

MODIFIED SUPPORTING STATEMENT (December 2, 2009)
UNITED STATES PATENT AND TRADEMARK OFFICE
Board of Patent Appeals and Interferences (BPAI) Actions
OMB Control Number 0651-00xx

Introduction

The United States Patent and Trademark Office (USPTO) is requesting approval for a collection of information entitled “Board of Patent Appeals and Interferences (BPAI) Actions.”

The 60-Day Federal Register Notice published on June 9, 2008 (73 Fed Reg. 32559). The public comment period ended on August 8, 2008. The USPTO received 12 public comments in response to the Notice. The 30-Day Federal Register Notice published on October 8, 2008 (73 Fed. Reg. 58943). The information collection request was submitted to the OMB on November 19, 2008.

The request submitted on November 19, 2008 was associated with rulemaking RIN 0651-AC12. Because the information collection process had not been completed by the original effective and applicability date of the final rule (December 10, 2008), the Office published a Federal Register Notice [73 FR 74972 (December 10, 2008)] notifying the public that the effective and applicability date of the final rule was not December 10, 2008, and that the effective and applicability dates would be identified in a subsequent notice.

The Office has considered the comments thus far submitted on the final rule and is proposing to amend the final rule to eliminate any additional burden introduced by the final rule RIN 0651-AC12. As such, the Office is modifying the pending information collection request submission to limit it to the current rule [37 CFR 41.1 et seq. (2004)].

This collection is limited to three items:

- Appeal Brief (41.37)
- Reply Brief (41.41)
- Request for Rehearing Before the BPAI (41.52)

A. JUSTIFICATION

1. Necessity of Information Collection

The Patent Statute, 35 U.S.C. § 6(b), established the Board of Patent Appeals and Interferences (BPAI or Board). As such, the BPAI “shall, on written appeal of an applicant, review adverse decisions of examiners upon applications for patent and shall determine priority and patentability of invention in interferences.” BPAI has the authority under 35 U.S.C. §§ 134 and 306 to review *ex parte* appeals. In addition, 35 U.S.C. § 6 establishes the membership of BPAI as the Director, the Deputy Director, the Commissioner for

Patents, the Commissioner for Trademarks, and the Administrative Patent Judges. Each appeal is heard by a merits panel of at least three members of the Board.

Under the statute, one of BPAI’s main responsibilities includes the review of *ex parte* appeals from adverse decisions of examiners in those situations where a written appeal is taken by a dissatisfied applicant. The current rules governing *ex parte* appeals can be found in 37 CFR 41.1 through 41.54.

There are a limited number of items already considered under the PRA in relation to BPAI activities. These are currently within the 0651-0031 collection. Specifically, these are:

- Notice of Appeal (41.31)
- Request for Oral Hearing Before the BPAI (41.47)

The USPTO is asking that a new collection of information, entitled “Board of Patent and Appeals and Interferences (BPAI) Actions” be established. This will consist of the following items:

- Appeal Brief (41.37)
- Reply Brief (41.41)
- Request for Rehearing Before the BPAI (41.52)

Table 1 provides the specific statutes and regulations requiring the USPTO to collect the information.

Table 1: Information Requirements for Patent Appeals and Interferences (BPAI) Actions

| Requirement | Statute | Rule |
|---------------------------------------|-----------------|--------------|
| Appeal Brief | 35 U.S.C. § 134 | 37 CFR 41.37 |
| Reply Brief | 35 U.S.C. § 134 | 37 CFR 41.41 |
| Request for Rehearing Before the BPAI | 35 U.S.C. § 134 | 37 CFR 41.52 |

2. Needs and Uses

Ex parte appeals from adverse decisions by patent examiners in applications for patents and in reexamination proceedings filed pursuant to Chapter 30 of 35 U.S.C. are provided for by 35 U.S.C. §§ 134 and 306. The rules governing *ex parte* appeals are found at 37 CFR 41.1 through 41.54. Chapter 1200 of ***The Manual of Patent Examining Procedure*** sets forth the current procedures for appellants and patent examiners to follow in *ex parte* appeals. Sections 2273 through 2279 of ***The Manual of Patent Examining Procedure*** sets forth additional procedures for appellants and patent examiners to follow in *ex parte* appeals in a reexamination proceeding.

The BPAI disseminates certain information that it collects through various publications and databases. This information includes opinions, binding precedent, final decisions, and judgments in interference cases.

Opinions authored by the BPAI have varying degrees of authority attached to them. There are precedential opinions, which when published, are binding and provide the criteria and authority that the BPAI will use to decide all other factually similar cases (until the opinion is overruled or changed by statute). There are informative opinions which are non-precedential, Informative opinions illustrate norms of BPAI decision-making for the public. The final type of BPAI opinion is the routine opinion. A routine opinion is also non-precedential. Routine opinions are all publicly available opinions which are not designated as precedential or informative. Since public policy favors a widespread publication of opinions, the BPAI publishes all publicly available opinions, even if the opinions are not binding precedent upon the BPAI.

An opinion of the BPAI made precedential by the procedures contained in this or earlier versions of the Standard Operating Procedure 2 is considered to be binding precedent. Other BPAI opinions which are published or otherwise disseminated are not considered binding precedent of the BPAI. (See Ref. A, Standard Operating Procedure 2.)

The Information Quality Guidelines from Section 515 of Public Law 106-554, Treasury and General Government Appropriations Act for Fiscal year 2001, apply to this information collection and comply with all applicable information quality guidelines, *i.e.*, OMB and specific operating unit guidelines.

This proposed collection of information will result in information that will be collected, maintained, and used in a way consistent with all applicable OMB and USPTO Information Quality Guidelines. (See Ref. B, the *USPTO Information Quality Guidelines*.)

Table 2 lists the information identified in this collection and explains how this information is used by the public and by the USPTO:

Table 2: Needs and Uses

| Form and Function | Form # | Needs and Uses |
|---------------------------------------|--------------------|---|
| Appeal Brief | No Form Associated | <ul style="list-style-type: none"> • Used by the applicant to set forth the claims, issues, and arguments on appeal to the BPAI • Used by the BPAI to aid in rendering a decision on the claims, issues, and arguments submitted by the applicant |
| Reply Brief | No Form Associated | <ul style="list-style-type: none"> • Used by the applicant to respond to the examiner's answer • Used by the BPAI to aid in rendering a decision on the claims, issues, and arguments submitted by the applicant |
| Request for Rehearing Before the BPAI | No Form Associated | <ul style="list-style-type: none"> • Used by the applicant to request reconsideration of a BPAI decision • Used by the BPAI to decide whether to grant or deny a request for reconsideration of a decision |

3. Use of Information Technology

The USPTO does not collect the information for the briefs and requests through automated or mechanical means. At this time, the USPTO does not offer electronic forms for these items that can be accessed, completed, and submitted through the USPTO's web-based electronic filing system, EFS-Web. Parties may, however, file this information as attachments through EFS-Web.

EFS-Web allows customers to file applications and associated documents through their standard web browser and does not require any significant client-side components. Though there are no forms offered for the briefs and requests through EFS-Web, parties may convert these documents into portable document file (PDF) format and submit them through EFS-Web. EFS-Web provides immediate notification that the submission was received, automated processing of requests, and avoidance of postage or other paper delivery costs.

Correspondence officially submitted via EFS-Web is accorded a "receipt date," which is the date the correspondence was received by the USPTO. After a successful submission, an acknowledgement receipt containing the receipt date, the time the correspondence was received at the USPTO, and a full listing of the correspondence submitted, can be obtained from EFS-Web.

As BPAI gains more experience with the number, types, and complexities of the appeal papers filed as attachments through EFS-Web, BPAI will continue to review the results and any feedback to determine whether full electronic filing, offering PDF forms that can be completed and submitted online, will be beneficial. If it is found that full electronic filing is beneficial and BPAI decides to deploy a production system, the electronic forms, with their associated burdens, will be submitted to OMB for review and approval.

The BPAI uses the Appeals Case Tracking System (ACTS) to track the status of the patent appeal cases. ACTS allows the BPAI to track the status of the patent appeal cases and also provides relevant information pertaining to these cases. This is an internal system that manages the workflow throughout BPAI. ACTS is not designed to disseminate information or to provide status updates to the public.

The BPAI disseminates opinions and decisions to the public through the USPTO's website. Precedential opinions in *ex parte* appeals are published on BPAI's home page through the USPTO's website. In late 1997, BPAI started disseminating opinions in support of BPAI's final decisions appearing in issued patents, reissue applications, and reexamination proceedings through the USPTO's electronic Freedom of Information Act (e-FOIA) website. Beginning in 2001, with the implementation of eighteen-month publication of applications under the American Inventors Protection Act of 1999, the BPAI also began posting final decisions for published applications through the e-FOIA website.

4. Efforts to Identify Duplication

This information is collected only when an applicant (or a patent owner) submits information for an *ex parte* appeal before the BPAI. This collection does, in part, solicit data already available at the USPTO, in that certain copies of evidence may have been submitted earlier as part of the patent examination process. The duplication of effort is limited, however, and the agency considers it necessary. In order to be clear as to the evidence, copies of evidence relied on in the appeal need to be filed with the brief. While the copies of evidence required by the appendix may be duplicates of evidence already in the file, the necessity of absolute clarity as to the evidence relied on outweighs the burden on the public.

5. Minimizing the Burden to Small Entities

The same information is required from every applicant, and this information is not available from any other source. Pursuant to 35 U.S.C. § 41(h)(1), the USPTO provides a fifty percent reduction in the fees charged under 35 U.S.C. §§ 41 (a) and (b) for small entity applicants, such as independent inventors, small businesses, and nonprofit organizations. The USPTO's regulations concerning the payment of reduced patent fees by small entities are at 37 CFR 1.27 and 1.28, and reduced patent fees for small entity applicants are shown in 37 CFR 1.16, 1.17, 1.18, and 1.20. No significant burden is placed on small entities, in that small entities must only identify themselves as such in order to obtain these benefits. No formal statement is required. An assertion of small entity status only needs to be filed once in an application or patent.

6. Consequences of Less Frequent Collection

This information is collected only when an applicant (or patent owner) files an appeal brief, reply brief, or a request for rehearing before the BPAI. This information is not collected elsewhere. Therefore, this collection of information could not be conducted less frequently. If this information was not collected, the BPAI could not ensure that an applicant (or patent owner) has submitted all of the information (and the applicable fees) necessary to initiate an appeal or to determine whether a request should be granted. If this information was not collected, the USPTO could not comply with the requirements of 35 U.S.C. §134 and 37 CFR Part 41.

7. Special Circumstances in the Conduct of Information Collection

There are no special circumstances associated with this collection of information.

8. Consultation Outside the Agency

The 60-Day Federal Register Notice was published on June 9, 2008 (73 Fed Reg. 32559). The public comment period ended on August 8, 2008. The USPTO received 12 public comments in response to the Notice. The 30-Day Federal Register Notice published on October 8, 2008 (73 Fed. Reg 58943). The information collection request was submitted to the OMB on November 19, 2008.

The request submitted on November 19, 2008 was associated with rulemaking RIN 0651-AC12. Because the information collection process had not been completed by the original effective and applicability date of the final rule, the Office published a Federal Register Notice (73 FR 74972 (December 10, 2008)) notifying the public that the effective and applicability date of the final rule was not December 10, 2008, and that the effective and applicability dates would be identified in a subsequent notice.

The Office has considered the comments thus far submitted on the final rule and is proposing to amend the final rule to eliminate any additional burden introduced by the final rule. As such, the Office is modifying the pending information collection request submission (OMB Control No. 0651-00xx) to limit it to the current rule (37 CFR 41.1 et seq. (2004)).

Comments received for the 60-Day Federal Register Notice which are considered to be relevant to the existing 37 CFR 41.1 et seq (2004), and thus relevant to this modified information request, are discussed below.

Comments were invited on (73 Fed. Reg. at 32561, col. 1):

- (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility.
- (b) The accuracy of the agency's estimate of the burden (including hours and cost) of the proposed collection of information.
- (c) Ways to enhance the quality, utility and clarity of the information to be collected.
- (d) Ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Many comments received by the USPTO fell outside the scope of the requested subject matter (information collection under the Paperwork Reduction Act). For example, many comments were directed toward the BPAI proposed and/or final rules, the rule making process related to the proposed and/or final rules, other BPAI rules and the rule making

procedures relating to their promulgation, and other patent-related issues. The following analysis addresses only those comments related to information collection under the Paperwork Reduction Act.¹

This section addresses, first, observations for 0651-AC12 and information required under the rules, and second, comments and responses on a, b, c, and d listed above.

Information Required Under the Rules:

The Patent Act contemplates that an applicant taking an appeal to the Board will file a notice of appeal (35 U.S.C. § 41(a)(6)(A)) and thereafter a brief on appeal (35 U.S.C. § 41(a)(6)(B)). The Patent Act further contemplates that an applicant may request oral argument before the Board (35 U.S.C. § 41(a)(6)(B)). The Patent Act still further contemplates that an applicant dissatisfied with final decision by the Board may request rehearing (35 U.S.C. § 6(b)).

The statutes and rules have long required that an applicant taking an appeal file a notice of appeal and a brief. Likewise, the statutes and rules have long required that if oral argument is desired, the applicant must file a request for oral argument. The same is true for a request for rehearing.

Responses to the Paperwork Reduction Act, New Collection Comment Request (73 Fed. Reg. at 32561, col. 1)

Comments were received on a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility.

Comment 1: Comments were received which suggest that the rules violate the Paperwork Reduction Act because the rules require an appeal brief to include information (documents) which is found in other USPTO records (Intellectual Ventures at pages 5 and 17 and Boundy at pages 8-9). Specifically, the comments assert that Rule 41.37 requires appellants to provide unnecessarily duplicative information, including affidavits, declarations, and other evidence, as well as copies of orders and opinions that are reasonably accessible to the USPTO.

Answer 1: The PRA requires agencies to certify that a collection of information “is not unnecessarily duplicative of information otherwise reasonably accessible to the

¹ Some comments argued that the USPTO should have included the information collection in the notice of proposed rule making (Katznelson at page 2 and Boundy at pages 12-15). After publishing the notice of proposed rulemaking, which, in fact, did solicit comments on the paperwork burden contained in the notice of proposed rulemaking, the Agency received comments suggesting the benefit of further PRA analysis. 72 Fed. Reg. 41472, 41484 (Jul. 30, 2007). In response to these comments, and due to the narrowed the scope of the final rules (which also significantly reduced the PRA burden imposed by the rule), the USPTO again solicited comments on the PRA burden to the public. 73 Fed. Reg. 32559 (Jun. 9, 2008). The USPTO has fully complied with its obligations under the PRA by liberally construing its obligations under the PRA in an effort to ensure that the public has ample opportunity to comment on the burden impact of the rule making and to maintain an inventory of the burden.

agency". See 44 U.S.C. 3506(c)(3)(B). The current rules require that appeal briefs include an evidence appendix (Rule 41.37(c)(1)(ix)) containing declarations relied on by applicants, other evidence entered by the examiner, and a related proceedings appendix (Rule 41.37(c)(1)(x)) containing copies of opinions/decisions in cases related to the application on appeal. The appendix requirements of Rule 41.37 mean that in some instances the applicant will submit duplicate information that is reasonably accessible to the agency. The collection of the information, however, is not "unnecessarily duplicative" for the following reasons. First, the requirement for appendices saves agency resources in many areas. The appendices ensure that the examiner and the appeal conferees review and respond to the proper copies of the evidence supporting applicants' arguments on appeal. The appendices also ensure that the Board's administrative intake staff reviews proper copies of the evidence supporting the arguments on appeal. For example, the evidence appendix ensures that the Board has copies of declarations filed in earlier applications that have not been re-filed but are relied on in the application on appeal. Searching for and retrieving this information from earlier applications delays BPAI action on the appeal. The evidence appendix also prevents the panel of judges from reviewing earlier versions of declarations that were rejected for deficiencies. Secondly, the appendix promotes judicial economy. Prior to Rule 41.37(c)(1)(ix) (2004) requiring an appendix with the evidence, the Board received many appeals wherein the evidence relied on by the applicant and the examiner did not correspond. In such cases, remands were necessary to clarify the evidence supporting the arguments on appeal. In order to be clear as to the evidence, copies of evidence relied on in the appeal need to be filed with the brief. Thus, while the copies of evidence required by the evidence appendix may be duplicates of evidence already in the file, the needs to save agency resources and promote judicial economy demonstrate that the appendix is not "unnecessarily duplicative."

Comments were received on b) the accuracy of the agency's estimate of the burden (including hours and cost) of the proposed collection of information.

Comment 2: Several comments were received which question the accuracy of and the factual basis on which agency estimates were made. For example, some comments suggest that there was no accurate factual basis, and therefore a lack of a proper of analysis, for the estimated time for preparing an appeal brief (Schar, Ceres at pages 2-3, Katznelson at paragraph 6, and Boundy at pages 16-25, 42-45).

Answer 2: The agency believes that it has objective factual support for its estimates. Moreover, some of the comments support USPTO's estimates.

Hourly Rate

Several comments suggest that the agency has no cogent basis for its estimate of a billing rate of \$310 per hour as a cost for professionals preparing the items of the collection. Rather, the comments state hourly rates of \$300 (Katznelson), \$380 (Moore) and \$413 to \$530 (Intellectual Ventures).

The agency used an hourly rate of \$310 based on survey data reported in Report of the Economic Survey 2007, Law Practice Management Committee, American Intellectual Property Law Association, 241 18th Street South, Suite 700, Arlington, Virginia 22202 ("Report"). This is the hourly rate used by the agency across any information collection

request that includes legal professional rates. The Report gathered data from 2,733 respondents. Report, page 4. The Report defines mean (average) as "[t]he sum of all values divided by the number of values." Report, page 2. The Report defines "median" as "[t]he median identifies the point in the distribution of reported values that is equal to or larger than one-half of reported values and equal to or smaller than one-half—that is, the mid-point." Report, page 2. The median billing rate for all attorneys was \$310 per hour. Report, page 7. The agency recognizes that the \$310 per hour figure is a median. The agency believes the median figure is an appropriate figure upon which to base estimates given that attorneys charging above the median and below the median would be expected to participate in the appeal process. Accordingly, the billing rate of \$310 per hour (73 Fed. Reg. 32560, col. 3) is believed to be supported by objective survey data. In the notice, the agency said the hourly rate for associate attorneys was \$310 (id.). However, as the Report reveals, the median billing rate for associate attorneys is \$245 per hour, while the median billing rate for private firm partners is \$380 per hour. The reference to associate attorneys will continue to be used as the estimate, as it is based on the median \$310 per hour rate revealed in the survey. The agency will no longer reference this as an associate rate, to avoid any confusion.

Modification Note: the agency has recently updated the hourly rate used across agency information collections for attorney rates from \$310 to \$325 to reflect the most recent survey data reported in Report of the Economic Survey 2009, Law Practice Management Committee, American Intellectual Property Law Association (AIPLA 2009 Report page 8). The tables and estimates in this request reflect the \$15 increase. The reasoning behind the use of the rate remains as it did at the time of the original response to comments concerning the rate determination.

Preparation Time

Oral Hearing

A comment was received that questioned the lack of burden estimation regarding the time to prepare for an oral hearing. The agency does not consider the time for preparation of the oral hearing to be a burden under the PRA in that there would be no collection of new information at the oral hearing. Since the oral hearing is limited to information already submitted and collected, it is essentially an opportunity for clarification of the information already collected or received. The agency has included in the total burden the request for the oral hearing but not the time to prepare for an oral hearing.

Appeal Briefs

Several comments were received which question the accuracy of the agency's estimate of time to prepare an appeal brief. For example, comments suggested time estimates for the preparation of the appeal brief of 15 hours (Hayden), 30 and 110.5 hours associate time and 4.5 hours and 23.9 hours partner time (Intellectual Ventures at page 41), 30 hours (Boundy at page 85 of Belzer exhibit), 45 hours (Moore), and 71 hours (Heimlich).

The agency estimate is consistent with data in the Report of the Economic Survey 2007. According to the Report, the median (midpoint) billing for an appeal to the Board without oral argument was \$4,000 and the mean (average) without oral argument was

\$4,899. Report, pages 21 and I-81. Further according to the Report, the median (midpoint) billing for an appeal to the Board with oral argument was \$6,500 and the mean (average) was \$8,382.

An appeal brief must be prepared whether or not oral argument is requested or takes place. Using the higher cost (mean) and the median billing rate (and making a conservative assumption that all time is spent on preparing an appeal brief), the time for preparing an appeal brief would be 15.8 hours (\$4,899 divided by \$310/hr). Because some appeals briefs are more complicated than others and because billing rates differ throughout the United States, the agency determined that a conservative estimate could be as high as about double the 15.8 hours value calculated from data in the Report, and therefore determined to use an estimate of 30 hours per appeal brief.

One commenter suggests 15 hours, which is close to the calculated 15.8 hours based on data in the Report. Other commenters have suggested a higher number of hours. While the experience of the other commenters has not been ignored, what is unknown to the agency is whether the estimates of the other commenters are based on "complicated" subject matter or unusual appeal difficulty compared to a typical appeal.

Several comments stated that 30 hours for the preparation of an appeal brief under the proposed rules was too low but did not proffer an estimate (Hinnen, Suiter Swantz at page 2, Ceres at last page). While 30 hours may be low in some cases, data in the Report suggest that 30 hours will be more than sufficient in most cases.

Modification Note: the agency has recently updated the rates to reflect the most recent survey data reported in Report of the Economic Survey 2009, Law Practice Management Committee, American Intellectual Property Law Association. The tables and estimates in this request reflect this increase. The reasoning behind the use of the rate remains as it did at the time of the original response to comments concerning the rate determination.

According to the AIPLA 2009 Report, the median (midpoint) billing for an appeal to the Board without oral argument is now \$4,500 and the mean (average) without oral argument is now \$5,547. (AIPLA 2009 Report, pages 8 and I-119). Further, according to the Report, the median (midpoint) billing for an appeal to the Board with oral argument is now \$8,000 and the mean (average) is now \$9,802.

Using the higher cost (mean) and the median billing rate from the AIPLA 2009 Report (and making a conservative assumption that all time is spent on preparing an appeal brief), the time for preparing an appeal brief is now estimated to be 17.1 hours (\$5,547 divided by \$325/hr). Because some appeals briefs are more complicated than others and because billing rates differ throughout the United States, the agency determined that a conservative estimate could be as high as about double the 17.1 hours value calculated from data in the Report, and therefore determined to use an estimate of 34 hours per appeal brief.

Reply Briefs

Several comments were received on the accuracy of the estimate for the time to prepare a reply brief. Comments suggested time estimates for the preparation of a reply brief of 15 hours (Hayden), 30 hours (Moore), and 55 hours (Heimlich). The comment

suggesting 55 hours for a reply brief stated that examiner's answers almost always include a new ground of rejection or new arguments or both.

A reply brief is not a document wherein an applicant reiterates all of the arguments from the appeal brief. Rather, a reply brief is optional and is for the purpose of specifically addressing statements made by the examiner in the Answer with which the applicant disagrees and which have not already been addressed in the applicant's appeal brief. There is no need to comment on statements made by the examiner with which the applicant agrees. Rather, comments are limited to those statements made by the examiner with which the applicant disagrees. Using the higher cost (mean) and the median billing rate from the Report, the combined time for preparing both an appeal brief and a reply brief would be 15.8 hours (\$4,899 divided by \$310/hr). Assuming that roughly twice as much time is spent by an applicant on the initial appeal brief than on the reply brief, the Report suggests that 5 hours for preparation of a reply brief will be more than sufficient in most cases.

Modification Note: the agency has recently updated the rates to reflect the most recent survey data reported in Report of the Economic Survey 2009, Law Practice Management Committee, American Intellectual Property Law Association. The tables and estimates in this request reflect this increase. The reasoning behind the use of the rate remains as it did at the time of the original response to comments concerning the rate determination.

Using the higher cost (mean) and the median billing rate from the 2009 Report, the combined time for preparing both an appeal brief and a reply brief would now be 17.1 hours (\$5,547, divided by \$325/hr). Accordingly, the estimate for preparing an appeal brief is now 34 hours. Despite this increase and based on the assumption above, the Office still maintains that 5 hours for the preparation of a reply brief will be more than sufficient in most cases.

Requests for Rehearing

A few comments were received questioning the accuracy of the estimate for the time to prepare a request for rehearing. Comments suggested time estimates for the preparation of a request for rehearing of 5 hours (Heimlich) and 15 hours (Hayden). The comment which suggested 15 hours stated that the commenter did not have experience with requests for rehearing but estimated that it would be on par with the time to prepare a brief (about 15 hours). A request for rehearing is not a document wherein an applicant reargues the appeal. Rather, a request for rehearing should be a document which has (1) as its principal focus pointing out precisely what points were overlooked or misapprehended by the Board and (2) applicant's response to those points. Thus, the focus of a request for rehearing is very narrow. As a result, the agency agrees with the Heimlich comment that the estimated time of 5 hours to prepare a request for rehearing is accurate.

No comments received provided direct input on c) Ways to enhance the quality, utility, and clarity of the information to be collected.

Comments (Boundy, Katznelson) were received concerning the agency information quality guidelines and the quality of information associated with the agency burden estimates; however these did not provide specific ways to enhance the information to be collected.

Comments were received on d) Ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments (Boundy at pages 32-34) were received questioning why the agency did not adopt suggestions to minimize the burden of the collection of information which were received in public comments on the notice of proposed rule making (72 Fed. Reg. 41,472 (Jul. 30, 2007)). Since this modified submission is limited to the current rules, these comments are no longer relevant. Further, the suggestions referred to in these comments did not minimize or reduce the burden of the collection of information on respondents.

9. Payment or Gifts to Respondents

This information collection does not involve a payment or gift to any respondent. Response to this information collection is necessary to initiate appeal proceedings and to request a rehearing before the BPAI.

10. Assurance of Confidentiality

Confidentiality of records involved in appeal proceedings is governed by statute (35 U.S.C. § 122) and regulation (37 CFR 1.11 and 1.14). The BPAI publishes certain opinions and decisions concerning decided cases. Public availability to records involved in terminated and pending cases varies, depending upon statute and regulation.

To further define the boundaries of the confidentiality of patent applications in light of the eighteen-month publication of patent applications introduced under the American Inventors Protection Act of 1999, the USPTO amended 37 CFR 1.14 to only maintain the confidentiality of applications that have not been published as a U.S. patent application. In the amended 37 CFR 1.14, the public can obtain status information about the application, such as the application “numerical identifier” and whether the application is pending, abandoned, or patented or whether the application has been published under 35 U.S.C. § 122(b). The information can be supplied to the public under certain conditions. The public can also receive copies of an application-as-filed and the file wrapper, as long as it meets certain criteria. BPAI decisions relating to such applications can be published.

11. Justification for Sensitive Questions

None of the required information in this collection is considered to be of a sensitive nature.

12. Estimate of Hour and Cost Burden to Respondents

Table 5 calculates the anticipated burden hours and costs of this information collection to the public, based on the following factors:

- Respondent Calculation Factors**
 The USPTO estimates that it will receive approximately 28,215 responses per year for this collection.
- Burden Hour Calculation Factors**
 The USPTO estimates that it takes the public approximately 5 to 34 hours to complete this information, depending on the situation. This includes the time to gather the necessary information, prepare the brief or request, and submit them to the USPTO.
- Cost Burden Calculation Factors**
 The professional rate of \$325 per hour used in this modified submission to calculate respondent cost burden is the median rate for attorneys in private firms as published in the 2009 report of the Committee on Economics of Legal Practice of the American Intellectual Property Law Association (AIPLA). This report summarized the results of a survey with data on hourly billing rates. This is a fully-loaded rate.

Table 3: Burden Hour/Burden Cost to Respondents

| Item | Hours (a) | Responses (yr) (b) | Burden (hrs/yr) (c) (a) x (b) | Rate (\$/hr) (d) | Total Cost (\$/hr) (e) (c) x (d) |
|---------------------------------------|--------------|--------------------------|--|------------------------|---|
| Appeal Brief | 34 hours | 23,145 | 786,930 | \$325.00 | \$255,752,250.00 |
| Reply Brief | 5 hours | 4,947 | 24,735 | \$325.00 | \$8,038,875 .00 |
| Request for Rehearing Before the BPAI | 5 hours | 123 | 615 | \$325.00 | \$199,875 .00 |
| Total | - - - - | 28,215 | 812,280 | - - - - | \$263,991,000.00 |

13. Total Annualized Cost Burden

There are postage costs and filing fees associated with this information collection. This collection does not, however, have any capital start-up, operating, maintenance, or recordkeeping costs.

Parties incur postage costs when submitting the various papers to the USPTO by mail. The USPTO expects these items to be mailed by Express Mail using the U.S. Postal Service's flat rate envelope, which can accommodate varying submission weights. The cost of the flat rate envelope is \$17.50. The USPTO estimates that roughly half of the submissions will be filed in paper, with the rest filed as attachments through EFS-Web. Out of the total estimated 28,215 submissions, the USPTO estimates that the number of papers submitted to the USPTO by Express Mail is 14,148.

Table 4 shows the annual postage/non-hour cost burden to respondents.

Table 4: Postage Costs – Non-hour Cost Burden

| Item | Responses (yr) (a) | Postage Costs (b) | Total Cost (yr) (a) x (b) |
|---------------------------------------|--------------------------|----------------------|---------------------------------|
| Appeal Brief | 11,573 | \$17.50 | \$ 202,528.00 |
| Reply Brief | 2,513 | \$17.50 | \$43,978 .00 |
| Request for Rehearing Before the BPAI | 62 | \$17.50 | \$1,085 .00 |
| Total | 14,148 | - - - - | \$247,591.00 |

Therefore, the USPTO estimates that the total postage costs for this collection will be \$247,591.

There is also annual non-hour cost burden in the way of filing fees for the briefs. The reply brief and the request for rehearing before the BPAI do not have filing fees associated with them. The USPTO estimates that the total non-hour cost burden associated with the filing fees for this collection will be \$11,200,140.

The minimum total annual filing fee/non-hour cost burden to respondents is outlined in Table 5 below:

Table 5: Filing Fees – Non-hour Cost Burden

| Item | Responses (yr) (a) | Filing Fees (b) | Total Cost (yr) (a x b) |
|---------------------------------------|--------------------------|--------------------|-------------------------------|
| Appeal Brief | 18,337 | \$540.00 | \$9,901,980.00 |
| Appeal Brief (small entity) | 4,808 | \$270.00 | \$1,298,160.00 |
| Reply Brief | 4,947 | \$0.00 | \$0.00 |
| Request for Rehearing Before the BPAI | 123 | \$0.00 | \$0.00 |
| Totals | 28,215 | ----- | \$11,200,140 |

The USPTO estimates that the total annual (non-hour) cost burden for this collection, in the form of postage costs and filing fees is \$11,447,731 per year.

14. Annual Cost to the Federal Government

The USPTO expects that the items in this collection will be processed by USPTO staff in the GS-9 and GS-11 grades. The appeal briefs are processed by a patent appeals specialist and a paralegal specialist. The time that it takes to process the appeal brief is broken down into the time that it takes each staff member to complete his or her part of the process. Each of these items is then multiplied by the number of responses to obtain the

burden hours for each staff position. The burden hours in turn are multiplied by the hourly rate for each staff position to obtain the total processing burden for that particular item.

The USPTO estimates that it takes approximately 18 minutes (0.3 hours) for a patent appeal specialist (GS-9, step 5) and a paralegal specialist (GS-11, step 5) to process the appeal brief. The current hourly rates for the GS-9, step 5 and the GS-11, step 5 are \$27.37 and \$33.12 respectively, according to the U.S. Office of Personnel’s Management’s (OPM’s) wage chart, including locality pay for the Washington, DC area. When 30% is added to account for a fully loaded hourly rate (benefits and overhead), the cost per hour for a GS-9, step 5 is \$35.58 (\$27.37 + \$8.21). The cost per hour for a GS-11, step 5 is \$43.06 (\$33.12 + \$9.94)

The USPTO expects the reply brief and the request for rehearing before the BPAI to be processed by a GS-11, step 5 and that it takes approximately 6 minutes each (0.1 hours) to process them. The current hourly rate for a GS-11, step 5 is \$33.12 and the fully loaded hourly rate is \$43.06.

Table 6 calculates the processing hours and burden costs of this information collection to the Federal Government:

Table 6: Burden Hour/Burden Cost to the Federal Government

| Item | Hours (a) | Responses (yr) (b) | Burden (hrs/yr) (c) (a) x (b) | Rate (\$/hr) (d) | Total Cost (\$/hr) (e) (c) x (d) |
|---------------------------------------|--------------|--------------------------|--|------------------------|---|
| Appeal Brief | | | | | |
| Patent Appeal Specialist | 0.30 | 23,145 | 6,944 | \$35.58 | \$247,068.00 |
| Paralegal Specialist | 0.30 | | 6,944 | \$43.06 | \$299,009.00 |
| Reply Brief | 0.10 | 4,947 | 495 | \$43.06 | \$21,315.00 |
| Request for Rehearing Before the BPAI | 0.10 | 123 | 12 | \$43.06 | \$517.00 |
| Total | - - - - - | 28,215 | 14,395 | - - - - - | \$567,909.00 |

15. Reason for Change in Burden

The USPTO is requesting that OMB add this information collection to the agency’s information collection inventory.

The USPTO estimates that this collection will have a total of 28,215 responses, 812,280 burden hours, and \$263,991,000, in respondent costs associated with it. **Therefore, the USPTO estimates that a total of 28,215 responses and 812,280 burden hours will be added to the USPTO’s current information collection inventory per year as a program change.**

This new information collection also has annualized costs (postage and filing fees) associated with it. The USPTO estimates that this collection will have a total of \$247,591

in postage costs and \$11,200,140 in filing fees. **Therefore, the USPTO estimates that a total of \$11,447,731 will be added to the USPTO's current information collection inventory per year as a program change.**

In Summary:

- Program change: addition of 28,215 responses
- Program change: addition of 812,280 burden hours
- Program change: addition of \$263,991,000 in respondent costs
- Program change: addition of \$247,591 in postage costs
- Program change: addition of \$11,200,140 in filing fees

16. Project Schedule

The USPTO does not intend to publish this information for statistical use.

17. Display of Expiration Date of OMB Approval

There are no forms associated with the briefs and requests in this submission. There are, however, forms associated with the notice of appeal and request for oral hearing before the BPAI. These items are currently in OMB Control Number 0651-0031 and will be transferred out of that collection into this new one once both collections have been reviewed and approved. These forms will display both the OMB Control Number and the expiration date of the collection.

18. Exception to the Certificate Statement

This collection of information does not include any exceptions to the certificate statement.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection of information does not employ statistical methods.

LIST OF REFERENCES

- A. BPAI Standard Operating Procedure 2 (Revision 7) for the "Publication of Opinions and Binding Precedent," effective March 23, 2008
- B. Information Quality Guidelines from Section 515 of Public Law 106-554, Treasury and General Government Appropriations Act for Fiscal Year 2001