



## Patent Term Adjustment Determinations May Be Affected Following District Court Decision

***It may be possible for patent holders to petition for and obtain additional patent term for their patents whose Patent Term Adjustments were calculated by the USPTO using an incorrect interpretation.***

In *Wyeth v. Dudas* (Civil Action No. 07-1492), the U.S. District Court for the District of Columbia recently found that the U.S. Patent and Trademark Office (USPTO) had misconstrued U.S. law relating to the calculation of patent term extension and, therefore, had denied a patent holder a portion of the patent term to which it is entitled. As a result of the American Inventors Protection Act of 1999, a patentee is entitled to recapture certain periods of delay caused by the USPTO that occurred during the prosecution of a patent application. In *Wyeth*, the court found that the USPTO's interpretation of §154(b)(2)(A) was incorrect.

***“A delays” or “A periods”***

***“B delays” or “B periods”***

At issue in *Wyeth* was the interplay between two of the patent term guarantee provisions of §154(b)(1). According to the Court, these provisions provide "a one-day extension of patent term for every day that issuance of a patent is delayed by a failure of the PTO to comply with various enumerated statutory deadlines: fourteen months for a first office action; four months to respond to a reply; four months to issue a patent after the fee is paid; and the like" (*see* §154(b)(1)(A)) and "a one-day term extension . . . for every day greater than three years after the filing date that it takes for the patent to issue, regardless of whether the delay is the fault of the PTO" (*see* §154(b)(1)(B)). The Court labeled the periods of delay encompassed by §154(b)(1)(A) as "A delays" or "A periods," plus the "[t]he period that begins after the three-year window has closed . . . as the 'B delay' or the 'B period.'"

The above delays are subject to the limitations of §154(b)(2)(A), which states that: To the extent that periods of delay attributable to grounds specified in paragraph (1) overlap, the period of any adjustment granted under this subsection shall not exceed the actual number of days the issuance of the patent was delayed.

## **“A + B”**

In its interpretation of 35 U.S.C. §154(b)(2)(A), the USPTO took the position that if an application is entitled to an adjustment under the three-year pendency provision (a "B" delay), then the entire period during which the application was pending before the USPTO is the relevant period for determining whether periods of delay are overlapping. As a result, the USPTO reduced the "B" delay calculation by any "A" delays.

In other words, according to the USPTO the applicant gets credit for "A delay" or for "B delay", whichever is larger, but never "A + B".

### ***The Court confirms Wyeth's calculation is correct***

Wyeth, however, argued that the "A period" and "B period" overlap only if they occur on the same calendar day or days. Thus, in many circumstances a patentee could be entitled to credit for "A + B".

The Court determined that Wyeth's construction of §154(b)(2)(B) was correct, stating that "[t]he only way that [A and B] periods of time can 'overlap' is if they occur on the same day." Thus, Wyeth's calculation was the correct one. According to the Court, "[t]he problem with the PTO's construction is that it considers the application delayed under §154(b)(1)(B) during the period **before it has been delayed**" (original emphasis).

As a result of the decision in *Wyeth*, it may be possible for patent holders to obtain additional term for recently issued or future-issued patents. The provisions of 37 C.F.R. §1.705(d) set forth a two-month period from the date that a patent is issued for a patentee to request reconsideration of the patent term adjustment. The USPTO has not indicated whether it will consider *Wyeth* to have any retroactive effect and, if so, what the deadline for requesting patent term adjustment reconsideration would be for a patent that was issued two or more months earlier than the decision. Additionally, it is not known whether the USPTO will appeal the decision in *Wyeth* or issue any guidelines regarding the submission of requests for Patent Term Adjustment.

### ***What to do ??***

While there is no specific time requirement to request Patent Term Adjustment corrections in previously issued patents in view of this decision, petitions for correction of an erroneous term should be filed sooner rather than later to reflect an appropriate level of diligence by the patent holder. Patentees that have any questions about the *Wyeth* decision or the potential for requesting additional patent term should contact us as soon as possible.