

SUPPORTING STATEMENT
United States Patent and Trademark Office
Patent Review and Derivation Proceedings
OMB CONTROL NUMBER 0651-0069
Supporting Statement for Final Rules 0651-AC70, AC71, AC74, and AC75
August 3, 2012

A. Justification

1. Necessity of Information Collection

The Leahy-Smith America Invents Act (“AIA”), which was enacted into law on September 16, 2011, provides for many changes to the current Board of Patent Appeals and Interference procedures. See Pub. L. 112-29, 125 Stat. 284 (2011). One such change is to rename the Board of Patent Appeals and Interferences as the Patent Trial and Appeal Board (Board), effective September 16, 2012. Other changes include the introduction of *inter partes* review, post-grant review, derivation proceedings, and the transitional program for covered business method patents. In order to implement the provisions of the AIA that provide for trials to be conducted by the Board, the United States Patent and Trademark Office (USPTO) published six notices of proposed rulemaking in the *Federal Register*: “Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions” (RIN 0651-AC70), “Changes to Implement *Inter Partes* Review Proceedings” (RIN 0651-AC71), “Changes to Implement Post-Grant Review Proceedings” (RIN 0651-AC72), “Changes to Implement Transitional Program for Covered Business Method Patents” (RIN 0651-AC73), “Changes to Implement Derivation Proceedings” (RIN 0651-AC74), and “Transitional Program for Covered Business Method Patents – Definition of Technological Invention” (RIN 0651-AC75).

Based on comments from the public, the USPTO made various changes to the rules, including providing for agreements by the parties to alter certain default aspects of the proceedings without seeking authorization from the Board, clarifying the applicability of statutory fees when patent owners present excess claims, and including an information item, “Settlement (Parties not in Litigation).” The USPTO also estimates that, because many disputes may be resolved by the parties without submissions of motions to the Board, the overall estimated burden hours associated with the final rules is reduced which leads to a reduction in total respondent burden cost. In addition, the USPTO has consolidated the six notices of proposed rulemaking into four final rulemakings, as described in the following paragraphs.

The final rulemaking titled “Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions” (RIN 0651-AC70) adopts new rules of practice that provide for a consolidated set of rules for the new trial procedures and provides for a consolidated set of rules for seeking judicial review of Board decisions. These rules establish the procedures for judicial review of the final decisions of the Board in *inter partes* reviews, post-grant reviews, covered business method patent

reviews and derivation proceedings, and revises the provisions related to filing an appeal or commencing a civil action in an interference under 35 U.S.C. §§ 141 or 146. They also provide for other related filings for these procedures, such as fees, requests for oral hearings, requests to treat a settlement as business confidential, requests for adverse judgments, default adverse judgments or settlements, and petitions to make a settlement agreement available.

The final rulemaking titled “Changes to Implement *Inter Partes* Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents” (RIN 0651-AC71) adopts new rules of practice to implement the new *inter partes* review proceedings, post-grant review proceedings, and transitional post-grant review proceedings for covered business method patents review proceedings provided for by the AIA.

For the new petition for *inter partes* review, the final rules set forth the requirements for filing the petitions, for filing responses to such petitions, and for filing motions, replies, and oppositions after such a review has been instituted. These provisions of the AIA take effect on September 16, 2012, and apply to any patent issued before, on, or after the effective date.

For the new post-grant review proceedings, the final rules set forth the requirements for filing the new petitions, for filing responses to such petitions, and for filing motions, replies, and oppositions after such a review has been instituted. These provisions of the AIA take effect on September 16, 2012, and generally apply to patents issuing from applications subject to the first-inventor-to-file provisions of the AIA.

For the new transitional post-grant review proceedings for covered business method patents, the final rules set forth the requirements for filing the new petition. These provisions of the AIA take effect on September 16, 2012, and will be repealed on September 16, 2020, with respect to any new petitions filed under the transitional program.

For derivation proceedings, the umbrella rules set forth general requirements, and the final rulemaking titled “Changes to Implement Derivation Proceedings” sets forth the specific requirements. These provisions of the AIA take effect on March 16, 2012. Additionally, the umbrella rules contain rules of procedure for additional practice before the PTAB. These provisions take effect September 16, 2012.

The final rulemaking titled “Transitional Program for Covered Business Method Patents – Definitions of Covered Business Method Patent and Technological Invention” (RIN 0651-AC75) adopts requirements for determining if a patent is for a technological invention. Patents for technological inventions cannot be reviewed under the new transitional post-grant review proceedings for covered business method patents provided for by the AIA.

The supporting statement associated with the notices of proposed rulemaking was submitted to OMB for review on February 9, 2012. On March 27, 2012, OMB filed a comment on the proposed rule submission and requested that the USPTO resubmit the

supporting statement when the proposed rules were finalized. Therefore, in support of these final rulemakings and the changes made to them since the publication of the proposed rulemakings, the USPTO is resubmitting this information collection request to OMB to seek approval for the new information collection requirements provided for in these rulemakings and to establish a new information collection titled “Patent Review and Derivation Proceedings.” Requirements in common for the new trial proceedings are adopted in RIN 0651-AC70, thus most of the information collection requirements are based on requirements in that notice. RINs 0651-AC71 and AC75 provide details of certain proceedings and specific aspects of the requirements in those proceedings.

Table 1 provides the specific statutes and regulations requiring the USPTO to collect the information discussed above:

Table 1: Information Requirements for Patent Review and Derivation Proceedings

Requirement	Statute	Rule
Petition for <i>Inter Partes</i> Review	35 U.S.C. § 312	37 CFR 42.5, 42.6, 42.8, 42.11, 42.13, 42.20, 42.21, 42.22, 42.24(a)(1), 42.63, 42.65, and 42.101 through 42.105
Petition for Post-Grant Review or Covered Business Method Patent Review	35 U.S.C. § 322	37 CFR 42.5, 42.6, 42.8, 42.11, 42.13, 42.20, 42.21, 42.22, 42.24(a)(2), 42.24(a)(3), 42.63, 42.65, 42.201 through 42.205, and 42.302 through 42.304
Petition for Derivation	35 U.S.C. § 135	37 CFR 42.5, 42.6, 42.8, 42.11, 42.13, 42.20, 42.21, 42.22, 42.24(a)(4), 42.63, 42.65, 42.402 through 42.406
Reply to Petition for Initial <i>Inter Partes</i> Review	35 U.S.C. § 313	37 CFR 42.6, 42.8, 42.11, 42.13, 42.21, 42.23, 42.24(c), 42.51, 42.52, 42.53, 42.54, 42.63 and 42.65
Reply to Petition for Initial Post-Grant Review or Covered Business Method Patent Review	35 U.S.C. § 323	37 CFR 42.6, 42.8, 42.11, 42.13, 42.21, 42.23, 42.24(c), 42.51, 42.52, 42.53, 42.54, 42.63 and 42.65
Request for Reconsideration	35 U.S.C. §§ 2(b)(2), 316(a)(13), and 326(a)(12)	37 CFR 42.71
Motions, Replies and Oppositions After Institution in <i>Inter Partes</i> Review	35 U.S.C. § 316	37 CFR 42.6, 42.8, 42.11, 42.13, 42.21, 42.22, 42.23, 42.24(a)(5), 42.24(b), 42.24(c), 42.51, 42.52, 42.53, 42.54, 42.63, 42.64, 42.65, 42.107, 42.120, 42.121, and 42.123
Motions, Replies and Oppositions After Institution in Post-Grant Review or Covered Business Method Review	35 U.S.C. § 326	37 CFR 42.6, 42.8, 42.11, 42.13, 42.21, 42.22, 42.23, 42.24(a)(5), 42.24(b), 42.24(c), 42.51, 42.52, 42.53, 42.54, 42.63, 42.64, 42.65, 42.221, 42.207, 42.220 and 42.223
Motions, Replies and Oppositions in Derivation Proceeding	35 U.S.C. § 135(b)	37 CFR 42.6, 42.8, 42.11, 42.13, 42.21, 42.22, 42.23, 42.24(a)(5), 42.24(b), 42.24(c), 42.51, 42.52, 42.53, 42.54, 42.63, 42.64, 42.65

Request for Oral Hearing	35 U.S.C. §§ 2(b)(2), 316 (a)(10), and 326(a)(10)	37 CFR 42.70
Request to Treat a Settlement as Business Confidential	35 U.S.C. §§ 135(e), 317(a), and 327(a)	37 CFR 42.74(c) and 42.410
Request for Adverse Judgment, Default Adverse Judgment or Settlement (Parties in Litigation over Patent)	35 U.S.C. §§ 2(b)(2), 135(e), 317, and 327	37 CFR 42.73(b) and 42.74(b)
Settlement (Parties not in Litigation)	35 U.S.C. §§ 135(e), 317, and 327	37 CFR 42.73(b) and 42.74(b)
Arbitration Agreement and Award	35 U.S.C. § 135(f)	37 CFR 42.410
Request to Make a Settlement Agreement Available	35 U.S.C. §§ 135(e), 317(b), and 327(b)	37 CFR 42.74(c)
Notice of Judicial Review of a Board Decision (e.g., Notice of Appeal Under 35 U.S.C. § 142)	35 U.S.C. §§ 141, 142, 145, and 146	37 CFR 90.1 through 90.3

2. Needs and Uses

The public will use this new information collection to petition the Board to seek institution of, and to participate in, *inter partes* reviews, post-grant reviews, covered business method patent reviews, and derivation proceedings that are set forth in the final rulemakings and provided for by the AIA.

In addition to the adopted rules, the USPTO has also developed a Trial Practice Guide that provides different scenarios based on the proposals in the rulemakings. A copy of the revised Trial Practice Guide will be available on the USPTO Internet Web site at www.uspto.gov.

The Board will use the information collected under these final rulemakings in deciding the various proceedings.

The Board disseminates certain information that it collects through various publications and databases. This information includes opinions, binding precedent, and judgments in trials and derivation proceedings.

Opinions authored by the Board 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 Board 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 and illustrate the norms of Board decision-making for the public. The final type of Board opinion is the routine opinion. Routine opinions are also non-precedential and are publicly available opinions that are not designated as precedential or informative.

Since public policy favors a widespread publication of opinions, the Board publishes all publicly available opinions, even if the opinions are not binding precedent upon the Board.

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 this information collection and its supporting statement comply with all applicable information quality guidelines, i.e. OMB and specific operating unit guidelines. Table 2 outlines how this collection of information is used by the public and the USPTO:

Table 2: Needs and Uses of Information Collected for Patent Review and Derivation Proceedings

Form and Function	Form #	Needs and Uses
Petition for <i>Inter Partes</i> Review	No Form Associated	<ul style="list-style-type: none"> • Used by parties who are not the owners of a patent to file a petition to institute an <i>inter partes</i> review of a patent. • Used by parties to request to cancel as unpatentable one or more claims of a patent only on a ground that could be raised under 35 U.S.C. § 102 or 103 and only on the basis of prior art consisting of patents or printed publications. • Used by parties to demonstrate that they have standing to file the petition (i.e., the patent is available for <i>inter partes</i> review and the petitioner is not barred from requesting such review). • Used by the Board to determine whether to institute an <i>inter partes</i> review including whether the petition identifies all real parties in interest, identifies each claim challenged (including the grounds on which the challenge to each claim is based, and the evidence that supports the grounds), provides copies of the necessary documents, and that the necessary fee is included.
Petition for Post-Grant Review or Covered Business Method Patent Review	No Form Associated	<ul style="list-style-type: none"> • Used by parties who are not owners of a patent to file a petition to institute a post-grant review of a patent. • Used by parties to request to cancel as unpatentable one or more claims of a patent on any ground that could be raised under 35 U.S.C. § 282(b)(2) or (3) (relating to invalidity of the patent or any claim) as part of a post-grant review. • Used by parties to file a petition for a transitional proceeding with respect to a covered business method patent when the person or person's real party in interest or privy has been sued for infringement of the patent or has been charged with infringement under that patent. • Used by the Board to determine whether to institute a post-grant review including whether the petition identifies all real parties in interest, identifies each claim challenged (including the grounds on which the challenge to each claim is based and the evidence that supports the grounds), provides copies of the necessary documents, and that the necessary fee is included. • Used by the Board to determine whether to institute a transitional proceeding for covered business method patents including whether a claim is a method or corresponding apparatus for performing data processing or other operations used in the practice, administration, or management of a financial product or service and not a technological invention.

Form and Function	Form #	Needs and Uses
Petition for Derivation	No Form Associated	<ul style="list-style-type: none"> • Used by an applicant for patent to petition the Board to institute a derivation proceeding. • Used by the applicant to demonstrate that they have standing to file the petition for derivation (i.e., timely filing a petition that demonstrates that the earlier filed application derived the claimed invention and was filed by another inventor without authorization and that the applicant has taken steps to obtain patent protection for the invention). • Used by the Board to determine whether to institute a derivation proceeding as long as the necessary requirements are met (i.e., the petition identifies the precise relief requested, the petition is filed within one year after the first publication of a claim to an invention, the fee is submitted with the petition).
Reply to Petition for Initial <i>Inter Partes</i> Review	No Form Associated	<ul style="list-style-type: none"> • Used by patent owner to set forth reasons why no <i>inter partes</i> review should be instituted. • Used by the Board together with the petition for <i>inter partes</i> review to determine whether to institute an <i>inter partes</i> review.
Reply to Petition for Initial Post-Grant Review or Covered Business Method Patent Review	No Form Associated	<ul style="list-style-type: none"> • Used by patent owner to set forth reasons why no post-grant review or covered business method review should be instituted. • Used by the Board together with the petition for post-grant review or covered business method review to determine whether to institute a post-grant review or covered business method review.
Request for Reconsideration	No Form Associated	<ul style="list-style-type: none"> • Used by parties to request the Board to reconsider the decision not to institute a trial or another decision. • Used by the Board to review the original decision to not institute a trial or another decision.
Motions, Replies and Oppositions After Institution in <i>Inter Partes</i> Review	No Form Associated	<ul style="list-style-type: none"> • Used by parties to seek relief in a proceeding including motions to amend, motions to exclude evidence, motions to seal, motions for joinder, motions to file supplemental information, motions for judgment based on supplemental information, motions for observations on cross-examination, and motions to correct clerical or typographical mistakes in a petition for <i>inter partes</i> review. • Used by the opposing parties to set forth the reasons why the Board should not grant the relief sought in a motion. • Used by the Board in issuing a final written decision with respect to patentability of a challenged patent claim.
Motions, Replies and Oppositions After Institution in Post-Grant Review or Covered Business Method Review	No Form Associated	<ul style="list-style-type: none"> • Used by parties to seek relief in a proceeding including motions to amend, motions to exclude evidence, motions to seal, motions for joinder, motions to file supplemental information, motions for judgment based on supplemental information, motions for observations on cross-examination, and motions to correct clerical or typographical mistakes in a petition for post-grant review or covered business method patent review. • Used by the opposing parties to set forth the reasons why the Board should not grant the relief sought in a motion. • Used by the Board in issuing a final written decision with respect to patentability of a challenged patent claim.
Motions, Replies and Oppositions in Derivation Proceeding	No Form Associated	<ul style="list-style-type: none"> • Used by parties to seek relief in a proceeding including motions to amend, motions to exclude evidence, motions to seal, motions for joinder, motions to file supplemental information, motions for judgment based on supplemental information, motions for observations on cross-examination, and motions to correct clerical or typographical mistakes in a petition for a derivation proceeding. • Used by the opposing parties to set forth the reasons why the Board should not grant the relief sought in a motion. • Used by the Board in issuing a final written decision with respect to the alleged derivation.

Form and Function	Form #	Needs and Uses
Request for Oral Hearing	No Form Associated	<ul style="list-style-type: none"> Used by parties to request an oral hearing. Used by the Board to schedule an oral hearing if appropriate.
Request to Treat a Settlement as Business Confidential	No Form Associated	<ul style="list-style-type: none"> Used by parties to request that the settlement agreement be kept confidential and be filed separately from the patent or application file. Used by the Board to provide that the settlement agreement be designated as business confidential and kept separately from the publicly available patent or application files.
Request for Adverse Judgment, Default Adverse Judgment or Settlement (Parties in Litigation over Patent)	No Form Associated	<ul style="list-style-type: none"> Used by a party to concede the contest. Used by the Board to render judgment against the party conceding the contest.
Settlement (Parties not in Litigation)	No Form Associated	<ul style="list-style-type: none"> Used by a party to concede the contest. Used by the Board to render judgment against the party conceding the contest.
Arbitration Agreement and Award	No Form Associated	<ul style="list-style-type: none"> Used by parties to give notice to the Office of the result of an arbitration between parties. Used by the Board to update the records of an instituted derivation proceeding.
Request to Make a Settlement Agreement Available	No Form Associated	<ul style="list-style-type: none"> Used by a requester to gain access to a settlement agreement. Used by the Board to determine whether the requester may be granted access to the settlement agreement.
Notice of Judicial Review of a Board Decision (e.g., Notice of Appeal Under 35 U.S.C. § 142)	No Form Associated	<ul style="list-style-type: none"> Used by parties to notify the USPTO that a party has filed a notice of appeal or election. Used by the Board to recognize that the final decision of the Board has been appealed.

3. Use of Information Technology

Under the final rulemakings, all of the patent review and derivation proceeding papers will be filed electronically, unless otherwise authorized by the Board. The Board envisions that the entity's size and sophistication would be considered in determining whether alternative filing methods would be authorized.

As a result of the new proceedings adopted by the rulemakings, the USPTO is developing a system called Patent Review Processing System (PRPS). This system will allow parties to file the new proceedings electronically

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 in published applications through the USPTO e-FOIA website.

4. Efforts to Identify Duplication

This information is collected only when parties file petitions and other associated papers for *inter partes* reviews, post-grant reviews, covered business method patent reviews, and derivations. 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 of the application that resulted in the patent under review. The duplication of effort is limited, however, and the agency considers it necessary. In order to be clear as to the evidence relied upon in the proceedings, copies of evidence relied on in the *inter partes* review, the post-grant review, the covered business method patent review, and the derivation proceeding need to be filed with the petition or in the proceeding. While the copies of evidence required by the petitions may be duplicates of evidence already in the file of the application that resulted in the patent under review, the necessity of absolute clarity as to the evidence relied on outweighs the burden on the public.

5. Minimizing Burden to Small Entities

The same information is required from every petitioner, patent applicant, or patent owner, and this information is not available from any other source.

6. Consequences of Less Frequent Collection

This information is collected only when a member of the public files petitions for *inter partes* review, post-grant review, covered business method patent review, or an applicant files a petition seeking a derivation proceeding or files any of the replies, requests, motions, oppositions, or other papers associated with these proceedings. This information is not collected elsewhere. Therefore, this collection of information could not be conducted less frequently. If this information was not collected, the Board could not ensure that the petitioner has submitted all of the information (and applicable fees) necessary to initiate these new proceedings, nor could the Board determine whether the proceeding should be instituted. If this information was not collected, the Office could not comply with the requirements of 35 U.S.C. §§ 135, 141 and 142, 145 and 146, 312 and 313, 316 and 317, 322 and 323, 326 and 327 and adopted 37 CFR Part 42 and 90.

7. Special Circumstances in the Conduct of Information Collection

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

8. Consultations Outside the Agency

The USPTO published six notices of proposed rulemaking outlining changes in the rules of practice in proceedings before the Patent Trial and Appeal Board and proposing new appeal procedures in the *Federal Register*. Public comments were received in response to these rules.

- “Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions” (RIN 0651-AC70) (77 Fed. Reg. 6879) on February 9, 2012
- “Changes to Implement *Inter Partes* Review Proceedings” (RIN 0651-AC71) (77 Fed. Reg. 7041) on February 10, 2012
- “Changes to Implement Post-Grant Review Proceedings” (RIN 0651-AC72) (77 Fed. Reg. 7060) on February 10, 2012
- “Changes to Implement Transitional Program for Covered Business Method Patents” (RIN 0651-AC73) (77 Fed. Reg. 7080) on February 10, 2012
- “Changes to Implement Derivation Proceedings” (RIN 0651-AC74) (77 Fed. Reg. 7028) on February 10, 2012
- “Transitional Program for Covered Business Method Patents – Definition of Technological Invention” (RIN 0651-AC75) (77 Fed. Reg. 7095) on February 10, 2012.

The USPTO fully considered the comments received in response to those proposed rulemakings in developing the final rules.

- “Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions” (RIN 0651-AC70)
- “Changes to Implement *Inter Partes* Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents” (RIN 0651-AC71)
- “Changes to Implement Derivation Proceedings” (RIN 0651-AC74)
- “Transitional Program for Covered Business Method Patents – Definitions of Covered Business Method Patent and Technological Invention (RIN 0651-AC75)

The USPTO has consulted with the public about the AIA in general through the agency microsite at http://www.uspto.gov/aia_implementation/index.jsp.

The USPTO has long-standing relationships with groups from whom patent application data is collected, such as the American Intellectual Property Law Association (AIPLA), as well as patent bar associations, independent inventor groups, and users of our public facilities. Views expressed by these groups are considered in developing proposals for information collection requirements.

9. Payment or Gifts to Respondents

This information collection does not involve a payment or gift to any respondent.

10. Assurance of Confidentiality

Generally, the file of any *inter partes* review, post-grant review, covered business method patent review, and derivation proceeding would be available to the public. See 35 U.S.C. §§ 122, 316(a)(1), and 326(a)(1). In the final rulemaking titled “Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions,” the USPTO adopts rules that provide for protective orders governing the exchange and submission of confidential information in Board proceedings. In 37 CFR 42.55, petitioners filing confidential information can file, concurrently with the filing of the petition, a motion for a protective order as to the confidential information. Under these rules, the petitioner must file with the petition, but need not serve the patent owner with the confidential information, and can do so under seal. The patent owner may then access the confidential information prior to the institution of a trial by agreeing to the terms of the motion for protective order. With this rule, the Board seeks to streamline the process of seeking protective orders prior to the institution of the review while balancing the need to protect confidential information against an opponent’s need to access the information used to challenge the opponent’s claims.

In 37 CFR 42.56, the Board outlines when the confidential information that is subject to a protective order would become public. The Board envisions that this proposal would balance the needs of the parties to submit confidential information with the public interest in maintaining a complete and understandable file history for public notice purposes, especially since there is an expectation that information will be made public where the existence of the information is referred to in a decision to grant or deny a request to institute a review identified in a final written decision. The Board believes that this rule would encourage parties to redact sensitive information when possible rather than sealing the entire document.

In the final rulemaking titled “Changes to Implement *Inter Partes* Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents,” as part of the requirements for a petition for *inter partes* review, the rule states that under 35 U.S.C. § 312(b) and 35 U.S.C. § 311, the USPTO will make the petition for *inter partes* review available to the public as soon as practicable after the receipt of the petition.

11. Justification for Sensitive Questions

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

12. Estimate of Hour and Cost Burden to Respondents

Table 3a 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 5,059 responses per year for this collection, with approximately 1,608 of these responses submitted by small entities. Out of these 5,059 responses, the USPTO estimates that only 4 responses will be submitted in paper, while the rest will be submitted electronically.

These estimates are based on the Agency's long-standing institutional knowledge of and experience with the type of information collected by these items.

- ### Burden Hour Calculation Factors

The USPTO estimates that it will take the public between approximately 6 minutes and approximately 165 hours and 18 minutes (0.10 to 165.3 hours) to complete this information, depending on the situation. This includes the time to gather the necessary information, prepare the petitions, replies, requests, motions, oppositions, or other documents, and submit them to the USPTO. The USPTO estimates that it will take the same amount of time to complete the petition for review and the motions/replies/oppositions filed in review that are filed in paper as it does to complete those filed electronically.

These estimates are based on the Agency's long-standing institutional knowledge of and experience with the type of information collected and the length of time necessary to complete responses containing similar or like information.

- ### Cost Burden Calculation Factors

The USPTO uses a professional rate of \$371 per hour for respondent cost burden calculations, which is the mean rate for attorneys in private firms as shown in the *2011 Report of the Economic Survey*, published by the Committee on Economics of Legal Practice of the American Intellectual Property Law Association (AIPLA). Based on the Agency's long-standing institutional knowledge of and experience with the type of information collected, the Agency believes \$371 is an accurate estimate of the cost per hour to collect this information.

Table 3a: Burden Hour/Burden Cost to Respondents for Patent Review and Derivation Proceedings

Item	Hours (a)	Responses (yr) (b)	Burden (hrs/yr) (c) (a) x (b)*	Rate (\$/hr) (d)	Total Cost (\$/hr) (e) (c) x (d)
Petition for <i>Inter Partes</i> Review	124	456	56,544	\$371.00	\$20,977,824.00
Petition for Post-Grant Review or Covered Business Method Patent Review	165.3	73	12,067	\$371.00	\$4,476,857.00
Petition for Derivation	165.3	50	8,265	\$371.00	\$3,066,315.00
Reply to Petition for Initial <i>Inter Partes</i> Review	91.6	401	36,732	\$371.00	\$13,627,572.00
Reply to Petition for Initial Post-Grant Review or Covered Business Method Patent Review	91.6	64	5,862	\$371.00	\$2,174,802.00

Item	Hours (a)	Responses (yr) (b)	Burden (hrs/yr) (c) (a) x (b)*	Rate (\$/hr) (d)	Total Cost (\$/hr) (e) (c) x (d)
Request for Reconsideration	80.0	156	12,480	\$371.00	\$4,630,080.00
Motions, Replies and Oppositions After Institution in <i>Inter Partes</i> Review	140.0	2,166	303,240	\$371.00	\$112,502,040.00
Motions, Replies and Oppositions After Institution in Post-Grant Review or Covered Business Method Review	130.0	460	59,800	\$371.00	\$22,185,800.00
Motions, Replies and Oppositions in Derivation Proceeding	120.0	180	21,600	\$371.00	\$8,013,600.00
Request for Oral Hearing	18.3	484	8,857	\$371.00	\$3,285,947.00
Request to Treat a Settlement as Business Confidential	2.0	22	44	\$371.00	\$16,324.00
Request for Adverse Judgment, Default Adverse Judgment or Settlement (parties in litigation over patent)	1.0	85	85	\$371.00	\$31,535.00
Settlement (Parties not in Litigation)	100.0	33	3,300	\$371.00	\$1,224,300.00
Arbitration Agreement and Award	4.0	2	8	\$371.00	\$2,968.00
Request to Make a Settlement Agreement Available	1.0	22	22	\$371.00	\$8,162.00
Notice of Judicial Review of a Board Decision (e.g., Notice of Appeal Under 35 U.S.C. §142)	0.1	405	41	\$371.00	\$15,211.00
Totals	-----	5,059	528,947	-----	\$196,239,337.00

* Note: Where applicable, burden hour sums have been rounded to the nearest whole number as explained in Section 15 below.

Table 3b shows the impact of the rulemaking and non-rulemaking changes to the burden estimates for this information collection:

Table 3b: Burden Changes – Rulemaking/Non-Rulemaking Impact

	Current Inventory	Rulemaking Impact	Non-rule Impact	New Proposed Burden Estimate
Responses	0	Increase of 5,059	0	5,059
Burden Hours	0	Increase of 528,947	0	528,947
Respondent Cost Burden	\$0	Increase of \$196,239,337	0	\$196,239,337.00

13. Total Annual (Non-hour) Cost Burden

The USPTO estimates that the rulemakings related to this information collection will add annual (non-hour) costs of \$17,427,196 to this collection, of which \$17,427,120 will be filing fees and \$76 will be postage costs, as implemented in “Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board

Decisions” (RIN 0651-AC70). As described in Section 15, the (non-hour) cost for AC75 is entirely included in the amount reported for AC71. Similarly, the (non-hour) cost for AC71 and the (non-hour) cost for AC74 are entirely included in the amount reported for AC70. The amount for AC70 also includes the estimated amount for the derivation proceedings and notices of appeal and elections under part 90 for other proceedings.

There are filing fees associated with the petitions for *inter partes* review, petitions for post-grant review or covered business method patent review, petitions for derivation, motions filed by small entity patent owners in *inter partes* review with excess claims, motions filed by small entity patent owners in post-grant review or covered business method patent review with excess claims, and requests to make a settlement agreement available. The USPTO estimates that the total filing fees associated with this collection will be approximately \$17,427,120 per year, as calculated in Table 4a below.

Table 4a: Filing Fees – Non-Hour Cost Burden for Patent Review and Derivation Proceedings

Item	Responses (yr) (a)	Filing Fees (b)	Total Cost (yr) (a x b)
Petition for <i>Inter Partes</i> Review	456	\$31,400.00 (average)	\$14,318,400.00
Petition for Post-Grant Review or Covered Business Method Patent Review	73	\$41,400.00 (average)	\$3,022,200.00
Petition for Derivation	50	\$400.00	\$20,000.00
Reply to Petition for Initial <i>Inter Partes</i> Review	401	\$0.00	\$0.00
Reply to Petition for Initial Post-Grant Review or Covered Business Method Patent Review	64	\$0.00	\$0.00
Request for Reconsideration	156	\$0.00	\$0.00
Motions, Replies and Oppositions After Initiation in <i>Inter Partes</i> Review with no Excess Claims	2,086	\$0.00	\$0.00
Motions in <i>Inter Partes</i> Review with Excess Claims by Small Entity Patent Owners	26	\$370.00	\$9,620.00
Motions in <i>Inter Partes</i> Review with Excess Claims by Other than Small Entity Patent Owners	54	\$740.00	\$39,960.00
Motions, Replies and Oppositions After Initiation in Post-Grant Review or Covered Business Method Patent Review with no Excess Claims	447	\$0.00	\$0.00
Motions in Post-Grant Review or Covered Business Method Patent Review with Excess Claims by Small Entity Patent Owners	4	\$370.00	\$1,480.00
Motions in Post-Grant Review or Covered Business Method Patent Review with Excess Claims by Other than Small Entity Patent Owners	9	\$740.00	\$6,660.00
Motions, Replies and Oppositions in Derivation Proceeding	180	\$0.00	\$0.00
Request for Oral Hearing	484	\$0.00	\$0.00
Request to Treat a Settlement as Business Confidential	22	\$0.00	\$0.00

Item	Responses (yr) (a)	Filing Fees (b)	Total Cost (yr) (a x b)
Request for Adverse Judgment, Default Adverse Judgment or Settlement (includes both parties in litigation over a patent and parties not in litigation)	118	\$0.00	\$0.00
Arbitration Agreement and Awards	2	\$0.00	\$0.00
Request to Make a Settlement Agreement Available	22	\$400.00	\$8,800.00
Notice of Judicial Review of a Board Decision (e.g., Notice of Appeal Under 35 U.S.C. §142)	405	\$0.00	\$0.00
Totals	5,059	-----	\$17,427,120.00

There are also postage costs associated with these final rulemakings. The Board will require that these papers are filed electronically, unless the Board specifically authorizes paper filings. While the Board expects that paper filings will rarely be authorized, the Board estimates that possibly one petition for *inter partes* review and three motions, replies and oppositions after institution in *inter partes* review could be filed in paper.

The USPTO estimates that these items will be mailed to the USPTO by Express Mail using the U.S. Postal Service's flat rate envelope, which can accommodate varying submission weights, estimated in this case to be 16 ounces for the petitions and two ounces for the other papers. The cost of the flat rate envelope is \$18.95. The USPTO estimates that the total postage cost associated with this collection will be approximately \$76 per year, as calculated in Table 4b below.

Table 4b: Postage Costs for Respondents for Patent Review and Derivation Proceedings

Item	Estimated annual mailed responses	Estimated postage amount	Estimated annual postage costs
Petition for <i>Inter Partes</i> Review	1	\$18.95	\$19.00
Motions, Replies and Oppositions After Institution in <i>Inter Partes</i> Review	3	\$18.95	\$57.00
Totals	4	\$76.00

Table 4c shows the impact of the rulemaking and non-rulemaking changes to the annual (non-hour) cost burden estimates for this information collection:

Table 4c: Annual (Non-hour) Cost Burden Changes – Rulemaking/Non-Rulemaking Impact

	Current Inventory	Rulemaking Impact	Non-rule Impact	New Proposed Burden Estimate
Fees	0	Increase of \$17,427,120	0	\$17,427,120
Postage	0	Increase of \$76	0	\$76

Total Annual (Non-hour) Cost Burden	0	Increase of \$17,427,196	0	\$17,427,196
-------------------------------------	---	--------------------------	---	--------------

The total annual (non-hour) respondent cost burden for this collection in the form of filing fees (\$17,427,120) and postage costs (\$76) is approximately \$17,427,196 per year.

14. Annual Cost to Federal Government

With the exception of the notices of judicial review of a Board decision (e.g., notice of appeal under 35 U.S.C. §142), all of the items in this collection are processed by administrative patent judges. The notices of judicial review of a Board decision are processed by USPTO staff at a GS-15, step 5 level. The USPTO estimates that it will take GS-15, step 5 staff 6 minutes (0.10 hours) to process the notices of judicial review of a Board decision and that it will take the administrative patent judges between 15 minutes (0.25 hours) and 53 hours to process the remaining items. The USPTO estimates that the hourly rate (with benefits and overhead) for an administrative patent judge is \$258.32, based upon the administratively determined pay scale. The current hourly rate for a GS-15, step 5 is \$67.21, according to the U.S. Office of Personnel Management's (OPM's) 2011 wage chart, including locality pay for the Washington, DC area. When 30% is added to account for benefits and overhead, the hourly rate for a GS-15, step 5 to process the notices of judicial review of a Board decision is \$87.37 (\$67.21 + \$20.16).

Estimates are based upon agency long-standing institutional knowledge of and experience with processing the type of information collected and the length of time necessary to process similar or like information.

Table 5 calculates the burden hours and costs to the Federal Government for processing this information collection:

Table 5: Burden Hour/Burden Cost to the Federal Government for Patent Review and Derivation Proceedings

Item	Hours (a)	Responses (yr) (b)	Burden (hrs/yr) (c) (a x b)*	Rate (\$/hr) (d)	Total Cost (\$/yr) (e) (c x d)
Petition for <i>Inter Partes</i> Review	40.0	456	18,240	\$258.32	\$4,711,757.00
Petition for Post-Grant Review or Covered Business Method Patent Review	53.0	73	3,869	\$258.32	\$999,440.00
Petition for Derivation	53.0	50	2,650	\$258.32	\$684,548.00
Reply to Petition for Initial <i>Inter Partes</i> Review	12.0	401	4,812	\$258.32	\$1,243,036.00
Reply to Petition for Initial Post-Grant Review or Covered Business Method Patent Review	14.0	64	896	\$258.32	\$231,455.00

Item	Hours (a)	Responses (yr) (b)	Burden (hrs/yr) (c) (a x b)*	Rate (\$/hr) (d)	Total Cost (\$/yr) (e) (c x d)
Request for Reconsideration	16.0	156	2,496	\$258.32	\$644,767.00
Motions, Replies and Oppositions After Institution in <i>Inter Partes</i> Review	13.0	2,166	28,158	\$258.32	\$7,273,775.00
Motions, Replies and Oppositions After Institution in Post-Grant Review or Covered Business Method Review	14.0	460	6,440	\$258.32	\$1,663,581.00
Motions, Replies and Oppositions in Derivation Proceeding	14.0	180	2,520	\$258.32	\$650,966.00
Request for Oral Hearing	3.75	484	1,815	\$258.32	\$468,851.00
Request to Treat a Settlement as Business Confidential	1.0	22	22	\$258.32	\$5,683.00
Request for Adverse Judgment, Default Adverse Judgment or Settlement (Parties in Litigation over Patent)	0.25	85	21	\$258.32	\$5,425.00
Settlement (Parties not in Litigation)	0.25	33	8	\$258.32	\$2,067.00
Arbitration Agreement and Award	0.50	2	1	\$258.32	\$258.00
Request to Make a Settlement Agreement Available	1.0	22	22	\$258.32	\$5,683.00
Notice of Judicial Review of a Board Decision (e.g., Notice of Appeal Under 35 U.S.C. § 142)	0.10	405	41	\$87.37	\$3,582.00
Totals	-----	5,059	72,011	-----	\$18,594,874.00

* Note: Where applicable, burden hour sums have been rounded to the nearest whole number as discussed in Section 15 below.

15. Reason for Changes in the Annual Burden

The USPTO originally submitted this new information collection request in support of six notices of proposed rulemaking (RINS 0651-AC70 through AC75) to OMB for review on February 9, 2012. The USPTO estimated that the collection would have 4,967 responses, 559,648 burden hours, \$190,280,320 in respondent costs, and \$18,851,073 in annual (non-hour) costs associated with it. On March 27, 2012, OMB filed a comment on the proposed rule and requested that USPTO resubmit the information collection request when the proposed rules were finalized.

Based on comments from the public, the USPTO made various changes to the rules which altered the information requirements and the burden hours/burden costs associated with the proposed rules. Moreover in view of a reduction in the growth of *inter partes* reexamination requests in fiscal year 2012 to date, the estimate of the number of *inter partes* review petitions has been reduced. Therefore, the USPTO is submitting this

updated information request in support of the final rulemakings which outline changes in the rules of practice in proceedings before the Patent Trial and Appeal Board. These changes are provided for by the AIA. These final rulemakings are titled as follows:

- “Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions” (RIN 0651-AC70)
- “Changes to Implement *Inter Partes* Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents” (RIN 0651-AC71)
- “Changes to Implement Derivation Proceedings” (RIN 0651-AC74)
- “Transitional Program for Covered Business Method Patents – Definitions of Covered Business Method Patent and Technological Invention” (RIN 0651-AC75)

The USPTO continues to estimate that this collection will have a total of 5,059 responses, 528,947 burden hours, and \$196,239,337 in respondent costs associated with it.

The responses, burden hours, and respondent cost burdens for each of the rulemakings are intertwined. The final rule “Rules of Practice for Trials Before the Patent Trial and Appeal Board and Judicial Review of Patent Trial and Appeal Board Decisions” (RIN 0651-AC70) reports all of the PRA burdens across all of the AIA rules regarding Board proceedings. This includes not only *inter partes* review proceedings, post-grant review proceedings, and the proceedings for the transitional program for covered business methods, but also derivation proceedings as well as notices of appeal and elections under part 90. The final rule “Changes to Implement *Inter Partes* Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Methods” (RIN 0651-AC71) implements only *inter partes* review proceedings, post-grant proceedings, and proceedings for the transitional program for covered business methods. Thus, the responses, burden hours, and respondent cost burden stated in the final rule for these proceedings are a subset of the responses, burden hours, and respondent cost burden in RIN 0651-AC70. Similarly, the final rule “Transitional Program for Covered Business Method Patents – Definitions of Covered Business Method Patent and Technological Invention” (RIN 0651-AC75) only concerns the review transitional program for covered business method proceedings and the final rule “Changes to Implement Derivation Proceedings” (RIN 0651-AC74) only concerns the derivation proceedings. Thus, the responses, burden hours, and respondent cost burden stated in these final rules are a subset of RIN 0651-AC70 and AC71. The data across all of the final rules is summarized in Table 6 below.

Table 6 shows the changes between these rules:

Table 6: Responses, Burden Hours, and Respondent Costs Across the Final Rules

Final Rulemaking	Responses	Burden Hours	Respondent Hour Cost	Respondent Non-Hour Cost
RIN 0651-AC70	5,059	528,946.6	\$196,239,188.60	\$17,427,196.00
Derivation Information Requirements in 0651-AC70/ 0651-AC74	262	31,271.9	\$11,601,874.90	\$20,800.00
Part 90 Requirements for Other Proceedings in 0651-AC70	256	25.6	\$9,497.60	0.00
RIN 0651-AC71	4,541	497,649.1	\$184,627,816.10	\$17,406,396.00
RIN 0651-AC75	486	54,827.2	\$20,340,891.20	\$2,076,350.00

The data in Table 6 were calculated using unrounded numbers. The reported burden hours for AC70 in this supporting statement was rounded up from 528,946.6 to 528,947, which resulted in a reported increase in respondent hour cost from \$196,239,188.60 to \$196,239,337.00.

Therefore, the USPTO estimates that a total of 5,059 responses and 528,947 burden hours will be added to the USPTO’s current information collection inventory per year as a program change.

The USPTO estimates that a total of \$17,427,196 in annual (non-hour) costs will be added to the USPTO’s current information collection inventory as a program change.

16. Published Collections of Information

No special publication of the items in this collection is planned.

17. Display of Expiration Date of OMB Approval

There are no forms associated with this information collection. Therefore, the display of the expiration date is not applicable.

18. Exceptions to the Certificate Statement

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

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection of information does not employ statistical methods.