

Federal Circuit Affirms Longer Patent Term Adjustments for Many Patents By Inchan Kwon,¹ Edward C. Kwok² and Gary J. Edwards³

On January 7, 2010, the United States Court of Appeals for the Federal Circuit affirmed in *Wyeth v. Kappos*, No. 2009-1120 (Fed. Cir. Jan. 7, 2010) that the U.S. Patent and Trademark Office has been improperly calculating patent term adjustment under 35 U.S.C. § 154(b). The Federal Circuit's decision will result in additional patent term for many U.S. patents, however, there are strict deadlines and immediate review of recently granted patents may be important to pursue this opportunity.

35 U.S.C. § 154(b) provides for certain guaranteed adjustments to the patent term in the event of delays in prosecution on the part of the USPTO. Under § 154(b)(1)(A) (the "A clause"), the patent term is extended to account for delays by the USPTO in providing responses pursuant to certain deadlines. Under § 154(b)(1)(B) (the "B clause"), if a patent does not issue within three years after filing due to delay by the USPTO, the patent term is extended to account for the time in excess of three years that it takes for the patent to issue. 35 U.S.C. § 154(b)(2) further provides that, to the extent any of these delay periods overlap, the patent term adjustment is calculated such that it does not exceed the actual number of days the issuance of the patent was delayed.

Since 2004, the practice of the USPTO has been to calculate patent term adjustment as either the amount of delay under the A clause or that under the B clause, whichever is greater. The basis for this practice was that delay under the A clause contributes to delay under the B clause, and, therefore, the two types of delay necessarily overlap.

The Federal Circuit held that this practice is improper, and against the clear meaning of section 154. Since the "period of delay" under the B clause can only begin three years after filing, the Federal Circuit held that any delay under the A clause prior to three years after filing cannot be considered to overlap with delay under the B clause, and must be added to the patent term adjustment separately from any B clause delay. In other words, A clause delay and B clause delay can only overlap if they occur on the same calendar day or days.

The USPTO has not yet indicated whether it will seek review of the Federal Circuit's determination, but has stated that in the meantime it will conform with the *Wyeth* ruling when determining patent term adjustments. The USPTO has further directed any applicants or patentees dissatisfied with a patent term adjustment determination to seek review under 37 C.F.R. § 1.705 and 35 U.S.C. § 154(b)(4). Under 37 C.F.R. § 1.705, patentees have two months from issuance of a patent to request reconsideration of any patent term adjustment determination by the USPTO. 35 U.S.C. § 154(b)(4) further provides that a

¹ Inchan Kwon is an associate in the San Jose, CA office of the law firm of Haynes and Boone, LLP. His practice emphasizes intellectual property litigation and patent prosecution. He may be reached at inchan.kwon@haynesboone.com or 408.660.4150.

² Edward C. Kwok is a partner in the San Jose, CA office of the law firm of Haynes and Boone, LLP. His practice emphasizes patent prosecution, patent and trade secret litigations, and licensing. He may be reached at edward.kwok@haynesboone.com or 408.660.4149.

³ Gary J. Edwards is a partner in the San Jose, CA office of the law firm of Haynes and Boone, LLP. His practice emphasizes patent, patent litigation, patent prosecution, and IP licensing. He may be reached at gary.edwards@haynesboone.com or 408.660.4142.

patentee has 180 days after a patent is granted to file a civil action against the Director of the USPTO in the United States District Court for the District of Columbia challenging a patent term adjustment determination. The USPTO has not yet indicated whether there will be any recourse for patents that have been issued for more than 180 days.

If you have any questions regarding your specific situation, feel free to contact any of the [patent lawyers](#) at Haynes and Boone, LLP.