

Patent Term Adjustment

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In 1999, Congress created a system of patent term adjustment (PTA) that adds additional time to patent terms to remedy certain delays caused by the U.S. Patent and Trademark Office (PTO) in issuing a patent.

Why Review PTA?

More than half of all patents granted in December 2019 were entitled to PTA, with an average PTA of about 142 days. <https://www.uspto.gov/dashboards/patents/main.dashxml>.

PTA: The Basics

- Available for utility or plant applications, not reissue or design applications.
 - ◇ 35 U.S.C. § 154(b)(1)(A) – PTA granted if any of the following occur (“**A delay**”)
 - » PTO issues an office action or notice of allowance more than 14 months after the application is filed.
 - » PTO acts more than four months after applicants file a reply to office action.
 - » PTO acts more than four months after a decision on appeal or decision by a federal court finding at least one claim allowable.
 - » PTO issues a patent more than four months after payment of the issue fee.
 - 35 U.S.C. § 154(b)(1)(B) – PTA granted if the application is pending for more than three years, excluding time consumed by the following (“**B delay**”).
 - ◇ Continued examination.
 - ◇ Interference or derivation proceeding.
 - ◇ Imposition of a secrecy order.
 - ◇ Review by PTO on appeal or by federal court.
 - ◇ Delays in processing requested by the applicant.
 - 35 U.S.C. § 154(b)(1)(C) – PTA granted if issuance was delayed due to interference or derivation proceeding, imposition of a secrecy order, or appellate review by PTO or federal court that reversed an adverse determination of patentability (“**C delay**”).
 - PTA is the sum of A, B and C delays, excluding the following periods of time:
 - ◇ Overlap between A, B and C delays
 - ◇ Patent term specified in a terminal or statutory disclaimer
 - ◇ Applicant-caused delays such as:
 - » Taking longer than three months to reply to a PTO notice or office action.
 - » Abandonment of the application or late payment of the issue fee.
 - » Failing to file a petition to withdraw abandonment or revive an application within two months from issuance of a notice of abandonment.
 - » Converting a provisional application to a nonprovisional application.
 - » Submitting a preliminary amendment or other preliminary paper less than one month before issuance of an office action or notice of allowance that requires the issuance of a supplemental office action or notice of allowance.
 - » Submitting a reply having an omission.
 - » Submitting a supplemental reply or other paper, other than a supplemental reply or other paper expressly requested by the PTO, after a reply has been filed.
 - » Submitting an amendment or other paper after a notice of allowance.

Challenging the PTO’s Calculation of PTA

- File a request for reconsideration of PTA at the PTO.

- ◇ Due **two months after patent issuance**, with extensions of time available for up to five additional months.
- ◇ However, a request to reinstate PTA deducted for periods of time in excess of three months taken to reply to a PTO notice or office action must be filed **prior to issuance**, with no extensions of time available.
- File a civil action within 180 days after issuance?
 - ◇ Applicants dissatisfied with the PTO’s decision on a request for reconsideration have an “exclusive remedy” by **civil action within 180 days** after the date of the PTO’s decision. 78 Fed. Reg. 19416; *Daiichi v. Lee* (Fed. Cir. 2015).
 - ◇ **Ordinary tolling** of the 180-day deadline is allowed while awaiting the PTO’s decision on a request for reconsideration of PTA. *Novartis v. Lee* (D.D.C. 2012); *Bristol-Myers Squibb v. Kappos* (D.D.C. 2012).
 - ◇ But, courts have not allowed **equitable tolling** of the 180-day deadline, *e.g.*, when a significant new PTA decision is issued. *Novartis v. Lee* (Fed. Cir. 2014); *Actelion v. Kappos* (D.D.C. 2013); *Daiichi v. Rea* (D.D.C. 2013).

Best Practices and Other Tips

- Independently carry out a PTA calculation according to the current rules and regulations, and if there is an error, file a petition with the PTO to challenge the PTA calculation.
- Patentees can request reconsideration of PTA based on a deduction for “applicant delay” during a period of time when “there was no identifiable effort” the patentee could have taken to avoid the delay. *Supernus vs. Iancu* (Fed. Cir. 2019).
- Ensure responses to a final office action are proper.
 - ◇ Reply including “the same arguments that were previously found unpersuasive” for an obviousness rejection and claim amendments related to a different rejection was deemed a failure to engage in reasonable efforts to conclude processing or examination. *Mayo v. Iancu* (Fed. Cir. 2019).
- Avoid filing a paper containing only an information disclosure statement (IDS) after a reply has been filed.
 - ◇ IDS filed after a reply to a restriction requirement and before examination is considered applicant delay. *Gilead v. Lee* (Fed. Cir. 2015).
 - ◇ Review patent office communications from counterpart applications as soon as they are received, and instruct international associates to report such communications as quickly as possible.
 - ◇ Paper containing only an IDS will not be considered applicant delay if, *e.g.*, the documents cited in the IDS were first cited in a communication that was not received more than 30 days prior to the filing of the IDS. 37 C.F.R. § 1.704(d).
- When multiple inventions are claimed, consider making an oral election of species to the examiner.
 - ◇ Issuance of a written restriction requirement will likely end the period of A delay sooner than it would have ended if the first PTO action is a substantive office action.
- To maximize A and/or B delay, consider taking a one-month extension of time and replying to a pre-examination notice or restriction requirement at the three-month deadline.
- To maximize B delay, pay the issue fee on the deadline rather than before the deadline.
- Carefully consider the consequences of filing a terminal disclaimer.
 - ◇ May or may not negatively affect PTA.
 - ◇ Does not affect patent term extension granted for delays related to regulatory review by the U.S. Food and Drug Administration. *Merck v. Hi-Tech* (Fed. Cir. 2007).
 - ◇ Preserve the largest possible PTA in parent applications in the event a terminal disclaimer is filed in later child applications.
- Avoid filing a request for continued examination (RCE).
 - ◇ Time in “continued examination” is excluded from B delay, but only for the time before allowance. *Novartis v. Lee* (Fed. Cir. 2014).
 - ◇ The RCE period is not ended by an interference proceeding. *Mayo v. Iancu* (Fed. Cir. 2019).
 - ◇ May still be entitled to PTA for A or C delays.
 - ◇ Consider filing an appeal instead of an RCE to preserve B delay.
- Avoid filing a supplemental amendment or an amendment after allowance.
 - ◇ Considered applicant delay.
 - ◇ If possible, correct problems in the next reply or with an examiner’s amendment.
 - ◇ Challenge PTA detracted for such amendments when made in reply to a PTO notice or request.

PTA Around the World

In addition to the U.S., the following countries also grant PTA for patent office delays.

Country	Requirements
Chile	<ul style="list-style-type: none"> • Available if grant of a patent is delayed more than 5 years from the application filing date or 3 years after the request for examination, whichever is later.
Colombia	<ul style="list-style-type: none"> • Available if grant of a patent is delayed more than 5 years from the application filing date or 3 years after the request for examination, whichever is later. • Request must be filed within 2 months of grant. • Does not apply to pharmaceutical patents. • No fee is required.
Costa Rica	<ul style="list-style-type: none"> • Available if grant of a patent is delayed more than 5 years from the application filing date or 3 years after the request for examination, whichever is later. • Maximum of 18 months granted.
Dominican Republic	<ul style="list-style-type: none"> • Available if grant of a patent is delayed more than 5 years from the application filing date or 3 years after the request for examination, whichever is later. • Does not apply to applications filed before March 1, 2008.
El Salvador	<ul style="list-style-type: none"> • Available if grant of a patent is delayed more than 5 years from the application filing date or 3 years after the request for examination, whichever is later. • Maximum of 550 days granted.
Guatemala	<ul style="list-style-type: none"> • Available if grant of a patent is delayed more than 5 years from the application filing date or 3 years after the request for examination, whichever is later.
Honduras	<ul style="list-style-type: none"> • Available if grant of a patent is delayed more than 5 years from the application filing date or 3 years after the request for examination, whichever is later.
Nicaragua	<ul style="list-style-type: none"> • Available if grant of a patent is delayed more than 5 years from the application filing date or 3 years after the request for examination, whichever is later. • Maximum of 550 days granted.
Singapore	<ul style="list-style-type: none"> • Available for “unreasonable” delay by Intellectual Property Office of Singapore in granting a Singapore patent or by a “prescribed” foreign patent office in granting a foreign patent on which a Singapore patent is based. • Available if grant of a patent is delayed more than 4 years from the application filing date or 2 years after the request for examination, whichever is later. • Subject to delays caused by the applicant (<i>e.g.</i>, extensions of time). • Request must be filed within 6 months of grant and include documentary evidence to support the application and an official fee. • Maximum of 5 years granted. • Does not apply to applications filed before July 1, 2004.
South Korea	<ul style="list-style-type: none"> • Available if grant of a patent is delayed more than 4 years from the application filing date or 3 years after the request for examination, whichever is later. • Subject to delays caused by the applicant (<i>e.g.</i>, extensions of time). • Request must be filed within 3 months of grant.