



LATEST IP UPDATE FROM POTTER CLARKSON

Patent Term Adjustments at the US PTO

In a recent decision (*Wyeth v. Kappos* No. 2009-1120 (Fed. Cir. Jan. 7, 2010)) the US Patent and Trade Mark Office conceded that historically it has incorrectly calculated the "patent term adjustment" allocated to US patents.

It has always been possible to challenge the US PTO's term adjustment calculation on payment of a fee. As a result of the *Wyeth* decision the US PTO will, for a limited time, waive the usual official fee for making a challenge if certain criteria are met. This potentially improves the prospect of extending patent protection in the US but, owing to strict qualifying requirements, relatively few patents will be able to benefit directly.

Background

The US PTO allocates a patent term adjustment (i.e. an extension of the life of the patent) that compensates a patent owner for delays, in prosecution of the patent application, resulting from slowness of the US PTO to complete its work. The adjustment is normally reduced, sometimes to nothing, if the applicant is responsible for any pre-grant delays.

The US PTO identifies three distinct types of delay. In the *Wyeth* decision the Court of Appeals for the Federal Circuit ruled that the US PTO's method of aggregating the effects of the delay types was wrong. In consequence, some patent applicants have become entitled to longer term adjustments than originally notified by the US PTO.

Qualifying Patents

Only patents that have been the subject of particular combinations of delay types will be entitled to extensions of the term adjustments in accordance with *Wyeth v. Kappos*.

Patents granted before 2 March 2010 can be the subject of *Wyeth* term adjustment challenges without incurring official fees. In order to benefit from the official fee waiver, the proprietor of a qualifying patent must file the challenge within 180 days after the grant (issue) date of the patent in question.

Advice and Recommendations

Recently-Granted US Patents

Our general advice is at least to consider challenging the calculation of the US PTO patent term extension in the 180 days following issuing of a patent. As indicated, some challenges of this type may now be made without incurring official fees.

The required initial assessment of delay types, however, might be an involved exercise, depending on the complexity of the pre-grant procedure.

Older US Patents

Some patentees may seek to challenge the term extensions in patents that are more than 180 days beyond their issue dates. Such challenges, however, might incur attorney

costs that approach those of litigation activities.

Therefore it probably would be worthwhile seeking to challenge the term extensions in "old" patents (those granted more than 180 days ago) on the basis of the reasoning in *Wyeth v. Kappos* only if the value of the extra monopoly would outweigh the significant attorney fees that might arise.

General

If you would like us to assess the term extension calculations of any particular patents, please let us know.

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The information in this Newsletter was correct at the date of release. More up to date information is available by contacting Potter Clarkson LLP. All comments contained here are of a general nature and full professional advice should be sought on any specific problem. Please note that all our Newsletters can be found on our website: www.potterclarkson.com.

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