



## American Intellectual Property Law Association

August 7, 2023

Mr. Justin Isaac  
Office of the Chief Administrative Officer  
United States Patent and Trademark Office (USPTO)  
P.O. Box 1450  
Alexandria, VA 22313-1450

*Via Federal eRulemaking Portal: <https://www.regulations.gov>*

**Re: Agency Information Collection Activities; Submission to the Office of Management and Budget (OMB) for Review and Approval; Comment Request; DOCX Submission Requirements**

Dear Mr. Isaac:

The American Intellectual Property Law Association (“AIPLA”) is pleased to have the opportunity to respond to United States Patent and Trademark Office (“Office”) Federal Register Notice of Information collection and request for comments published in 88 Fed. Reg. 37039 (June 6, 2023) (“Notice”).

Founded in 1897, the American Intellectual Property Law Association is a national bar association of approximately 7,000 members including professionals engaged in private or corporate practice, in government service, and in the academic community. AIPLA members represent a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, trade secret, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property. Our mission includes helping establish and maintain fair and effective laws and policies that stimulate and reward invention while balancing the public’s interest in healthy competition, reasonable costs, and basic fairness.

### Interpretation of Notice

This response relates to a request for comments published by the Office related to their intended transition to a new electronic patent application filing format known as DOCX.

The Notice is a part of the requirements of the Paperwork Reduction Act (PRA) of 1995 as currently amended.<sup>1</sup> In the Notice’s Summary, it is stated that the Office “invites comments on the proposed information collection: DOCX Submission Requirements.”<sup>2</sup>

---

<sup>1</sup> See, e.g., “The Paperwork Reduction Act (PRA) is a law governing how federal agencies collect information from the public,” available at <https://pra.digital.gov>, last accessed July 7, 2023, “Paperwork Reduction Act (44 U.S.C. 3501 et seq.,” available at <https://digital.gov/resources/paperwork-reduction-act-44-u-s-c-3501-et-seq/>, last accessed July 7, 2023, and 35 U.S.C. §§3501 et seq, available at <https://www.govinfo.gov/content/pkg/PLAW-104publ13/html/PLAW-104publ13.htm>, last accessed July 7, 2023.

<sup>2</sup> 88 FR 88039, June 6, 2023.

The Office solicits public comments to:

- (a) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility.
- (b) Evaluate the accuracy of the Agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used.
- (c) Enhance the quality, utility, and clarity of the information to be collected.
- (d) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses.

The Notice more specifically states:

The items in this proposed new information collection relate *solely to the impacts* of the § 1.16(u) non-DOCX filing surcharge fee on the filing of nonprovisional utility applications under 35 U.S.C. 111, including continuing applications. In particular, this proposed new information collection *accounts for the § 1.16(u) non-DOCX filing surcharge fee* itself, as well as an additional 30 minutes of time to accommodate the (i) extra review that some respondents may undertake as they start to become more familiar with the DOCX format and (ii) submission of the back-up applicant-generated PDF that some respondents will opt to submit. (Emphases added.)

The language in the Notice is open to various interpretations. Based on the above quotations, however, it appears the requested comments relate to an “information collection (IC)”<sup>3</sup> that includes DOCX submission *requirements*, a non-DOCX filing surcharge that was added in 2020<sup>4</sup> (but which remains in abeyance due to technical challenges and significant opposition by practitioners), and the impact of a *de facto* rule requirement for filing patent applications in a specified electronic format (DOCX). The Notice could also lead to an interpretation that the information being collected is the patent application itself in DOCX format. Regardless of interpretation of the nature of the “information collection,” our comments apply to the entire DOCX system as currently envisioned by the Office.

Given that the Notice relates to a Rule (and associated prior Notice-and-Comment rulemaking process required under Title 5 Subchapter II<sup>5</sup>) that occurred starting in 2019<sup>6</sup> and that that Rule was the first instance in which the Office published a fee requirement for not filing a patent

---

<sup>3</sup> See 44 U.S.C. §3502(3)(A).

<sup>4</sup> See 85 FR 46932 (August 3, 2020) and discussion of DOCX and Non-DOCX filing fees throughout. The Non-DOCX filing fee was set at up to \$400 in the Office's Fee Rule, and Table 3, page 46946.

<sup>5</sup> Administrative Procedure Act (APA), Pub. L. 79-404, 60 Stat. 237, enacted June 11, 1946.

<sup>6</sup> See 84 FR 37398 (September 30, 2019).

application in the DOCX format, it also appears that the Notice relates to information collections proposed in 2019 that were not supported by an OMB clearance.<sup>7</sup>

With this in mind, we interpret the Notice's request for comment as an *ex post facto* desire to comply with the requirements of the PRA regarding the Office's intention to alter the format in which the public may file a patent application. The file format, known colloquially as "DOCX" is an electronic file format developed by Microsoft that has no specific standard<sup>8</sup> and is not a "non-government" standard.<sup>9</sup>

### Executive Summary

AIPLA continues its opposition to the non-DOCX filing fee and the *de facto* implementation of a requirement to file a patent application in a non-standard format.

AIPLA has been in an on-going dialogue with the Office regarding its transition to a DOCX electronic file format and representative AIPLA comments are attached to this letter.<sup>10</sup> These comments document the many errors in the USPTO rendered version, such as changing symbols and formatting, that have occurred and likely will continue to occur when using DOCX. Errors

---

<sup>7</sup> Section 10 of the Leahy-Smith America Invents Act of 2011 (AIA), Public Law 112–29, 125 Stat. 284, as amended by Public Law 115–273, 132 Stat. 4158 (the SUCCESS Act), authorizes the director of the Office to set or adjust by rule any patent fee established, authorized, or charged under title 35 of the United States Code (U.S.C.) for any services performed, or materials furnished, by the Office. In the Fee Setting proposal issued by the Office in 2020 (85 FR46932 (August 3, 2020)), the Office updated 128 fees and added 2 new fees – one for filing a patent application in non-DOCX format and one implementing a fee for *pro hac vice* admittance for practice before the Patent Trial and Appeal Board (PTAB). Of the 184 comments provided in response to the fee setting, 38 or fully 21% related to DOCX and the non-DOCX filing fee under 37 C.F.R. §16(u). ALL the 38 comments opposed the transition to DOCX and/or institution of a non-DOCX surcharge, either in whole or in part. See comments 42-79. (One (1) comment related to the *pro hac vice* charge under 37 C.F.R. §42.15(e) and that was simply a request for clarification. See Comment 80. The Office also proposed other Rules such as an Annual Practitioner Fee, which was withdrawn following comment.)

<sup>8</sup> See, e.g., Microsoft: Learn about file Formats, available at <https://support.microsoft.com/en-us/office/learn-about-file-formats-56dc3b55-7681-402e-a727-c59fa0884b30>, last accessed July 7, 2023,

A file format specifies how data is stored for a particular application. For example, a .docx file is an Open XML formatted Microsoft Word document. Not all applications can read all file format; and in some cases, an application may only be able to read parts of the file. For example, an application may be able to read the text, but not the formatting, of a file that uses a format other than its own.

OpenDocument Format (ODF) was originally developed to support the features and behavior of OpenOffice-based productivity suites and Open XML was originally developed to support the features and behavior of Microsoft Office.

Microsoft Office now provides support for ODF and gives people using Microsoft Office the chance to save their Office files in ODF. However, because Microsoft Office and OpenOffice features aren't exactly the same or aren't implemented the same way, **people who use unsupported features and save Office files in ODF might experience changes in how they can work with the file and sometimes see a loss of content.**

The Open XML format (.docx/.xlsx/.pptx) is the default format in all supported versions of Microsoft Office and, unless you have a specific reason to use a different format, it's the format we recommend using for your Office files. (Emphasis added.)

See also Opendahl, C., "The Fools Errand that is DOCX," 12/27/22, available at <https://blog.opedahl.com/wp-content/uploads/2023/02/20221225-fools-errand.pdf>, last accessed July 7, 2023.

<sup>9</sup> OMB Circular A-119 encourages use and non-government standards and defines non-government standard as: "d. "Non-government standard" is a standard as defined above that is in the form of a standardization document developed by a private sector association, organization or technical society which plans, develops, establishes or coordinates standards, specifications, handbooks, or related documents."

<sup>10</sup> See attached AIPLA comments: "Comments on USPTO Setting and Adjusting Patent Fees During Fiscal Year 2020 [Docket No. PTO-P-2018-0031]"

are most prevalent when disclosing mathematical formulas, chemical structures, and using technical symbols utilized by leading edge researchers to express new inventions.

DOCX is not an industry standard, as it is unilaterally controlled by a single company. As such, unpredictable outcomes associated with the use of DOCX files place additional burdens, cost, and risk on applicants, which are highly disproportionate to the cost savings of the Office.

In an effort to present our response in a format consistent with the Notice, the following comments are organized under the headings as presented at the end of the Notice. The above comments are applicable to multiple of the specific requests for comments.

#### Response to Specific “Request for Comments”

The Notice includes 4 specific areas for comment.

- (a) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility.

Assuming the proposed information collection is a patent application in DOCX format, such would only be a change in the format of information that is already being collected when an applicant-generated PDF is filed. Therefore, the change to require applications be submitted in DOCX format is not necessary for the proper performance of the functions of the Agency. The Office already scans applicant-generated PDFs and performs text recognition, which provides many, if not all, of the functionalities sought by the Office.

AIPLA understands that the Office believes that filing patent applications in DOCX format helps increase its efficiency, and commends the effort to provide automated feedback to applicants regarding patent quality. AIPLA understands the long-desired goal of obtaining XML representations of patent applications by the Office (as well as WIPO), and the benefits in processing that the Office will obtain. AIPLA and others, however, have suggested alternative patent application filing methods that would be less burdensome on patent applicants generally. These methods include, *e.g.*, the use of text-based or computer-readable PDFs. AIPLA believes that alternative methods, such as PDFs, provide the needed efficiencies sought by the Office and fairly balance applicants’ burden with that of the Office. The Office’s DOCX initiative adds an unnecessary administrative burden to patent applicants, making it harder to file patent applications.

- (b) Evaluate the accuracy of the Agency’s estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used.

The current information collection and burden estimates do not appear to reflect real-world implications of the DOCX transition.

Using the Office’s own numbers published in the Notice and in the original 2020 fee setting notice, the burden on applicants is at least 79 times greater than the cost savings to the Office.

Tables 1-3 of the Notice estimate the cost to applicants to either file patent applications in DOCX format or to pay the non-DOCX surcharge. The data in the tables are based on applicants requiring 30 minutes to file a DOCX application at a cost of \$435 per hour. While AIPLA disputes the 30-minute time estimate, adding the bottom-line costs in the 3 tables yields a cost to applicant of \$103,474,655 USD in annual financial burden ( $\$52,226,100 + \$1,660,395 + \$49,588,160$  for the total number of estimated respondents (240,119 + 7,632 + 164,066)).

In the 2020 “Setting and Adjusting Patent Fees in Fiscal Year 2020,” 85 FR 46932, the Office indicates that by transitioning to DOCX filing it will save \$3.15 per application in scanning and character recognition costs. Thus, using the Office’s estimate of 411,817 utility patent applications, by transitioning to DOCX and assuming 100% of applicants would use DOCX, the Office would save \$1,297,223 USD ( $411,817 \times \$3.15 = \$1,297,223$ ). The financial burden on the public as presented in the Notice would therefore be 79 times greater than that saved by the Office (the ratio of applicant burden to the Office’s cost savings is  $103,474,655/1,297,223 = 79.7$ ).

The actual burden applicants are likely to encounter is much higher than those described in the Notice. The Office’s burden estimates fail to consider further risks of filing patent applications in DOCX format that can lead to loss of patent rights and unenforceability. Such a burden is disproportionately burdensome to applicants.

The Notice states that its information collection accounts for an additional 30 minutes of time to accommodate applicants’ extra review of applications filed using DOCX. Since the DOCX filing system can unpredictably alter the DOCX file,<sup>11</sup> a patent application needs comprehensive review to ensure that what an applicant *intended* to file comports with what the Office’s computer system actually captured. This may require an additional word-by-word comparison of the application, which was already reviewed in detail and approved by an inventor/applicant, with the revised application created by the Office’s computer. Such comparison could take many hours depending upon the application’s complexity and length, especially since DOCX’s e-filing challenges are often associated with the most complex applications.

The Notice also fails to account for additional burden brought on by errors encountered while attempting to file applications. The Office’s Patent Center system (through which patent applications are filed) will prevent filing if it finds an error, even if such an error is insignificant and has no adverse consequences to the legal rights obtainable by continuing with filing the application. The DOCX document will have to be reviewed again and modified. If inventors have already reviewed the application and signed a declaration, they will have to re-review and re-sign declarations. None of this time is accounted for in the Office’s burden estimate.

The surcharge is especially problematic and burdensome for independent, small, and medium entities (SMEs).<sup>12</sup> In addition, AIPLA’s analyses of applications filed using the DOCX format has shown substantive, legally impactful errors using the Office’s Patent Center system,<sup>13</sup> such

---

<sup>11</sup> See Attached DOCX AIPLA Presentation for USPTO Director Vidal 12-14-2022 Examples on Pages 6 and 13-15. See also Attached DOCX AIPLA Presentation FINAL – 2020-05- 22 Revised 2020-05-29 Slides 24-28.

<sup>12</sup> SMEs are generally less likely to be aware of the potential for errors and are more likely to use word processors that do not fully support DOCX.

<sup>13</sup> See <https://www.uspto.gov/patents/apply/patent-center>, last accessed July 7, 2023.

as alterations of numbers, mathematical formulas, symbols, chemical formulas, pseudocode, and other text.<sup>14</sup>

(c) Enhance the quality, utility, and clarity of the information to be collected.

AIPLA notes that the use of DOCX has many technical challenges as, *e.g.*, discussed in attachments and during its on-going dialogue with the Office.<sup>15</sup> The errors shown during this dialogue are significant and are due to the Office's implementation of DOCX.

The Office should consider the underlying policy objectives to limit or minimize administrative and legal burdens. For example, one of the biggest challenges with the current use of DOCX is the information technology (IT) system changing a disclosure filed by applicant, resulting in a significant reduction in the quality, utility, and clarity of the information being collected (*i.e.*, the patent application). Example slides presented by AIPLA to Office management over the last several years clearly show errors created by the Office in processing submitted DOCX files.<sup>16</sup> While the Office has corrected some of the errors, DOCX is a computer format that is specific to a single company (Microsoft). DOCX is not a globally standardized format – it has been unilaterally changed by Microsoft several times<sup>17</sup> since its introduction.<sup>18</sup> The use of a propriety format such as DOCX, which will continue to be modified by its owner(s), will continue to result in a high probability that errors will occur. The consequences of errors can result in significant damages (*e.g.*, in the tens or hundreds of millions of dollars) to applicants and patent practitioners.<sup>19</sup>

Further, as implemented by the Office, a DOCX formatted document is considered to be the ultimate legal record copy of the patent application. So long as the DOCX file serves this purpose, there is no current mechanism to correct errors introduced by the Office's rendering of the patent application. AIPLA has proffered that allowing the applicant to, at their discretion, file a document (such as a PDF) of which applicant is confident, will relieve many burdens that are associated with the DOCX filing requirement. If such a PDF, *e.g.*, is considered to be the ultimate legal record copy representing what an applicant intended to file, any errors caused by DOCX rendering can be corrected. Greater Office efficiency might even be achieved if applicants were allowed to submit a text-based PDF instead of having to file two (2) forms of the application that are intended to be the same document. In addition, PDF technology is a globally standardized,<sup>20</sup> platform-agnostic computer format, *i.e.*, independent of the word processor used.

Also, a U.S. patent application filing is often a first step in seeking global patent protection. If that first step is flawed because of DOCX related errors, patent offices in other countries may not allow correction of such errors, resulting in the inability to obtain patent protection. The

---

<sup>14</sup> See Attached DOCX AIPLA Presentation FINAL – 2020-05-22 Revised 2020-05-29 Slides 18-28.

<sup>15</sup> See Attached DOCX AIPLA Presentation for USPTO Director Vidal 12-14-2022 Examples on Pages 6 and 13-15.

<sup>16</sup> See Attached DOCX AIPLA Presentation for USPTO Director Vidal 12-14-2022 Examples on Pages 6 and 13-15.

<sup>17</sup> Oppedahl, The Fool's Errand That Is DOCX, 12/27/2022, [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=4346907](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4346907), Page 11.

<sup>18</sup> Oppedahl, The Fool's Errand That Is DOCX, 12/27/2022, [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=4346907](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4346907), Page 5.

<sup>19</sup> Some risks include potential patent invalidity or unenforceability and associated loss of rights.

<sup>20</sup> ISO 32000. See also 44 U.S.C. § 3506(c)(3)(B), "Each Agency shall . . . certify . . . that each collection of information submitted to the Director for review under section 3507 . . . is not unnecessarily duplicative of information otherwise reasonably accessible to the agency. . ."

calculation of burden to applicants must address the implications on patent application filing in other nations as well as compliance with Patent Cooperation Treaty (PCT) filing requirements.<sup>21</sup>

Conceptually, using a standardized application format has many advantages for processing and reviewing patent applications. Nonetheless, the risk of error is too great and any information collection of the DOCX format will result in continued intermittent errors being encountered.

- (d) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses.

As noted above, the use of DOCX creates a substantially greater burden on patent applicants than any efficiencies or cost savings that might be seen by the Office – the burden on applicants is significantly greater. In order to minimize the burden, AIPLA strongly urges that applicants be able to file a single document (such as a text-based PDF) that is legally sufficient to correct any errors that may be introduced by IT systems.

#### Concluding Remarks

AIPLA believes that the current information collection is defective because it fails to address the disproportionate burden placed on patent applicants in being forced to either file an application in DOCX format or pay a fee. DOCX filing is fraught with legal and technical challenges that have not been addressed and for which solutions are unlikely.

AIPLA appreciates the opportunity to provide feedback to the Office on the Notice and we look forward to continuing collaborative dialogue in addressing both information collection requirements of the PRA as well as any IT transition to a more suitable file format.

Sincerely,



Brian Batzli  
President  
American Intellectual Property Law Association

---

<sup>21</sup> See, *e.g.*, WIPO: Summary of the Patent Cooperation Treaty (PCT), available at [https://www.wipo.int/treaties/en/registration/pct/summary\\_pct.html](https://www.wipo.int/treaties/en/registration/pct/summary_pct.html), last accessed July 7, 2023.

Attachments

1. DOCX AIPLA Presentation for USPTO Director Vidal 12-14-2022 Examples
2. DOCX AIPLA Presentation for USPTO Director Vidal 12-14-2022 Examples
3. Comments on USPTO Setting and Adjusting Patent Fees During Fiscal Year 2020  
[Docket No. PTO-P-2018-0031]



Appendix I

# DOCX Filing using the USPTO Patent Center

How and What to Submit

Submitter Beware

Brad Forrest

Schwegman Lundberg & Woessner

## This needed updating if we want to do it...? The Afterparty

- Join from PC, Mac, Linux, iOS or Android:  
<https://slwip.zoom.us/j/93221921599?pwd=RndNb3RiRlJqRW9LSlRCcXhva3NuZz09>
- Password: 150211



# Patent Center Application Filing Using DOCX Files

- January 1, 2022 – file DOCX files or pay \$400/200/100
- For all 37 CFR 111 filings
- USPTO Systems Built Around Needing Tag Based Text
- **DOCX files CAN look different on different systems**

# A Brief History of Filing Applications

- Paper, typed, velum, India Ink Drawings Hand carried to USPTO
- Inventor and attorney review what is to be filed
- Mail
- Express mail

# A Brief History of Filing Application

- EFS – PDF created and proofed by applicant
- Inventor and attorney review PDF
- Patent Center – DOCX, or extra \$400 (large entity)
- DOCX displayed by USPTO System – What did the inventor review?
- **DOCX can display differently on different systems!!**
  - Examples to follow

# 37 CFR § 1.63 Inventor's oath or declaration.

- (c) A [person](#) may not execute an oath or declaration for an application unless that [person](#) **has reviewed and understands** the contents of the application, including the claims
- an acknowledgment that any willful false statement made in such declaration or statement is punishable under [18 U.S.C. 1001](#) by fine or imprisonment
- Must remain applicable after alterations. MPEP 602.08(b)

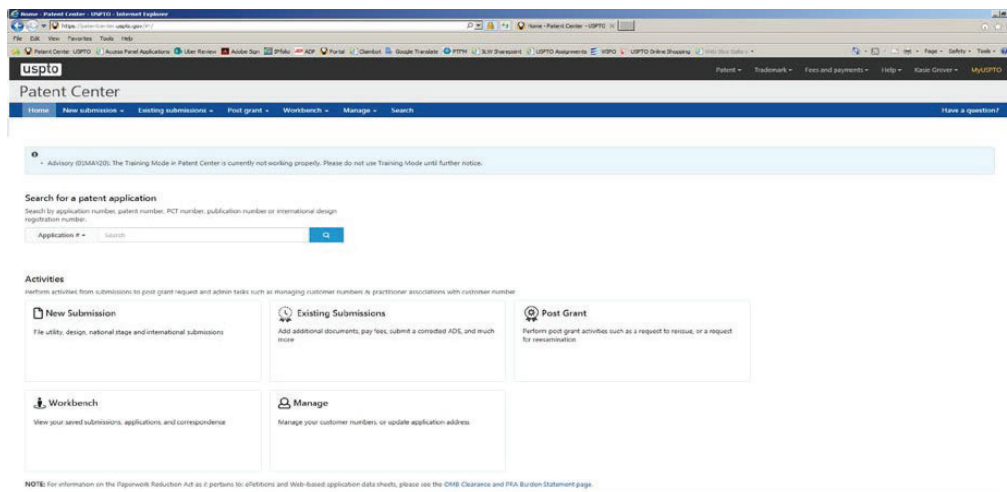
# DOCX PROCESS

- PTO Training weekly
- Navigate to Patent Center
- Select new submission
- Load docx of spec, PDF drawings, ADS
- Review errors and warnings
- Click button that makes the USPTO created PDF (DOCX document in the Final Rule) the document of record/Evidentiary Copy per June 2, 2021 Final Rule
- I hope you proofed it well before the system timed out



# Patent Center Home Page

- <https://patentcenter.uspto.gov/#/>
- Includes link to final rule



# Patent Center Home Page – Functions

- New PAIR Function

## Search for a patent application

Search by application number, patent number, PCT number, publication number or international design registration number.

- New Submission Function

### Activities

Perform activities from submissions to post grant request and admin tasks such as managing customer numbers & practitioner associations with customer number

#### New Submission

File utility, design, national stage and international submissions

#### Petitions

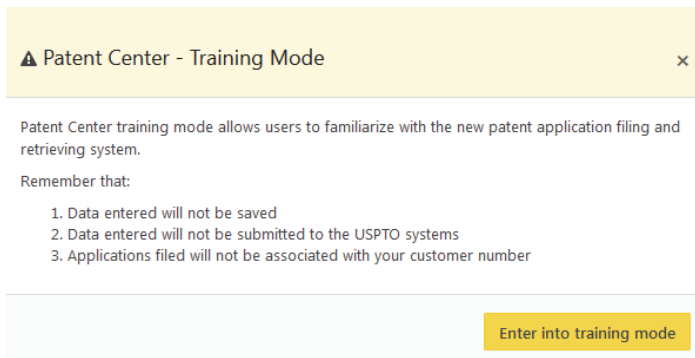
File ePetitions for automatic processing and immediate grant, if all requirements are met

#### Post Grant

Perform post grant activities such as a request to reissue, or a request for reexamination

# Patent Center Home Page – Training

- Training Mode – don't log in to access this



▲ Patent Center - Training Mode ×

Patent Center training mode allows users to familiarize with the new patent application filing and retrieving system.

Remember that:

1. Data entered will not be saved
2. Data entered will not be submitted to the USPTO systems
3. Applications filed will not be associated with your customer number

[Enter into training mode](#)

- Quick Start and Training Guides on Patent Center website

# Submitting DOCX – Upload Page












The screenshot shows the 'Utility Nonprovisional' upload page in the USPTO Patent Center. The page title is 'Utility Nonprovisional' with the subtitle 'Nonprovisional Application under 35 USC 111(a)'. A progress bar at the top right indicates the current step is 'Upload documents', with other steps being 'Application data', 'Calculate fees', and 'Review & submit'. Below the title, there is an 'Upload documents' section with the instruction: 'Add files that you wish to accompany your patent application submission. To add more files, use the file upload interaction or drag & drop them into the area below.' A 'Select file(s)...' button is present. In the center, there is a graphic with a document icon and the text: 'To get started, drag and drop files here OR upload using the Select file(s) button above'. At the bottom of the main content area, there are 'Back', 'Cancel submission', 'Save', and 'Continue' buttons. The footer contains the USPTO logo and navigation links for 'BROWSE BY TOPIC', 'ABOUT THIS SITE', 'USPTO BACKGROUND', and 'FEDERAL GOVERNMENT'.


# Submitting DOCX – Uploading

- You will need to submit 3 different file types:
  - ADS (WEB/FILLABLE/PDF)
  - DOCX version of Application – Paragraph numbering required
  - PDF of Drawings

Total documents uploaded: 3 [Download all documents](#)

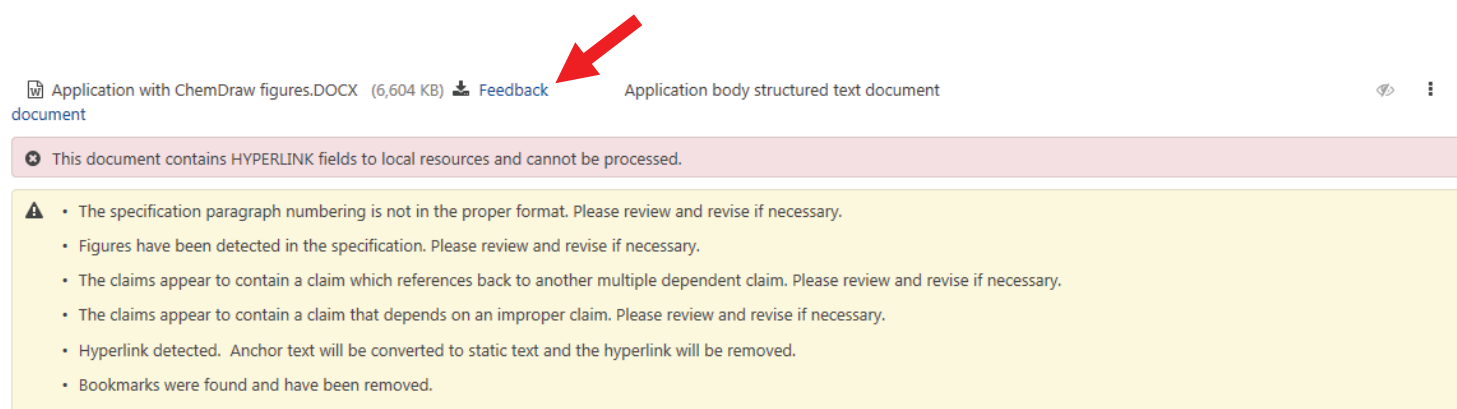
The PDF(s) have been generated from the docx file(s). Please review the PDF(s) for accuracy. By clicking the submit button, you agree to accept any changes made by the conversion and that it will become the final submission. ✕

 ADS.pdf (199 KB / 6 pages)	Application Data Sheet	 
 This is not a USPTO supplied ADS fillable form. Data in the form cannot be automatically loaded to other USPTO systems.		
 Drawings.pdf (29 KB / 3 pages)	Drawings-only black and white line drawings	 
 Specification-APP.TEXT.docx (76 KB / 4 pages)  <a href="#">Feedback document</a>	Application body structured text document	 

 The system detected multiple sections within the document. The individual sections may be downloaded after the submission by going to the respective application's IFW.  
**Detected:** Specification, Claims, Abstract

# Submitting DOCX – Warnings/Errors

- The system will indicate any warnings/errors and generate a feedback document for review



The screenshot shows a document viewer interface. At the top, the document title is "Application with ChemDraw figures.DOCX (6,604 KB)" with a download icon and the word "Feedback" next to it. A red arrow points to the "Feedback" text. To the right of the title is the text "Application body structured text document". Below the title bar is a pink warning bar that reads: "This document contains HYPERLINK fields to local resources and cannot be processed." Below that is a yellow warning box with a triangle icon and a list of six items:

- The specification paragraph numbering is not in the proper format. Please review and revise if necessary.
- Figures have been detected in the specification. Please review and revise if necessary.
- The claims appear to contain a claim which references back to another multiple dependent claim. Please review and revise if necessary.
- The claims appear to contain a claim that depends on an improper claim. Please review and revise if necessary.
- Hyperlink detected. Anchor text will be converted to static text and the hyperlink will be removed.
- Bookmarks were found and have been removed.

- You can submit an application with a warning but cannot submit an application with an error

# Submitting DOCX- Feedback Document

- The document will contain balloons where warnings/errors occur

**TEST APPLICATION FOR VARIOUS TYPES OF FORMULAS**

**TECHNICAL FIELD |**

[0002] Embodiments described herein generally relate to formulas.

**BACKGROUND**

[0003] Formulas are fun.

**BRIEF DESCRIPTION OF THE DRAWINGS |**

[0005] In the drawings

[0006] FIG. 1 is a block diagram of something.

**DETAILED DESCRIPTION |**

[0035] This section includes editable mathematical and chemical formulas are described.

Residual motion  $\vec{u}$  may calculated as follows:

**USPTO Feedback Summary:**

- Independent claim count = 1
- Dependent claim count = 3

**Warnings (3) • The specification paragraph numbering is not consecutive. (3 Instances)**

- Figures were found in the specification.
- No page numbers were detected. Page numbering will be automatically applied after submission.

**USPTO Warning**  
This specification paragraph number is out of order.

**USPTO Warning**  
This specification paragraph number is out of order.



**USPTO Warning**  
This specification paragraph number is out of order.


# Submitting DOCX – Document of Record

Total documents uploaded: 1

[Download all documents](#)

Please review the DOCX file(s) that is being submitted. By clicking the submit button, you agree to accept the DOCX validation(s) as your final submission.

 021WO1-APP.TEXT.docx (67 KB / 29 pages) Application body structured text document  
 [Feedback document](#)

 The system detected multiple sections within the document. The individual sections may be downloaded after the submission by going to the respective application's IFW.  
**Detected:** Abstract, Claims, Specification

- Your final warning before clicking submit

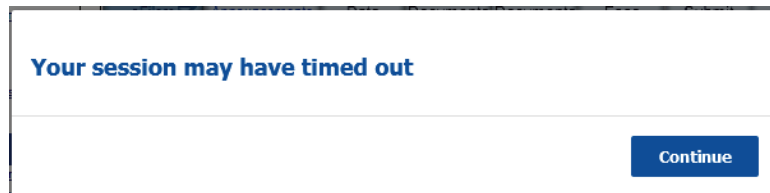


# Proofing

- A hash of the DOCX file is generated by the USPTO
  - See submission receipt
- You can find your own hash generator and check to make sure they match – after you have filed.
- However, rendering the DOCX file may still vary depending on platform
- If a formula is missing or mangled
  - Enablement?
  - Inequitable conduct?
  - Malpractice?

# Submitting DOCX – Timeout

- Your session will timeout after a designated time of inactivity
  - Less time for review of generated PDF
  - Saved submissions require re-review



# Warning!!!

- Our testing has shown that most formulas and chemical drawings using Chemdraw<sup>®</sup> Software come out ok.
- Others have described problems.
  - See Carl Opedahl's blog:  
<https://blog.oppedahl.com/?s=docx>
- Hidden URL prevented filing using DOCX – test mode did not identify the URL.
  - Finally identified in submitting mode

# Warning, Cont.

- DOCX is designed to adapt for each computer it's rendered on.
  - Pagination may change
  - Non Microsoft shops are likely to encounter bigger changes
- List of fonts supported by DOCX.
  - Subject to change without notice
- Plugins and additional settings are not allowed
  - Why suddenly restrict how inventors can describe their inventions?

# Potential for Error in Filing

- USPTO DOCX file may display differently on USPTO system.
  - It even happened within our firm on different computers
- Software changes over time
- LaTeX used for math heavy research papers
- New ways to express new ideas
  - Next example apparently fixed by programmers
  - But, what about the next new way to express a new idea?

# Example

- SUBMITTED DOCX:

```
[0128] [h,w]=size(lin);
        lout=zeros(size(lin));
        for i=1:h,
            for j=1:w,
                x=j;
                y=i;
                S=dZ/(f*H);
                x1=x(:)-x0;
                y1=y(:)-y0;
                y2=y1./(1+y1*S);
                x2=x1./(1+y1*S);
                x2=x2+x0;
                y2=y2+y0;
                lout(i,j)=bilinearInterpolate(lin,x2,y2);
            end;
        end;
```

- USPTO DOCX:

```
[0128] [h,w]=size(lin);
        i=1:h,
        [h,w]=size(lin);
        for j=1:w,
            y=i;
            x1=x(:)-x0;
            y2=y1./(1+y1*S);
            lout(i,j)=bilinearInterpolate(lin,x2,y2);
        end;
        lout=zeros(size(lin));
        x=j;
        S=dZ/(f*H);
        y1=y(:)-y0;
        x2=x2+x0;
        end;
        end;
```

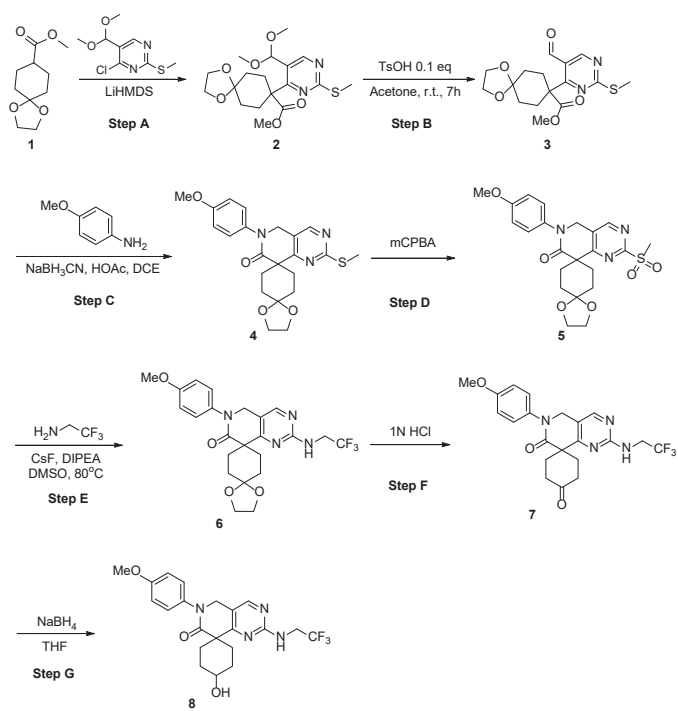
# Example

PTO PDF:

```
[0009] [h,w]=size(Iin);          Iout=zeros(size(Iin));      for i=1:h,
        for j=1:w,                x=j;
            y=i;                  S=dZ/(f*H);          x1=x(:)-
κ0;                                y1=y(:)-y0;
            y2=y1./(1+y1*S);      x2=x1./(1+y1*S);
            x2=x2+x0;             y2=y2+y0;
            Iout(i,j)=bilinearInterpolate(Iin,x2,y2);      end;
        end;
```

# Examples

SUBMITTED DOCX:





# Potential for Error in Filing

- Concrete Examples:
  - Libre Office emailing DOCX to Office 365
    - Different page breaks
    - Different indents
    - Different spaces
    - Fonts rendered differently
    - Math formulas look different

$$f(u) = \cos(u)^3 \exp(0.2u)$$

- Converts to:

$$f(u) = \cos(u)^3 \exp(10.2u)$$

Hard to find errors when  
filing – no error or warning

$$M(x)[Z] \leq \exp(\epsilon \cdot d(x, x')) \cdot M(x')[Z].$$

$$M(\square)[Z] \leq \exp(\square \cdot \square(\square, \square')) \cdot M(\square')[Z].$$

# Examples

**Error! No text of specified style in document.**

Various components goofed up

**Error! No text of specified style in document.**

## ABSTRACT

An endoscope. One

vi  
pc  
an  
to  
le:  
pr  
ha  
th  
de  
se

ble  
sible  
ance  
e  
A  
om  
ft is

# Hard to find errors

- Hidden hyperlink
  - Does not appear when reading application
  - Apparently F9 will reveal in MS Word.
  - Fixed
- Unrecognizable font error associated with Chemical equation
  - Prevents filing and hard to find.
  - Fixed
- “CONCLUSION” – on a separate line prevented filing

# Hard to find errors

- PDF resulted in blank pages in PTO version
- USPTO programmer says it has been fixed after we provided an example
  - Temporary system resource constraint
  - But - hyperlink **error** returned.
    - P [272] – Javascript hyperlink
    - Now it works
- Providing client confidential information in testing is problematic – we had to work to create non-confidential examples when encountering errors.

# Compatible with Current Filing Process?

- Inventor approves PDF of Application
  - That's not what we have to file to avoid non-docx filling fee
  - Can't control inventor system to review docx file
- Limited time to proof converted PDF
- Existing applicant processes may need changing, but how?
  - Paralegal files after practitioner approves final draft
  - Who does the proofing
  - This process is not compatible with Patent Center DOCX filing

# Process Legal Issues

- What does inventor approve?
- How does that correspond to the USPTO displayed DOCX file?
- What if error not found before hitting submit?
- Malpractice?
- Inequitable conduct?
  - W. Covey (OED) says if good process followed, you should be ok
  - Malpractice plaintiff might not be so nice.

# Before Patent Center Becomes Trusted

- Consider filing a same day provisional application in PDF without a fee
- Proof the PDF closely within two months of filing
- If errors, pay the provisional fee and claim priority
- Submit a preliminary amendment
- Use images of formulas in DOCX document
  - Enlarge the images as resolution reduced to 300x300 DPI for storage in USPTO system



# Provisional PDF Might not help you

- Internationally – 91BIS – obvious error
  - Different result in different countries
  - Playing with fire
- US - priority claim has to be present at filing. (MPEP 257 addressing 1.57)
  - filed on or after September 21, 2004
- Can burn up \$400 worth of protective measures fairly quickly

# Advocacy Efforts

- Several meetings with USPTO over 2 years
- Worked to provide examples to programmers
- Asked PTO to make applicant provided PDF the document of record/Evidentiary Copy
  - PDF should be a priority document
- Reduce/eliminate fee for non DOCX filing
  - Admitted cost to Office is only \$3.15 per application.

# DOCX fonts

- **DOCX Supported Font List**
- **\*may be subject to change without notice**

Arial	Batangche	Fang Song	Symbol
Arial Black	Calibri	Georgia	Tahoma
Arial Narrow	Cambria	Helvetica Neue	Times
Arial Rounded Mt	Cambria Math	Liberation	Times New Roman
Arial Unicode Ms	Castellar	MS Mincho	Trebuchet MS
Ariel	Courier	MS pmincho	Verdana
Ariel Black	Courier New	Pmingliu	Wide Latin
Batang	Extb	Simsun	

## The Afterparty

- Join from PC, Mac, Linux, iOS or Android:  
<https://slwip.zoom.us/j/93221921599?pwd=RndNb3RiRlJqRW9LSIRCcXhva3NuZz09>
- Password: 150211



Appendix II



# DOCX

December 14, 2022

# AIPLA

Serving the

Creative and Legal Communities

## Collaboration

- USPTO has been very receptive to discussions
- Programmers keep improving the system, are fixing identified problems, and have been very helpful – **THANKS!**
- We acknowledge the need for text and the savings to the USPTO
- Please acknowledge our need for accuracy

## Expense to Applicants (APA/PRA)

- Additional proofing
- Creating and inserting images of complex formulas because fonts are not supported
- Risk mitigation
  - Incur fee for important and complex applications
    - *And for last minute applications that result in errors*
  - File PCT instead which does not require DOCX but does take advantage of accessible PDF
  - File provisional first which does not require DOCX
- International – Will other offices support the same fonts?
  - 91BIS – obvious mistake
- Higher risk of invalidity
- Higher malpractice insurance



## LAW FIRM TESTING

- Process:
  - File DOCX with Auxiliary PDF
  - Proof Patent Center created PDF within a week
  - Submit Petition if error found
  - Still ramping up
- Simple applications work fine
- Problems with complex formulas, structures, symbols
- Extra work and cost to Applicant

## Even Adobe can't make DOCX work perfectly

- Used Adobe Sign to create the PDF for inventor signature by uploading DOCX file
- The PDF created by Adobe Sign had the same errors as the PDF created by Patent Center
- Petition will not work
- Lesson: Generate PDF on same machine on which the DOCX file was generated/viewed

# AIPLA

Example - Adobe Sign and Patent Center both did this:

$$V_{Dp}/2$$

$$V_{Dp}/2$$

## What are Law Firms doing?

- Recruited some firms early on to try live filing
  - Initial enthusiasm
- Resistance
  - Risk of errors and malpractice
  - Firms especially tentative as errors can be **a firm ending event**
- Some file using EFS and then check in DOCX test mode
- Have heard some large firms will just incur the non-docx fee
- Many have not determined how to proceed

## Recommendations

- BEST: Make Applicant provided PDF the document of record
- MARGINAL: Allow applicant provided PDF to be used to correct the document of record
  - Keep for 6 years after patent expires
  - Will still receive pushback
- Assure International filing will not be adversely affected
  - How will the DOCX document display on International systems?
  - Will they allow correcting?

## Food for Thought

- Reduce/eliminate fee for non DOCX filing
  - Cost to Office is \$3.15 per application
- Consider use of the text readable/searchable **Accessible PDF** provided by the filer
  - PTO initial study based on old technology
    - *easier now to generate text in format needed*

## 12/6/2022 Director email points

- Past issues addressed, not future issues
  - Small sample size
  - DOCX fundamentally allows different display on different systems
  - New inventions require new ways to express
- Gaming problems – inconsistent DOCX and PDF
  - Have submitter certify the PDF was generated directly from the DOCX document
    - *Enforce via inequitable conduct and OED*

## Current Status

- DOCX document is the document of record
- Can submit user created (Auxiliary) PDF and correct via free petition until year end (plus 6 more months or more?)
- DOCX is designed to adapt for each computer on which it is rendered
  - Pagination may change
  - Limited font support
- DOCX file may display differently on USPTO system



# AIPLA

Extra slides with more previously shown examples, many of which have been addressed by the programmers

Pseudocode example fixed, but will it work when other pseudocode or formatting is used to express new ideas?

- SUBMITTED DOCX:
- [0128]

```
[h,w]=size(lin);
lout=zeros(size(lin));
for i=1:h,
    for j=1:w,
        x=j;
        y=i;
        S=dZ/(f*H);
        x1=x(:)-x0;
        y1=y(:)-y0;
        y2=y1./(1+y1*S);
        x2=x1./(1+y1*S);
        x2=x2+x0;
        y2=y2+y0;
        lout(i,j)=bilinearInterpolate(lin,x2,y2);
    end;
end;
```

- USPTO DOCX:
- [0128]

```
[h,w]=size(lin);
for j=1:w,
    y=i;
    x1=x(:)-x0;
    y2=y1./(1+y1*S);
    y2=y2+y0;
end;

lout=zeros(size(lin));

x=j;
S=dZ/(f*H);
y1=y(:)-y0;
x2=x1./(1+y1*S);

for i=1:h,
    x2=x2+x0;
    lout(i,j)=bilinearInterpolate(lin,x2,y2);
end;
```

## Hard to find errors

- Hidden hyperlink
  - Does not appear when reading application
  - Apparently F9 will reveal in MS Word
  - Fixed
- Unrecognizable font error associated with Chemical equation
  - Prevents filing and hard to find
  - Fixed
- “CONCLUSION” – on a separate line prevented filing

## Hard to find errors

- PDF resulted in blank pages in PTO version
- USPTO programmer says it has been fixed after we provided an example
  - Temporary system resource constraint
  - But - hyperlink **error** returned
    - *P [272] – Javascript hyperlink*
    - *Now it works*
- Providing client confidential information in testing is problematic – we had to work to create non-confidential examples when encountering errors

Appendix III

# AIPLA

## American Intellectual Property Law Association

September 30, 2019

Honorable Andrei Iancu  
Under Secretary of Commerce for Intellectual  
Property and Director of the United States  
Patent and Trademark Office, 600 Dulany Street Alexandria, VA 22314  
*Via email: [fee.setting@uspto.gov](mailto:fee.setting@uspto.gov)*

*Attention: Brendan Hourigan*

**RE:           Comments on USPTO Setting and Adjusting Patent Fees During Fiscal  
Year 2020 [Docket No. PTO-P-2018-0031]**

Dear Director Iancu:

AIPLA appreciates the efforts by the U.S. Patent and Trademark Office in preparing this Notice of Proposed Rulemaking (NPRM) for Setting and Adjusting Patent Fees During Fiscal Year 2020.

AIPLA is a national bar association of approximately 12,000 members engaged in private or corporate practice, in government service, and in the academic community. AIPLA members represent a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, trade secret, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property. Our mission includes helping establish and maintain fair and effective laws and policies that stimulate and reward invention while balancing the public's interest in healthy competition, reasonable costs, and basic fairness.

Our comments below address seven aspects of the proposed fee schedule: general comments on the proposed fees; comments on the surcharge for not filing patent applications in docx format, comments on the surcharge for late payment of maintenance fees within 6 months, comments on the patent trial and appeal fees, comments on the annual practitioner fee, and comments on the CLE discount for this fee.

AIPLA has, in the past, expressed the view that fees, in the aggregate, should recover 100% of the costs of the USPTO, and that the relationship between "front-end" (filing, search, examination, etc.) and "back-end" fees (e.g., issue fees, RCE fees and, maintenance fees) should be maintained. For example, the search and examination fees for patents should not necessarily be set to recover the entire costs of front-end processing for patents and a portion of such costs

should continue to be borne by maintenance and renewal fees.<sup>1</sup> This approach balances the fees to ensure that front-end fees remain low enough to allow a wide range of inventors and businesses to seek patent protection, making up the shortfall with back-end fees.

### **1. General Comments on the Proposed Fee Schedule**

The proposal contains a multitude of fee increases, some of which AIPLA does not have concerns with, while other fee increases do concern AIPLA. For example, Section V(A) of the NPRM describes an across the board adjustment of 5% in patent fees. We understand that these fees may be justifiable for many reasons, such as to compensate for inflation over the three-year period in which they will be in effect, to pay for employee merit wage increases, to update infrastructure, or to provide new or improved services.

AIPLA, with membership practitioners both in corporations and in private practice representing large entities, small entities and micro entities is concerned that many of the proposed fee increases will, ultimately, increase the cost of obtaining patents and may result in a reduction in filings as all entities, regardless of size, allocate their limited resources to fewer patents. Given that many entities have a fixed budget for IP portfolios, many of these fee increases will ultimately increase the cost of obtaining and maintaining patents and may result in a reduction of patents in the entities' portfolios. Consequently, these fee increases need to be well justified.

Applying these fee increases, and especially the fee increases of 25% or more, dramatically impacts small and micro entities. While we understand that the Office is statutorily limited in the discounts it can provide to small and micro entities, we urge the Office to reconsider the increases that most significantly impact those entities.

In the same vein, AIPLA encourages the Office to consider the policy implications of certain proposed fee increases. For example, AIPLA is concerned that the new surcharge for paying maintenance fees during the grace period may disproportionately affect small and micro entities who are less likely to use sophisticated docketing systems or maintenance payment services than large entities.

### **2. Comments on the Surcharge for not Filing in docx Format**

The Fee Proposal includes adding a Surcharge of \$400 for utility non-provisional filings submitted in a format other than DOCX. While AIPLA is aware of the benefits of receiving character-based submissions rather than image-based submissions, we do have concerns about how the USPTO proposes to implement character-based submissions using docx files. A main difficulty with the USPTO's proposed requirement that an applicant file "a docx file" is that there is no single unambiguous docx format. A set of inputs to one word processor (e.g., some text, some chemical formulas, some math equations) will yield a file with an extension of docx with particular data content. Those exact same inputs to another word processor (the exact same text, the exact same chemical formulas, the exact same math equations) will yield a file with the same docx extension but with non-identical data content. Our members who have submitted documents in docx format have noted format changes and errors in the text when their

---

<sup>1</sup> AIPLA Comments to the Patent Public Advisory Committee (PPAC) on the "Proposed Patent Fee Schedule," February 29, 2012 ("AIPLA 2012 Comments to PPAC"), Page 3 ([PDF](#))

documents were converted to portable document format (pdf) by the rendering engine used by the USPTO. Implementing the proposed fee before there is a consistent unambiguous standard for a docx file is premature.

The process for submitting a docx file is also uncertain and unclear. For example, in the e-filing process the user uploads a file with a docx extension, and the USPTO system runs the docx file through a rendering engine to yield a pdf file. The user is then told that if the user clicks "submit", the user is agreeing that the pdf will be the document of record. This means that, prior to clicking "submit," the user must proofread the entirety of the pdf file so as to detect corruptions introduced by incompatibilities of the docx file submitted by the user and the USPTO's rendering engine. Further, while the docx web page<sup>2</sup> indicates that the submission of a docx file generates a unique hash based on the content of the file to ensure that the docx file cannot be changed post-submission, there is no indication as to when and how this hash is checked to determine whether a document has been modified or whether it would matter if it had been modified as the converted pdf document is the official record. Because the converted pdf document is the official record, it appears that any discrepancies discovered after submission cannot be corrected.

One solution would be to allow applicants to implement a process similar to the "pre-conversion format" procedure provided under Section 706 of the PCT Administrative Instructions. This procedure permits applicants to correct errors in the converted document based on the pre-conversion document after filing. Alternatively, the Office could allow an applicant to submit a pdf document generated by their own rendering engine as the official record. Another solution might be allowing applicants to submit both docx and pdf files, with the pdf files, generated by the applicant's rendering engine, being the "official" submission. In this case, it would be relatively easy to revert to the pdf in the case of the corrupted e-submission of the docx file or issues arising due to the incompatibility of the word processors.

AIPLA recognizes with approval the Office's stated undertaking to scrub a variety of types of metadata from uploaded docx files. This gives rise, however, to questions about what if anything is preserved in the permanent record in the USPTO systems. Is the only version of the docx file that gets preserved in USPTO's systems a post-scrubbing version? If so, then what if the scrubbing process, though well intentioned, also inadvertently corrupts some substantive content as rendered? If on the other hand the USPTO were to preserve the pre-scrubbed version of the docx file (so as to guard against such possible inadvertent corruption) then the scrubbing does not protect the filer, and the filer faces the substantial burden of having to carry out such scrubbing each time that any e-filing activity takes place. Any lapse by the filer in the scrubbing process presents a substantial risk of loss of attorney-client privilege or other work product or sensitive or confidential information.

AIPLA is also concerned with the magnitude of the fee for not submitting a docx file. The NPRM admits that running optical character recognition on the document costs about \$3.15 per document. Thus, the \$400 fee appears to be an attempt to recover more than the aggregate cost of generating a character-based document. In addition, these surcharges of \$200 for a small entity and \$100 for a micro entity place an undue burden on these entities. These surcharges may be much less than the cost of checking the rendered pdf document for errors resulting in

---

<sup>2</sup> <https://www.uspto.gov/patent/docx>



large, small, and micro entities choosing to pay the surcharge rather than paying to have the rendered submission checked.

### **3. The Surcharge for Late Payment of Maintenance Fees Within the 6 Month Grace Period.**

Our members do not believe that these fees are justified based on services provided. Further, the Office did not identify any damage to the public resulting from use of the 6-month grace period. A competitor would still need to wait until the expiration of the grace period to know that the maintenance fee has not been paid. The surcharge may disproportionately affect small and micro entities who are more likely to need the 6-month grace period as they might not be able to afford to use any of the commercial maintenance fee services. These fees will also affect large entities who use the grace period as a part of their decision-making process on which patents to maintain. AIPLA appreciates the reduction in these fees from \$1000 to \$500 for large entities in the PPAC submission. If the goal is to minimize the use of the grace period, we strongly suggest that the Office initiate procedures to notify patentees by USPS mail and email, to all registered email addresses, of both the due date for the maintenance fees to be paid and entrance into the grace period.

### **4. Patent Trial and Appeal Fees**

AIPLA remains concerned about the 25 percent increase in the fees for Inter-Partes Review proceedings and Post-Grant Review proceeding. While we understand that these increases may be justified by the additional work required as a result of the *SAS* decision, the NPRM admits that there is not sufficient data, at this time, to determine whether this increase is reasonable. Furthermore, our members note that there has been an overall decline in institutions from January 2018 when the current fees were implemented. AIPLA encourages the Office to revisit these fees and to provide support to justify these PTAB fee increases. For example, data from the PTAB on the work required for complete institution cases versus the pre-*SAS* partial institution cases has not been made available to allow us to determine whether the proposed increase is reasonable. AIPLA notes that most of the additional work required by the *SAS* decision occurs after the institution of the proceeding. AIPLA again suggests that the Office consider a way of dividing up the fees so that the pre-institution fees bear less of any increased cost than the post-institution fees.

### **5. Request for Expedited Examination of a Design Application**

AIPLA objects to the proposed 122% increase in the fee for making a Request for Expedited Examination of a Design Application, from \$900 to \$2000 as this increase has not been adequately justified as based on cost of recovery or value to recipient. The NPRM only opaquely describes the Office's need without any calculation or demonstration of burden hours and threatens to close the program without the full increase, improperly discouraging applicant behavior.

Such a large increase will disproportionately impact design patents compared to utility patents, substantially limit small entities from obtaining meaningfully-prompt design protection, and will disadvantage applicants using the U.S. design patent system to obtain design protection compared to the European Registered Community Design system.

Because design applications are limited to a single claim, the proposed increase would cause applicants to pay roughly twice as much to expedite the examination of four design patent claims as it would be to expedite the examination of four utility patent claims. Applicants seeking expedited design examination should not be so disadvantaged compared to applicants seeking expedited utility examination. An increase so large is more likely to impact small entities and micro-entities that have fewer financial resources.

Although some industrial designs can be protected through copyright law, designs which do not qualify should not suffer from lack of affordable expedited procedures to enable their owners to rapidly obtain rights to stop unauthorized, infringing use; nor should applicants be forced to rely on copyright law for prompt protection of industrial designs, as it might not be effective.

## **6. Annual Practitioners' Fee and Continuing Legal Education Discount**

The Fee Setting NPRM provides amendments to implement an annual practitioners' fee (APF) that includes a discount for certifying compliance with approved continuing legal education (CLE). The proposed rule changes are incomplete and our members have many questions about how the funds collected from the APF will be used, how the APF and CLE discount will be administered, and how stakeholders will be affected. To address these questions, AIPLA strongly urges the Office to remove the APF and the CLE discount from the Fee Setting NPRM and to issue one or more separate NPRMs for any proposed APF and CLE discount or requirement.

### **a. Annual Practitioners Fee**

In principle, AIPLA strongly supports an adequately and properly funded OED. We do not, however, agree with funding the OED through the APF as established in the Fee Setting NPRM. We note that the Office proposed a practitioner fee as a part of a rule making in the early 2000's, and it was not adopted at that time. No reason is provided in the Fee Setting NPRM for why this issue is being revisited. If some urgency has arisen, this justification should be explained in the NPRM. The APF proposes amendments to part 11 of 37 C.F.R. and these amendments are incomplete, as many questions remain about the basis and use of the fees, and the administration and implementation of these rules. AIPLA believes that the Office should provide a more complete set of rules in one or more separate NPRMs rather than promulgating these rules in the Fee Setting NPRM under the Section 10 fee setting authority.

#### **i. How Will the APF Funds Be Used?**

More clarity is warranted on the need for the APF, how it would be used, and how it would be administered than can be provided in the limited text of the Fee Setting NPRM that concerns the APF. We would like more information on how the OED's use of any fees relate to the OED's mission, responsibilities, workload and activities and how these relate to the Section 10 fee setting authority; we also want to know what issues at OED are being addressed under the increased funding provided by the APF.

In particular, the separate NPRM for the APF should address the specific OED services and other services that will be funded by the APF and how the collected funds will be applied to those services, as well as the statutory authority the Office is relying upon for these new fees. AIPLA notes that the OED already charges fees for many services that OED provides. For example, an application fee for admission to the examination for registration, a fee for

administering the registration examination, and a fee for recognition or registration after disbarment or suspension on ethical grounds. Could at least some of the funding for the OED be recovered by increasing these fees? The Office estimates that the APF fee will raise 10-11 million dollars per year. This amount seems excessive to fund the patent-related services provided by the OED, especially when considered as an increase to the existing fees collected pursuant to 37 C.F.R. § 1.21(a)(1)-(10). Further, we remain concerned that the increased funding should not be used to expand the role of the OED *per se* to include active investigation of practitioners that is not linked to a complaint or to a notification from a state bar association.

The Fee Proposal indicates that instituting the APF will eliminate the need for the Office to perform its annual survey of patent practitioners. This, however, represents a net savings to the Office and should be reflected in any cost accounting produced to justify the APF.

The NPRM indicates that part of these fees will support the Law School Certification Program and the Patent Pro-Bono Program. The separate APF NPRM should provide details on the expenses for these programs that are born by the PTO and how the funds from the APF will be applied to these expenses.

As part of the APF justification, the Office indicated that this fee is commensurate with fees charged by state bar associations. State bar associations, however, provide more distinct services to their attorneys than the OED provides to patent practitioners. Additionally, our members report that the proposed fees are substantially higher than some state bar fees. We are concerned that the imposition of an APF will, whether by intent or mission-creep, result in an expansion of OED's mission with a concomitant need for increases in the APF to recover costs therefor.

## **ii. How Will the Office Administer the APF?**

Given that funds from the APF will be used for existing OED programs and to implement new programs, to what extent would the expense of administering the APF take resources away from other programs? The numerous practitioner statuses laid out in the proposed regulations seem unduly confusing. This is a complex scheme that is best implemented in a separate NPRM. Such complexity invites confusion by the public who employ patent professionals' services as to what each status means. The statuses include Administratively Suspended, Disciplinarily Suspended, Voluntarily Inactive, Emeritus, and Resigned. Each status has different fee requirements and different requirements for reactivation. Why would anyone opt for voluntary suspension over emeritus as there are no fees for emeritus status and reactivation is easier?

In this regard, however, we welcome the statement in the NPRM that only practitioners who have been resigned for more than two years would need to retake the registration examination.

AIPLA is concerned that the imposition and enforcement of the APF will have unintended consequences with far-reaching ramifications, and the NPRM fails to address most of these issues. For example, how will practitioners be notified as to when the fee is due? The NPRM states simply that "practitioners will be notified." Notification by mail alone may be insufficient, for example, when a practitioner has registered only their employer's address. When that practitioner has left an employer and their former employer does not forward mail, the practitioner may have no notice that the fee is due. We suggest that the separate NPRM for the APF include rules encouraging practitioners to register multiple mailing addresses and

multiple email addresses and that require notification by both USPS mail and by email to all of these addresses both when the fee is due and when any 30-day notices for non-payment are sent. The underlying priority would be ensuring that practitioners are afforded the widest latitude in meeting any registration obligations. This is critical because of the numerous implications/ramifications of an inadvertent administrative suspension.

When a practitioner is suspended for inadvertently failing to pay the fee, what is the status of any document filed by the practitioner during the suspension? If documents are deemed to be invalid, will there be a mechanism for retroactively validating the documents to prevent unintentional abandonment of applications or will the remedy be to file an expensive request for revival of an unintentional abandoned application? Practitioners make claim amendments and advance arguments during routine patent prosecution that not only impact the initial patentability analysis, but also form the file record that is reviewed and potentially litigated. Would prosecution by an inadvertently suspended practitioner cause a patent resulting from that prosecution to be invalid or unenforceable? Even in the best of circumstances, the administrative burden on both the Office and practitioners in rectifying and remedying an error of this type would be cumbersome. The NPRM does not justify the APF in light of the potential cost to the Office and the patent system as a whole.

AIPLA also encourages the Office to consider the administrative costs to law firms and corporations to make and keep track of APF payments. It is important to appreciate that patent applicants either directly or indirectly bear the burden of any increase in practice costs. While large entities and frequent patent filers might be able to absorb such costs, the burden on independent inventors, micro-entities, and many small and medium entities (SMEs) who can least afford the service of professional patent advocates will be disproportionately affected.

Will an administratively suspended practitioner, attorney or agent, lose attorney client privilege? Is OED required to report the administrative suspension of an attorney to their state bar? Did the Office consider that imposing the APF may result in an increase in practitioner malpractice premiums, especially if the PTO does not actively notify practitioners of their due dates by both USPS mail and email?

Thus, AIPLA is concerned that instituting an APF will increase the overall administrative cost of prosecuting patent applications and thereby induce micro entities and SMEs to save money by reducing their reliance on patent professionals. This may result in a reduction in patent quality and an additional burden on the Office. Consider, for example, that some independent inventors or micro-entities might further reduce their use of patent professionals who are skilled at preparing high quality applications and working with examiners. An increase in *pro se* prosecution would increase the burden on patent examination staff, thus increasing administrative costs, which runs counter to the Office's strategic goal of increasing patent quality.

#### **b. CLE Discount**

At the outset, we note that AIPLA, as a provider of CLE, strongly encourages practitioners to continue their legal education. CLE serves to engage practitioners, keeps them current on the law, and supports the industry goal of garnering the highest quality patents and intellectual property framework possible. The Office appears to echo this opinion by proposing that, should the APF be implemented, a discount will be applied to those practitioners who meet some

(currently vaguely defined) CLE compliance. As this discount is linked to the APF, AIPLA recommends that, like the APF, it should be the subject of a separate notice of proposed rulemaking and not included in the Fee Setting NPRM. In view of the unanswered questions, presented below about how the CLE discount will be administered AIPLA recommends that the NPRM for the CLE discount/requirement also be separate from the NPRM for the APF.

The Office does not propose a *per se* CLE requirement for patent practitioners, nor does the Office seem to account for the fact that many patent practitioners and advocates are not attorneys. Therefore, it appears that the Office is using financial incentives to encourage patent practitioner behavior while avoiding the underlying questions relating to the substance of the CLE needed to obtain the proposed CLE discount, how the CLE discount would be administered, and what consequences, both intended and unintended, might arise for those claiming the CLE discount. The ambiguity is of such degree that we believe that rather than encouraging CLE, many will forego the discount to avoid having to address yet another administrative burden, i.e., determining how to comply and document CLE compliance/discounts.

This burden is further exacerbated by lack of clarity in regard to what would qualify as CLE sufficient to justify the APF discount. The NPRM vaguely describes the substance of the CLE as related to “patent law and practice and ... ethics.” Our members would like to know more about what type of CLE is needed to make the certification, where it could be obtained, and the projected costs before we can comment meaningfully on any federal rules that include CLE certification and discount. Has the Office considered the additional administrative burdens on both the Office and practitioners that the proposed CLE related rules will generate? Is the OED prepared to qualify seminars in the same manner that state bar associations qualify seminars for both substantive and ethics-based CLE credits? Will the OED submit the materials to all 50 states and the District of Columbia for certification?

Even though the NPRM avoids imposing a CLE “requirement” by proposing a CLE discount to the APF, use of the discount would still require CLE certification. AIPLA is therefore concerned that the Office will use this need as yet additional justification for the APF and downstream increases of the APF to fund oversight of the CLE certification. Has the Office done any cost analysis as to how much such new administrative oversight will cost and how that oversight may affect future fees?

In addition, AIPLA is concerned about the publication of the CLE status of practitioners pursuant to their claiming the APF discount. The proposed amendment to Section 11.11(a) states that “(t)he OED Director may also publish from the register the continuing legal education certification status of each registered practitioner.” AIPLA would like to confirm that, when the public searches for a practitioner, there may be a field indicating lack of CLE certification. If this is the case, then AIPLA is concerned with a process that notifies the public of practitioners who fail to provide the CLE certification *that only relates to claiming a discount* rather than practitioners who have participated in a meaningful CLE program. We believe that this will unfairly prejudice practitioners including patent agents and attorneys who do not have a state CLE requirement or who simply opt to pay the full APF, as the public may not understand the distinction. Providing a public record that reports a lack of certification amounts to a public shaming that essentially makes the CLE certification mandatory.

As noted above, AIPLA encourages CLE programs and recognizes their benefits for the patent profession and the stakeholders in the patent system. The linkage between the proposed APF and CLE certification, however, is inadvisable for a variety of reasons.

First, the amount of the discount, \$100, is much less than the cost of most existing CLE programs especially considering both out-of-pocket expenses and lost productivity. The proposed discount is not much of an incentive and practitioners likely will choose not to make the certification and, instead, pay the undiscounted APF. Thus, the discount seems to be a vehicle to raise additional fees, not to encourage practitioners to receive CLE. Furthermore, the CLE discount disproportionately affects patent agents who typically do not have a CLE requirement and, thus, will not be able to make the certification without incurring extra expense.

Second, by advancing a CLE “discount,” rather than formally proposing a CLE requirement, the Office misses out on the benefit of a clear debate and discussion regarding best practices. A public discussion will serve to flesh-out and enhance CLE programs and requirements and inform the public about the educational requirements imposed on patent practitioners. This will help private sector CLE providers develop, maintain, and document CLE programs that best serve the patent system. Thus, AIPLA believes that there should be no link between the APF and CLE and that the Office should separate these elements out of the Fee Setting NPRM.

Further, the Fee Setting NPRM states that the CLE discount is justified because practitioners who have taken CLE are less likely to commit errors and, thus, represent less work for the OED. If this is the justification for a CLE or APF discount attached thereto, it does not comport with the indication that one would be eligible for an APF discount if, for example, one participated in the Patent Pro Bono Program. AIPLA lauds and encourages pro bono activities, but it is entirely unclear as to how one increases their legal acumen by providing free services instead of paid services. Perhaps instead of providing the CLE discount, the Office should consider providing a discount to practitioners who provide patent pro bono services through the USPTO Pro Bono program.

There are far reaching consequences of the incomplete CLE program that the Office proposes in the Fee Setting NPRM. For example, what are the consequences of a certification that does not meet OED standards? How are disagreements regarding certification challenged? Will the OED randomly check certifications? If a challenge during litigation results in an OED complaint, what proof does a practitioner need to provide to support their certification? What documentation is required in the Office to not only support a claim to an APF discount but also to document participation in a CLE program? What affect would an invalid CLE certification have on patent validity or enforceability?

Also, addressing the many questions associated with the proposed CLE discount will, by necessity, create additional regulatory and compliance costs for the Office. How will these costs affect any APF? Will the APF need to be increased to provide the requisite CLE programs and associated bookkeeping? What is the impact on practitioners regarding their burden of compliance?

## **7. Reserve Fund**

AIPLA has supported the establishment of a Reserve Fund to help improve the financial stability of the USPTO and sustain operations under certain unexpected circumstances. We

September 27, 2019

Page 10

appreciate the material in the NPRM concerning the appropriate target amount, or projections on how these proposed fees will replenish the Fund over the years following implementation of these fees.

#### **8. Conclusion**

Thank you again for the opportunity to make these comments. AIPLA supports the USPTO's efforts on improving the patent system, welcomes the opportunity to answer any questions these comments may raise, and looks forward to a continuing dialogue on this very important subject.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sheldon H. Klein", with a stylized flourish at the end.

Sheldon H. Klein

President

American Intellectual Property Law Association