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Rules Governing Pre-Issuance Internal Circulation and Review of Decisions Within the Patent Trial and Appeal Board

A Rule by the [Patent and Trademark Office](#) on 06/12/2024

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DOCUMENT STATISTICS**ENHANCED CONTENT****Rules Governing Pre-Issuance Internal Circulation and Review of Decisions Within the Patent Trial and Appeal Board**PTO-P-2023-0012 (<https://www.regulations.gov/docket/PTO-P-2023-0012>)**ENHANCED CONTENT****PUBLISHED DOCUMENT****AGENCY:**

United States Patent and Trademark Office, Department of Commerce.

ACTION:

Final rule.

SUMMARY:

The United States Patent and Trademark Office (“USPTO” or “Office”) is amending the rules of

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practice before the Patent Trial and Appeal Board (“PTAB” or “Board”) to add a new rule governing the pre-issuance circulation and review of decisions within the PTAB. The rule promotes the efficient delivery of reliable intellectual property rights by promoting consistent, clear, and open decision-making processes at the PTAB.

DATES:

This rule is effective July 12, 2024.

FOR FURTHER INFORMATION CONTACT:

Melissa A. Haapala, Vice Chief Administrative Patent Judge, or Stacy B. Margolies, Acting Senior Lead Administrative Patent Judge, at 571-272-9797.

SUPPLEMENTARY INFORMATION:

Executive Summary

To promote consistent, clear, and open decision-making processes, the USPTO issued an interim process for PTAB decision circulation and internal PTAB review in May 2022. The processes were put in place to support a consistent and clear approach to substantive areas of patent law and PTAB-specific procedures, while maintaining open decision-making processes. The USPTO subsequently issued a Request for Comments (RFC) seeking public input on these processes. 87 FR 43249-52 (/citation/87-FR-43249) (July 20, 2022); 87 FR 58330 (/citation/87-FR-58330) (Sept. 26, 2022) (extending comment period). After reviewing feedback received from the public in response to the RFC, the USPTO made some modifications to the interim process and issued a Standard Operating Procedure 4 (SOP4) on October 5, 2023, available at https://www.uspto.gov/sites/default/files/documents/ptab_sop_4-2023-oct.pdf (https://www.uspto.gov/sites/default/files/documents/ptab_sop_4-2023-oct.pdf). The processes set forth in SOP4 replaced the former interim process and provided further details requested by the public. Following the proposed rule and solicitation of public comments, 88 FR 69578 (/citation/88-FR-69578) (Oct. 6, 2023), this final rule revises the rules of practice to implement, in regulation, key aspects of the processes used for circulation and review of decisions within the PTAB.

This final rule provides that the USPTO Director, Deputy Director, and Commissioners for Patents and Trademarks are not involved, directly or indirectly, in the decision-making of panels of the PTAB prior to issuance of a decision by the panel. In addition, no PTAB Management Judge nor any officer or employee of the Office external to the Board is involved, directly or indirectly, in panel decision-making unless a panel member has requested their input or they are a member of the panel. The adoption of any feedback received by the panel is entirely optional and solely within the discretion of the panel.

This final rule also requires that if the Office establishes additional procedures governing the internal circulation and review of decisions prior to issuance, no Management Judge or officer or employee external to the Board shall participate, either directly or indirectly, in any such review. The adoption of any feedback received pursuant to such review is entirely optional and solely within the discretion of the panel.

Finally, this final rule provides that decisions of the Board are expected to comport with all statutes, regulations, binding case law, and written Office policy and guidance applicable to Board proceedings. The rule further provides that all policy and guidance binding on panels of the Board shall be in writing and made public.

Background

On September 16, 2011, the America Invents Act (AIA) was enacted into law (Pub. L. 112-29 (<https://www.govinfo.gov/link/plaw/112/public/29>), 125 Stat. 284 (2011)). The AIA established the PTAB, which is made up of administrative patent judges (APJs) and four statutory members, namely the USPTO Director, the USPTO Deputy Director, the USPTO Commissioner for Patents, and the USPTO Commissioner for Trademarks. 35 U.S.C. 6(a) (<https://www.govinfo.gov/link/uscode/35/6>). In panels of at least three members, the PTAB hears and decides *ex parte* appeals of adverse decisions by examiners in applications for patents; appeals of adverse decisions by examiners in reexamination proceedings; and proceedings under the AIA, including *inter partes* reviews, post-grant reviews, and derivation proceedings. 35 U.S.C. 6(b) (<https://www.govinfo.gov/link/uscode/35/6>), (c). Under the statute, the Director designates the members of each panel. 35 U.S.C. 6(c) (<https://www.govinfo.gov/link/uscode/35/6>). The Director has delegated that authority to the Chief Judge of the PTAB. See PTAB Standard Operating Procedure 1 (Revision 15) (SOP1),

Assignment of Judges to Panels, available at <https://www.uspto.gov/sites/default/files/documents/SOP%201%20R15%20FINAL.pdf>
(<https://www.uspto.gov/sites/default/files/documents/SOP%201%20R15%20FINAL.pdf>).

Interim Process, SOP4, and CJP

The Office recognizes that it is important that the PTAB maintain a consistent and clear approach to substantive areas of patent law and PTAB-specific procedures, while maintaining open decision-making processes. Starting in May 2022, the USPTO used an interim process for PTAB decision circulation and internal PTAB review. See “Interim process for PTAB decision circulation and internal PTAB review,” available at <https://www.uspto.gov/interim-process-ptab-decision-circulation-and-internal-ptab-review> (<https://www.uspto.gov/interim-process-ptab-decision-circulation-and-internal-ptab-review>). That interim process was replaced by SOP4, which issued October 5, 2023. The processes set forth in SOP4 are substantially similar to the interim process, except for the change described below to the Circulation Judge Pool (CJP) review. SOP4 further sets forth additional details requested by stakeholders.

Under the prior interim process, certain categories of PTAB decisions were required to be circulated to the CJP, a pool of non-management APJs, prior to issuance. To provide for judicial independence and in response to stakeholder feedback, under the process set forth in SOP4, circulation to the CJP is now optional. The CJP is made up of a representative group of non-management APJs who collectively have technical/scientific backgrounds and legal experience that reflects the PTAB judges as a whole. The CJP is modeled after both the Federal Circuit's previous circulation to the Senior Technical Assistant and the Federal Circuit's 10-day circulation process for precedential decisions. See United States Court of Appeals for the Federal Circuit, Internal Operating Procedures, Redlined Copy, 18 (Mar. 1, 2022), available at <https://cafc.uscourts.gov/wp-content/uploads/RulesProceduresAndForms/InternalOperatingProcedures/IOPs-Redline-03012022.pdf> (<https://cafc.uscourts.gov/wp-content/uploads/RulesProceduresAndForms/InternalOperatingProcedures/IOPs-Redline-03012022.pdf>) (describing the previous circulation to the Senior Technical Assistant); United States Court of Appeals for the Federal Circuit, Internal Operating Procedures, 10 section 5 (July 22, 2022), available at <https://cafc.uscourts.gov/wp-content/uploads/RulesProceduresAndForms/InternalOperatingProcedures/InternalOperatingProcedures.pdf> (<https://cafc.uscourts.gov/wp-content/uploads/RulesProceduresAndForms/InternalOperatingProcedures/InternalOperatingProcedures.pdf>) (describing the 10-day circulation process for precedential decisions).

The CJP's role is to provide the panel with information regarding potential conflicts or inconsistencies with relevant authority, including PTAB precedential decisions, director guidance memoranda, and other written Office and Board policies and guidance. The CJP also provides the panel with information regarding potential inconsistencies with informative or routine PTAB decisions and suggestions for improved readability and stylistic consistency. The panel has the final authority and responsibility for the content of a decision and determines when and how to incorporate feedback from the CJP. The APJs on the panel are required to apply pertinent statutes, rules, binding case law, and written policy and guidance issued by the Director or the Director's delegate that is applicable to PTAB proceedings. All policies and guidance applicable to PTAB proceedings that the APJs are required to apply are written.

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The CJP may have periodic meetings with PTAB Executive Management (i.e., PTAB Chief Judge, Deputy Chief Judge, Vice Chief Judges, Senior Lead Judges, and those acting in any of the foregoing positions) to discuss issued panel decisions and general areas for potential policy clarification. PTAB Executive Management may discuss these issued decisions or areas for potential policy clarification with the Director

for the purposes of (i) considering whether to issue new or updated policies or guidance, for example, through regulation, precedential or informative decisions, and/or a Director guidance memorandum; and (ii) considering sua sponte (*i.e.*, on the Director's own initiative) Director Review of a decision.

With respect to PTAB management (*i.e.*, PTAB Executive Management and Lead Judges), under the interim process, any panel member, at their sole discretion, could consult with one or more management team members regarding a decision prior to issuance. SOP4 builds on that process and sets forth details on how a panel member may optionally consult with a designated PTAB Management Pre-Issuance Optional Review team in addition to the CJP described above. The team is designated by PTAB Executive Management and may include a Vice Chief Judge, a Senior Lead Judge, Lead Judges, and those acting in any of the foregoing positions. If consulted, the PTAB Management Pre-Issuance Optional Review Team can provide information regarding the consistent application of USPTO and Board policy, applicable statutes and regulations, and binding case law. Adoption of any suggestions provided as a result of such consultation is optional. Unless consulted by a panel member, PTAB management does not make suggestions to a panel regarding the substance of any pre-issuance decision, either directly or indirectly through the CJP.

The PTAB internal circulation and review processes set forth in SOP4 promote decisional consistency and open decision-making by reinforcing that the adoption of all the CJP and requested PTAB management feedback is optional, that members of PTAB management do not provide feedback on decisions prior to issuance unless they are a panel member or a panel member requests such feedback, and that the PTAB panel has the final authority and responsibility for the content of a decision. Additionally, the processes provide a mechanism by which the Director could be made aware of decisions to consider for sua sponte Director Review and areas to consider for issuing new or modified USPTO or Board policy to promote the efficient delivery of reliable intellectual property rights.

All consultations are covered by conflict of interest policies. If a member of the CJP or PTAB management has a conflict of interest, they are required to notify the other members of their respective team and recuse themselves from any discussion or analysis of that decision. In determining whether a conflict of interest exists, the USPTO follows the guidance set forth in the Standards of Ethical Conduct for Employees of the Executive Branch at 5 CFR part 2635 (<https://www.ecfr.gov/current/title-5/part-2635>) and will consult with the Department of Commerce Ethics Law and Programs Office, as necessary, to resolve any questions pertaining to conflicts of interest.

Request for Comments

In response to the RFC issued in July 2022, 87 FR 43249-52 (/citation/87-FR-43249), and extended in September, 87 FR 58330 (/citation/87-FR-58330) (September 26, 2022), the USPTO received over 4,300 comments from a wide range of stakeholders, including individuals, associations, and companies, on all aspects of the RFC, including specific responses to question 13 (which asked if any changes should be made to the interim PTAB decision circulation and review processes) and question 14 (which asked what other considerations should be taken into account with respect to the interim PTAB decision circulation and internal review processes). All of the comments are publicly available at the Federal eRulemaking Portal at <https://www.regulations.gov/document/PTO-P-2022-0023/comments> (<https://www.regulations.gov/document/PTO-P-2022-0023/comments>).

Several commenters emphasized the need for judicial independence and review processes that reduce influence by USPTO senior management on PTAB panels. Other commenters emphasized the value of transparency in the PTAB's processes and requested that further details on the CJP be made public. One

commenter stated that, even when the CJP reviews a decision prior to issuance, it should not discuss the decision with PTAB management until the decision is issued by the panel. Another commenter believed that the value of the CJP may be outweighed by concerns with undue pre-issuance influence by the Director and suggested abandoning the CJP procedure in favor of entrusting the APJs and the Director Review process with maintaining consistency and quality of PTAB decisions.

Proposed Rule: Comments and Responses

On October 6, 2023, after careful consideration of the public input received in response to the RFC, the USPTO published a notice of proposed rulemaking to set forth the policies and standards that govern internal pre-issuance circulation and review of decisions within the PTAB. See 88 FR 69578 (/citation/88-FR-69578). The notice of proposed rulemaking provided for a 60-day comment period.

The Office received a total of nine comments from eight organizations and one individual. The Office appreciates the thoughtful comments representing views from various public stakeholder communities. All of the comments are publicly available at the Federal eRulemaking Portal at <https://www.regulations.gov/document/PTO-P-2023-0012-0001> (<https://www.regulations.gov/document/PTO-P-2023-0012-0001>).

Commenters were generally supportive of the proposed rule and agreed with the Office that the rule would promote consistent, clear, and open decision-making processes. A few commenters suggested some modifications to certain provisions of the proposed rule. A summary of the comments and the USPTO's responses are provided below. The Office's responses address the comments that are directed to the proposed changes set forth in the notice of proposed rulemaking. Any comments directed to topics that are beyond the scope of the notice of proposed rulemaking are not addressed.

Comment 1: One commenter suggested that pre-issuance review by nonpanel members should be eliminated because the harms outweigh any potential benefits. Another commenter acknowledged that discussions among fellow judges can improve the quality and consistency of decisions. However, this commenter suggested that any such discussions with nonpanel members should be kept at a general level and should not include the specific facts or issues presented by a particular case.

Response: The USPTO agrees with commenters who noted that internal pre-issuance circulation and review of decisions within the PTAB helps to promote consistent, clear, and open decision-making processes and, therefore, the USPTO does not adopt the suggestions to eliminate optional pre-issuance review or to keep discussions at a general level. The pre-issuance review processes set forth in the rule are consistent with processes adopted by courts. For example, as described above, the CJP was modeled after both the □ Federal Circuit's previous circulation to the Senior Technical Assistant and the Federal Circuit's 10-day circulation process for precedential decisions. Also, judges in other tribunals often consult with fellow judges in order to take advantage of accumulated experience. The Office also notes that any pre-issuance review at the PTAB by the CJP or other nonpanel judges is entirely optional and helps the PTAB maintain a consistent and clear approach, which is important to stakeholders and the patent system at large.

Comment 2: One commenter suggested that, to the extent case-specific facts or issues are discussed outside of the panel, either with Management or non-Management Judges, the content of those discussions should be disclosed to the parties of record. Another commenter recognized that full transparency on this matter may not be practical or even desirable and, therefore, suggested that the Office provide statistical information regarding how often a panel seeks input from PTAB management.

Response: The Office appreciates these thoughtful comments regarding transparency. However, because the requests for input from nonpanel members are part of the deliberative process, the Office will not publicly disclose information regarding such requests. As one commenter acknowledged, the APJs should feel comfortable seeking internal input to promote consistency and efficiency without the potential chilling effects of public scrutiny before a decision is rendered. The Office also notes that other tribunals with similar processes, such as the U.S. Court of Appeals for the Federal Circuit, also do not disclose such information.

Further, it is unlikely that meaningful statistics could be provided because it would not be possible to track every time a judge informally reaches out to a nonpanel member for input. The use of statistics to track every instance of such behavior could discourage judges from seeking such input, which is beneficial for a consistent and clear approach at the Board. The Office will continue to provide other statistics that are useful to the public, such as those regarding Director Review requests and decisions.

Comment 3: Two commenters expressed concern about the language in proposed § 43.6 that all decisions of the Board are expected to comport with “written agency policy and guidance applicable to Board proceedings” in addition to applicable statutes, regulations, and binding case law. One of the commenters suggested deleting this language because any policy that is important enough for the Board to follow should undergo the rulemaking procedures of the Administrative Procedure Act (APA). The other commenter recognized that, in some circumstances, the USPTO will need to act before APA rulemaking can be completed—for example, when responding to a court decision invalidating USPTO policy or in response to other exigencies. That commenter suggested revising the language such that, under compelling circumstances, Board decisions would be required to comport with temporary policy or guidance, which shall expire within 18 months unless replaced by a rule implemented via notice-and-comment rulemaking.

Response: These suggestions are not adopted. The Office will retain the language regarding comporting with “written agency policy and guidance applicable to Board proceedings” (except for replacing “agency” with “Office,” as explained below) because notice-and-comment rulemaking is not required for all Office policy and guidance applicable to Board proceedings. See, *e.g.*, 5 U.S.C. 553(b)(3)(A) (<https://www.govinfo.gov/link/uscode/5/553>); *Lincoln v. Vigil*, 508 U.S. 182, 196–97 (1993). The Office seeks to retain flexibility in implementing written guidance to efficiently and transparently address the workings of the Board and to maintain consistency in proceedings. As stated in the rule, all policy and guidance binding on panels of the Board is written and made public.

Comment 4: One commenter suggested that if the Office establishes procedures governing internal circulation and review of decisions to one or more designated non-Management Judges, that the Office should first obtain public input on such procedures.

Response: The USPTO agrees that it is important to obtain public input on procedures governing internal circulation and review of decisions at the Board. The Office issued a Request for Comments seeking input on its interim PTAB decision circulation and internal review processes, including the requirement to circulate decisions to a pool of non-Management Judges. After considering the public input received in response to the RFC, the USPTO replaced the interim process with SOP4, which sets forth the details of the optional circulation process to the CJP and further details of the composition of the CJP. The final rule further specifies limits governing any procedures created for internal circulation and review of decisions prior to issuance by one or more designated members of the Board (such as a CJP), including that no Management Judge or an officer or employee external to the Board shall participate directly or indirectly in any such review.

Comment 5: One commenter observed that Congress expressly assigned decisions on institution to the Director and suggested adding a provision to § 43.3 to reinforce that the Director alone, rather than a panel, may issue a decision on institution.

Response: The Office does not adopt this suggestion and notes that it appears to be based on a misapprehension of the rule. The rule does not preclude paneling a proceeding to the Director alone prior to institution provided it is done in accordance with public Board paneling guidance. As a general matter, however, the Director will exercise authority and oversight over decisions on institution, as well as final written decisions, pursuant to the Director Review process. As provided by the final rule, the Director is not involved, directly or indirectly, in the decision-making of panels at the PTAB prior to issuance of a decision by the panel.

Comment 6: One commenter suggested modifications to some of the definitions set forth in § 43.2 and minor modifications to certain other provisions of the rules.

Response: The USPTO appreciates the thoughtful suggestions and careful review of the proposed rule. The Office adopts the suggestion to modify the definition of “Panel” set forth in § 43.2 to remove the reference to Standard Operating Procedure 1. The Office further adopts the suggestion to modify § 43.3(b) to clarify that the prohibition of paragraph (a) shall not apply to an individual in paragraph (a) who is a member of the panel. In view of the additional suggestions, the Office made minor modifications to § 43.4(b) and (c) to clarify that a panel member may additionally request input from an officer or employee of the Office external to the Board and that it is within the sole discretion of the panel to adopt any edits, suggestions, or feedback provided to the panel as part of a review requested under paragraph (b). For example, as described in SOP4, a panel member may seek input from a PTAB Management Pre-Issuance Optional Review team regarding a decision prior to issuance and may optionally seek input from another USPTO business unit by indicating that in its request. See SOP4 section II. The Office further agrees that Management Judges do not exercise review authority over a proceeding, and, accordingly, adopts the suggestion to eliminate the proposed provision from § 43.4(d) related to the review authority over the proceeding. After careful consideration, the Office does not adopt the remaining minor suggestions. For example, the suggestion to add additional open-ended language to the definition of “Proceeding” set forth in § 43.2 was not adopted because the definition set forth in the final rule encompasses all proceedings assigned to the Board.

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Comment 7: One commenter requested clarification on the scope and timing of pre-issuance review and the composition and qualification of the review teams. The commenter further requested clarification on the types of decisions eligible for review and how the PTAB will resolve conflicts or disagreements between reviewers and panel members. Additionally, the commenter requested clarification on how review will affect the finality or appealability of PTAB decisions. The commenter suggested that the rule or an accompanying guidance document explain these details.

Response: The USPTO agrees that clarification of certain details regarding pre-issuance review is important. SOP4 sets forth the details on the composition of the CJP and the designated PTAB Management Pre-Issuance Optional Review Team as well as further details on the review processes. Under SOP4, a panel member may, at their sole discretion, choose to circulate any decision for pre-issuance review by the CJP or the PTAB Management Pre-Issuance Optional Review team. As set forth in SOP4 and the final rule, the panel has the sole discretion to adopt any suggestions or edits made from any optional pre-issuance review it seeks. SOP4 also sets forth details on the post-issuance review process, which may be used to flag decisions to the Director for further action, including consideration for *sua sponte* Director Review. The details of the

Director Review process, including how a party may request Director Review and the appealability of Director Review decisions, are set forth on the Revised Interim Director Review process web page, available at <https://www.uspto.gov/patents/ptab/decisions/revised-interim-director-review-process> (<https://www.uspto.gov/patents/ptab/decisions/revised-interim-director-review-process>).

Changes From the Proposed Rule

Upon careful consideration of the public comments, the Office adopts the provisions in the proposed rule with minor changes for additional clarity and consistency, which are noted below.

In this final rule, the Office modifies the title of § 43.1 to “Scope” and clarifies that the definition of “Management Judge” set forth in § 43.2 includes individuals that serve as a rating official for one or more Administrative Patent Judges. For clarity, the Office adds a definition of “Office” to § 43.2 and, for consistency in the rule, replaces “agency” with “Office” in § 43.6. The Office eliminates the reference to Standard Operating Procedure 1 from the definition of “Panel” in § 43.2 and clarifies that the panel members are assigned to a particular proceeding or an aspect thereof. The Office also clarifies that the definition of “Proceeding” set forth in § 43.2 includes any proceeding under part 42. The Office modifies the title of § 43.3 to clarify that § 43.3 places limits on the Director's and other individuals' involvement in panel decisions. The Office modifies § 43.3(b) to delete “proceeding” and clarify that the prohibition does not apply to any individual in paragraph (a) who is a member of the panel. The Office adds a minor provision to § 43.3(d) to clarify that the Chief Administrative Patent Judge or delegates shall panel or repanel proceedings only in accordance with public Board paneling guidance. The Office makes minor modifications to § 43.4(b) and (c) to clarify that a panel member may request input from an officer or employee of the Office external to the Board, adds “officer” to § 43.4(a), and adds “Office” to the title of § 43.4. The Office modifies § 43.4(d) to eliminate “and exercises no review authority over the proceeding prior to the issuance of the panel's decision on the merits.” The Office modifies § 43.5(a) to add an officer or employee external to the Board also shall not participate in any review of decisions by non-management judges.

Discussion of Specific Rules

Upon careful consideration of the public comments, the Office adopts the proposed rule with a few minor changes in the rule language, as discussed above. This final rule adds part 43 to set forth regulations governing the pre-issuance circulation and review of decisions within the PTAB. The USPTO issues this final rule to promote consistent, clear, and open decision-making processes while protecting judicial independence and increasing transparency of USPTO processes.

The USPTO adds § 43.1 to define the scope of the rules set forth in part 43.

The USPTO adds § 43.2 to set forth definitions for terms used in part 43.

The USPTO adds § 43.3 to specify that the Director and other high-level officers of the USPTO are not involved in panel decisions prior to their issuance, either directly or indirectly.

The USPTO adds § 43.3(a) to prohibit the Director, Deputy Director, Commissioner for Patents, and Commissioner for Trademarks from communicating, directly or indirectly, with any member of a panel regarding a decision, prior to issuance of that decision by the panel.

The USPTO adds § 43.3(b) to provide that paragraph (a) does not apply to any individual in paragraph (a) who is a member of the panel and also specifies that when sitting as a member of a panel, the individual is a coequal member of the panel and the individual exercises no review authority over the proceeding prior to the issuance of the panel's decision on the merits.

The USPTO adds § 43.3(c) to clarify that nothing in § 43.3 shall prevent the Director or their delegate from communicating with a panel as to resource needs or the procedural status of any proceeding. This provision permits Office leadership to engage in communications of a purely administrative or logistical nature that are necessary to ensure the effective and efficient administration of the Office. Communications with a panel attempting to influence or direct the outcome or reasoning of any decision is not permitted under this provision.

The USPTO adds § 43.3(d) to specifically delegate to the Chief Administrative Patent Judge the Director's power to designate panels of the Board under 35 U.S.C. 6(c) (<https://www.govinfo.gov/link/uscode/35/6>). This provision specifies that the Chief Administrative Patent Judge and delegates of the Chief Administrative Patent Judge shall panel or repanel proceedings only in accordance with public Board paneling guidance. This provision prohibits the Director from directing or otherwise influencing the paneling or repaneling of any proceeding prior to issuance of the panel decision. The provision permits the Director to issue generally applicable paneling guidance to be applied to proceedings before the Board. The provision further permits the Director, when reviewing or rehearing an issued panel decision, to direct the repaneling of the proceeding in a manner consistent with public Board paneling guidance, through an Order entered into the record.

The USPTO adds § 43.4 to limit involvement by Board management or an officer or employee of the Office external to the Board in the review and circulation of decisions prior to issuance. The provision ensures judicial independence of Board panels while permitting a panel member to request input on issues when desired.

The USPTO adds § 43.4(a) to prohibit any Management Judge or an officer or employee of the Office external to the Board from initiating communication, directly or through intermediaries, with any member of a panel regarding a decision, prior to issuance of that decision.

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The USPTO adds § 43.4(b) to provide an exception to paragraph (a) in the event a member of the panel requests input from a Management Judge or an officer or employee of the Office external to the Board prior to issuance of the decision. This provision specifies that requesting input is optional and the decision to request input is solely within the discretion of an individual panel member.

The USPTO adds § 43.4(c) to specify that it is within the panel's sole discretion to adopt any edits, suggestions, or feedback provided by a Management Judge or an officer or employee of the Office external to the Board received in response to a request for input, and the panel has the final authority and responsibility for the content of a decision.

The USPTO adds § 43.4(d) to provide that paragraph (a) does not apply to a Management Judge who is a member of the panel and specifies that when sitting as a member of a panel, a Management Judge is a coequal member of the panel.

The USPTO adds § 43.4(e) to clarify that nothing in § 43.4 shall prevent a Management Judge from communicating with a panel as to resource needs or the procedural status of any proceeding. This provision permits Board management to engage in communications of a purely administrative or logistical nature that are necessary to ensure the effective and efficient administration of the Board. Communications with a panel attempting to influence or direct the outcome or reasoning of any decision are not permitted under this provision.

The USPTO adds § 43.5 to govern procedures for circulation of decisions to, and review of decisions by, a designated group of non-Management Judges if the Office sets forth additional procedures for such circulation. The provision promotes consistent, clear, and open decision-making by permitting peer review of decisions prior to issuance, while respecting the judicial independence of panels by providing that all feedback from such review is optional and at the panel's sole discretion to adopt.

The USPTO adds § 43.5(a) to provide that no Management Judge or an officer or employee external to the Board shall participate in any such circulation and review procedures. This provision further provides that if a decision is circulated to the designated non-Management Judges for review prior to issuance, the reviewing judges will not discuss the substance of the circulated decision with a Management Judge prior to issuance by the panel, except with a Management Judge who is a member of the panel.

The USPTO adds § 43.5(b) to specify that any edits, suggestions, or feedback provided following circulation and review to the designated non-Management Judges are optional and in the sole discretion of a panel to accept. This provision also sets forth that the panel has final authority and responsibility for the content of a decision and determines whether and how to incorporate any feedback provided.

The USPTO adds § 43.6 to provide that all decisions of the Board are expected to comport with all applicable statutes, regulations, binding case law, and written Office policy and guidance applicable to Board proceedings. This provision also specifically states that there is no unwritten Office or Board policy or guidance that is binding on any panel of the Board and further requires that all written policy and guidance binding on panels of the Board shall be made public. Thus, this provision makes clear there is no unwritten or non-public guidance that judges are required to follow.

Rulemaking Considerations

A. Administrative Procedure Act: The changes in this rulemaking involve rules of agency practice and procedure and/or interpretive rules. See *Perez v. Mortg. Bankers Ass'n*, 135 S.Ct 1199, 1204 (2015) (Interpretive rules “advise the public of the agency’s construction of the statutes and rules which it administers.” (citation and internal quotation marks omitted)); *Nat’l Org. of Veterans’ Advocates, Inc. v. Sec’y of Veterans Affairs*, 260 F.3d 1365, 1375 (Fed. Cir. 2001) (Rule that clarifies interpretation of a statute is interpretive.).

Accordingly, prior notice and opportunity for public comment are not required pursuant to 5 U.S.C. 553(b) (<https://www.govinfo.gov/link/uscode/5/553>) or (c) (<https://www.govinfo.gov/link/uscode/5/553>) or any other law. See *Perez*, 135 S. Ct. 1199, 1206 (Notice-and-comment procedures are required neither when an agency “issue[s] an initial interpretive rule” nor “when it amends or repeals that interpretive rule.”); *Cooper Techs. Co. v. Dudas*, 536 F.3d 1330, 1336-37 (Fed. Cir. 2008) (stating that 5 U.S.C. 553 (<https://www.govinfo.gov/link/uscode/5/553>), and thus 35 U.S.C. 2(b)(2)(B)

(<https://www.govinfo.gov/link/uscode/35/2>), do not require notice and comment rulemaking for “interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice”) (quoting 5 U.S.C. 553(b)(3)(A) (<https://www.govinfo.gov/link/uscode/5/553>)).

However, the USPTO chose to seek public comment before implementing the rule to benefit from the public's input.

B. Regulatory Flexibility Act: For the reasons set forth herein, the Senior Counsel for Regulatory and Legislative Affairs, Office of General Law, United States Patent and Trademark Office, has certified to the Chief Counsel for Advocacy of the Small Business Administration that this rule will not have a significant economic impact on a substantial number of small entities. See 5 U.S.C. 605(b) (<https://www.govinfo.gov/link/uscode/5/605>).

The rule sets forth expressly the rules governing the circulation and review of decisions of the Board prior to issuance by a panel. The changes do not create additional procedures or requirements or impose any additional compliance measures on any party, nor do these changes cause any party to incur additional cost. Therefore, any requirements resulting from the rule are of minimal or no additional burden to those practicing before the Board.

For the foregoing reasons, this rulemaking will not have a significant economic impact on a substantial number of small entities.

C. Executive Order 12866 (/executive-order/12866) (Regulatory Planning and Review): This rulemaking has been determined to be not significant for purposes of Executive Order 12866 (/executive-order/12866) (September 30, 1993), as amended by Executive Order 14094 (/executive-order/14094) (April 6, 2023).

D. Executive Order 13563 (/executive-order/13563) (Improving Regulation and Regulatory Review): The Office has complied with Executive Order 13563 (/executive-order/13563) (January 18, 2011). Specifically, and as discussed above, the Office has, to the extent feasible and applicable: (1) made a reasoned determination that the benefits justify the costs of the rules; (2) tailored the rules to impose the least burden on society consistent with obtaining the regulatory objectives; (3) selected a regulatory approach that maximizes net benefits; (4) specified performance objectives; (5) identified and assessed available alternatives; (6) involved the public in an open exchange of information and perspectives among experts in relevant disciplines, affected stakeholders in the private sector and the public as a whole, and provided on-line access to the rulemaking docket; (7) attempted to promote coordination, simplification, and harmonization across government agencies and identified goals designed to promote innovation; (8) considered approaches that reduce burdens and maintain flexibility and freedom of choice for the public; and (9) ensured the objectivity of scientific and technological information and processes.

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E. Executive Order 13132 (/executive-order/13132) (Federalism): This rulemaking pertains strictly to Federal agency procedures and does not contain policies with federalism implications sufficient to warrant preparation of a Federalism Assessment under Executive Order 13132 (/executive-order/13132) (August 4, 1999).

F. Executive Order 13175 (/executive-order/13175) (Tribal Consultation): This rulemaking will not: (1) have substantial direct effects on one or more Indian tribes; (2) impose substantial direct compliance costs on Indian tribal governments; or (3) preempt tribal law. Therefore, a tribal summary impact statement is not required under Executive Order 13175 (/executive-order/13175) (November 6, 2000).

G. Executive Order 13211 (/executive-order/13211) (Energy Effects): This rulemaking is not a significant energy action under Executive Order 13211 (/executive-order/13211) because this rulemaking is not likely to have a significant adverse effect on the supply, distribution, or use of energy. Therefore, a Statement of Energy Effects is not required under Executive Order 13211 (/executive-order/13211) (May 18, 2001).

H. Executive Order 12988 (/executive-order/12988) (Civil Justice Reform): This rulemaking meets applicable standards to minimize litigation, eliminate ambiguity, and reduce burden as set forth in sections 3(a) and 3(b)(2) of Executive Order 12988 (/executive-order/12988) (February 5, 1996).

I. Executive Order 13045 (/executive-order/13045) (Protection of Children): This rulemaking does not concern an environmental risk to health or safety that may disproportionately affect children under Executive Order 13045 (/executive-order/13045) (April 21, 1997).

J. Executive Order 12630 (/executive-order/12630) (Taking of Private Property): This rulemaking will not affect a taking of private property or otherwise have taking implications under Executive Order 12630 (/executive-order/12630) (March 15, 1988).

K. Congressional Review Act: Under the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 (<https://www.govinfo.gov/link/uscode/5/801>) *et seq.*), the USPTO will submit a report containing the rule and other required information to the United States Senate, the United States House of Representatives, and the Comptroller General of the Government Accountability Office. The changes in this rulemaking are not expected to result in an annual effect on the economy of 100 million dollars or more, a major increase in costs or prices, or significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets. Therefore, this rulemaking is not a “major rule” as defined in 5 U.S.C. 804(2) (<https://www.govinfo.gov/link/uscode/5/804>).

L. Unfunded Mandates Reform Act of 1995: The changes set forth in this rulemaking do not involve a Federal intergovernmental mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, of 100 million dollars (as adjusted) or more in any one year, or a Federal private sector mandate that will result in the expenditure by the private sector of 100 million dollars (as adjusted) or more in any one year, and will not significantly or uniquely affect small governments. Therefore, no actions are necessary under the provisions of the Unfunded Mandates Reform Act of 1995. See 2 U.S.C. 1501 (<https://www.govinfo.gov/link/uscode/2/1501>) *et seq.*

M. National Environmental Policy Act: This rulemaking will not have any effect on the quality of the environment and is thus categorically excluded from review under the National Environmental Policy Act of 1969. See 42 U.S.C. 4321 (<https://www.govinfo.gov/link/uscode/42/4321>) *et seq.*

N. National Technology Transfer and Advancement Act: The requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note (<https://www.govinfo.gov/link/uscode/15/272>)) are not applicable because this rulemaking does not contain provisions which involve the use of technical standards.

O. Paperwork Reduction Act: The Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3549 (<https://www.govinfo.gov/link/uscode/44/3501>)) requires that the Office consider the impact of paperwork and other information collection burdens imposed on the public. This rulemaking does not involve an

information collection requirement that is subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3549 (<https://www.govinfo.gov/link/uscode/44/3501>)). This rulemaking does not add any additional information requirements or fees for parties before the Board.

Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to, a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB control number.

P. E-Government Act Compliance: The USPTO is committed to compliance with the E-Government Act to promote the use of the internet and other information technologies, to provide increased opportunities for citizen access to Government information and services, and for other purposes.

List of Subjects in 37 CFR Part 43 (<https://www.ecfr.gov/current/title-37/part-43>)

- Administrative practice and procedure

For the reasons set forth in the preamble, the USPTO amends title 37 by adding part 43 to read as follows:

PART 43—DECISION CIRCULATION AND REVIEW WITHIN THE PATENT TRIAL AND APPEAL BOARD

- 43.1** Scope.
- 43.2** Definitions.
- 43.3** Limits on Director's and other individuals' involvement in panel decisions.
- 43.4** Limited pre-issuance management and Office involvement in decisions.
- 43.5** Review of decisions by non-Management Judges.
- 43.6** Controlling legal authority; no unwritten or non-public binding policy or guidance.

Authority: 35 U.S.C. 2(b)(2) (<https://www.govinfo.gov/link/uscode/35/2>), 6 (<https://www.govinfo.gov/link/uscode/35/6>), 134 (<https://www.govinfo.gov/link/uscode/35/134>), 135 (<https://www.govinfo.gov/link/uscode/35/135>), 311 (<https://www.govinfo.gov/link/uscode/35/311>), 316 (<https://www.govinfo.gov/link/uscode/35/316>), 321 (<https://www.govinfo.gov/link/uscode/35/321>), and 326 (<https://www.govinfo.gov/link/uscode/35/326>).

§ 43.1 Scope.

This part sets forth procedures for the pre-issuance circulation and review within the Patent Trial and Appeal Board of draft panel decisions rendered in proceedings pending under parts 41 and 42 of this chapter and sets forth the controlling legal authority, policy, and guidance applicable to the decisions of the Board.

§ 43.2 Definitions.

The following definitions apply to this part:

Board means the Patent Trial and Appeal Board.

Decision means any decision, order, opinion, or other written work product intended for entry into the record of a Board proceeding.

Deputy Director means the Deputy Under Secretary of Commerce for Intellectual Property and Deputy Director of the United States Patent and Trademark Office, or an individual serving as Acting Deputy Director.

Director means the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, or an individual serving as Acting Director or performing the functions and duties of the Director.

Commissioner for Patents and *Commissioner for Trademarks* mean the positions defined in 35 U.S.C. 3(b)(2) (<https://www.govinfo.gov/link/uscode/35/3>), or an individual acting in the capacity of one of those positions.

Issuance means the entry of a decision into the record of a Board proceeding.

Management Judge means the Chief Administrative Patent Judge, the Deputy Chief Administrative Patent Judge, a Vice Chief Administrative Patent Judge, a Senior Lead Administrative Patent Judge, a Lead Administrative Patent Judge, including individuals who serve in these positions in an acting capacity, or any other Administrative Patent Judge who, as part of their duties, serves as the rating official of one or more Administrative Patent Judges.

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Office means the United States Patent and Trademark Office.

Panel means the members of the Board assigned to a particular proceeding, or an aspect thereof.

Proceeding means an appeal or contested case under part 41 of this chapter, or a proceeding under part 42 of this chapter.

§ 43.3 Limits on Director's and other individuals' involvement in panel decisions.

(a) Prior to issuance of a decision by a panel, the Director, Deputy Director, Commissioner for Patents, and Commissioner for Trademarks shall not communicate, directly or through intermediaries, with any member of the panel regarding the decision.

(b) The prohibition of paragraph (a) of this section shall not apply to any individual in paragraph (a) who is a member of the panel. When sitting as a member of a panel, the Director or other individual listed in paragraph (a) is a coequal member of the panel and exercises no review authority over the proceeding prior to the issuance of the panel's decision on the merits.

(c) Nothing in this section shall prevent the Director or delegate from communicating with a panel as to resource needs or the procedural status of any proceeding pending before the Board.

(d) The Chief Administrative Patent Judge or delegates of the Chief Administrative Patent Judge shall designate panels of the Board on behalf of the Director. The Chief Administrative Patent Judge or delegates of the Chief Administrative Patent Judge shall only panel or repanel proceedings in accordance with public Board paneling guidance. The Director may issue generally applicable paneling guidance to be applied to proceedings before the Board. The Director shall not

direct or otherwise influence the paneling or repaneling of any specific proceeding prior to issuance of the panel decision. When reviewing or rehearing an issued panel decision, the Director may direct the repaneling of the proceeding in a manner consistent with public Board paneling guidance through an Order entered into the record.

§ 43.4 Limited pre-issuance management and Office involvement in decisions.

(a) Except as requested pursuant to paragraph (b) of this section or permitted under paragraph (d) or (e) of this section, prior to issuance of a decision by the panel, no Management Judge or an officer or employee of the Office external to the Board shall initiate communication, directly or through intermediaries, with any member of a panel regarding the decision.

(b) Any individual panel member may request that one or more Management Judges or an officer or employee of the Office external to the Board provide input on a decision prior to issuance. The choice to request input is optional and solely within the discretion of an individual panel member.

(c) It is within the sole discretion of the panel to adopt any edits, suggestions, or feedback provided to the panel by a Management Judge or an officer or employee of the Office external to the Board as part of a review requested under paragraph (b) of this section. The panel has final authority and responsibility for the content of a decision and determines whether and how to incorporate any feedback requested under paragraph (b).

(d) The prohibition of paragraph (a) of this section shall not apply to any Management Judge who is a member of the panel. When sitting as a member of a panel, a Management Judge is a coequal member of the panel.

(e) Nothing in this section shall prevent a Management Judge from communicating with a panel as to resource needs or the procedural status of any case pending before the Board.

§ 43.5 Review of decisions by non-Management Judges.

If the Office establishes procedures governing the internal circulation and review of decisions prior to issuance to one or more designated members of the Board:

(a) No Management Judge or an officer or employee external to the Board shall participate directly or indirectly in any such review and the reviewing non-Management Judges shall not discuss the substance of any circulated decision with a Management Judge prior to issuance of the decision, except with a Management Judge who is a member of the panel; and

(b) Any edits, suggestions, or feedback provided to the panel pursuant to such circulation and review are optional and in the sole discretion of the panel to accept. The panel has final authority and responsibility for the content of a decision and determines whether and how to incorporate any feedback provided.

§ 43.6 Controlling legal authority; no unwritten or non-public binding policy or guidance.

Notwithstanding any other provision of this part, all decisions of the Board are expected to comport with all applicable statutes, regulations, binding case law, and written Office policy and guidance applicable to Board proceedings. There shall be no unwritten Office or Board policy or guidance that is binding on any panel of the Board. All written policy and guidance binding on panels of the Board shall be made public.

Katherine K. Vidal,

Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.

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