

ALERT

Federal Circuit Patent Bulletin: *Mohsenzadeh v. Lee*

June 26, 2015

"[T]he term of any patent arising from a continuing application is not restored for delay in the prosecution of the parent patent's application."

On June 25, 2015, in *Mohsenzadeh v. Lee*, the U.S. Court of Appeals for the Federal Circuit (Moore, Schall, Reyna*) affirmed the district court's summary judgment that the U.S. Patent & Trademark Office (PTO) properly denied requests for patent term adjustments with respect to U.S. Patents No. 8,352,362 and No. 8,401,963 (divisionals of U.S. Patent No. 7,742,984), which related to securely conducting transactions over a public telephone network. The Federal Circuit stated:

The patent term adjustment statute, 35 U.S.C. § 154, has two provisions restoring patent term to patentees for delays attributable to the PTO that occur prior to the issuance of a patent. "A Delay" refers to the PTO's failure to timely take certain actions or provide certain notices to the patentee. "B Delay" refers to the PTO's failure to issue a patent within three years of the actual filing date of the application. The statute requires the agency to extend the term of the patent by one day for each day the issuance of a patent is delayed under either section 154(b)(1)(A) or (B).

This appeal concerns only A Delay. . . . Included among the types of notices due under section 132 is the notice of a restriction requirement. The impact of a late-mailed restriction requirement forms the basis of this appeal. When an application is filed with claims drawn to multiple inventions, the PTO may issue a restriction requirement, which requires the applicant to elect to prosecute only one of the inventions as part of that application. For the remaining inventions, the applicant may file a divisional application, which entitles the invention in the divisional application to the benefit of the filing date of the original application. . . .

The language of the provision of the patent term adjustment statute at issue clearly shows that Congress intended delay in the prosecution of an application to be restored to a single patent, the patent issuing directly from that application. In other words, the term of any patent arising from a continuing application is not restored for delay in the prosecution of the parent patent's application. The statute's reference to "an original patent" and later to "an application" does not conclusively show that Congress intended the provision to refer to multiple applications merely because it used "an" in the second instance instead of "the." Had Congress intended for the period of delay during prosecution of a parent application to be restored for all

continuing applications deriving from it, it would have done so expressly. We need only look to the previous subsection of the same statute to find an example of express congressional intent to address the relationship between parent applications and continuing applications. In § 154(a)(2), Congress provided that the term of a patent arising from a non-continuing application should end “20 years from the date on which the application for the patent was filed.” In that same subsection, Congress specified that for an application that “contains a specific reference to an earlier filed application or applications under section . . . 121,” i.e., a divisional application, the term ends 20 years “from the date on which the earliest such application was filed.” Congress’ intent that the statute clearly address both parent and continuing applications, where necessary, suggests that Congress did not provide patent term adjustments in continuing applications based on delays in the prosecution of parent applications in § 154(b)(1)(A).

As the government argues, Congress’ insertion of the provision governing international applications in § 154(b)(1)(A)(ii) when it amended the statute in 2000 also signifies that Congress did not intend for patent term adjustments in continuing applications to be made for delays in parent applications. . . . Because we hold that the plain language of § 154(b)(1)(A) shows that Congress did not intend to provide patent term adjustments in continuing applications based on delays in the prosecution of parent applications, it is not necessary to reach whether 37 C.F.R. § 1.704(c)(14) is a proper exercise of the PTO’s delegated rule making authority under 35 U.S.C. § 154(b)(2)(C)(iii).