

SUPPORTING STATEMENT
United States Patent and Trademark Office
Third-Party Submissions and Protests
OMB CONTROL NUMBER 0651-0062
June 2015

A. JUSTIFICATION

1. Necessity of Information Collection

The United States Patent and Trademark Office (USPTO) is required by 35 U.S.C. § 131 *et seq.* to examine an application for patent and, when appropriate, issue a patent. The provisions of 35 U.S.C. §§ 122(c), 122(e), 131, and 151, as well as 37 CFR 1.290 and 1.291, limit the ability of a third party to have information entered and considered in, or to protest, a patent application pending before the Office.

37 CFR 1.290 provides a mechanism for third parties to submit to the USPTO, for consideration and inclusion in the record of a patent application, any patents, published patent applications, or other printed publications of potential relevance to the examination of the application.

A preissuance submission under 37 CFR 1.290 may be made in any non-provisional utility, design, and plant application, as well as in any continuing application. A preissuance submission under 37 CFR 1.290 must include a concise description of the asserted relevance of each document submitted, and must be submitted within a certain statutorily specified time period.

37 CFR 1.291 permits a member of the public to file a protest against a pending application. Protests pursuant to 37 CFR 1.291 are supported by a separate statutory provision from third-party submissions under 37 CFR 1.290 (35 U.S.C. 122(c) v. 35 U.S.C. 122(e)). As a result, there are several differences between protests and third-party submissions.

For example, 37 CFR 1.291 permits the submission of information that is not permitted in a third-party submission under 37 CFR 1.290. Specifically, 37 CFR 1.291 provides for the submission of information other than publications, including any facts or information adverse to patentability, and arguments to that effect. Further, 37 CFR 1.291 requires a protest to include a concise explanation of the relevance of each item of information submitted. Unlike the concise description of relevance required for a preissuance submission under 37 CFR 1.290, which is limited to a description of a document's relevance, the concise explanation for a protest under 37 CFR 1.291 allows for arguments against patentability. Additionally, the specified time period for submitting a protest differs from the time period for submitting third-party submissions, and is impacted by whether the protest is accompanied by the written consent of the applicant.

This information collection (the information collected via third-party submissions under 37 CFR 1.290 and protests under 37 CFR 1.291) is necessary so that the public may contribute to the quality of issued patents. The USPTO will use this information, as appropriate, during the patent examination process to assist in evaluating the patent application.

Table 1 identifies the proposed statutory and regulatory provisions that require the USPTO to collect this information:

Table 1: Information Requirements for Third-Party Submissions and Protests

IC Number	Requirement	Statute	Rule
1-2	Third-Party Submissions in Nonissued Applications	35 U.S.C. §§ 122(e), 131 and 151	37 CFR 1.290
3	Protests by the Public Against Pending Applications Under 37 CFR 1.291	35 U.S.C. §§ 122(c), 131 and 151	37 CFR 1.291

2. Needs and Uses

This information collection is necessary so that the public may contribute to the quality of issued patents. The USPTO will use this information, as appropriate, during the patent examination process to assist in evaluating the patent application.

Table 2 outlines how this information is used by the public and by the USPTO:

Table 2: Needs and Uses for Third-Party Submissions and Protests

IC Number	Form and Function	Form #	Needs and Uses
1-2	Third-Party Submissions in Nonissued Applications	PTO/SB/429 (paper only)	<ul style="list-style-type: none"> Used by third parties to submit patents, published patent applications, or other printed publications of potential relevance to the examination of an application, together with a concise description of the asserted relevance of each document submitted, in accordance with 37 CFR 1.290. Used by the USPTO to enter third party-submitted patents, published patent applications, or other printed publications in the application file, in accordance with 37 CFR 1.290.
3	Protests by the Public Against Pending Applications Under 37 CFR 1.291	No Form Associated	<ul style="list-style-type: none"> Used by the public to call attention to any facts or information within the protestor's knowledge that, in the protestor's opinion, would make the grant of a patent on an application pending in the USPTO improper. Used by the USPTO to better avoid the issuance of an invalid patent.

3. Use of Information Technology

The USPTO has a dedicated interface that permits third-party preissuance submissions to be filed via its electronic filing system (EFS-Web). Third-party preissuance submissions are not automatically entered into the electronic image file wrapper (IFW)

for an application. Instead, preissuance submissions are reviewed to determine compliance with 35 U.S.C. 122(e) and 37 CFR 1.290 before being entered into the IFW. Third parties filing preissuance submissions electronically via EFS-Web receive immediate, electronic acknowledgement of the USPTO's receipt of the submission, instead of waiting for the USPTO to mail a return postcard.

Because third-party preissuance submissions may be filed electronically, the USPTO protects applicants via established procedures that determine whether a third-party preissuance submission is in compliance with the requirements of 35 U.S.C. 122(e) and 37 CFR 1.290 before entering the submission into the IFW of an application or making the submission available to an examiner for consideration. The USPTO strives to always complete such determinations promptly following receipt of the submissions so that compliant preissuance submissions are quickly entered into the IFW and made available to the examiner for consideration. Non-compliant third-party preissuance submissions are not entered into the IFW of an application or considered and are discarded. Also, no refund of the required fees is provided in the event that a preissuance submission is determined to be non-compliant. If an electronic mail message address is provided with a third-party preissuance submission, the USPTO strives to notify the third-party submitter of such non-compliance; however, the statutory time period for making a preissuance submission is not tolled by the initial non-compliant submission.

Alternatively, third-party preissuance submissions may be paper-filed using form PTO/SB/429. The safeguards noted above with respect to preissuance submissions that are filed via the dedicated EFS-Web interface are also in place for paper-filed submissions.

Protests by the Public Against Pending Applications Under 37 CFR 1.291 must be paper-filed.

4. Efforts to Identify Duplication

The information collected is required to process (i) third-party submissions in nonissued applications, and (ii) protests by the public against pending applications. This information is not collected elsewhere and does not result in a duplication of effort.

5. Minimizing the Burden to Small Entities

This collection of information does not impose a significant economic impact on small entities or small businesses. The information required by this collection provides the USPTO with the necessary materials for (1) entering prior art documents obtained from a third party in the application file, and (2) bringing information to the attention of the USPTO and avoiding the issuance of an invalid patent. The same information is required from every member of the public and is not available from any other source.

6. Consequences of Less Frequent Collection

This information is collected only when the public submits (1) a third-party submission, and/or (2) a 37 CFR 1.291 protest. If this information were not collected, the USPTO would not be able to balance the mandate of 35 U.S.C. § 122(c) and (e) and the USPTO's authority and responsibility under 35 U.S.C. §§ 131 and 151 to issue a patent only if "it appears that the applicant is entitled to a patent under the law." This information could not be collected less frequently.

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 Notice was published in the *Federal Register* on March 13, 2015 (80 FR 13330). The comment period ended on May 12, 2015. No public comments were received.

The USPTO has long-standing relationships with groups from who 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 and during the renewal of an information collection. No views have been expressed impacting the present renewal.

9. Payment or Gifts to Respondents

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

10. Assurance of Confidentiality

Confidentiality of patent applications is governed by statute (35 U.S.C. § 122) and regulation (37 CFR 1.11 and 1.14). Upon publication of an application or issuance of a patent, the entire patent application file is made available to the public, subject to provisions for providing only a redacted copy of the file contents. The disclosure of the invention in the application is the *quid pro quo* for the property right conferred by the patent grant and the very means by which the patent statute achieves its constitutional objective of "promot[ing] the progress of science and useful arts." The prosecution history contained in the application file is critical for determining the scope of the property right conferred by a patent grant.

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 3 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 1,560 responses per year for this collection.

- **Burden Hour Calculation Factors**

The USPTO estimates that it will take the public 10 hours per Information Collection Instrument to gather the necessary information, prepare the appropriate form or documents, and submit the information to the USPTO.

- **Cost Burden Calculation Factors**

The USPTO expects that the information in this collection will be prepared by attorneys. The USPTO uses a professional rate of \$389 per hour for respondent rate cost-burden calculations, which is the mean rate for attorneys in private firms as shown in the 2013 AIPLA Report of the Economic Survey published by the American Intellectual Property Law Association.

Table 3: Burden Hour/Burden Cost to Respondents for Third-Party Submissions and Protests

IC Number	Item	Hours (a)	Estimated Annual Responses (b)	Burden (hrs/yr) (a) x (b) = (c)	Rate (\$/hr) (d)	Total Cost (\$/hr) (c) x (d) = (e)
1	Third-Party Submissions in Nonissued Applications; electronic	10.0	1,500	15,000	\$389.00	\$5,835,000.00
2	Third-Party Submissions in Nonissued Applications; paper	10.0	50	500	\$389.00	\$194,500.00
3	Protests by the Public Against Pending Applications Under 37 CFR 1.291	10.0	10	100	\$389.00	\$38,900.00
	TOTAL	- - - -	1,560	15,600	- - - -	0

13. Total Annualized (Non-hour) Cost Burden

There are no capital start-up, recordkeeping or maintenance costs associated with this information collection. There are filing fees and postage costs associated with this information collection.

When submitting the information in this collection to the USPTO electronically, the applicant is strongly urged to retain a copy of the file submitted to the USPTO as evidence of authenticity in addition to keeping the acknowledgment receipt as clear evidence of the date the file was received by the USPTO. The USPTO does not, however, require this recordkeeping, and thus does not consider this action to be a recordkeeping cost imposed on the applicant.

Filing Fees

This collection has a non-hourly annual cost burden in the form of filing fees. 37 CFR 1.290 requires the payment of the fee set forth in 37 CFR 1.17(o) for every ten documents, or fraction thereof, listed in each third-party preissuance submission. The USPTO provides an exemption from this fee requirement where a preissuance submission listing three or fewer total documents is the first preissuance submission submitted in an application by a third party, or a party in privity with the third party. Taking the fee and exemption into account, the USPTO estimates that the average fee per submission for the third-party submissions is \$180, with the average fee for small entities being \$90.

There is no fee for filing protests under 37 CFR 1.291 unless the filed protest is the second or subsequent protest by the same real party in interest, in which case the 37 CFR 1.17(i) fee of \$130 must be included (the USPTO estimates 1 of the 10 protests filed per year will trigger this fee). The table below illustrates the total amount of and distribution of filing fees associated with this collection.

Table 4: Non-Hourly Cost Burden – Filing Fees

IC Number	Information Collection Instrument	Estimated Annual Responses (a)	Filing fee (\$) (b)	Total non-hour cost burden (yr) (a) x (b) = (c)
1-2	Third-Party Submissions in Nonissued Applications	1,085	\$180	\$195,300.00
1-2	Third-Party Submissions in Nonissued Applications (small entity)	465	\$90	\$41,850.00
3	Protests by the public against pending applications under 37 CFR 1.291	1	\$130	\$130.00
Total	1,551	\$237,280.00

Postage

Customers may incur postage costs when submitting some of the items covered by this collection to the USPTO by mail through the United States Postal Service. The USPTO expects that approximately 96 of the responses in this collection will be submitted electronically. Of the remaining 4 percent, the vast majority—98 percent—will be submitted by mail, for a total of 59 mailed submissions. The average first class postage cost for a one-pound submission mailed in a flat-rate envelope will be \$5.75. Therefore, the USPTO estimates that the postage costs for the mailed submissions in this collection will total \$339.25.

The total annualized (non-hour) respondent cost burden for this collection in the form of filing fees (\$237,280.00) and postage costs (\$339.25) is estimated to be \$237,619.25 per year.

14. Annual Cost to the Federal Government

The USPTO estimates that it takes a GS-7, step 1 employee 30 minutes (0.5 hours) to process the protests under 37 CFR 1.291 and the third-party submissions. The hourly rate for a GS-7, step 1, is currently \$20.63. When 30% is added to account for a fully-loaded hourly rate (benefits and overhead), the rate per hour for a GS-7, step 1 employee, is \$26.82 (\$20.63 + \$6.19).

Table 4 calculates the processing hours and costs of this information collection to the Federal Government:

Table 4: Burden Hour/Burden Cost to the Federal Government for Third-Party Submissions and Protests

IC Number	Item	Hours (a)	Responses (yr) (b)	Burden (hrs/yr) (a) x (b) (c)	Rate (\$/hr) (d)	Total Cost (\$/hr) (c) x (d) (e)
1	Third-Party Submissions in Nonissued Applications; electronic	0.5	1,500	750	\$26.82	\$20,115.00
2	Third-Party Submissions in Nonissued Applications; paper	0.5	50	25	\$26.82	\$670.50
3	Protests by the Public Against Pending Applications Under 37 CFR 1.291	0.5	10	5	\$26.82	\$134.10
	TOTAL	- - - -	1,560	780	- - - - -	\$20,919.60

15. Reason for Change in Burden

Summary of Changes Since the Previous Renewal

This information collection was previously approved in March 2011 with a total of 1,225 responses and 9,350 burden hours per year. Following a rulemaking action (which also included changes to estimates as a result of non-rulemaking impacts) approved in July 2012, these numbers were updated to 1,095 responses and 10,950 burden hours per year. This 2012 update reflected a decrease of 130 responses and an increase of 1,600 burden hours from the 2011 renewal.

For this renewal, the USPTO estimates that the total annual responses will be 1,560 and the total annual burden hours will be 15,600, which is an increase of 465 responses and an increase of 4,650 burden hours from the currently approved burden for this

collection. This increase in responses and increase in burden hours is due to administrative adjustments.

The total annual (non-hour) cost burden for this renewal of \$237,619.25 is an increase of \$104,601.25 from the currently approved total of \$133,018. The new total is due to both an increase in the number of respondents whose applications will incur fees as well as a decrease in the number of mailed applications despite an increase in the cost of postage from \$4.95 to \$5.75 for a one-pound mailed submission.

Change in Respondent Cost Burden

The 15,600 burden hours for this renewal yield a respondent cost burden of \$6,068,400, which is an increase of \$2,005,950 over the currently approved respondent cost burden of \$4,062,450. This increase in respondent cost burden is due primarily to the increase in responses and burden hours as well as to the increase in the rate used to estimate respondent cost, which rose from \$371.00 in 2012 to \$389.00 for the current renewal.

Changes in Responses and Burden Hours

With this renewal, a total of 4,650 burden hours have been added to this collection. This increases the total number of burden hours from 10,950 to 15,600 per year as a result of an administrative adjustment, as follows:

- **Increase of 465 respondents.** The USPTO estimates that the total number of responses received for the items in this information collection will increase by 465, from 1,095 to 1,560. This increase in responses also led to the corresponding increase in burden hours described above, from 10,950 to 15,600.

Changes in Annualized (Non-hour) Cost Burden

For this renewal, the USPTO estimates that the total annual (non-hour) costs will increase by \$104,601.25, from \$133,018 currently in the OMB inventory to the present \$237,619.25. This increase is influenced by the following:

- **Increase of \$104,970 in fees.** The USPTO estimates that the increase in the number of responses received for the collection will correspond to an increase in the number of fee-requiring responses to this collection. This, along with the inclusion of a lower fee for submissions by small entities, led to the change in fee total seen in this renewal. The total cost increase concerning fees, which apply to both the Third-Party Submissions in Nonissued Applications as well as to the Protests by the Public Against Pending Applications Under 37 CFR 1.291, amounts to \$104,970.
- **Decrease of \$368.75 in postage costs.** The USPTO estimates that there will be a decrease in the number of collections submitted by mail, from 80 to 59. Despite the increase in cost of submitting a one-pound mailed item by USPS from \$4.95

in 2012 to \$5.75 in 2015, the overall postage costs for this collection decreased by \$368.75.

16. Project Schedule

The USPTO does not plan to publish this information for statistical use or any other purpose.

17. Display of Expiration Date of OMB Approval

The form in this information collection will display the OMB Control Number and the expiration date.

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.