

spend 76 hours to respond to this requirement at a total cost of \$1,900. The total cost of these requirements for small IHEs is, therefore, \$4,250; \$2,068 of this cost will be borne by small private IHEs, and \$2,182 of the cost will be borne by small public IHEs. Based on the total number of small IHEs across the Nation, the estimated cost per small private IHE is approximately \$10, and the estimated cost per small public IHE is \$66. The Department has, therefore, determined that the requirements will not represent a significant burden on small not-for-profit IHEs. It is also important to note that States may use their Government Services Fund allocations to help small IHEs meet the costs of complying with the requirements that affect them, and public IHEs may use Education Stabilization Fund dollars they receive for that purpose.

In addition, the Department believes the benefits provided under this regulatory action will outweigh the burdens on these institutions of complying with the requirements. One of these benefits will be the provision of better information on student success in postsecondary education to policymakers, educators, parents, and other stakeholders. The Department believes that the information gathered and reported as a result of these requirements will improve public accountability for performance; help States, LEAs, and schools learn from one another and improve their decision-making; and inform Federal policymaking.

A second major benefit is that better public information on State and local progress in the four reform areas will likely spur more rapid progress on those reforms, because States and LEAs that appear to be lagging in one area or another may see a need to redouble their efforts. The Department believes that more rapid progress on the essential educational reforms will have major benefits nationally, and that these reforms have the potential to drive dramatic improvements in student outcomes. The requirements that apply to IHEs should, in particular, spur more rapid implementation of pre-K–16 State longitudinal data systems.

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotope, or compact disc) on request to the program contact person listed under **FOR FURTHER INFORMATION CONTACT**.

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official edition of the **Federal Register** and the Code of Federal Regulations is available via the Federal Digital System at: <http://www.gpo.gov/fdsys>. At this site you can view this document, as well as all other documents of this Department published in the **Federal Register**, in text or Adobe Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the **Federal Register** by using the article search feature at: <http://www.federalregister.gov>. Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Program Authority: American Recovery and Reinvestment Act of 2009, Division A, Title XIV—State Fiscal Stabilization Fund, Pub. L. 111–5; 20 U.S.C. 1221e-3 and 3474.

Catalog of Federal Domestic Assistance (CFDA) Numbers: 84.394 (Education Stabilization Fund) and 84.397 (Government Services Fund).

Dated: September 19, 2011.

Arne Duncan,
Secretary of Education.

[FR Doc. 2011–24407 Filed 9–22–11; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF COMMERCE

United States Patent and Trademark Office

37 CFR Part 1

[Docket No.: PTO–P–2011–0039]

RIN 0651–AC62

Changes To Implement the Prioritized Examination Track (Track I) of the Enhanced Examination Timing Control Procedures Under the Leahy-Smith America Invents Act

AGENCY: United States Patent and Trademark Office, Commerce.

ACTION: Final rule.

SUMMARY: On April 4, 2011, the United States Patent and Trademark Office (Office) published a final rule that revised the rules of practice in patent cases to implement a procedure under which applicants may request prioritized examination at the time of filing of an application upon payment of appropriate fees and compliance with certain requirements (Track I final rule). The prioritized examination procedure is the first track (Track I) of a 3-Track examination process designed to

provide applicants with greater control over when their utility and plant applications are examined and to promote greater efficiency in the patent examination process. The Office subsequently published a final rule on April 29, 2011, indicating that the effective date of the Track I final rule was delayed until further notice due to funding limitations. The Leahy-Smith America Invents Act includes provisions for prioritized examination that emulate the requirements of the Office's Track I final rule, with revised fee amounts for prioritized examination (including a small entity discount) and a provision that addresses the funding limitations that required a delay in the implementation of the Track I final rule. This final rule implements the prioritized examination provisions of section 11(h) of the Leahy-Smith America Invents Act.

DATES: *Effective Date:* The changes in this final rule are effective on September 26, 2011. The final rule published at 76 FR 18399–18407 on April 4, 2011, is withdrawn effective September 23, 2011.

Applicability Date: A request for prioritized examination may be submitted with any original utility or plant application filed on or after September 26, 2011.

FOR FURTHER INFORMATION CONTACT: By telephone to Eugenia A. Jones, at (571) 272–7727, Kathleen Kahler Fonda, at (571) 272–7754, or Michael T. Cygan, at (571) 272–7700; or by mail addressed to: United States Patent and Trademark Office, Mail Stop Comments—Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313–1450, marked to the attention of Eugenia A. Jones or Kathleen Kahler Fonda or Michael T. Cygan.

SUPPLEMENTARY INFORMATION: In June 2010, the Office requested comments from the public on a proposal to provide applicants with greater control over when their original utility or plant applications are examined and promote work sharing between intellectual property offices (3-Track). See *Enhanced Examination Timing Control Initiative; Notice of Public Meeting*, 75 FR 31763 (June 4, 2010). Specifically, the Office proposed to implement procedures under which an applicant would be able to: (1) Request prioritized examination of an original utility or plant nonprovisional application (Track I); (2) request a delay in docketing the application for examination, for an original utility or plant application filed under 35 U.S.C. 111(a), by filing a request for delay in payment of the search fee, the examination fee, the

claims fees, and the surcharge (if appropriate) for a maximum period not to exceed thirty months (Track III); or (3) obtain processing under the current examination procedure (Track II) by not requesting either Track I or Track III processing.

In February 2011, the Office published a notice of proposed rule making to set forth the proposed procedure for prioritized examination and to seek public comments on the proposed procedure. *See Changes to Implement the Prioritized Examination Track (Track I) of the Enhanced Examination Timing Control Procedures*, 76 FR 6369 (Feb. 4, 2011). Since the majority of the public comments supported the optional prioritized examination procedure, on April 4, 2011, the Office published a final rule that revised the rules of practice in patent cases to implement a procedure under which applicants may request prioritized examination at the time of filing of an application upon payment of appropriate fees and compliance with certain requirements (Track I final rule). *See Changes to Implement the Prioritized Examination Track (Track I) of the Enhanced Examination Timing Control Procedures*, 76 FR 18399 (Apr. 4, 2011). The Office set a goal for the prioritized examination procedure of providing a final disposition within twelve months of prioritized status being granted. *See Changes to Implement the Prioritized Examination Track (Track I) of the Enhanced Examination Timing Control Procedures*, 76 FR at 18401.

The Office, however, found it necessary to revise its patent examiner hiring plan for the remainder of fiscal year 2011 due to funding limitations. The revised hiring plan for fiscal year 2011 did not permit the Office to hire a sufficient number of new examiners for the Office to be able to meet the twelve-month pendency goal in prioritized examination applications without impacting the examination of non-prioritized applications. Therefore, the Office published a subsequent final rule delaying the effective date of the Track I final rule until further notice. *See Changes to Implement the Prioritized Examination Track (Track I) of the Enhanced Examination Timing Control Procedures*, 76 FR 23876 (Apr. 29, 2011).

After the Office published the final rule delaying the effective date of Track I, the Leahy-Smith America Invents Act was enacted into law. The Leahy-Smith America Invents Act includes provisions for prioritized examination that emulate the requirements of the Office's Track I final rule, with revised

fee amounts for prioritized examination (including a small entity discount). Specifically, section 11(h) of the Leahy-Smith America Invents Act provides that a fee of \$4,800 shall be established for filing a request for prioritized examination of a nonprovisional application for an original utility or plant patent; that this fee is in addition to the filing, search, examination, processing, and publication fees, as well as any applicable excess claims or application size fees; and that this \$4,800 fee is reduced by fifty percent for small entities under 35 U.S.C. 41(h)(1). Section 11(h) of the Leahy-Smith America Invents Act also provides that the USPTO may by regulation prescribe conditions for acceptance of a request for prioritized examination, as well as limit the number of filings for prioritized examination that may be accepted. Section 11(h) of the Leahy-Smith America Invents Act further provides that until such regulations are prescribed, no application for which prioritized examination is requested may contain or be amended to contain more than four independent claims or more than thirty total claims, and that the Office may not accept in any fiscal year more than 10,000 requests for prioritized examination. Finally, Section 11(h) provides that the prioritized examination provisions are effective ten days after enactment of the Leahy-Smith America Invents Act (*i.e.*, on September 26, 2011). This final rule implements the prioritized examination provisions of section 11(h) of the Leahy-Smith America Invents Act.

Under prioritized examination, an application will be accorded special status and placed on the examiner's special docket throughout its entire course of prosecution before the examiner until a final disposition is reached in the application. The goal for handling applications under prioritized examination is to on average provide a final disposition within twelve months of prioritized status being granted. The final disposition for the twelve-month goal means that within twelve months from the date prioritized status has been granted that one of the following occur: (1) Mailing of a notice of allowance; (2) mailing of a final Office action; (3) filing of a notice of appeal; (4) completion of examination as defined in 37 CFR 41.102; (5) filing of a request for continued examination; or (6) abandonment of the application. An application under prioritized examination, however, would not be accorded special status throughout its entire course of appeal or interference

before the BPAI, or after the filing of a request for continued examination.

The time periods set for reply in Office actions for applications in Track I will be the same as set forth in section 710.02(b) of the *Manual of Patent Examining Procedure* (MPEP) (8th ed. 2001) (Rev. 8, July 2010). This is a distinction between Track I and the Accelerated Examination program, where the time period for reply to Office actions is one month (or at least thirty days) with no extensions under 37 CFR 1.136(a) being permitted. Where, however, an applicant files a petition for an extension of time to file a reply or a request for a suspension of action, the prioritized examination of the application will be terminated. In addition, filing an amendment to the application which results in more than four independent claims, more than thirty total claims, or a multiple dependent claim will terminate the prioritized examination. Upon termination of prioritized examination, the application will be removed from the examiner's special docket and placed on the examiner's regular docket in accordance with its stage of prosecution. As the termination of prioritized examination does not cause the prioritized examination fee to have been paid by mistake or in an amount in excess of that required, the termination of prioritized examination will not entitle the applicant to a refund of the prioritized examination fee. *See* 35 U.S.C. 42(d) and § 1.26(a) (permits refunds only for fees "paid by mistake or any amount paid in excess of that required").

As discussed previously, the submission of an amendment resulting in more than four independent claims or more than thirty total claims is not prohibited, but simply terminates the prioritized examination. Thus, upon mailing of a final rejection (at which point prioritized examination is terminated), applicants may amend the claims to place them in independent form where dependent claims were found allowable, or add new claims, subject only to the limitations applicable to any application under final rejection. *See* § 1.116. Similarly, upon mailing of a notice of allowance, applicants may submit amendments to the claims, again subject only to the limitations applicable to any application that has been allowed. *See* § 1.312.

To maximize the benefit of prioritized examination, applicants should consider one or more of the following: (1) Acquiring a good knowledge of the state of the prior art to be able to file the application with a clear specification having a complete schedule of claims

from the broadest to which the applicant believes he is entitled in view of the prior art to the narrowest which the applicant is willing to accept; (2) submitting an application in condition for examination; (3) filing replies that are completely responsive to an Office action and within the shortened statutory period for reply set in the Office action; and (4) being prepared to conduct interviews with the examiner. The phrase "in condition for examination" in this context means the same as it does with respect to the current Accelerated Examination program, which is discussed at MPEP § 708.02(a) (subsection VIII.C).

The Office intends to monitor the prioritized examination program carefully. As the Office gains experience with prioritized examination as a result of the initial implementation, it may reevaluate the annual numerical cap of 10,000 prioritized examination applications. Due to the need to limit the number of applications in the prioritized examination program in its initial stages, applications entering the national stage under 35 U.S.C. 371 are not eligible. However, an applicant who has filed an international application may participate in the prioritized examination program by filing a by-pass continuation under 35 U.S.C. 111(a) rather than entering the national stage under 35 U.S.C. 371. The Office may reconsider the exclusion of applications entering the national stage under 35 U.S.C. 371 at a future date. The Office may also consider whether there is a need to limit the number of requests for prioritized examination that may be filed in each Technology Center or by any given applicant. Statistical findings about prioritized examination, including statistics concerning the Office's ability to meet its stated goals for the program, will be made available to the public on the Office's Internet Web site.

The requirements for requesting prioritized examination are summarized below. A patent application may be granted prioritized examination status under the following conditions:

(1) The application must be an original utility or plant nonprovisional application filed under 35 U.S.C. 111(a) on or after September 26, 2011, the new effective date of the Track I final rule. The procedure for prioritized examination does not apply to international applications, design applications, reissue applications, provisional applications, and reexamination proceedings. Applicants may request prioritized examination for a continuing application (e.g., a continuation or divisional application).

However, a continuing application will not automatically be given prioritized examination status based on the request filed in the parent application. Each application (including each continuing application) must, on its own, meet all requirements for prioritized examination under 37 CFR 1.102(e).

(2) The application must be complete under 37 CFR 1.51(b) with any excess claims fees paid on filing, and the application must be filed via the Office's electronic filing system (EFS-Web) if it is a utility application. Thus, the application must be filed with an oath or declaration under 37 CFR 1.63, the basic filing fee, the search fee, the examination fee, any excess claims fees, and any application size fee.

(3) The application must contain no more than four independent claims and no more than thirty total claims. In addition, the application must not contain any multiple dependent claims. While it is possible to file a preliminary amendment on filing of an application to reduce the number of claims to no more than four independent claims and thirty total claims, and to eliminate any multiple dependent claims, the Office strongly encourages applicants to file applications without any preliminary amendments. If an amendment is filed in an application that has been granted prioritized examination that results in more than four independent claims or thirty total claims, or a multiple dependent claim, then prioritized examination will be terminated.

(4) The request for prioritized examination must be filed with the application in compliance with 37 CFR 1.102(e), accompanied by the prioritized examination fee set forth in 37 CFR 1.17(c), the processing fee set forth in 37 CFR 1.17(i), and the publication fee set forth in 37 CFR 1.18(d). Applicants are advised to use the certification and request form PTO/SB/424 which is available on EFS-Web.

(5) The request for prioritized examination may be accepted if the requirements under 37 CFR 1.102(e) are satisfied and the limit for the number of requests for the year has not been reached. The Office is limiting requests for prioritized examination under 37 CFR 1.102(e) to a maximum of 10,000 applications during fiscal year 2011. The Office will revisit this limit at the end of fiscal year 2011 to evaluate what the appropriate maximum should be, if any.

Discussion of Specific Rules

Title 37 of the Code of Federal Regulations, Part 1, is proposed to be amended as follows:

Section 1.17: The Office is implementing a procedure for prioritized examination (Track I) under the Leahy-Smith America Invents Act upon applicant's request and payment of a fee at the time of filing of the application.

Section 1.17(c) is amended to set the fee for filing a request for prioritized examination under § 1.102(e) at \$4,800.00 (\$2,400.00 for small entities). *See* § 1.102(e). Thus, as of September 26, 2011, the total fee due on filing a utility application for which prioritized examination is being sought (not including any applicable excess claims and application size fees) is \$6,480 (\$3,360 for a small entity). The total fee due on filing for a utility application is calculated as follows: (1) The \$1,250 (\$530 small entity) in filing fees which includes the \$380 (\$95 small entity filing by EFS-Web) filing fee, the \$620 (\$310 small entity) search fee, and the \$250 (\$125 small entity) examination fee; (2) the \$4,800 (\$2,400 small entity) prioritized examination fee; (3) the \$130 processing fee; and (4) the \$300 publication fee.

Section 1.17(i) is amended to add a reference for requesting prioritized examination of an application under § 1.102(e).

Section 1.102: Section 1.102 is revised to provide for the Track I procedure in which applicant has the option to request prioritized examination on the date the application is filed. Particularly, § 1.102(a) is revised by adding a reference to paragraph (e) so that applications may be advanced out of turn for examination or for further action upon filing a request under § 1.102(e). Section 1.102(e) is added to set forth the requirements for filing a request for prioritized examination, which provides that a request for prioritized examination will not be granted unless: (1) the application is an original utility or plant nonprovisional application filed under 35 U.S.C. 111(a) that is complete as defined by § 1.51(b), with any fees due under § 1.16 (the filing fee, search fee, examination fee, any applicable excess claims fee, and any applicable application size fee) paid on filing; (2) the application is filed via the Office's electronic filing system (EFS-Web) if it is a utility application (the Office will accept a request for prioritized examination in paper when it accompanies the filing of a plant application, because plant applications may not be filed via EFS-Web); (3) the request for prioritized examination, including the prioritized examination fee set forth in § 1.17(c), the processing fee set forth in § 1.17(i), and the publication fee set forth in § 1.18(d) are

present upon filing; and (4) the application contains no more than four independent claims, no more than thirty total claims, and no multiple dependent claims. Section 1.102(e) finally provides that prioritized examination under this paragraph will not be accorded international applications, design applications, reissue applications, provisional applications, or reexamination proceedings.

The Leahy-Smith America Invents Act currently limits the number of requests for prioritized examination under § 1.102(e) that the Office may accept in each fiscal year to a maximum of 10,000. A request for prioritized examination may be accepted if the requirements under § 1.102(e) are satisfied and the limit for the number of requests has not been reached.

Rulemaking Considerations

A. Administrative Procedure Act: This final rule implements the prioritized examination provisions of section 11(h) of the Leahy-Smith America Invents Act. The changes in this final rule that implement the fee for prioritized examination and requirements specified in section 11(h) of the Leahy-Smith America Invents Act are merely interpretative. See *Gray Panthers Advocacy Comm. v. Sullivan*, 936 F.2d 1284, 1291–1292 (DC Cir. 1991) (regulation that reiterates statutory language does not require notice and comment procedures); See *Nat'l Org. of Veterans' Advocates v. Sec'y of Veterans Affairs*, 260 F.3d 1365, 1375 (Fed. Cir. 2001). The additional requirements (e.g., filing via the Office's electronic filing system (EFS-Web)) merely specify the procedures that apply to applications for which an applicant has requested prioritized examination and are thus procedural and not substantive. See *JEM Broad. Co. v. FCC*, 22 F.3d 320, 326 (DC Cir. 1994) (“[T]he critical feature of the procedural exception [in 5 U.S.C. 553(b)(A)] is that it covers agency actions that do not themselves alter the rights or interests of parties, although [they] may alter the manner in which the parties present themselves or their viewpoints to the agency”) (quoting *Batterton v. Marshall*, 648 F.2d 694, 707 (DC Cir. 1980)).

Accordingly, prior notice and an opportunity for public comment are not required pursuant to 5 U.S.C. 553(b)(A) or any other law. See *Cooper Techs. Co. v. Dudas*, 536 F.3d 1330, 1336–37 (Fed. Cir. 2008) (stating that 5 U.S.C. 553, and thus 35 U.S.C. 2(b)(2)(B), do not require notice and comment rule making for “interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice.”)

(quoting 5 U.S.C. 553(b)(A)). Nevertheless, the changes being adopted in this final rule were proposed for comment in February of 2011, and those comments have been considered by the Office. See *Changes to Implement the Prioritized Examination Track (Track I) of the Enhanced Examination Timing Control Procedures*, 76 FR at 18402–06. In addition, thirty-day advance publication is not required pursuant to 5 U.S.C. 553(d) or any other law. See 5 U.S.C. 553(d) (requiring thirty-day advance publication for substantive rules).

B. Regulatory Flexibility Act: As prior notice and an opportunity for public comment are not required pursuant to 5 U.S.C. 553 or any other law, neither a regulatory flexibility analysis nor a certification under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) is required. See 5 U.S.C. 603.

C. Executive Order 12866 (Regulatory Planning and Review): This rule making has been determined to be significant for purposes of Executive Order 12866 (Sept. 30, 1993).

D. Executive Order 13563 (Improving Regulation and Regulatory Review): The Office has complied with Executive Order 13563. Specifically, the Office has: (1) Used the best available techniques to quantify costs and benefits, and has considered values such as equity, fairness, and distributive impacts; (2) provided the public with a meaningful opportunity to participate in the regulatory process, including soliciting the views of those likely affected prior to issuing a notice of proposed rule making, and provided on-line access to the rule making docket; (3) attempted to promote coordination, simplification, and harmonization across government agencies and identified goals designed to promote innovation; (4) considered approaches that reduce burdens and maintain flexibility and freedom of choice for the public; and (5) ensured the objectivity of scientific and technological information and processes, to the extent applicable.

E. Executive Order 13132 (Federalism): This rule making does not contain policies with federalism implications sufficient to warrant preparation of a Federalism Assessment under Executive Order 13132 (Aug. 4, 1999).

F. Executive Order 13175 (Tribal Consultation): This rule making will not: (1) Have substantial direct effects on one or more Indian Tribes; (2) impose substantial direct compliance costs on Indian Tribal governments; or (3) preempt Tribal law. Therefore, a Tribal summary impact statement is not

required under Executive Order 13175 (Nov. 6, 2000).

G. Executive Order 13211 (Energy Effects): This rule making is not a significant energy action under Executive Order 13211 because this rule making is not likely to have a significant adverse effect on the supply, distribution, or use of energy. Therefore, a Statement of Energy Effects is not required under Executive Order 13211 (May 18, 2001).

H. Executive Order 12988 (Civil Justice Reform): This rule making meets applicable standards to minimize litigation, eliminate ambiguity, and reduce burden as set forth in sections 3(a) and 3(b)(2) of Executive Order 12988 (Feb. 5, 1996).

I. Executive Order 13045 (Protection of Children): This rule making does not concern an environmental risk to health or safety that may disproportionately affect children under Executive Order 13045 (Apr. 21, 1997).

J. Executive Order 12630 (Taking of Private Property): This rule making will not effect a taking of private property or otherwise have taking implications under Executive Order 12630 (Mar. 15, 1988).

K. Congressional Review Act: Under the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 *et seq.*), prior to issuing any final rule, the United States Patent and Trademark Office will submit a report containing the final rule and other required information to the United States Senate, the United States House of Representatives, and the Comptroller General of the Government Accountability Office. The changes in this notice are not expected to result in an annual effect on the economy of 100 million dollars or more, a major increase in costs or prices, or significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets. Therefore, this notice is not expected to result in a “major rule” as defined in 5 U.S.C. 804(2).

L. Unfunded Mandates Reform Act of 1995: The changes set forth in this notice do not involve a Federal intergovernmental mandate that will result in the expenditure by State, local, and Tribal governments, in the aggregate, of 100 million dollars (as adjusted) or more in any one year, or a Federal private sector mandate that will result in the expenditure by the private sector of 100 million dollars (as adjusted) or more in any one year, and will not significantly or uniquely affect

small governments. Therefore, no actions are necessary under the provisions of the Unfunded Mandates Reform Act of 1995. See 2 U.S.C. 1501 *et seq.*

M. *National Environmental Policy Act*: This rule making will not have any effect on the quality of the environment and is thus categorically excluded from review under the National Environmental Policy Act of 1969. See 42 U.S.C. 4321 *et seq.*

N. *National Technology Transfer and Advancement Act*: The requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) are not applicable because this rule making does not contain provisions which involve the use of technical standards.

O. *Paperwork Reduction Act*: This rule making implements a prioritized examination process. The primary impact on the public of this change is that applicants will have the option to request prioritized examination by paying appropriate fees, filing a complete application via the Office's electronic filing system (EFS-Web) with any filing and excess claims fees due paid on filing, and limiting their

applications to four independent claims and thirty total claims with no multiple dependent claims.

An applicant who wishes to participate in the program must submit a certification and request to participate in the prioritized examination program, preferably by using Form PTO/SB/424. The Office of Management and Budget (OMB) has determined that, under 5 CFR 1320.3(h), Form PTO/SB/424 does not collect "information" within the meaning of the Paperwork Reduction Act of 1995. Therefore, this rule making does not impose additional collection requirements under the Paperwork Reduction Act which are subject to further review by OMB.

Notwithstanding any other provision of law, no person is required to respond to, nor shall a person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB control number.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of

information, Inventions and patents, Reporting and recordkeeping requirements, Small businesses.

For the reasons set forth in the preamble, the final rule amending 37 CFR part 1 that was published at 76 FR 18399–18407 on April 4, 2011, and whose effective date was delayed until further notice at 76 FR 23876 on April 29, 2011, is withdrawn, and 37 CFR part 1 is amended as follows:

PART 1—RULES OF PRACTICE IN PATENT CASES

■ 1. The authority citation for 37 CFR part 1 continues to read as follows:

Authority: 35 U.S.C. 2(b)(2).

■ 2. Section 1.17 is amended by adding new paragraph (c) and revising paragraph (i) to read as follows:

§ 1.17 Patent application and reexamination processing fees.

* * * * *

(c) For filing a request for prioritized examination under § 1.102(e):

By a small entity (§ 1.27(a))	\$2,400.00
By other than a small entity	\$4,800.00

* * * * *

(i) Processing fee for taking action under one of the following sections which refers to this paragraph \$130.00

§ 1.28(c)(3)—for processing a non-itemized fee deficiency based on an error in small entity status.

§ 1.41—for supplying the name or names of the inventor or inventors after the filing date without an oath or declaration as prescribed by § 1.63, except in provisional applications.

§ 1.48—for correcting inventorship, except in provisional applications.

§ 1.52(d)—for processing a nonprovisional application filed with a specification in a language other than English.

§ 1.53(b)(3)—to convert a provisional application filed under § 1.53(c) into a nonprovisional application under § 1.53(b).

§ 1.55—for entry of late priority papers.

§ 1.71(g)(2)—for processing a belated amendment under § 1.71(g).

§ 1.99(e)—for processing a belated submission under § 1.99.

§ 1.102(e)—for requesting prioritized examination of an application.

§ 1.103(b)—for requesting limited suspension of action, continued

prosecution application for a design patent (§ 1.53(d)).

§ 1.103(c)—for requesting limited suspension of action, request for continued examination (§ 1.114).

§ 1.103(d)—for requesting deferred examination of an application.

§ 1.217—for processing a redacted copy of a paper submitted in the file of an application in which a redacted copy was submitted for the patent application publication.

§ 1.221—for requesting voluntary publication or republication of an application.

§ 1.291(c)(5)—for processing a second or subsequent protest by the same real party in interest.

§ 1.497(d)—for filing an oath or declaration pursuant to 35 U.S.C. 371(c)(4) naming an inventive entity different from the inventive entity set forth in the international stage.

§ 3.81—for a patent to issue to assignee, assignment submitted after payment of the issue fee.

* * * * *

■ 3. Section 1.102 is amended by revising paragraph (a) and adding paragraph (e) to read as follows:

§ 1.102 Advancement of examination.

(a) Applications will not be advanced out of turn for examination or for further action except as provided by this part, or upon order of the Director to expedite the business of the Office, or upon filing of a request under paragraph (b) or (e) of this section or upon filing a petition or request under paragraph (c) or (d) of this section with a showing which, in the opinion of the Director, will justify so advancing it.

* * * * *

(e) A request for prioritized examination under this paragraph may be filed only with an original utility or plant nonprovisional application under 35 U.S.C. 111(a) that is complete as defined by § 1.51(b), with any fees due under § 1.16 paid on filing. If the application is a utility application, it must be filed via the Office's electronic filing system (EFS-Web). A request for prioritized examination under this

paragraph must be present upon filing and must be accompanied by the prioritized examination fee set forth in § 1.17(c), the processing fee set forth in § 1.17(i), and the publication fee set forth in § 1.18(d). An application for which prioritized examination has been requested may not contain or be amended to contain more than four independent claims, more than thirty total claims, or any multiple dependent claim. Prioritized examination under this paragraph will not be accorded to international applications, design applications, reissue applications, provisional applications, or reexamination proceedings.

Dated: September 19, 2011.

David J. Kappos,

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

[FR Doc. 2011–24467 Filed 9–22–11; 8:45 am]

BILLING CODE 3510–16–P

DEPARTMENT OF COMMERCE

United States Patent and Trademark Office

37 CFR Part 1

[Docket No. PTO–P–2011–0037]

RIN 0651–AC61

Revision of Standard for Granting an Inter Partes Reexamination Request

AGENCY: United States Patent and Trademark Office, Commerce.

ACTION: Final rule.

SUMMARY: The United States Patent and Trademark Office (Office) is revising the rules of practice governing *inter partes* reexamination to implement a transition provision of the Leahy-Smith America Invents Act that changes the standard for granting a request for *inter partes* reexamination. The Office is also revising the rules governing *inter partes* reexamination to reflect the termination of *inter partes* reexamination effective September 16, 2012, which is provided for in the Act. The Leahy-Smith America Invents Act replaces *inter partes* reexamination by a new *inter partes* review process effective one year after the date of enactment of the Leahy-Smith America Invents Act (*i.e.*, September 16, 2012), and provides that any request for *inter partes* reexamination filed on or after September 16, 2011, will not be granted unless the information presented in the request establishes that there is a reasonable likelihood that the requester will prevail with respect to at least one

of the claims challenged in the request. This replaces the prior standard for granting a request for *inter partes* reexamination that required a substantial new question of patentability (SNQ) affecting any claim of the patent raised by the request. The Leahy-Smith America Invents Act does not revise the SNQ standard for granting an *ex parte* reexamination request.

DATES: *Effective Date:* September 23, 2011. *Applicability Date:* The changes in this final rule apply to any request for *inter partes* reexamination filed on or after September 16, 2011, and before September 16, 2012.

FOR FURTHER INFORMATION CONTACT: By telephone to Kenneth M. Schor, at (571) 272–7710, or Joseph F. Weiss, Jr., at (571) 272–7759; or by mail addressed to United States Patent and Trademark Office, Mail Stop Comments—Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313–1450, marked to the attention of Kenneth M. Schor and Joseph F. Weiss, Jr.

SUPPLEMENTARY INFORMATION: Section 6(a) of the Leahy-Smith America Invents Act replaces the *inter partes* reexamination process that was established by the American Inventors Protection Act of 1999 (AIPA) (Pub. L. 106–113, 113 Stat. 1501, 1501A–552 through 1501A–591 (1999)) with a new *inter partes* review process. The replacement of *inter partes* reexamination with *inter partes* review is effective on September 16, 2012.

Section 6(c)(3)(A) of the Leahy-Smith America Invents Act provides a transition provision under which a request for *inter partes* reexamination will not be granted unless the information presented in the request shows that there is a reasonable likelihood that the requester will prevail with respect to at least one of the claims challenged in the request.

The Office is revising the rules of practice to (1) conform the standard for granting an *inter partes* reexamination to the one specified in section 6(c)(3)(A) of the Leahy-Smith America Invents Act, and (2) provide for termination of *inter partes* reexamination on September 16, 2012, as set forth in section 6(c)(3) of the Leahy-Smith America Invents Act.

The Leahy-Smith America Invents Act also creates a new *inter partes* review process to replace *inter partes* reexamination. The Office will implement the new *inter partes* review proceedings in a separate rule making.

I. Background

Prior to the enactment of the Leahy-Smith America Invents Act, 35 U.S.C.

312(a) provided, as to the standard for granting an *inter partes* reexamination request, that “the Director shall determine whether a substantial new question of patentability affecting any claim of the patent concerned is raised by the request, with or without consideration of other patents or printed publications * * *.” The Office has referred to this standard as “SNQ.” The SNQ standard for granting an *inter partes* reexamination request was enacted in the AIPA.

Section 6(c)(3)(A) of the Leahy-Smith America Invents Act amended 35 U.S.C. 312 and 313 to delete any reference to the SNQ standard, and provide, in place of each deletion, language requiring the information presented in a request for *inter partes* reexamination (filed pursuant to 35 U.S.C. 311) to show that there is a reasonable likelihood that the requester will prevail with respect to at least one of the claims challenged in the request.

With respect to the reasonable likelihood standard, House Rep. 112–98 (Part 1), 112th Cong., 1st Sess., provides, in connection with *inter partes* review, the following:

“The threshold for initiating an *inter partes* review is elevated from ‘significant new question of patentability’—a standard that currently allows 95% of all requests to be granted—to a standard requiring petitioners to present information showing that their challenge has a reasonable likelihood of success.” H.R. Rep. No. 112–98 (Part 1), at 47.

The Office is revising the rules of practice for *inter partes* reexamination in title 37 of the Code of Federal Regulations (CFR) by amending §§ 1.915, 1.923, 1.927, and 1.931 to delete any reference to the SNQ standard for granting reexamination, and insert in its place reference to the newly enacted “reasonable likelihood” standard.

The SNQ standard for granting *ex parte* reexamination has not been revised by the Leahy-Smith America Invents Act, and accordingly, the rules of practice for *ex parte* reexamination are not being revised.

When the standards for Office jurisdiction over the proceeding are effective: Section 6(c)(3)(B) of the Leahy-Smith America Invents Act provides that this transition provision applies to any request for *inter partes* reexamination filed on or after the date of enactment of the Leahy-Smith America Invents Act (*i.e.*, September 16, 2011), but before the effective date of the *inter partes* review provisions of the Leahy-Smith America Invents Act (*i.e.*, September 16, 2012). Section 6(c)(3)(C) of the Leahy-Smith America Invents Act