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The USPTO Introduces New “Information Disclosure Statement Size Fees” for Patent Applications

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On November 20, 2024, the USPTO published a final rule making significant changes to patent fees at the USPTO (“Final Rule”). See 89 Fed. Reg. 91898 (Nov. 20, 2024) (available at [USPTO Rules Setting and Adjusting Patent Fees for 2025](#)). Among the changes, the Final Rule introduces a new category of fees: Information Disclosure Statement (“IDS”) size fees. *Id.* at 91923. The new IDS size fees are effective **January 19, 2025**.

The IDS size fees are designed to “provide more revenue [to the USPTO] to help recover the additional costs associated with large IDS submissions ...” *Id.* at 91951. In this alert, we provide an overview of the new IDS size fees and their related procedures, and we explain how they may impact prosecution budgets and IDS practices.

The new IDS size fees.

Under the Final Rule, applicants must pay a fee upon the filing of an IDS that causes the total number of applicant-provided items of information (e.g., patents and publications) to exceed certain thresholds.¹ *Id.* at 91923-24. The amounts to be paid are graduated as shown below, and the rule caps the total amount of IDS size fees per application at \$800.

Number of Items Provided by the Applicant/Owner During Prosecution:	Amount of IDS Size Fee
0-50	None
51-100	\$200
101-200	\$500, less any amount previously paid
201+	\$800, less any amount previously paid

¹ Despite the name of the fee, it is not necessarily the size of a single IDS that matters, but rather the sum of items provided *across all IDSs submitted during the course of prosecution of the application*. That way, applicants cannot circumvent the fee by filing a series of small IDSs.

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Id. To calculate properly the amount to be paid, if any, upon the filing of a new IDS, practitioners will need to sum the number of applicant-provided items of information (1) submitted in any earlier IDSs and (2) being submitted in the new IDS. If the sum exceeds one of the thresholds listed above, the applicant must pay the corresponding IDS size fee minus the amount of any previously paid IDS size fee(s). *Id.*

The new “clear written assertion” that must accompany an IDS.

The Final Rule also introduces a new content requirement for IDSs. Beginning January 19, 2025, an applicant filing an IDS must provide a “clear written assertion” that the IDS is accompanied by the appropriate IDS size fee or that no IDS size fee is required. *Id.* at 91924-25, 92008. Failure to provide the clear written assertion with an IDS will result in the IDS not being considered by the Examiner. *Id.*

Takeaway No. 1: Prosecution costs will increase.

The IDS size fees appear poised to increase the costs of prosecution, particularly for applicants with robust IDS practices. Although the Final Rule’s commentary acknowledges that it may “encourage some applicants to filter out” non-material information from IDSs that would otherwise unnecessarily burden the Office (*id.* at 91925-26), the Rule appears unlikely to do so for at least three reasons.

First, the amount of attorneys’ fees necessary to sift through and filter out non-material information is likely to exceed the cost of the maximum IDS size fee (\$800), making disclosure more cost effective than filtering.

Second, practitioners are rightfully disinclined to withhold any information that could arguably be important to an Examiner given the USPTO’s Manual of Patent Examining Procedure’s (“M.P.E.P.”) guidance for complying with the Duty of Disclosure and the risk of opening the door to allegations of inequitable conduct. As the M.P.E.P. advises, “[w]hen in doubt, it is desirable and safest to submit information. Even though the attorney, agent, or applicant does not consider it necessarily material, someone else may see it differently and embarrassing questions can be avoided.” M.P.E.P. § 2004.

Third, citing relevant information during prosecution is often viewed as promoting the strength of the patent even if the relevant information does not rise to the level of materiality necessary to trigger the duty of disclosure. See M.P.E.P. § 2001.05 (“The Office believes that most applicants will wish to submit the information even though they may not be required to do so, to strengthen the patent and avoid the risks of an incorrect judgment on their part on materiality.”); see also *Advanced Bionics, LLC v. Med-EL Elektromedizinische Geräte GMBH*, IPR2019–01469, 2020 WL 740292, at *2 (PTAB Feb. 13, 2020) (precedential) (explaining that under 35 U.S.C. § 325(d), the PTAB may deny institution of an IPR proceeding if the petitioner challenges the patent based on prior art considered by the Examiner during prosecution—the potential for which encourages the broad disclosure of relevant information during prosecution).

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Takeaway No. 2: Review your IDS practice in continuing applications.

An applicant seeking to minimize IDS size fees without withholding information may want to review their IDS policies for continuing applications.

Under M.P.E.P. § 609.02—which is unaffected by the Final Rule—any item of information considered during prosecution of a parent application will automatically be considered by the Examiner in a continuing application. M.P.E.P. § 609.02. “In view of § 609 it can not be inequitable conduct for an applicant not to resubmit, in [a continuing] application, the information that was cited or submitted in the parent application.” *ATD Corp. v. Lydall, Inc.*, 159 F.3d 534, 547 (Fed. Cir. 1998); see also, e.g., *ESCO Corp. v. Cashman Equip. Co.*, 158 F. Supp. 3d 1051, 1063 (D. Nev. 2016) (following *ADT post-Therasense*).

However, some district courts have rendered decisions that make applicants hesitant to rely exclusively on § 609.02 to establish that they fulfilled their duty of disclosure.² See, e.g., *ShenZhen JingPinCheng Elec. Tech. Co. v. Blisslights, LLC*, No. 21-cv-1393-GPC (RBB), 2021 WL 5234422, at *7 (S.D. Cal. Nov. 10, 2021) (despite acknowledging § 609.02, denying motion to dismiss inequitable conduct claim based on withholding prior art that was cited in a parent application). As a result, many applicants have a policy of filing IDSs in continuing applications that resubmit items from parent applications to (i) ensure the examiner indicates in the record of the continuing application that he or she considered the items and (ii) cause the Patent Office to print the items on the face of a patent that issues from the continuation.

After January 19, 2025, applicants seeking to minimize IDS size fees may consider forgoing this common IDS practice in continuing applications, at least in certain circumstances. Under the New Rule, if an applicant submits an IDS re-citing items from a parent application, those re-cited items *will be counted against the applicant* for purposes of calculating the IDS size fee (even though the Examiner is required to automatically consider the items under M.P.E.P. § 609.02 regardless of the IDS). As a result, it may cost hundreds of dollars in IDS size fees to re-cite items from a parent application in a continuing application.

To save IDS size fees, applicants could forgo re-citing items from parent applications. Those concerned about relying on § 609.02 can take other actions to help demonstrate compliance with their duty of disclosure, such as confirming during an examiner interview that the Examiner considered all references cited in the parent application and then memorializing the Examiner’s confirmation in an examiner interview summary.

Takeaway No. 3: Failure to count and cite properly items of information in IDSs may give rise to claims of inequitable conduct.

Of course, purposefully making a false statement to the USPTO for any reason, including to avoid or lessen a fee, can constitute inequitable conduct. See, e.g., *Sycamore IP Holdings LLC v. AT&T Corp.*, 294 F. Supp. 3d 620, 658 (E.D. Tex. 2018) (denying motion for summary judgment of no inequitable conduct where evidence indicated that the patentee’s general counsel falsely claimed small entity status to pay reduced patent fees).

² These decisions appear contrary to federal circuit precedent, including the holding in *ADT* mentioned above.

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Therefore, practitioners should make an accurate “clear written assertion” as to whether a given IDS size fee is due and avoid the perception of gamesmanship—particularly when disclosing non-patent literature (“NPL”) to the Examiner.

Under the Final Rule, the number of items of information provided by an applicant—and thus the new clear written assertion accompanying the IDS—should correspond with the number of citations set forth in the IDSs. See 89 Fed. Reg. 91898 at 91924 (“‘Provided’ in this context refers to items cited on an IDS under § 1.98(a)(1) by an applicant or patent owner, whether or not an actual copy of the cited item is submitted by the applicant or patent owner to the agency.”) However, *citations* are not necessarily equivalent to “items of information.”

For example, if an applicant decides to disclose an IPR petition and its three exhibits to the Examiner, the applicant may want to cite to them individually via four separate citations rather than cite them collectively in a single citation. Otherwise, if the applicant groups the petition and exhibits into a single citation on the IDS and then undercounts the “items of information” in a way that results in an erroneous clear written assertion and payment of a lesser fee than required, the applicant could be accused of trying to deceive the Examiner regarding the number of items in an effort to avoid paying a higher IDS size fee.

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