

**SUPPORTING STATEMENT**  
**United States Patent and Trademark Office**  
**Patent Review and Derivation Proceedings**  
**OMB CONTROL NUMBER 0651-0069**  
**September 2015**

**A. Justification**

**1. Necessity of Information Collection**

The USPTO is required by 35 U.S.C. §§ 131 and 151 to examine applications and, when appropriate, issue applications as patents. These statutes also provide for consideration of trial reviews of patents if requested. This collection of information covers the patent review process and related proceedings conducted by the Patent Trial and Appeal Board. The Leahy-Smith America Invents Act (“AIA”), which was enacted into law on September 16, 2011, provided for many changes to the procedures of the Patent Trial and Appeal Board (“PTAB” or “Board,” formerly the Board of Patent Appeals and Interference). See Pub. L. 112-29, 125 Stat. 284 (2011). These changes included the introduction of *inter partes* review, post-grant review, derivation proceedings, and the transitional program for covered business method patents.

*Inter partes* review is a trial proceeding conducted at the Board to review the patentability of one or more claims in a patent only on a ground that could be raised under §§ 102 or 103, and only on the basis of prior art consisting of patents or printed publications. Post grant review is a trial proceeding conducted at the Board to review the patentability of one or more claims in a patent on any ground that could be raised under § 282(b)(2) or (3). A derivation proceeding is a trial proceeding conducted at the Board to determine whether (i) an inventor named in an earlier application derived the claimed invention from an inventor named in the petitioner's application, and (ii) the earlier application claiming such invention was filed without authorization. The transitional program for covered business method patents (TPCBM) is a trial proceeding conducted at the Board to review the patentability of one or more claims in a covered business method patent. In 2012, six rulemaking actions were taken to propose and implement new rules of practice for the multiple reviews and proceedings impacted by the items contained within this information collection.

This renewal seeks to enable the continuation of the review and proceeding processes outlined in the information collection below.

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**

IC Number	Item	Statute	Rule
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1	Petition for <i>Inter Partes</i> Review	35 U.S.C. § 312	37 CFR 42.5, 42.6, 42.8, 42.11, 42.13, 42.20-42.22, 42.24(a)(1), 42.63, 42.65, and 42.101-42.105
2	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, 42.20-42.22, 42.24(a)(2), 42.24(a)(3), 42.63, 42.65, 42.201-42.205, and 42.302-42.304
3	Petition for Derivation	35 U.S.C. § 135	37 CFR 42.5, 42.6, 42.8, 42.11, 42.13, 42.20-42.22, 42.24(a)(4), 42.63, 42.65, 42.402-42.406
4	Patent Owner Preliminary Response 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), 42.51-42.54, 42.63 and 42.65
5	Patent Owner Preliminary Response 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), 42.51-42.54, 42.63 and 42.65
6	Request for Rehearing	35 U.S.C. §§ 2(b)(2), 16(a)(13), and 326(a)(12)	37 CFR 42.71
7	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), 42.51-42.54, 42.63-42.65, 42.107, 42.120, 42.121, and 42.123
8	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, 42.21-42.23, 42.24(a)(5), 42.24(b), 42.24(c), 42.51-42.54, 42.63-42.65, 42.221, 42.207, 42.220 and 42.223
9	Motions, Replies and Oppositions in Derivation Proceeding	35 U.S.C. § 135(b)	37 CFR 42.6, 42.8, 42.11, 42.13, 42.21-42.23, 42.24(a)(5), 42.24(b), 42.24(c), 42.51-42.54, 42.63-42.65
10	Request for Oral Hearing	35 U.S.C. §§ 2(b)(2), 316 (a)(10), and 326(a)(10)	37 CFR 42.70
11	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
12	Settlement	35 U.S.C. §§ 2(b)(2), 135(e), 317, and 327	37 CFR 42.73(b) and 42.74(b)
13	Arbitration Agreement and Award	35 U.S.C. § 135(f)	37 CFR 42.410
14	Request to Make a Settlement Agreement Available	35 U.S.C. §§ 135(e), 317(b), and 327(b)	37 CFR 42.74(c)
15	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 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, as provided for by the AIA.

The Board disseminates information that it collects (unless filed under seal) through various publications and databases. This information includes the filings of the parties and decisions and orders by the Board 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. There are representative opinions, which are non-precedential and provide a representative sample of outcomes on a matter. 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 collected, maintained, and used in this collection is based on OMB and USPTO guidelines. This includes the basic information quality standards established in the Paperwork Reduction Act (44 U.S.C. Chapter 35), in OMB Circular A-130, and in the OMB information quality 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**

IC Number	Form and Function	Form #	Needs and Uses
1	Petition for <i>Inter Partes</i> Review	No Form Associated	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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).</li> <li>• 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.</li> </ul>

IC Number	Form and Function	Form #	Needs and Uses
2	Petition for Post-Grant Review or Covered Business Method Patent Review	No Form Associated	<ul style="list-style-type: none"> <li>• Used by parties who are not owners of a patent and who, along with any real party-in-interest, has not filed a civil action challenging the validity of a claim of the patent to file a petition to institute a post-grant review of a patent.</li> <li>• 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.</li> <li>• Used by parties to file a petition for a transitional proceeding with respect to a covered business method patent when the petitioner, the petitioner's real party-in-interest or privy has been sued for infringement of the patent or has been charged with infringement under that patent and where the petitioner, the petitioner's real party-in-interest has not filed a civil action challenging the validity of a claim of the patent.</li> <li>• 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.</li> <li>• 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.</li> </ul>
3	Petition for Derivation	No Form Associated	<ul style="list-style-type: none"> <li>• Used by an applicant for patent to petition the Board to institute a derivation proceeding.</li> <li>• 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).</li> <li>• 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).</li> </ul>
4	Patent Owner Preliminary Response to Petition for Initial <i>Inter Partes</i> Review	No Form Associated	<ul style="list-style-type: none"> <li>• Used by patent owner to set forth reasons why no <i>inter partes</i> review should be instituted.</li> <li>• 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.</li> </ul>
5	Patent Owner Preliminary Response to Petition for Initial Post-Grant Review or Covered Business Method Patent Review	No Form Associated	<ul style="list-style-type: none"> <li>• Used by patent owner to set forth reasons why no post-grant review or covered business method review should be instituted.</li> <li>• 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.</li> </ul>
6	Request for Rehearing	No Form Associated	<ul style="list-style-type: none"> <li>• Used by parties to request the Board to reconsider the decision not to institute a trial or another decision.</li> <li>• Used by the Board to review the original decision to not institute a trial or another decision.</li> </ul>

IC Number	Form and Function	Form #	Needs and Uses
7	Motions, Replies, and Oppositions After Institution in <i>Inter Partes</i> Review	No Form Associated	<ul style="list-style-type: none"> <li>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.</li> <li>Used by the opposing parties, such as by a patent owner in response to a petition, to set forth the reasons why the Board should not grant the relief sought in a motion.</li> <li>Used by the Board in issuing a final written decision with respect to patentability of a challenged patent claim.</li> </ul>
8	Motions, Replies, and Oppositions After Institution in Post-Grant Review or Covered Business Method Review	No Form Associated	<ul style="list-style-type: none"> <li>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.</li> <li>Used by the opposing parties, such as by a patent owner in response to a petition, to set forth the reasons why the Board should not grant the relief sought in a motion.</li> <li>Used by the Board in issuing a final written decision with respect to patentability of a challenged patent claim.</li> </ul>
9	Motions, Replies, and Oppositions in Derivation Proceeding	No Form Associated	<ul style="list-style-type: none"> <li>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.</li> <li>Used by the opposing parties, such as by a patent owner in response to a petition, to set forth the reasons why the Board should not grant the relief sought in a motion.</li> <li>Used by the Board in issuing a final written decision with respect to the alleged derivation.</li> </ul>
10	Request for Oral Hearing	No Form Associated	<ul style="list-style-type: none"> <li>Used by parties to request an oral hearing.</li> <li>Used by the Board to schedule an oral hearing if appropriate.</li> </ul>
11	Request to Treat a Settlement as Business Confidential	No Form Associated	<ul style="list-style-type: none"> <li>Used by parties to request that the settlement agreement be kept confidential and be filed separately from the patent or application file.</li> <li>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.</li> </ul>
12	Settlement	No Form Associated	<ul style="list-style-type: none"> <li>Used by a party to concede the contest.</li> <li>Used by the Board to render judgment against the party conceding the contest.</li> </ul>
13	Arbitration Agreement and Award	No Form Associated	<ul style="list-style-type: none"> <li>Used by parties to give notice to the Office of the result of an arbitration between parties.</li> <li>Used by the Board to update the records of an instituted derivation proceeding.</li> </ul>

IC Number	Form and Function	Form #	Needs and Uses
14	Request to Make a Settlement Agreement Available	No Form Associated	<ul style="list-style-type: none"> <li>Used by a requester to gain access to a settlement agreement.</li> <li>Used by the Board to determine whether the requester may be granted access to the settlement agreement.</li> </ul>
15	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"> <li>Used by parties to notify the USPTO that a party has filed a notice of appeal or election.</li> <li>Used by the Board to recognize that the final decision of the Board has been appealed.</li> </ul>

### 3. Use of Information Technology

All of the patent review and derivation proceeding papers will be filed electronically, unless otherwise authorized by the Board. The USPTO currently utilizes the Patent Review Processing System (PRPS), which allows parties to file proceedings electronically.

The PTAB disseminates opinions and decisions to the public through the USPTO's website and in the individual case locations in PRPS, which has a public portal. Precedential opinions in *ex parte* appeals are published on the PTAB's home page through the USPTO's website. In late 1997, the PTAB started disseminating opinions in support of the PTAB'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 PTAB 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, coupled with the requirement to collect this information under the AIA, outweighs the burden on the public.

## **5. Minimizing Burden to Small Entities**

This collection of information does not impose a significant economic impact on small entities or small businesses.

## **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 responses, 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 60-Day Notice was published in the *Federal Register* on June 9, 2015 (80 Fed. Reg. 32541-32543). The comment period ended on August 10, 2015. No comments were received.

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, 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 regarding 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**

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 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 those 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.

## **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 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 approximately 11,349 responses per year for this collection, with approximately 2,837 of these responses submitted by small entities. Out of these 11,349 responses, the USPTO estimates that only 74 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 an average of 128.6 hours to complete an individual form in this collection, with estimated response times for individual forms ranging between approximately 6 minutes and approximately 165 hours and 18 minutes (0.10 to 165.3 hours) to complete, depending on the situation and collection tool used. 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 \$410 per hour for respondent cost burden calculations, which is the mean rate for attorneys in private firms as shown in the *2015 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 \$410 is an accurate estimate of the cost per hour to collect this information.

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

IC Number	Item	Estimated Response Time (hrs) (a)	Estimated Annual Responses (b)	Estimated Annual Burden Hours (a) x (b) = (c)	Rate (\$/hr) (d)	Total Cost Burden (c) x (d) = (e)
1	Petition for <i>Inter Partes</i> Review	124.0	1,685	208,940	\$410.00	\$85,665,400.00
2	Petition for Post-Grant Review or Covered Business Method Patent Review	165.3	181	29,919.3	\$410.00	\$12,266,913.00
3	Petition for Derivation	165.3	3	495.9	\$410.00	\$203,319.00
4	Patent Owner Preliminary Response to Petition for Initial <i>Inter Partes</i> Review	91.6	1,109	101,584.4	\$410.00	\$41,649,604.00
5	Patent Owner Preliminary Response to Petition for Initial Post-Grant Review or Covered Business Method Patent Review	91.6	134	12,274.4	\$410.00	\$5,032,504.00
6	Request for Rehearing	80.0	272	21,760	\$410.00	\$8,921,600.00
7	Motions, Replies, and Oppositions After Institution in <i>Inter Partes</i> Review	158.0	5,901	932,358	\$410.00	\$382,266,780.00
8	Motions, Replies, and Oppositions After Institution in Post-Grant Review or Covered Business Method Review	148.0	665	98,420	\$410.00	\$40,352,200.00
9	Motions, Replies, and Oppositions in Derivation Proceeding	120.0	7	840	\$410.00	\$344,400.00
10	Request for Oral Hearing	18.3	392	7,173.6	\$410.00	\$2,941,176.00
11	Request to Treat a Settlement as Business Confidential	2.0	397	794	\$410.00	\$325,540.00
12	Settlement	100.0	446	44,600	\$410.00	\$18,286,000.00

IC Number	Item	Estimated Response Time (hrs) (a)	Estimated Annual Responses (b)	Estimated Annual Burden Hours (a) x (b) = (c)	Rate (\$/hr) (d)	Total Cost Burden (c) x (d) = (e)
13	Arbitration Agreement and Award	4.0	2	8	\$410.00	\$3,280.00
14	Request to Make a Settlement Agreement Available	1.0	1	1	\$410.00	\$410.00
15	Notice of Judicial Review of a Board Decision (e.g., Notice of Appeal Under 35 U.S.C. §142)	0.1	154	15.4	\$410.00	\$6,314.00
	<b>Totals</b>	-----	<b>11,349</b>	<b>1,459,184</b>	-----	<b>\$598,265,440.00</b>

### 13. Total Annual (Non-hour) Cost Burden

There are no capital start-up or maintenance costs associated with this information collection. However, this collection does have annual (non-hour) costs in the form of filing fees and postage costs. The total annual (non-hour) costs for this collection are calculated in the accompanying tables.

#### Filing Fees

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, and requests to make a settlement agreement available. The USPTO estimates that the total filing fees associated with this collection will be approximately \$60,404,000 per year, as calculated in Table 4 below.

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

IC Number	Item	Estimated Annual Responses (a)	Filing Fees (b)	Total Cost (\$/yr) (a) x (b) = (c)
1	Petition for <i>Inter Partes</i> Review	1,685	\$31,400.00 (average)	\$52,909,000.00
2	Petition for Post-Grant Review or Covered Business Method Patent Review	181	\$41,400.00 (average)	\$7,493,400.00
3	Petition for Derivation	3	\$400.00	\$1,200.00
14	Request to Make a Settlement Agreement Available	1	\$400.00	\$400.00
	<b>Totals</b>	<b>1,870</b>	-----	<b>0</b>

#### Postage Costs

Customers may incur postage costs when submitting two of the Information Collection instruments covered by this collection to the USPTO by mail. Only the Petition for *Inter Partes* Review and the Motions, Replies, and Oppositions After Institution in *Inter Partes*

Review are eligible for paper filings, and only if authorized by the PTAB. The USPTO expects that approximately 99 percent of the responses to those two items will be submitted electronically. Of the remaining 1 percent, the vast majority—98 percent—will be submitted by mail, for a total of 74 mailed submissions. The average first class USPS postage cost for a one-pound mailed submission in a flat rate envelope is \$5.75. Therefore, the USPTO estimates that the postage costs for the mailed submissions in this collection will total \$425.50.

**Table 5: Postage Costs for Respondents for Patent Review and Derivation Proceedings**

IC Number	Item	Estimated Annual Mailed Responses	Postage (\$)	Total Postage Cost (\$/yr)
1	Petition for <i>Inter Partes</i> Review	16	\$5.75	\$92.00
7	Motions, Replies, and Oppositions After Institution in <i>Inter Partes</i> Review	58	\$5.75	\$333.50
	<b>Totals</b>	<b>74</b>	<b>.....</b>	<b>\$425.50</b>

**The total annual (non-hour) respondent cost burden for this collection in the form of filing fees (\$60,404,000.00) and postage costs (\$425.50) is approximately \$60,404,425.50 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 and paralegals. 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. The current hourly rate for a GS-15, step 5 is \$68.56, according to the U.S. Office of Personnel Management's (OPM's) 2015 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 \$89.13 (\$68.56 + \$20.57).

For all other items in the collection, information will be processed by an administrative patent judge and a paralegal. The USPTO estimates that it will take the administrative patent judges and paralegals between 15 minutes (0.25 hours) and 53 hours to process the remaining items. The USPTO further estimates that the hourly rate (with benefits and overhead) for an administrative patent judge is \$201 and for a paralegal is \$87, based upon the USPTO Office of Finance's FY14 Pay Scale. Given that the paralegals and administrative patent judges will work together to process items in this collection, the hourly rate for their efforts is a combined hourly rate of \$288.

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

**Table 6: Burden Hour/Burden Cost to the Federal Government for Patent Review and Derivation Proceedings**

IC Number	Item	Estimated Response Time (hrs) (a)	Estimated Annual Responses (b)	Estimated Annual Burden Hours (a) x (b) = (c)	Rate (\$/hr) (d)	Total Federal Government Cost Burden (c) x (d) = (e)
1	Petition for <i>Inter Partes</i> Review	40.0	1,685	67,400	\$288.00	\$19,411,200.00
2	Petition for Post-Grant Review or Covered Business Method Patent Review	53.0	181	9,593	\$288.00	\$2,762,784.00
3	Petition for Derivation	53.0	3	159	\$288.00	\$45,792.00
4	Patent Owner Preliminary Response to Petition for Initial <i>Inter Partes</i> Review	12.0	1,109	13,308	\$288.00	\$3,832,704.00
5	Patent Owner Preliminary Response to Petition for Initial Post-Grant Review or Covered Business Method Patent Review	14.0	134	1,876	\$288.00	\$540,288.00
6	Request for Rehearing	16.0	272	4,352	\$288.00	\$1,253,376.00
7	Motions, Replies, and Oppositions After Institution in <i>Inter Partes</i> Review	13.0	5,901	76,713	\$288.00	\$22,093,344.00
8	Motions, Replies, and Oppositions After Institution in Post-Grant Review or Covered Business Method Review	14.0	665	9,310	\$288.00	\$2,681,280.00
9	Motions, Replies, and Oppositions in Derivation Proceeding	14.0	7	98	\$288.00	\$28,224.00
10	Request for Oral Hearing	3.75	392	1,470	\$288.00	\$423,360.00
11	Request to Treat a Settlement as Business Confidential	1.0	397	397	\$288.00	\$114,336.00
12	Settlement	0.25	446	111.5	\$288.00	\$32,112.00
13	Arbitration Agreement and Award	0.50	2	1	\$288.00	\$288.00
14	Request to Make a Settlement Agreement Available	1.0	1	1	\$288.00	\$288.00
15	Notice of Judicial Review of a Board Decision (e.g., Notice of Appeal Under 35 U.S.C. § 142)	0.10	154	15.4	\$89.13	\$1,372.60
	<b>Totals</b>	-----	<b>11,349</b>	<b>184,804.90</b>	-----	<b>\$53,220,748.60</b>

an increase of 6,290 responses and 930,237 burden hours from the previously approved burden.

The currently-approved (non-hour) cost burden for this collection is \$17,427,196.00. The USPTO estimates that this burden will rise to \$60,404,425.50 with this renewal, an increase of \$42,977,229.50.

The cost to the Federal Government for this renewal is estimated to rise by \$29,141,322.24, from \$18,594,874.00 to \$47,736,196.24 due to the increase in the number of responses as well as the increased GS rates and administrative patent judge salaries used for 2015.

#### Changes Since the 60-Day Federal Register Notice

The Federal Register Notice for this renewal (80 FR 32541) used the rate of \$389 for an hour of an attorney's time in calculating the annual hourly cost burden for this collection. Since the publication of that notice, AIPLA has released their *2015 Report of the Economic Survey*, which adjusted the estimate of an hour of an attorney's time upwards to \$410. As a result, this supporting statement has been adjusted to reflect the current attorney hourly rate.

#### Changes in Responses and Burden Hours

For this submission, the USPTO estimates that the total annual responses will increase by 6,290 (from 5,059 to 11,349) and the total burden hours will increase by 930,237 (from 528,947 to 1,459,184) from the currently approved burden for this collection. These changes are due to the following program change:

- **Increase of 6,290 Responses:** Due to an agency adjustment of the estimate of the number of responses that will be received in the upcoming three-year collection period, the number of estimated annual responses increased by 6,290. As a result of this increase, the number of estimated annual burden hours for this collection rose to 1,459,184.

#### Changes in Respondent Cost Burden

The total respondent cost burden for this collection has increased by \$402,026,103.00, from \$196,239,337.00 to \$598,265,440.00, from the 2012 version of this collection due to:

- **Increase in Number of Burden Hours:** As a result of the increase of estimated annual responses (which are projected to rise from 5,059 to 11,349), as described above, the number of burden hours more than doubled for this proposed renewal. This increase in hours led to an overall increase in respondent cost burden, as more hours of time were being measured against the estimate hourly rates used to calculate cost burden.

- **Increase in Professional Salaries:** The August 2012 submission used the estimated hourly rate of \$371 for attorneys to prepare the items in this collection. For the current submission, the USPTO is using an hourly rate of \$410 for attorneys involved in preparing the items in this collection.

#### Changes in Annual (Non-hour) Cost Burden

For this submission, the USPTO estimates that this burden will rise to \$60,404,425.50 with this renewal, an increase of \$42,977,229.50 over the previously-approved non-hour cost burden of \$17,427,196.00. This increase is due to the following:

- **Increase of 6,290 Responses:** Due to an agency adjustment of the estimate of the number of responses that will be received in the upcoming three-year collection period, the number of estimated annual responses increased by 6,290. As a result of this increase, more filing fees will need to be submitted and more postage costs will be paid, thus raising the overall non-hour cost burden.
- **Decrease in Postage Rates:** The previous renewal estimated that it would cost \$18.95 to submit a single item in this collection by U.S. Postal Service. This proposed renewal estimates that this cost is more accurately represented as \$5.75 to submit a single item. Despite this rate decrease, the increased number of respondents caused the total postage cost to rise from \$76.00 to \$425.50.
- **Adjustment in Filing Fee Requirements:** The previous renewal attributed filing fees to four items that are no longer identified as such in this collection: (1) Motions in *Inter Partes* Review with Excess Claims by Small Entity Patent Owners, (2) Motions in *Inter Partes* Review with Excess Claims by Other than Small Entity Patent Owners, (3) Motions in Post-Grant Review or Covered Business Method Patent Review with Excess Claims by Small Entity Patent Owners, and (4) Motions in Post-Grant Review or Covered Business Method Patent Review with Excess Claims by Other than Small Entity Patent Owners. These items were merged into other items in this collection for which filing fees are not required, thus removing the \$57,720.00 they contributed in 2012 from this renewal's non-hour cost burden calculation.

#### Change in Federal Government Burden

For this submission, the USPTO estimates that the federal government cost burden for this collection will increase by \$29,141,322.24, from \$18,594,874.00 to \$47,736,196.24. This change is due to the following:

- **Increase in Number of Responses:** As a result of the increase of 6,290 estimated annual responses, as described above, more responses needed to be processed by the federal government. Thus, more government time was spent

addressing these submissions, reducing the overall cost of the collection to the federal government.

- **Increase in Federal Salaries:** For this collection, the USPTO is using the 2015 GS Rate table (with locality pay for the Washington, D.C. area) to calculate the work done by Federal employees. The 2012 submission valued an hour of work from a GS-15, step 5 at \$87.37 (\$67.21 base hourly with an additional 30 percent added for benefits/overtime compensation). This submission, however, values that same position at \$89.13 (\$68.56 base hourly with an additional 30 percent added for benefits/overtime compensation). Further, while the previous submission valued the work of an hour of combined time from an administrative patent judge and a paralegal at \$258.32, this submission will use the USPTO's FY14 pay calculation of \$288 for an hour of the same work.

#### **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.