public opinions on a number of changes being considered by the United States Patent and Trademark Office (USPTO) to streamline the procedures governing *ex parte* and *inter partes* reexamination proceedings. These changes are intended to achieve faster, more efficient resolution of the substantial new question of patentability (SNQ) for which reexamination is ordered. The proposed changes in this document are divided into three categories: changes to both *ex parte* and *inter partes* reexaminations, changes specific to *ex parte* reexamination, and changes specific to *inter partes* reexamination. After soliciting public opinions regarding this document, the USPTO may seek to adopt one or more of the proposed changes or a modified version thereof, or other changes suggested by the public, through a rule making or through internal operational changes as appropriate.

**DATES:** The public meeting will be held on June 1, 2011, beginning at 1:30 p.m.

Persons interested in attending the meeting must register by 5 p.m., Eastern Standard Time (EST), on May 25, 2011.

Written comments must be submitted by June 29, 2011.

**ADDRESSES:** The public meeting will be held at the USPTO, in the South Auditorium of Madison West, 600 Dulany Street, Alexandria, VA 22314.

Written comments should be sent by electronic mail message over the Internet addressed to *reexamimprovementcomments@uspto.gov*. Comments may also be submitted by mail addressed to: Mail Stop Comments-Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, marked to the attention of Kenneth M. Schor. Although comments may be submitted by mail, submission via e-mail to the above address is preferable.

The written comments will be available for public inspection at the Office of the Commissioner for Patents, located in Madison East, Tenth Floor, 600 Dulany Street, Alexandria, Virginia, and will be available via the USPTO Internet Web site (address: <http://www.uspto.gov>). Because comments will be made available for public inspection, information that is not desired to be made public, such as an address or phone number, should not be included.

*For Registration to Give a Presentation at the Meeting:* If you wish to make an oral presentation at the meeting, you must register by sending an e-mail to *reexamimprovementcomments@uspto.gov*, by 5 p.m. EST, on May 11, 2011. See the registration information provided below.

**FOR FURTHER INFORMATION CONTACT:** Kenneth M. Schor, Office of Patent Legal Administration, Office of the Associate Commissioner for Patent Examination Policy, by telephone at 571-272-7710, or by mail addressed to: Mail Stop Comments-Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

Inquiries regarding the current reexamination practice may be directed to the Office of Patent Legal Administration, by telephone at (571) 272-7703, or by electronic mail at *PatentPractice@uspto.gov*.

**SUPPLEMENTARY INFORMATION:** This document announces a public meeting to solicit public opinions on a number of changes being considered by the USPTO to streamline the procedures governing *ex parte* and *inter partes* reexamination proceedings. These changes are intended to achieve faster, more efficient resolution of the SNQ for which reexamination is ordered.

Moreover, the changes proposed in this document are complementary to the post-grant provisions in the pending America Invents Act currently being considered by Congress. In particular, the America Invents Act would not alter *ex parte* reexamination, and it would provide a transition period of several years during which *inter partes* reexamination could still be requested. Therefore, it is important for the USPTO to continue its efforts to improve the existing reexamination system.

On August 5, 2010, the USPTO explained that it is considering a number of short- and long-range initiatives that can be implemented in three phases to reduce pendency and improve efficiency, while maintaining quality, in reexamination proceedings. See *Optional Waiver of Patent Owner's Statement in Ex Parte Reexamination Proceedings*, 75 FR 47269 (Aug. 5, 2010).

Phase I includes a number of streamlined procedures and optional programs in which the Patent Owner and Third Party Requester may elect to participate in order to gain the benefit of shorter pendency. For example, in the above-mentioned notice dated August 5, 2010, the USPTO implemented an optional procedure allowing the Patent Owner in an *ex parte* reexamination to waive the Patent Owner's statement under 35 U.S.C. 304, and thereby enable the USPTO to issue a first Office action on the merits (FAOM), together with or soon after mailing the order granting reexamination. Also as part of phase I, the USPTO had previously implemented a streamlined procedure for appeal brief review in both *ex parte* and *inter partes* reexamination proceedings. See *Streamlined Procedure for Appeal Brief Review in Ex Parte Reexamination Proceedings*, 75 FR 29321 (May 25, 2010); *Streamlined Procedure for Appeal Brief Review in Inter Partes Reexamination Proceedings*, 75 FR 50750 (Aug. 17, 2010). Moreover, in order to process reexamination proceedings more efficiently and expeditiously, the USPTO has increased the number of examiners working exclusively on reexamination proceedings, made changes in the handling and scanning of documents, instituted an improved petitions tracking system, and designed new forms for answering certain types of petitions. In addition, the USPTO's Central Reexamination Unit has identified a number of automation and information technology upgrades that will be instituted as part of the USPTO's end-to-end electronic processing system, which will greatly improve the

processing and tracking of all stages of reexamination proceedings.

However, the USPTO alone cannot reduce reexamination pendency, particularly under its existing procedures. Streamlining these procedures, including those governing the practices of the Patent Owner and Third Party Requester, will be necessary if a more significant reduction in pendency is to be achieved. Therefore, in phases II and III of the USPTO's three-phase initiative, the USPTO will consider the data gathered from phase I and solicit public opinion on additional procedural changes, rule making proposals, and administrative proposals for statutory changes.

The instant notice seeks public input as the USPTO considers moving into phases II and III. In particular, the instant notice proposes a number of changes intended to reduce pendency while maintaining quality in *ex parte* and *inter partes* reexamination proceedings. The proposed changes in this notice are divided into three categories: (A) Changes to both *ex parte* and *inter partes* reexaminations, (B) changes specific to *ex parte* reexamination, and (C) changes specific to *inter partes* reexamination. After soliciting public opinions regarding this notice, the USPTO may seek to adopt one or more of the proposed changes or a modified version thereof, or other changes as recommended by the public, through rule making or through internal operational changes, as appropriate.

#### **A. Proposed Changes to Both *Ex Parte* and *Inter Partes* Reexaminations**

##### *1. Requester Must Separately Explain How Each SNQ Presented in the Request Is "New" Relative to Other Examinations of the Patent Claims*

This proposed change is intended to allow the USPTO to more quickly determine whether the request raises an SNQ based on a new, non-cumulative technological teaching. The proposed change also ensures that the Requester adequately explains how each SNQ presented in the request is "new" relative to other examinations of the patent claims (rather than merely stating what the SNQ is believed to be). Current practice does not set forth a consistent format in which the required information should be presented in the request. This lack of consistency results in requests that are denied a filing date and whose noncompliance must be corrected by the Requester, which delays the proceeding.

As explained in the *Manual of Patent Examining Procedure* (MPEP) §§ 2216, 2614:

It is not sufficient that a request for reexamination merely proposes one or more rejections of a patent claim or claims as a basis for reexamination. It must first be demonstrated that a patent or printed publication that is relied upon in a proposed rejection presents a new, non-cumulative technological teaching that was not previously considered and discussed on the record during the prosecution of the application that resulted in the patent for which reexamination is requested, and during the prosecution of any other prior proceeding involving the patent for which reexamination is requested.

In order to ensure that requests comply with MPEP §§ 2216 and 2614, the USPTO would require, for each SNQ presented in the request, a statement of how the technological teaching in the references that support the SNQ is new and non-cumulative of what had been considered in any previous or pending USPTO examination of the patent claims. For clarity, this statement would be provided in a section of the request dedicated solely to explaining how each SNQ is believed to be new.

##### *2. Requester Must Explain How the References Apply to Every Limitation of Every Claim for Which Reexamination Is Requested*

This proposed change is intended to allow the USPTO to more quickly address the requisite "pertinency and manner of applying cited prior art to every claim for which reexamination is requested" (35 U.S.C. 302, 311) presented in the request. It is also intended to allow examiners to more quickly write a First Action on the Merits (FAOM) based on the references cited in the request. Current request practice does not require the use of a consistent format in which the required information must be presented. This inconsistency results in delay and potential re-work because Requesters do not consistently map the prior art teachings to the limitations of the claims.

A statement of how the references apply to every limitation of the claims would be required to be provided in a section of the request dedicated solely to explaining how the references apply. Requests filed by a Third Party Requester must clearly set forth a proposed rejection for each claim for which reexamination is requested, with separate rejections based on anticipation, obviousness, and/or double patenting. Requests filed by a Patent Owner must include an anticipation, obviousness, and/or double patenting analysis for each claim for which reexamination is requested. In all cases, a limitation-by-limitation explanation of the manner of applying

the references must be presented in the form of a claim chart or narrative explanation, but not both, as providing both tends to lengthen the request and may result in inconsistencies between the two explanations.

To avoid confusion, the explanation must not combine multiple or alternative proposed rejections or proposed combinations of references. Thus, a proposed rejection of claims 1–5 as being “obvious over references A or B or C, in view of references C or D or E, optionally in view of references F or G,” is improper. Likewise a proposed rejection of claims 1–5 being “either anticipated or obvious over references A or B,” is improper. Each statutory ground of rejection and each combination of references must be expressed and explained separately.

**3. Requester Must Explain How Multiple SNQs Raised in the Same Request Are Non-Cumulative of Each Other; Cumulative SNQs Will Be Deemed to Constitute a Single SNQ**

This proposed change is intended to streamline reexamination in cases where a request includes multiple references cited in support of separate SNQs, but which are all directed to the same claims and are all based on the same new technological teaching. The current practice of separately addressing multiple, cumulative SNQs prolongs pendency and is an inefficient means of addressing the question raised by a new technological teaching that is common among multiple, cumulative SNQs.

The instant notice proposes that cumulative SNQs will be deemed to constitute a single SNQ. For example, if a request cites ten prior art references in support of ten proposed SNQs, and all ten references are cited for the same claim limitation found missing in a prior examination, the USPTO will construe the request as raising a single SNQ based on the single, new technological teaching.

Where a Requester asserts multiple SNQs against the same claim, it is the Requester who is in the best position to narrow the dispute by explaining how the SNQs present unique issues of patentability. The Requester will be required to explain, in a separate section of the request, how each SNQ is substantially different from all other SNQs that are being asserted against the same claims in the same request. *Cf. In re Katz Interactive Call Processing Pat. Litig.*, \_\_\_ F.3d \_\_\_, 2011 WL 607381, at \*3–4 (Fed. Cir. Feb. 18, 2011) (holding that it was not an abuse of discretion to require the party that was “in the best position to narrow the dispute” to show how non-selected claims were

“substantially different,” in terms of validity and/or infringement, from selected claims).

SNQs that are not persuasively explained to be substantially different from each other will be deemed to constitute a single SNQ from which the examiner will select the best proposed rejections based on the best cited references, as discussed below in Part A.4. Any order granting reexamination will identify the SNQs for which reexamination is granted, and will further identify any SNQs that are found to be cumulative of other SNQs. The examiner’s designation of an SNQ as “cumulative” is not petitionable; however, the examiner’s selection of any “representative” rejections (*see* Part A.4) from among the cumulative SNQs may be challenged by the Third Party Requester in *inter partes* reexamination in the manner set forth in Part C.1 below.

**4. The Examiner May Select One or More Representative Rejections From Among a Group of Adopted Rejections.**

In the FAOM, for each SNQ for which reexamination is granted, the examiner will identify each of the Requester’s proposed rejections as either “adopted” or “not adopted.” A proposed rejection is “adopted” if the examiner determines that it establishes a *prima facie* case of unpatentability. A proposed rejection is “not adopted” if the examiner determines that it fails to establish a *prima facie* case of unpatentability.

Where multiple rejections are adopted against a single claim, the examiner may select one or more “representative” rejections from the group of adopted rejections. The examiner’s determination that a rejection is “representative” means that the examiner believes that all rejections within the group of adopted rejections will clearly fall if the representative rejection is not sustained. The examiner will clearly identify which rejections, if any, are being treated as a group and which rejection(s) within the group is/are representative of the group. The examiner’s reasons in support of each representative rejection will be fully discussed in the Office action. For any rejection within the group which is not designated as a representative rejection, the examiner may simply state, to the extent the examiner agrees with the Requester, that the rejection is adopted for the reasons set forth in the request, and incorporate by reference the Requester’s limitation-by-limitation explanation of the manner of applying the references (*see* Part A.2).

In deciding which rejections to designate as representative, the

examiner will apply the guidance set forth in MPEP § 706.02(I), quoted below:

Prior art rejections should ordinarily be confined strictly to the best available art. Exceptions may properly be made, for example, where:

(A) the propriety of a 35 U.S.C. 102 or 103 rejection depends on a particular interpretation of a claim;

(B) a claim is met only in terms by a reference which does not disclose the inventive concept involved; or

(C) the most pertinent reference seems likely to be antedated by a 37 CFR 1.131 affidavit or declaration.

Such rejections should be backed up by the best other art rejections available. Merely cumulative rejections, i.e., those which would clearly fall if the primary rejection were not sustained, should be avoided.

If the Patent Owner subsequently overcomes the representative rejections of a claim, then the examiner will consider whether any other rejection within the group overcomes the deficiency of the representative rejections, and will do so prior to confirming the patentability of that claim. In this way, no claim will be confirmed as patentable without having received due consideration of all rejections within the group. For this reason, it is advisable for the Patent Owner to explain, in its response to the FAOM, why the Patent Owner’s arguments against any representative rejection would likewise overcome all other rejections within the group. The Patent Owner may also present any specific argument or evidence directed to any rejection within the group.

If the Patent Owner appeals the final rejection of a claim, then the appeal must be taken from all adopted rejections of that claim, not just from the representative rejections. The Board of Patent Appeals and Interferences (Board) may review any rejection within the group of adopted rejections in order to affirm the examiner as to that claim. The affirmance of a rejection of a claim on any of the grounds specified will constitute a general affirmance of the examiner’s rejections of that claim, except as to any ground specifically reversed.

The examiner’s designation of a rejection as “representative” is not petitionable; however, this designation may be challenged by the Third Party Requester in *inter partes* reexamination in the manner set forth in Part C.1 below.

**5. Requester’s Declaration and Other Evidence Will Be Mainly Limited to the Request**

This proposed change is intended to encourage compact prosecution by requiring the Requester to submit all

necessary evidence in the initial request and thereby reduce the need for later submissions. In *inter partes* reexamination, any further submission of evidence (including declarations, affidavits, and test data) by the Third Party Requester in the proceeding will be limited to rebutting a point made in an examiner's Office action or in a Patent Owner's response. In *ex parte* reexamination, the further submission of evidence by the Third Party Requester will be limited to rebutting a point made in the Patent Owner's statement under 35 U.S.C. 304, if any such statement is filed. In all cases, when submitting new evidence, the Third Party Requester must identify the specific point to be rebutted and explain how the new evidence rebuts it.

#### 6. Patent Owner's Amendments and Evidence Will Be Mainly Limited to the First Action Response

This proposed change is intended to encourage compact prosecution by ensuring that the Patent Owner's amendments and evidence (including declarations, affidavits, and test data) are presented early in reexamination. In *ex parte* reexamination, the Patent Owner's submission of amendments and evidence will be generally limited to the earlier of: (1) The Patent Owner's optional statement under 35 U.S.C. 304, if the Patent Owner does not waive the statement; or (2) if the Patent Owner waives the statement, the Patent Owner's response to an FAOM. In *inter partes* reexamination, the Patent Owner's amendment and declaration evidence will be generally limited to the Patent Owner's response to the FAOM. Any further submission of amendments or declaration evidence, in either *ex parte* or *inter partes* reexamination, will be limited to overcoming a new ground of rejection entered in any non-final Office action.

Amendments filed after a final Office action will only be admitted to (1) cancel claims, (2) rewrite dependent claims into independent form, (3) comply with requirements or suggestions set forth in a final Office action, or (4) respond to any new ground of rejection designated in an examiner's answer or Board decision. For a discussion of what constitutes a "final Office action" in *inter partes* reexamination, see Part C.2 below.

#### 7. Claim Amendments Will Not Be Entered Unless Accompanied by a Statement Explaining How the Proposed New Claim Language Renders the Claims Patentable in Light of an SNQ

Claim amendments that are not germane to any SNQ tend to

unnecessarily expand the scope of the proceeding and result in longer reexamination pendency. In such cases, the examiner is often required to conduct an entirely new search of the prior art and to consider issues beyond those raised in the request. All of this detracts from what should otherwise be the central focus of the reexamination—namely, a "resolution of the question" for which reexamination was ordered. 35 U.S.C. 304, 313.

The change proposed herein is intended to allow the USPTO to determine whether a Patent Owner's amendment should be permitted entry, given that "amendment of claims during reexamination is limited to amendment in light of prior art raising a substantial new question of patentability." *In re Freeman*, 30 F.3d 1459, 1468 (Fed. Cir. 1994). In *Freeman*, the Federal Circuit stated:

[T]he ability of a patentee to amend claims during reexamination must be seen in light of the fundamental purpose of reexamination—the determination of validity in light of a substantial new question of patentability. Thus, *amendment of claims during reexamination is limited to amendment in light of prior art raising a substantial new question of patentability.*

*Id.* (emphasis added). In *Freeman*, the Patent Owner amended the patent claims during reexamination, not to distinguish the prior art, but to avoid an unfavorable interpretation that a court had given those claims in an earlier litigation. The Board affirmed the examiner's rejection under 35 U.S.C. 305 because the amendments were found to broaden the scope of the claims as interpreted by the court. In appealing the Board's decision, the Patent Owner argued that the court's claim interpretation did not bind the Patent Owner in the reexamination under the doctrine of issue preclusion because, according to the Patent Owner, the reexamination offered the Patent Owner "the opportunity to amend his claims 'in response to a decision adverse to the patentability of a claim of a patent.'" *Id.* (quoting 35 U.S.C. 305). The Federal Circuit disagreed. It held that the Patent Owner "never had the option of amending his claims during reexamination" in a manner having "nothing to do with a substantial new question of patentability." *Id.* (emphasis added). The Federal Circuit therefore concluded that the doctrine of issue preclusion applied against the Patent Owner, and thus affirmed the broadening rejection.

In view of the foregoing, and in order to ensure that all proposed claim amendments, including new claims, are directed to resolving the SNQ, the

USPTO will require the Patent Owner to submit a statement explaining how the proposed new claim language (apart from the original claim language) renders the claims patentable over the references raising an SNQ. The role of this explanatory statement is to allow the USPTO to determine whether a proposed amendment is being properly submitted "in light of prior art raising a substantial new question of patentability," or whether the amendment should be refused entry because it has "nothing to do with a substantial new question of patentability." *Freeman*, 30 F.3d at 1468. The amendment will not be entered if the necessary statement is either missing or conclusory (*e.g.*, the statement merely says "the amended claims distinguish over the prior art"). Nevertheless, so long as the Patent Owner explains how the proposed new claim language distinguishes the invention over the prior art, the amendment will be entered even if, on the merits, the examiner disagrees with the Patent Owner that the amendment overcomes the rejection. Moreover, the amendment will be entered even if the new or amended claim gives rise to a new ground of rejection. Where the requirement is satisfied as to fewer than all of the proposed new or amended claims, the proposed amendment will be entered in part as to the claims for which the requirement is satisfied.

It is important to note that the submission of an amendment unrelated to any SNQ is not, in itself, a basis for *rejecting* the amended claim; rather it is a basis for *refusing entry* of the amendment. In *Cordis Corp. v. Medtronic Ave, Inc.*, 511 F.3d 1157, 1185 (Fed. Cir. 2008), the Federal Circuit stated that the prohibition against enlarging the scope of a claim is the only "substantive limitation" in 35 U.S.C. 305, and is thus the only basis on which to invalidate a claim under section 305 in litigation after the amendment has been entered. In contrast to this "substantive limitation," the court in *Freeman* stated that amending claims during reexamination in a manner having "nothing to do with a substantial new question of patentability" is not a "procedural opportunity available in the [US]PTO." *Freeman*, 30 F.3d at 1468–69 (stating that the Patent Owner "never had the option of amending his claims" in such a manner). It follows that the USPTO should only allow entry of a proposed claim amendment if it is presented to resolve an SNQ; however, once the amendment is entered, a rejection based on broadening is the only substantive

ground of rejection available under 35 U.S.C. 305 and 314.

The refusal to enter a proposed amendment is petitionable and not appealable to the Board. *See In re Kline*, 474 F.2d 1325, 1329 (CCPA 1973).

**8. Petitions Practice Will Be Clearly Defined**

To the extent possible, the USPTO seeks to specify when, how, and by whom any petition under 37 CFR 1.181–

1.183, and any opposition thereto, may be filed in reexamination proceedings. By providing clear guidance in this area, the USPTO hopes to reduce the number of improper or duplicative petitions that are currently filed, including multiple concurrent petitions for a single item of requested relief, unjustified multiple iterations of petitions for an item of relief, petitions to resolve issues that are appealable rather than petitionable, and

papers improperly opposing another party's petition.

The table below sets forth (1) the various reexamination-related petitions (both proper and improper) that are commonly filed based on the type of relief requested, (2) whether the relief is properly sought by petition (and if so, under what section of 37 CFR), and (3) whether the petition may be opposed by another party.

**EXAMPLES OF PETITIONS FILED IN REEXAMINATION PROCEEDINGS**

| Relief requested  | Petitionable?                                       | Opposable? |
|---|---|------------|
| Review of refusal to grant <i>ex parte</i> or <i>inter partes</i> reexam (see MPEP 2248, 2648)  | Yes—1.181 .....                                     | No.        |
| Vacate as <i>ultra vires</i> an order granting <i>ex parte</i> or <i>inter partes</i> reexam (see MPEP 2246, 2646).                         | Yes—1.181 .....                                     | Yes.       |
| Review of a finding of an SNQ in an order granting <i>ex parte</i> or <i>inter partes</i> reexam (see 75 FR 36357).                         | No (but see 75 FR 36357 in <i>ex parte</i> reexam). | No.        |
| Vacate filing date of <i>ex parte</i> or <i>inter partes</i> reexam based on failure to comply with 37 CFR 1.510 or 1.915.                  | Yes—1.181 .....                                     | Yes.       |
| Extension of time to respond to an Office action by Patent Owner in <i>ex parte</i> reexam.   | Yes—1.550(c) .....                                  | No.        |
| Extension of time to respond to an Office action by Patent Owner in <i>inter partes</i> reexam.   | Yes—1.956 .....                                     | No.        |
| Extension of time to submit comments by Third Party Requester (see 35 USC 314(b)(2)).   | No .....  | No.        |
| Extension of time to file a notice of appeal or brief on appeal by Patent Owner in <i>ex parte</i> reexam (see 37 CFR 41.31, 41.37, 41.43). | Yes—1.550(c) .....                                  | No.        |
| Extension of time to file a notice of appeal or brief on appeal by any party in <i>inter partes</i> reexam (see 37 CFR 41.61, 41.66).       | Yes—1.183 .....                                     | No.        |
| Striking another party's improper paper (or portion thereof) from the file .....  | Yes—1.181 .....                                     | Yes.       |
| Protection of proprietary information being submitted under seal .....  | Yes—1.59(b) .....                                   | Yes.       |
| Waiver of page or word limit requirement .....  | Yes—1.183 .....                                     | No.        |
| Review of refusal to enter amendment .....  | Yes—1.181 .....                                     | Yes.       |
| Withdrawal of final Office action .....   | Yes—1.181 .....                                     | Yes.       |
| Revival of terminated proceeding based on Patent Owner's "unavoidable" delay and acceptance of late paper.                                  | Yes—1.137(a) .....                                  | No.        |
| Revival of terminated proceeding based on Patent Owner's "unintentional" delay and acceptance of late paper.                                | Yes—1.137(b) .....                                  | No.        |
| For jurisdiction to be transferred to the Office of Patent Legal Administration .....   | No .....  | No.        |
| Suspend <i>inter partes</i> reexam for "good cause" under 35 USC 314(c) .....   | Yes—1.182 .....                                     | Yes.       |
| Terminate <i>inter partes</i> reexam based on estoppel under 35 USC 317(b) .....  | Yes—1.182 .....                                     | Yes.       |

The table above reflects the USPTO's current practice. The USPTO is interested to hear what changes can and should be made to its current practice in order to eliminate undue delays associated with petitions and oppositions.

**B. Proposed Changes Specific to *Ex Parte* Reexamination**

**1. Make Permanent the Pilot That Allows the Patent Owner to Optionally Waive the Patent Owner's Statement**

In light of the fact that only about ten percent of Patent Owners elect to file a statement under 35 U.S.C. 304 following an order for *ex parte* reexamination, the USPTO launched a pilot to allow Patent Owners to waive this statement altogether. *See Optional Waiver of Patent Owner's Statement in Ex Parte Reexamination Proceedings*, 75 FR 47269 (Aug. 5, 2010). The goal of this

pilot is to eliminate the delay associated with the examiner having to wait two months under 35 U.S.C. 304 before beginning work on the FAOM in the majority of cases where the Patent Owner does not file a statement in response to the order granting reexamination. This delay is unique to *ex parte* reexaminations because *inter partes* reexaminations do not have a two-month statement period between the grant of the order and the mailing of the FAOM. *See* 35 U.S.C. 313 (providing, in relevant part, that "[t]he order may be accompanied by the initial action of the Patent and Trademark Office on the merits of the *inter partes* reexamination"). For this reason, the average time between the filing of the request and the mailing of an FAOM in *inter partes* reexamination has historically been shorter (indeed, nearly

half as long) as that in *ex parte* reexamination.<sup>1</sup>

Under the pilot, the USPTO contacts the Patent Owner, via telephone, after the reexamination request is given a filing date but before any decision on the request has been made. The telephone communication is limited to an inquiry regarding whether the Patent Owner wishes to waive the right to file a statement under 35 U.S.C. 304 in the event that the reexamination request is granted. Any discussion of the merits of the proceedings (*e.g.*, the patentability of the claims) is not permitted. The Patent Owner's decision to either waive or not waive the statement is made of

<sup>1</sup> See USPTO Reexamination Operational Statistics, available at [http://www.uspto.gov/patents/stats/Reexamination\\_Information.jsp](http://www.uspto.gov/patents/stats/Reexamination_Information.jsp) (average number of months, per quarter in FY 2010, between the reexam request and the FAOM, for *ex parte*: 7.6, 7.8, 7.4, 7.5; for *inter partes*: 4.4, 4.2, 3.6, 3.3).

record in an interview summary, and a copy of the summary is mailed to both the Patent Owner and any Third Party Requester. If the Patent Owner agrees to waive the statement, then the examiner can mail an order for *ex parte* reexamination together with or soon after mailing the FAOM. The initial results of the pilot are encouraging. In view of these results, the USPTO proposes to make the pilot permanent through a notice of proposed rule making.

*2. Where the Patent Owner Does Not Waive the Statement, the Order Granting Reexamination Will Include a Provisional FAOM, Which May Be Made Final in the Next Action*

This proposed change is intended to streamline reexamination and reflects the fact that the Patent Owner has a right, under 35 U.S.C. 304, to file a statement, together with evidence and amendments, in order to distinguish the claimed invention from the prior art. If the Patent Owner does not waive this statement when contacted by the USPTO pursuant to the *Optional Waiver of Patent Owner's Statement in Ex Parte Reexamination Proceedings*, 75 FR 47269 (Aug. 5, 2010), and if the examiner determines that the reexamination request raises an SNQ, then the examiner will mail an order granting *ex parte* reexamination together with a provisional FAOM indicating which claims stand provisionally rejected or provisionally confirmed.

If, in response to a provisional FAOM, the Patent Owner either does not file a statement or files a statement that fails to overcome all provisional rejections, then, to the extent the rejections have not been overcome, the examiner will adopt in the next action the pertinent portions of the provisional FAOM which were not overcome. For purposes of determining whether this next action will be made final, the examiner will treat the provisional FAOM as if it were an actual FAOM at the time it was mailed, and will apply the guidance set forth in MPEP § 706.07(a) (Final Rejection, When Proper on Second Action).

**C. Proposed Changes Specific to *Inter Partes* Reexamination**

*1. Third Party Requester May Dispute the Examiner's Designation That a Rejection is "Representative" of Other Rejections in the Group*

If an examiner designates a rejection as "representative" of a group of adopted rejections (see Part A.4 above), then the Third Party Requester will have an opportunity to dispute this designation

to both the examiner and the Board. In particular, after the Patent Owner files a response to the FAOM, then the Third Party Requester may file comments in which the Third Party Requester supports the examiner's reasons for adopting a group of rejections but further argues that one or more rejections within the group of adopted rejections would stand even if the representative rejection is overcome. If the examiner agrees with the Third Party Requester that all rejections within the group do not "stand or fall" with the representative rejection, then the examiner will say so in the next action. This next action may be made final under MPEP § 706.07(a) (Final Rejection, When Proper on Second Action).

Similarly, after the Patent Owner files an appeal of a final rejection, the Third Party Requester may file a respondent's brief in which the Third Party Requester supports the examiner's final rejections but further argues that one or more final rejections in the group would stand even if the representative rejection is reversed. This further argument will ensure that, in the event the representative rejection is reversed, the Board will have the benefit of the Third Party Requester's position as to the other rejections within the group. The Board may review any rejection within the group of adopted rejections in order to affirm the examiner as to that claim. For further discussion of the Third Party Requester's briefing on appeal in *inter partes* reexamination, see Part C.3 below.

*2. Final Office Action Closes Prosecution and Triggers Appeal Rights*

This proposed change is intended to reduce delays in *inter partes* reexaminations by consolidating the action closing prosecution under 37 CFR 1.949 and the right of appeal notice under 37 CFR 1.953, and replacing them with one final Office action. The final Office action will identify the status of each claim and will explain the reasons for each representative rejection and each decision to confirm a claim. No amendment can be made in response to the final Office action, other than to cancel claims (where cancellation does not change the scope of any pending claim), to rewrite dependent claims into independent form, or to comply with requirements or suggestions set forth in the final Office action. The final Office action will set (1) a time period in which any Patent Owner amendment and appeal must be filed, and/or (2) a time period in which any Third Party Requester appeal must be filed.

To effect this proposed change, the USPTO would amend 37 CFR 1.949–1.953 to create a single, final Office action that closes prosecution and triggers appeal rights.

*3. Third Party Requester's Appellant Brief is Limited To Appealing An Examiner's Decision That a Claim is Patentable; Additional Bases To Cancel A Rejected Claim Can Only Be Argued in a Respondent Brief Following Patent Owner's Appellant Brief*

This proposed change is intended to reduce the number of duplicative issues and briefs submitted on appeal, particularly where all claims stand finally rejected and the Third Party Requester is challenging the examiner's determination not to make additional proposed rejections. The statute authorizes the Third Party Requester to independently appeal "any final decision favorable to the patentability of any original or proposed amended or new claim of the patent." 35 U.S.C. 315(b)(1). The current rules, however, permit the Third Party Requester to independently appeal "any final decision favorable to the patentability, including any final determination not to make a proposed rejection, of any original, proposed amended, or new claim of the patent." 37 CFR 41.67(a)(2) (2010) (emphasis added).

The regulatory language, emphasized above, allows the Third Party Requester to independently appeal an examiner's determination not to adopt a proposed rejection of a claim, even in cases where the same claim stands rejected on other grounds that are being appealed by the Patent Owner. In this scenario, the Third Party Requester's cross-appeal merely raises additional grounds on which to affirm the examiner's final determination that the claim is unpatentable.

Courts do not permit such cross-appeals. As the Federal Circuit has explained in the context of district court litigation, "A cross-appeal may only be filed 'when a party seeks to enlarge its own rights under the judgment or to lessen the rights of its adversary under the judgment.'" *Aventis Pharma S.A. v. Hospira, Inc.*, \_\_\_ F.3d \_\_\_, 2011 WL 1046187, at \*1 (Fed. Cir. Mar. 24, 2011) (quoting *Bailey v. Dart Container Corp.*, 292 F.3d 1360, 1362 (Fed. Cir. 2002)). By contrast, where "the district court has entered a judgment of invalidity as to all of the asserted claims, there is no basis for a cross-appeal as to either (1) *additional claims for invalidity* or (2) *claims of non-infringement*." *TypeRight Keyboard Corp. v. Microsoft Corp.*, 374 F.3d 1151, 1157 (Fed. Cir. 2004) (emphasis added). An unwarranted

cross-appeal “unnecessarily expands the amount of briefing,” and also gives “the appellee an unfair opportunity to file the final brief and have the final oral argument.” *Bailey*, 292 F.3d at 1362.

Although a cross-appeal is not the appropriate vehicle to present alternative grounds for affirmance, parties are “free to devote as much of their responsive briefing as needed to flesh out additional arguments and alternative grounds for affirming the judgment on appeal.” *Aventis*, \_\_\_ F.3d at \_\_\_, 2011 WL 1046187, at \*2. See *United States v. Am. Ry. Express Co.*, 265 U.S. 425, 435 (1924) (The “appellee may, without taking a cross-appeal, urge in support of a decree any matter appearing in the record, although his argument may involve an attack upon the reasoning of the lower court or an insistence upon matter overlooked or ignored by it.”).

Consistent with the courts’ practice, the USPTO proposes to revise its rules governing appeals by Third Party Requesters to prohibit the filing of appeals by Third Party Requesters as to any claim that is finally rejected on at least one ground. A final rejection of a claim on at least one ground is a “decision adverse to the patentability” of that claim under 35 U.S.C. 315(a)(1), which not only triggers the Patent Owner’s appeal, but also allows the Third Party Requester to “be a party to any appeal taken by the patent owner,” *id.* § 315(b)(2). As a party to the Patent Owner’s appeal, the Third Party Requester may argue in its responsive briefing that the examiner should have made additional rejections against a claim that stands rejected on other grounds. By contrast, a “final decision favorable to the patentability” of a claim under 35 U.S.C. 315(b)(1) is one in which no rejection has been finally adopted against that claim.

To effect this proposed change, the USPTO would amend 37 CFR 41.61, 41.67, 41.68, 41.71, and/or 41.77. A Third Party Requester’s appellant brief, if any, would be limited to challenging a final determination in which no rejection has been adopted against a particular claim. However, if a claim stands finally rejected and is appealed by the Patent Owner, then the Third Party Requester may file a respondent’s brief addressing the Patent Owner’s arguments and further challenging the examiner’s non-adoption of additional proposed rejections against that claim. The Patent Owner could then address these arguments in a reply brief.

*Comments are invited on the above-proposed changes, as well as to the questions below:*

1. Should the USPTO proceed with any efforts to streamline the procedures governing *ex parte* and/or *inter partes* reexamination proceedings?

2. Should the USPTO place word limits on requests for *ex parte* and/or *inter partes* reexamination?

3. Should the USPTO revise its existing page or word limits in *inter partes* reexamination following the request?

4. Should the USPTO place any limitation or criteria on the addition of new claims by a Patent Owner in reexamination? If so, what kind of limitation or criteria?

5. Should the USPTO change its interpretation of “a substantial new question of patentability” to require something more than “a substantial likelihood that a reasonable examiner would consider the prior art patent or printed publication important in deciding whether or not the claim is patentable”? See MPEP §§ 2242, 2642. If so, how should it be interpreted?

6. How much time should Patent Owners and Third Party Requesters ordinarily be given to submit a statement, response, or appeal where the time for filing the statement, response, or appeal is set by the USPTO rather than by statute?

7. Under what conditions should the USPTO grant a Patent Owner’s request for an extension of time under 37 CFR 1.550(c) or 1.956, both of which provide that extensions of time may only be granted for “sufficient cause and for a reasonable time specified”?

8. Should the USPTO require that any information disclosure statement (IDS) filed by a Patent Owner in a reexamination comply with provisions analogous to 37 CFR 1.97 and 1.98, and further require that any IDS filed after a Notice of Intent to Issue a Reexamination Certificate (NIRC) or notice of appeal be accompanied by: (1) an explanation of why the information submitted could not have been submitted earlier, and (2) an explanation of the relevance of the information with regard to the claimed invention?

9. Under what conditions should a reexamination proceeding be merged with another reexamination or reissue proceeding?

10. What relief can and should be given to a Third Party Requester that shows that it did not receive a Patent Owner’s statement or response within a certain number of days after the date listed on the Patent Owner’s certificate of service? How many days and what kind of showing should be required?

11. Should the USPTO encourage and/or require that all correspondence in reexamination proceedings be conducted electronically (e.g., e-filing parties’ documents, e-mailing notices of Office actions and certificates)?

12. Should reexamination proceedings remain with the Board in cases where the Board has entered a new ground of rejection on appeal and the Patent Owner seeks to introduce new evidence and amendments? In particular, is it more efficient for three administrative patent judges or a single examiner to decide issues involving new evidence and amendments?

13. What other changes can and should the USPTO make in order to streamline reexamination proceedings?

*Registration Information:* The USPTO plans to make the meeting available via Web cast. Web cast information will be available on the USPTO’s Internet Web site before the meeting. The written comments and list of the meeting participants and their associations will be posted on the USPTO’s Internet Web site (<http://www.uspto.gov>).

When registering, please provide the following information: (1) Your name, title, and if applicable, company or organization, address, phone number, and e-mail address; and (2) if you wish to make a presentation, the specific topic or issue to be addressed and the approximate desired length of your presentation.

There is no fee to register for the public meeting and registration will be on a first-come, first-serve basis. Early registration is recommended because seating is limited. Registration on the day of the public meeting will be permitted on a space-available basis beginning at 1:30 p.m., Eastern Standard Time, on June 1, 2011.

The USPTO will attempt to accommodate all persons who wish to make a presentation at the meeting. After reviewing the list of speakers, the USPTO will contact each speaker prior to the meeting with the amount of time available and the approximate time that the speaker’s presentation is scheduled to begin. Speakers must then send the final electronic copies of their presentations in Microsoft PowerPoint or Microsoft Word to [reexamimprovementcomments@uspto.gov](mailto:reexamimprovementcomments@uspto.gov) by May 25, 2011, so that the presentation can be displayed in the Auditorium.

If you need special accommodations due to a disability, please inform the contact person (see **FOR FURTHER INFORMATION CONTACT**) by May 25, 2011.

Dated: April 18, 2011.

**David J. Kappos,**

*Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.*

[FR Doc. 2011-9805 Filed 4-22-11; 8:45 am]

**BILLING CODE 3510-16-P**

## **ENVIRONMENTAL PROTECTION AGENCY**

### **40 CFR Part 62**

**[EPA-R04-OAR-2010-0840(b); FRL-9298-8]**

#### **Approval and Promulgation of State Plans for Designated Facilities and Pollutants: Florida; Jefferson County, KY; Forsyth, Mecklenburg, and Buncombe Counties, NC; and SC**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** EPA is notifying the public that it has received negative declarations for Other Solid Waste Incinerator (OSWI) units from the State of Florida; Large Municipal Waste Combustor (LMWC), Small Municipal Waste Combustor (SMWC), and OSWI units from Jefferson County, Kentucky; LMWC, SMWC, and OSWI units from Forsyth County, North Carolina; LMWC, SMWC, and OSWI units from Mecklenburg County, North Carolina; LMWC, SMWC, Hospital/Medical/Infectious Waste Incinerator (HMIWI), and OSWI units from Buncombe County, North Carolina; and LMWC and HMIWI units from the State of South Carolina. These negative declarations certify that LMWC, SMWC, HMIWI, and OSWI units, as indicated above, subject

to the requirements of Sections 111(d) and 129 of the Clean Air Act do not exist in areas covered by the following air pollution control programs: Florida Department of Environmental Protection; Louisville, Kentucky, Air Pollution Control District; Forsyth County Environmental Affairs Department; Mecklenburg County Land Use and Environmental Services Agency; Western North Carolina Regional Air Quality Agency; and South Carolina Department of Health and Environmental Control. In the Final Rules section of this Federal Register, EPA is publishing these negative declaration submittals as a direct final rule without prior proposal because the Agency views this as a noncontroversial submittal and anticipates no adverse comments.

**DATES:** Comments must be received in writing by May 25, 2011.

**ADDRESSES:** Submit your comments, identified by Docket ID Number EPA-R04-OAR-2010-0840 by one of the following methods:

1. *http://www.regulations.gov*. Follow the on-line instructions for submitting comments.

2. *E-mail:* [garver.daniel@epa.gov](mailto:garver.daniel@epa.gov).

3. *Fax:* (404) 562-9095.

4. *Mail:* EPA-R04-OAR-2010-0840, Daniel Garver, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW., Atlanta, Georgia 30303.

5. *Hand Delivery or Courier:* Mr. Daniel Garver, Air Toxics Assessment and Implementation Section, Air Toxics and Monitoring Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW., Atlanta, Georgia 30303-8960. Such deliveries are only accepted during the

Regional Office's normal hours of operation. The Regional Office's official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding federal holidays.

Please see the direct final rule which is located in the Rules section of this **Federal Register** for detailed instructions on how to submit comments.

#### **FOR FURTHER INFORMATION CONTACT:**

Daniel Garver, Air Toxics and Monitoring Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW., Atlanta, Georgia 30303-8960. The telephone number is (404) 562-9839. Mr. Garver can also be reached via electronic mail at [garver.daniel@epa.gov](mailto:garver.daniel@epa.gov).

**SUPPLEMENTARY INFORMATION:** For additional information see the direct final rule which is published in the Rules Section of this **Federal Register**. If no adverse comments are received in response to this rule, no further activity is contemplated. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period on this document. Any parties interested in commenting on this document should do so at this time.

Dated: January 13, 2011.

**A. Stanley Meiburg,**

*Acting Regional Administrator, Region 4.*

[FR Doc. 2011-9848 Filed 4-22-11; 8:45 am]

**BILLING CODE 6560-50-P**