

August 2, 2010

The Honorable David J. Kappos  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

RE: Comments on United States Patent and Trademark Office Draft Strategic  
Plan for FY 2010–2015 – 75 Federal Register 39493 (July 9, 2010)

Dear Under Secretary Kappos:

Attached please find the comments of the American Intellectual Property Law Association (AIPLA) concerning the draft United States Patent and Trademark Office FY 2010–2015 Strategic Plan, as requested in Federal Register notice 75 FR 39493.

AIPLA appreciates the opportunity to provide comments, and hopes that they will be useful to the Office in revising the draft Plan.

Respectfully submitted,



Alan J. Kasper  
President

**Comments of AIPLA  
on the  
DRAFT USPTO FY 2010–2015 STRATEGIC PLAN**

**August 2, 2010**

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to comment on the draft USPTO Strategic Plan for 2010–2015, 75 FR 39493. AIPLA is a national bar association with approximately 16,000 members engaged in private and corporate practice, in government service, and in academia. AIPLA represents a wide and diverse spectrum of individuals, companies and institutions involved directly or indirectly in the practice of patent and trademark law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property, and they have a keen interest in a strong and efficient Patent and Trademark Office.

**STRATEGIC GOAL I: *Optimize Patent Quality and Timeliness***

AIPLA considers the optimization of patent quality and timeliness to be the most important goal for improvement of the U.S. patent system, and commends the USPTO for making this its paramount strategic goal for 2010-2015. AIPLA has engaged in an ongoing dialog with the Office on these issues, and has contributed user input in response to USPTO notices and calls for comments, including participation in the USPTO Roundtable on Quality. We have also participated in international discussions, including the Trilateral and IP5 discussions which have focused in part on quality and timeliness. As recently as June 2010, AIPLA co-sponsored an international colloquium on patent office backlogs, in cooperation with FICPI, and has hosted a number of user meetings on PPH as one way to further the goals of quality and timeliness.

While AIPLA fully supports the work of the USPTO in these critical areas, we also appreciate the opportunity to comment on the long-range goals of the USPTO in working toward the highest quality patent examination and grant system possible.

## **Objective 1: Re-Engineer Patent Process to Increase Efficiencies and Strengthen Effectiveness**

**A. Re-engineer the patent Examiner production (count) system.** AIPLA commends the USPTO for the initiative to work with the examining corps and their representatives in updating and improving the Examiner count system, to attempt to achieve the most efficient and time-effective quality patent examination possible. To our knowledge, the negotiated changes to the count system appear to be having positive effects on Examiner morale, which is highly commendable. In combination with the emphasis on compact prosecution and early identification of allowable subject matter, it also seems to be having positive benefits in at least some art units in accomplishing earlier allowance and a more constructive and cooperative tone to negotiations between the Examiners and applicants and their representatives.

With respect to the count system itself, AIPLA believes that changes in the count system should work synergistically to provide incentives for other pendency reduction objectives like compact prosecution and interviews. Shifts in the relative complexity of the technologies should be addressed, and work-sharing benefits should be factored into the count system to gain pendency reduction. Finally, as Commissioner Stoll recently noted (Director's Blog; July 26, 2010), initial reengineering of the count system does not appear to have reduced RCE filings, and this issue should be clarified or addressed, as it was our understanding that this was one of the key objectives of this re-engineering.

We believe that a thorough review or efficiencies assessment of relevant differences in reasonable and necessary time required for an Examiner to search and examine in the different technologies could provide a useful basis for updating the count system, given the technological and legal changes that have occurred since the last major comparative overview was completed.

**B. Prioritize incoming work.** AIPLA has generally supported accelerated examination of certain technologies; see, for example, our letter of April 2, 2010 (copy attached) supporting the goals of the USPTO Pilot Program for Green Technologies Including Greenhouse Gas Reduction. AIPLA has also recently given qualified support for the Office's initiative to investigate a 3-Track examination program.

While we have supported the accelerated examination aspects of the proposal, we have serious concerns about delayed examination for U.S. applications that claim priority from applications in other countries. In addition, the higher fees designed and needed to support accelerated examination must be protected from fee diversion. See AIPLA's presentation at the 3-Track Public Meeting, July 20, 2010 (copy attached).

**C. Improve the Patent Examination Process.** AIPLA has always supported finding ways to improve the patent examination process in order to increase quality and timeliness. We might suggest a number of specific areas that can be investigated and addressed by the Office, and look forward to assisting the Office in addressing them. These include, *inter alia*:

- Reducing the amount of time taken in post-allowance activity leading up to issuance, which would appear to provide a real opportunity to significantly reduce pendency;
- Carefully analyzing and remedying aggressive restriction practice in some areas;
- Allowing applicants to attend pre-appeal and appeal conferences;
- Allowing applicants to interview with SPRE's, QAS's and 101 Help Panels;
- Rendering decisions on petitions more quickly and reliably, and improving transparency and access to such decisions;
- Reducing actions per disposal, as well as reducing the necessity for RCE filings where possible (for example, eliminating the need to file an RCE in order to have an IDS considered, e.g. by replacing it with a simple request and fee).

**D. Institutionalize compact prosecution of applications.** AIPLA supports the Office's First Action Interview Pilot Program, which seems to be having positive results on compact prosecution, at least in some art units. Toward that same end, Examiners should continue to be encouraged to use interviews to quickly resolve issues that arise during prosecution of applications. A study of the correlation between pendency and quality of applications where there has been a first action interview could be useful. Finally, Examiners should be required to respond at the same level of comprehensiveness and detail as applicants in subsequent Office Actions and appeal briefs. While that level of detail takes time, it leads to compact prosecution.

**E. Re-Engineer the Classification System.** It would appear that a major rework and rejuvenation of the classification system could be critical to ensuring more effective searching, and therefore to greater quality of examination. Given the overall goals of sharing work between offices, strong consideration should be given to Trilateral and IP5 objectives related to harmonizing classification systems and search reporting systems to improve opportunities for exchange and collaboration among the Offices.

**F. Re-Engineer the MPEP.** AIPLA agrees that the official MPEP should be updated on a more timely and regular basis in order to keep current with changes in law, procedure and rules. In particular, we would note that even after announcing a new addition to the MPEP, it is not readily available on-line for some time after that announcement. The idea of building linkages to related internal USPTO documents (particularly documents not easily available to practitioners) is excellent and, where appropriate, could even include form paragraphs and other tools for public comment prior to their incorporation in the official MPEP. The Wiki process also may provide opportunities for useful exchanges, but it does raise concerns about the impact on USPTO Examiners of ideas and concepts which have not been filtered or vetted appropriately.

**G. Re-Engineer the Patent Examination Process.** This would be a significant initiative if planned and executed appropriately. AIPLA is very interested in hearing more about this initiative, and looks forward to submitting comments and suggestions in due course.

**Objective 2: Increase Patent Application Examination Capacity**

**A. Increase Patent Examination Hiring.** AIPLA supports the goal of hiring additional patent Examiners and supports a sustainable funding model that would support ongoing hiring at an appropriate level. We understand that any stated number of potential hires, such as 1,000 annually, is likely to be a function of budgetary purposes in light of an overall goal to meet long-term needs; however we would also suggest that specific hiring target numbers be accurately substantiated as reasonable, given workload and resource projections.

**B. Develop and Implement a new Hiring Model that Includes Experienced IP Professionals.** AIPLA believes that the intention to focus on experienced hires is the right approach as far as it goes, particularly in light of the current challenging economic times. However, consideration also should be given to hiring other highly qualified professionals, such as those with appropriate advanced degrees, including most particularly those with legal training. With such hiring strategy, experienced hires could be mixed with candidates new to the field, in order to allow for a more rapid development of expertise in the examining corps that can meet future needs.

Even where experienced patent Examiners are hired, there will be training issues, for example, with respect to the application of current law under new USPTO practices and policies. The question arises as to how the training for these experienced professionals, under the later mentioned “Experienced IP Program,” may differ from that of new candidates. Further detail regarding how the new experienced hires will be deployed in the system would be welcome.

**C. Target Overtime to High Backlog Areas.** We agree with the value of overtime as an efficient means of increasing capacity, and fully support its use as a general matter. However, we would prefer for the Office to have the resources necessary so that overtime is not necessary, or at least to provide overtime on a regular basis, so that on-again off-again overtime does not occur.

The Plan also appears to contemplate that Examiners will work overtime outside their home art unit in one of the targeted art units. This could raise concerns as to whether an Examiner working outside their normal area of practice would be well suited to the art and current practices in the targeted art unit, and could conceivably raise consistency and/or quality concerns. While potentially workable, we are interested in receiving further detail with respect to the supervision and the procedures that will be applied for managing these challenges.

**D. Develop and Implement a Nationwide Workforce.** While, in principle, there are many potential advantages to a nationwide workforce, such as providing for the recruitment and retention of highly skilled candidates from different regions of the country, some issues arise. In particular, AIPLA believes any such effort must provide for reasonable access to Examiners who telework. Some members report that it has been difficult to reach Examiners by phone, or to schedule in-person interviews. In addition, while telephonic interviews are helpful in many ways, they are more susceptible to distractions, and the absence of visual feedback in a conversation on challenging issues can be an impediment to effective resolution of issues. Technology, including now readily available desktop video conferencing, could be profitably explored.

We also believe that it is important for more experienced Examiners to be available for in-person mentoring of less experienced Examiners, as well as for mutual mentoring and problem solving among peers. Meeting these goals can be especially challenging, as it is the most experienced Examiners who are given the greatest leeway to telework.

**E. Manage and Control Attrition by Developing Mentoring, Best Practices and Retention Strategies.** We believe that this is a good objective, as mentioned earlier.

**F. Outsource Patent Cooperation Treaty Searching.** AIPLA has accepted the current program of outsourcing PCT searching, while remaining vigilant as to the effects on quality, timeliness, and usability of the search reports of the outsourcing contractors. We commend the current Administration for making it a priority to improve the quality and timeliness of PCT searches, and urge the continuation of this progress.

As we have commented elsewhere, AIPLA believes that a key area in overall improvement in the PCT is the quality of search reports and written opinions. AIPLA believes that a fundamental goal should be to make the work undertaken in the international phase as good in quality as USPTO's own domestic search and examination. To this end, AIPLA strongly favors improving the quality of international search and international preliminary examination to equal the quality of search and examination for national applications, and implementing appropriate transparent metrics to demonstrate that a comparable quality is being achieved. This becomes more important with work-sharing initiatives such as PCT-PPH.

The current Strategic Plan appears to institutionalize PCT outsourcing. We believe that this may be premature, in that the acceptance of the search results by USPTO Examiners, users, and other offices in the context of PCT-PPH, must precede any such decision. A reliable level of reuse of PCT work should be achieved before AIPLA, its members, and users in general will be able to support institutionalization of PCT search outsourcing.

### **Objective 3: Improve Patent Pendency and Quality by Increased International Cooperation and Work Sharing**

This objective is also discussed in the section on USPTO international leadership. In the current context, namely improving quality and timeliness of examination in the USPTO, AIPLA supports the improvement of pendency and quality by increasing work sharing with other offices. However, we would like to have additional information on how pendency and quality will be positively impacted by international work sharing, and how the Office will go about achieving that goal.

**A. Make More Effective Use of Patent Prosecution Highway (PPH) and Patent Cooperation Treaty (PCT).** AIPLA has worked hard to promote and improve the Patent Prosecution Highway by taking a leadership role in organizing user meetings and discussions within the Industry Trilateral and other fora, in order to generate recommendations to the offices for improving PPH procedures and implementation. Thus, AIPLA strongly supports the use of the PPH and of the PCT process in conjunction with PCT-PPH. In its letter to the USPTO of December 11, 2009, on Work Sharing (copy attached), AIPLA stated, “While AIPLA fully supports the work sharing initiatives identified to date, it is important that efforts to promote efficiency and eliminate duplication of work not be carried out in a manner that would adversely affect the quality of search or examination performed, or prejudice the rights of patent applicants. In particular, resources devoted to new work-sharing initiatives should not detract from efforts to improve the quality and reliability of international search and examination efforts under the Patent Cooperation Treaty (PCT).”

**B. Strategic Handling of Applications for Rapid Examination (SHARE).** In its presentation at the Public Meeting on the 3-Track proposal on July 20, 2010 (copy attached), AIPLA expressed serious concerns about unilateral action to artificially slow second-filed applications in the U.S. pending submission of search and examination reports from the office of first filing. While we recognize the potential benefits of mutual cooperation between the offices to avoid redundant work and aim towards overall efficient prosecution, the concerns we expressed prevent our support for this approach without further in-depth study. We understand that the USPTO believes the purportedly similar programs in the JPO and EPO would also justify the SHARE program and its potential expansion via the 3-Track proposal. We have inquired as to a detailed comparison of these three Offices’ programs, and have been assured that such a comparison is underway. We will withhold our ultimate judgment on this aspect of 3-Track until we have had the opportunity to review this comparison. In that context, we believe that SHARE-type programs should continue to be the subject of discussion and study in the context of the Industry Trilateral, the Trilateral Offices process, and the IP5.

**C. Work with Patent Trilateral and IP5 to determine and implement ways to create efficiencies and reduce rework, and improve quality across offices.** As an active participant in the Industry Trilateral, AIPLA continues to support the efforts of the Trilateral Offices and the ten Foundation Projects of the IP5. AIPLA believes that the discussions in these fora, particularly in consultation with the Industry Trilateral, concerning possible means for work sharing and cooperation, offer significant promise toward the achievement of an efficient and effective international patent administration. These comments are more fully developed under Goal III, Objective 2. Reference is again made to the letter of AIPLA to the USPTO of December 11, 2009, on Work Sharing.

#### **Objective 4: Measure and Improve Patent Quality**

As we indicated in our letters to the USPTO on Quality, dated April 5, 2010, and June 23, 2010 (copies attached), AIPLA believes that improving quality and a renewed emphasis on quality management are at the top of the list of critical issues facing the USPTO. In those letters, we particularly emphasized the need for adequate metrics for patent quality, and the need to see quality as encompassing examination procedures as well as the patent document itself. We encourage the USPTO to look at patent quality in this broader light, in order to provide meaningful and transparent metrics for determining quality within the Office and among the offices of the world, and the use of those metrics and harmonized quality management tools in order to continue to improve the quality of patents issued by the USPTO.

**A. Initiate 21st Century Quality Analysis, Measurement and Tracking.** AIPLA fully supports improved quality management, which we assume is the focus of this Objective. We are very interested in hearing more about particular initiatives envisioned in this section, and to submitting comments and suggestions in due course.

**B. Provide More Effective Training.** The USPTO should not lose sight of the need for continued training on law and technology as well as practice and procedure, and we commend it for focusing on this in the Strategic Plan. One specific suggestion would be to revitalize the feature of the Examiner Education Program that included “field trips” by Examiners and others, which have proven valuable to increasing knowledge and quality of examination, and we would strongly support increasing the number of site visits to research laboratories and other sites of important industrial innovation.

**C. Reformulate Performance Appraisal Plans (PAPs).** Reformulating PAPs enterprise-wide is an excellent quality improvement goal. While we would acknowledge that PAPs must be formulated to align with their objectives, we also urge the Office to consider ways to more greatly involve the stakeholders in the formulation of standards for Examiner evaluations. We would also suggest a greater emphasis on a customer service component in all USPTO employee PAPs.

#### **D. Implement and Monitor Revisions to Patent Examiner Production (Count) System.**

See comments to Objective 1.A.

### **Objective 5: Improve Appeal and Post-Grant Processes**

AIPLA agrees that this overall objective is important, and commends the USPTO for its initiative. We can provide the following suggestions towards the planning and implementing of this objective.

**A. Develop and Implement Process Efficiency Recommendations.** AIPLA agrees that the Office could optimize workflow by streamlining the briefing process, producing timely decisions in docketed appeals, and analyzing the process from notice of docketing to mailing of final decision. The Office should provide more details on the quality metrics to be used at each step in the prosecution process in order to facilitate more useful stakeholder feedback.

Regarding the proposal to increase Board capacity through additional hires, a magistrate program, and new chambers organization, we also await further clarification on how these will be specifically planned and implemented, and what management aspects might require additional leadership training. To the latter point, while finding and developing leaders is important, there needs to be discussion of the type of leadership training that will achieve the objectives of greater quality, speed, and customer satisfaction.

AIPLA supports the concept of increasing Board productivity and quality by defining new productivity and quality goals and metrics, and new performance appraisal plans (PAPs) for judges/patent attorneys as set out in the Strategic Plan. However, the lack of detail in the proposal leads to a significant number of questions. We look forward to more specific proposals and to commenting on them in detail.

**B. Streamlining the Appeals Process and Reducing Appeal Pendency.** AIPLA believes these are worthwhile objectives.

**C. Revise Rules Governing Practice before the BPAI.** AIPLA would appreciate additional details on how the USPTO proposes to change the appeals rules. To the extent these proposed changes may relate to previous USPTO proposals, we incorporate our previous comments to the Office, including those of February 25, 2010 (two letters) and September 28, 2007 (copies attached).

## **Objective 6: Develop and Implement the Patent End-to-End Processing System**

The modernization of the IT infrastructure and end-to-end electronic processing are sorely needed, and we commend the Office for its prioritization. For an area that may call for more capital investment than any other element of the plan, we note that the current Strategic Plan proposal does not provide much overall opportunity for user input and feedback. Further, while we assume that this goal is dependent on a resolution of the sustainable resource question, we would ask for clarification on planning for improvements in this area if adequate resources are not forthcoming.

Because this is such a critical and potentially comprehensive goal, AIPLA took the opportunity to ask its leaders for suggestions in this general context. There were many suggestions and questions regarding the current system and future plans. In that context, we would note the following, in particular, and urge the USPTO to provide more detailed comments:

- The USPTO should disclose the comprehensive strategic vision for the patent process in a new automated environment;
- The USPTO should disclose overall IT management metrics, such as stability, integration, etc.;
- Can a set of clear IT initiatives, goals, and objectives be articulated from the vision and the status of the current systems?
- Can the Office translate the vision to a strategic plan, define specific functional requirements, set business goals and objectives, define performance measures, and manage the daily direction of each phase while coordinating changes in the business environment?
- Can the Office design, develop, and deploy an integrated phased approach to a comprehensive automated system consistent the business requirements, the technical reference model, and life cycle management principles?
- Is there a current technical reference model in place for the USPTO?
- Is there a life cycle management manual in place for the USPTO?
- Is there a procurement process in place that allows multiple contracts to complete seamlessly on the multiple, evolutionary phases of a long term automated information system(s)?
- Are organizational structure and staffing in place to effectuate the goals and objectives?

**A. Develop and Implement Extensible Data Markup Language (XML) from Application through Publication.** AIPLA acknowledges the advantages of developing an XML-based electronic and processing system, but has concerns that some applicants will not use a complicated conversion scheme. While the system should be flexible to accommodate multiple approaches, including, for example, fee differentials, the ease of use by the applicants should remain a paramount concern.

**B. Build Infrastructure for Patents' End-to-End Processing System.** The major objectives of this effort are set forth in broad terms, and we look forward to the opportunity to comment on more specific proposals as they become available.

The choice to move towards cloud computing provides opportunities to effectively outsource some of the more challenging IT issues including scale, stability, redundancy, and disaster recovery. Where applications are not yet published, greater concern and care may need to be taken to preserve privacy with respect to those elements, potentially requiring some storage elements in more secure confines to be combined with the outsourced units.

**C. Redesign and Re-architect Patent Systems to Provide End-to-End Electronic Processing.** Again, the major objectives of this effort are set forth in broad terms, and we look forward to the opportunity to comment on more specific proposals as they become available. As a part of modernization and transparency, the USPTO should not only improve public access to the USPTO databases, but also the USPTO search systems that are made available to Examiners. Additionally, the Public Search Room workstation capabilities should be made more widely available to the public.

## **STRATEGIC GOAL II: *Optimize Trademark Quality and Timeliness***

AIPLA agrees with the overall Strategic Goal for the Trademark Office—to optimize trademark quality and timeliness.

As a general comment, AIPLA commends the Trademark Office on meeting, and in many instances exceeding, its performance targets. We agree that the general objective of continuing to improve Trademark Office performance, both in terms of office action quality and through an enhanced IT infrastructure, is an appropriate focus for this Strategic Plan. AIPLA has already submitted substantial comments as part of the Trademark Office's *Next Generation* project, and, while the general tenor of those comments is reflected in this submission as well, we refer the Office to our letter submitted April 15, 2010 (copy attached) for more specific comments regarding suggested improvements for the Office's IT capabilities, including enhancements for the Trademark Trial and Appeal Board ("TTAB").

AIPLA appreciates the willingness of the Office to engage interest groups like AIPLA to provide feedback on a variety of initiatives (including quality and performance), and we believe that this "user" input is a significant factor in helping not only the Trademark Office, but the USPTO as a whole, in achieving the Objectives set forth in its Strategic Plan. AIPLA looks forward to providing additional input as the Office requests it.

## **Objective 1: Maintain Trademark First Action Pendency on Average Between 2.5–3.5 Months with 13 Months Final Pendency**

AIPLA agrees that pendency is important, and we commend the Office on its recent improvements in this area. While we appreciate the Office’s desire to maintain a flexible capacity in light of uncertain workloads, AIPLA wants to ensure that a shortened pendency period does not come at the risk of a decrease in quality. The Trademark Office already shows sensitivity to this balance through certain of its other Objectives, but we take this opportunity to reiterate its importance.

Other Strategic Plan Objectives, such as streamlining certain office action response formats and improving external IT capabilities for applicants, should, if properly implemented, further improve or at least maintain pendency at its current levels.

With respect to incentives, AIPLA generally favors incentives with the caveat that, as stated above, timing and quality are appropriately balanced within whatever objective metric is applied.

## **Objective 2: Continuously Monitor and Improve Trademark Quality**

Without question, quality is a significant factor, and AIPLA agrees that continuously monitoring and improving trademark quality is a valuable Objective. AIPLA was pleased to participate in the Trademark Office quality review project, and we are encouraged by the Office’s reported 95% quality rating. AIPLA agrees that engaging external intellectual property groups in the quality review process is a good approach, and we look forward to participating in future reviews.

AIPLA agrees that a move toward standardizing certain aspects of office action responses, such as form paragraphs, searching requirements and decisions regarding the amount of and types of evidence necessary to support an Examiner’s position would be useful and would also improve or maintain efficiencies. AIPLA also strongly supports efforts aimed at improving and increasing communication between Examiners and applicants, as this should also improve efficiencies. We also observe that, to the extent further review processes and quality control measures can place more of an emphasis on catching errors earlier in the examination process, these would be useful as well.

As stated above, AIPLA is generally in favor of incentives and bonuses, provided the metrics for awarding them are balanced and objective. It is unclear how “external stakeholders” may play a part in this process, except to assist the Office in determining the overall metrics that might be considered for such awards. Generally, AIPLA agrees that the “holistic” approach is a solid framework, and we would be pleased to provide further comment regarding specific measurements, should the Office request it.

### **Objective 3: Ensure Accuracy of Claims of Goods and Services in Mark Registrations and Renewals**

AIPLA agrees that this is an important Objective. AIPLA was pleased to participate in the “Future of the Use-Based Trademark Register” roundtable earlier this year. Several of our members’ comments already appear on the “Suggestions to Improve” document on the Office website. AIPLA will provide any additional comments separately in response to the Office’s recent “Request for Comments.”

### **Objective 4: Enhance Operations of Trademark Trial and Appeal Board (TTAB)**

AIPLA generally agrees that the listed Objectives and goals are appropriate for the TTAB. AIPLA also agrees that special attention should be paid to staffing needs to ensure that efficiency and quality are not compromised in times of transition. AIPLA encourages the Board to establish a new Chief Judge as soon as practicable, as this additional leadership will help maintain focus and direction for the Board in both day-to-day operation and in implementing this Strategic Plan. Engaging stakeholders in establishing criteria for quality and efficiency is also appropriate.

AIPLA further agrees that, as additional emphasis is placed on ACR and other alternatives for efficient and economical *inter partes* proceedings, it is appropriate for the Board to focus on ways to improve and implement these systems. With respect to increased Board involvement in settlement proceedings, AIPLA has not yet formulated an opinion regarding whether this role is appropriate for the Board or, if it is appropriate, how responsibility for settlement proceedings should be determined within the Board. To the extent the Board pursues this Objective, however, emphasis should be placed on proper training as well as efficient methods for integrating dispute resolution procedures into the case management process.

AIPLA appreciates efforts to assess the quality of orders and opinions and considers this a valuable goal. AIPLA also agrees that updating the TBMP to reflect changes in the Trademark Act, Trademark Rules, and precedential decisions is appropriate and that making these updated materials easily available and searchable is necessary. AIPLA has provided additional comments regarding improvements to the TTAB IT capabilities in our April 15 letter.

### **Objective 5: Modernize IT System by Developing and Implementing the Trademark Next Generation IT System**

As explained in our April 15 letter, AIPLA supports the USPTO’s efforts to improve information technology, and to create new systems to better support both internal and external procedures through the “*Trademarks Next Generation*” initiative. AIPLA directs the Office to our letter for specific comments on ways to improve the technological capabilities of the Office, including suggested improvements for owner trademark portfolio management and ease of use.

AIPLA further believes that particular effort should be made to harmonize trademark practice and procedure on the international scale, such that users can have a relatively common and easy to use process among multiple trademark offices. We recommend that, to the extent not reflected in the current Strategic Plan, the Trademark Office consider the existing requirements of international registration systems to ensure that, to the extent practicable, IT solutions harmonize the U.S. system with other trademark systems.

AIPLA generally supports goals designed to lower IT costs. However, it is unclear whether or how physically separating Trademark's computer-based resources (CBRs) from other USPTO CBRs, while at the same time maintaining legacy systems, would achieve such a goal. Moreover, any break between CBRs within the USPTO generally should consider the effect on the USPTO as a whole. AIPLA presently does not have sufficient information regarding the effect of such a divide to make an informed recommendation on this point.

The Trademark Office should also carefully research the risks in cloud computing, both financially and from a security standpoint, to ensure that other IT goals, such as improving ease of use and harmonization, are not compromised. In this sense, AIPLA strongly supports working with subject matter experts and user groups to define user requirements and anticipate future needs.

AIPLA agrees that advancing further automation is a quality Objective and that, in general, improving an IT infrastructure is a key enabler of improved efficiencies, which can, in turn, support other sound objectives like telecommuting and environmental responsibility as well. *See* AIPLA's April 15 letter.

#### **Objective 6: Develop a Next Generation of TM Leaders**

Developing the next generation of leaders is an important Objective. Improving training is certainly one aspect of that Objective and should naturally help the Office with several other Objectives as well, including improving quality. AIPLA recognizes the challenges presented for training, particularly with so many examining attorneys working remotely, and suggests webinars as an appropriate training forum. AIPLA is presently exploring options for CLE accredited webinars for examining attorneys, and we look forward to providing such training, if possible, in the near future.

AIPLA also agrees that, in addition to substantive training, formal management training will help develop future managers and leaders. In exploring improved IT capabilities, the Trademark Office may also want to consider technology-based management tools and reporting mechanisms, which could be used to provide management with periodic, high-level reporting on a variety of topics, including productivity and quality. To the extent formal mentoring programs do not exist at the Trademark Office, AIPLA generally favors such programs as well.

### **STRATEGIC GOAL III: *Provide Domestic and Global Leadership to Improve Intellectual Property Policy, Protection and Enforcement Worldwide***

#### **Objective 1: Provide Domestic Leadership on IP Policy Issues and Strategic Development of a National IP Policy**

AIPLA agrees with the USPTO that the Strategic Development of a National IP Policy is paramount to retaining U.S. leadership in innovation. Further, AIPLA agrees that high-quality, timely issued patents are a hallmark of such an IP Policy, and should be a centerpiece of the first Objective of USPTO Strategic Goal III. Moreover, AIPLA feels that the strategic imperatives laid out by the USPTO fit well within the objective of retaining U.S. leadership in innovation.

However, as described below, AIPLA views some of the objectives set forth by the USPTO as occupying too great a focus, while other objectives need to be brought to the fore. Significantly, missing from the enumerated goals related to the first Objective of this Strategic Goal is recognition of the need to harmonize the U.S. Patent Laws with other laws around the world.

While the criteria for successful implementation of harmonization efforts are discussed under Objective 2 below, AIPLA wishes to emphasize the *need to harmonize*. In an ever smaller world, where competition with U.S. industry can literally come from anywhere, and where innovation is to be rewarded, the successful implementation of harmonized patent laws will protect U.S. inventors—both here and on foreign shores. Thus, AIPLA urges that substantive harmonization should not only be central to the second Objective (concerning International Policies), but also central to the first Objective of Strategic Goal III.

**1. Provide Policy Formulation in all Fields of IP Protection and Enforcement.** AIPLA sees this as a critically important objective. The USPTO is uniquely positioned to lead any Administration's intellectual property policy reviews and initiatives, and the recommendation here is emblematic of the positive intention of the Obama Administration to continue that role. First, the USPTO has had an historic role and, more importantly, demonstrated success in such policy leadership. Second, especially with the addition of the Chief Economist's Office, the USPTO has the staffing talent and resources to optimize any outputs. Finally, as it is rooted in the Department of Commerce, the USPTO is managerially proximate to others who have key roles at the intersection of innovation policy, economic development and trade issues, all of which are critical to the successful implementation of policies and initiatives which will flow from this role.

That said, AIPLA still needs additional information on how the current Administration intends to exercise this leadership. We strongly support transparency and the development and disclosure of relevant data. Among our questions, in particular, is our curiosity about the Chief Economist's role which is only now evolving, and how that office is staffed and resourced.

These questions are critical to our understanding of the implications for policy development and leadership. We are aware of some initial issues which have been raised, and would suggest that this office and other policy development offices be submitted to the same external, stakeholder input and transparency which the USPTO has shown thus far in its operations and financial areas.

**2. Monitor and Provide Policy Guidance on Key IP Issues.** In general, AIPLA is in agreement with these concepts. In addition, AIPLA understands that cooperation and deference standards must be reconciled between the USPTO and the Federal Judiciary.

**3. Provide Domestic Education Outreach, Knowledge Enhancement and Capacity Building.** AIPLA agrees with this imperative.

**4. Engage U.S. Government Agencies and Congress on Legislation that Improves the Intellectual Property System.** AIPLA agrees that there is a need to improve the Intellectual Property System, including the U.S. Patent Laws. We acknowledge the importance of the contribution of the USPTO leadership in this area. AIPLA especially appreciates that the administration has supported the current Manager's Amendment of the Patent Reform Legislation, S. 515—in particular, a move to first-inventor-to-file. Additional areas for improvement through legislation might include ratification of the PLT and the Geneva Act of the Hague Agreement, the passage of their respective implementing legislations, and the reduction or elimination of harsh inequitable conduct consequences.

**Objective 2: Provide Leadership on International Policies for Improving the Protection and Enforcement of Patent Rights**

AIPLA continues to strongly support the USPTO providing leadership on international policies relating to the protection and enforcement of IP rights. AIPLA fully supports the improvement of protection and enforcement of IP rights to maximize innovation and competitiveness of U.S. businesses and industry, as well as a strong leadership role for the USPTO.

**1. Lead efforts at WIPO and other intergovernmental/international cooperation fora to improve international intellectual property rights systems.** AIPLA has been active for decades in supporting work in the international fora, including but not limited to WIPO, to strengthen and improve the global intellectual property system. Great progress has been made. Yet, it is well known that progress has been uneven, successful at times, and sometimes unsuccessful for long periods. That should not detract from any substantive improvement in leadership during the periods of little progress. To the contrary, even stronger and more determined leadership is required in order to maintain the direction, if not the momentum, toward improvement of IP protection and enforcement.

Thus, AIPLA fully supports the goal of the USPTO to lead efforts at WIPO and other intergovernmental/international cooperation fora to improve international intellectual property rights systems. However, AIPLA is concerned that the activities mentioned may not sufficiently accomplish the goal of maintaining U.S. leadership on behalf of the users of the IP system.

AIPLA considers that the following issues are among the most important for discussion and progress at WIPO and other international fora:

#### Substantive Patent Law Harmonization

AIPLA is quite concerned that the Strategic Plan barely mentions substantive patent law harmonization. Progress has been very slow, yet international patent law harmonization remains the most important issue for improving intellectual property rights worldwide. Current difficulties should not justify abandoning harmonization as a goal, or as a subject of U.S. leadership. Given the history of this negotiation, AIPLA suggests that the U.S. and the USPTO should commit to providing leadership and impetus to the process. All relevant fora should be utilized to achieve this end, notably: WIPO; the Alexandra initiative (B+); Trilateral/IP5; the Vancouver Group; bilateral negotiations; and others.

#### PCT

The Patent Cooperation Treaty (PCT) has been one of the most successful and important tools in the development of an effective international patent filing strategy. It is of immense use and importance to AIPLA members, and has been almost universally accepted as an important international filing tool by users in industrialized and developing countries alike. The Strategic Plan seems to have downplayed the importance of the PCT and its usefulness in achieving the goals set out in the Strategic Plan. By way of example only, in the section on increasing USPTO examination capacity, outsourcing PCT searching is explored. Outsourcing has been, and should continue to be, a subject of some discussion. However, outsourcing is contrary to the concept of integrating the work of the PCT so that there is only one search per invention, and preferably by the same Examiner. As another example, PCT is again mentioned, along with PPH, in the section on international cooperation and work sharing. However, it is mentioned only in one sentence within the overall discussion of PPH. PPH today covers around 2,000 cases; PCT covers more than 50,000.

While we support the action item to promote parts of the WIPO PCT roadmap, including improvements in PCT search quality in the U.S. and other major patent offices, we believe that a much stronger emphasis should be put on PCT as a key part of the international aspects of the Strategic Plan.

### Global IP Infrastructure

No mention is made in the Strategic Plan of international work on the Global IP Infrastructure. This area includes, *inter alia*:

- Digital communication and databases
- Shared information and documentation
- Electronic filing and compatible electronic formats
- Classification and standards
- Global networking
- Patent office modernization

These areas have great potential for increasing efficiency and utility of the international system for U.S. users, and AIPLA supports all efforts to improve them. Significant work is ongoing at WIPO, and should be fully supported by USPTO as a matter of its future strategy.

### WIPO Development Agenda

The development agenda issues have become pervasive at WIPO when talking about global intellectual property protection. The current situation requires strong leadership on the part of industrialized countries to keep technical and substantive discussions on track. AIPLA hopes that the USPTO would undertake this leadership role, in order to insist on the need for WIPO and its member states to fulfill their obligations in dealing adequately with technical and substantive legal issues relating to IP.

### Additional Issues

The following important issues seem to be missing from this section of the Strategic Plan:

- U.S. accession to the Patent Law Treaty, and the Hague Agreement on Industrial Designs. AIPLA requests the USPTO to make these accessions and the passage of their respecting implementing legislations a high strategic priority.
- Trademarks on the Internet and ICANN/domain names. The impending rollout of hundreds of new gTLDs will greatly impact trademark owners, and the USPTO should make protection of trademark owners in light of ICANN changes a very high priority.
- Access to critical technologies: Discussions on this have been held at *inter alia*, the World Trade Organization (TRIPS Agreement), World Health Organization (access to medicines), UN Framework Convention on Climate Change (climate change and green technology), Convention on Biological Diversity (disclosure and prior informed consent for genetic resources).

AIPLA has been following these international discussions closely, and requests the USPTO to take a strong leadership role in preserving a strong global IP system while looking for ways to address pervasive and difficult development issues.

- Genetic Resources, Traditional Knowledge and Folklore; WIPO Intergovernmental committee (IGC-GRTKF); Geographical Indications; WTO and WIPO discussions; International Enforcement–WIPO Advisory Committee. USPTO should be a major actor in these discussions, and take a strong leadership role on behalf of U.S. stakeholders.

**2. Prioritize countries of interest for purposes of capacity building, legislative reform, and technical assistance, develop integrated work plans for each Country/Region, and provide technical assistance in key Countries/Regions including coordination of Global Intellectual Property Academy and IP attaché programs.** The USPTO attaché program has been a very successful and beneficial program in helping U.S. businesses obtain and enforce their IP rights abroad. AIPLA is in favor of giving the program the support it needs. AIPLA also supports the work of the Global IP Academy, and believes that it should receive the resources needed to fulfill and expand its work under this sub-objective.

Yet, the genesis surrounding the focus of this imperative on “prioritized” countries or regions is unclear, as is the basis for selecting specific countries and regions for prioritization. Are these countries/regions that the USPTO believes need special attention because they do not adequately protect IP rights? Are they countries which already have effective IP protection, and therefore deserve “prioritized” attention from the USPTO? Or, are they selected on the basis of their importance as export markets to U.S. industries? Are there empirical data to support the choice of countries? What are the potential international and diplomatic implications of choosing certain countries and regions?

It may be more beneficial for this Objective to focus on the Global Intellectual Property Academy, IP attaché programs, and action plans, rather than prioritization of countries. The work of GIPA and the attachés has been of inestimable value, and deserves the status of a direct Objective in the Strategic Plan. These programs should be supported in effective ways, and not distracted by the potentially sensitive process of international prioritization.

**3. Engage with International IP offices on bilateral and plurilateral policy activities (Trilateral (TM and Patent), IP5, PPH Plurilateral, etc.)** As a founding member of the Industry Trilateral, AIPLA has engaged in extensive and fruitful discussions with other Industry Trilateral members and the Trilateral Offices. The Trilateral has worked toward such essential goals as work sharing, improving patent quality, and efficiency measures such as common application format, common citation document, common search formats, etc.

These projects and activities have received widespread support, and have been shown to be both practical and effective.

AIPLA asserts that these projects should be a major cornerstone of the U.S. leadership policy in the international arena. AIPLA therefore requests that these activities be given a much higher priority in this part of the Strategic Plan.

Regarding the Trilateral and the IP5, the Industry Trilateral has informed AIPLA that the work of the Trilateral Offices may be folded into the work of the IP5 in the coming years. It is critical to the interests of AIPLA members and those of the other Trilateral associations that the input of industry, which has been so effective in the context of the Trilateral process, be equally effective in the work of the IP5. AIPLA submits that the USPTO should make it a high priority of the Strategic Plan to support an open dialogue between industry and the IP5 as well as an active involvement of industry in the work of the IP5, to at least the level of engagement provided in the Trilateral process.

**4. Provide international policy advice and expertise to other USG agencies.** AIPLA supports the activities of USPTO in advising the USTR, TRIPS Council, WTO, and OSTP in areas of critical importance to AIPLA as well as the IP system in general. AIPLA recommends that the newly-created Office of the Intellectual Property Enforcement Coordinator (IPEC) be added to the entities enumerated, given the high level of visibility and the important coordination work carried out by that office.

**5. Provide Technical Expertise in the negotiation and implementation of bi-lateral and multi-lateral agreements that improve IP rights protection and enforcement.** This Objective is very important to users of the IP system. AIPLA would appreciate a more detailed elaboration of the work that the USPTO intends to undertake with respect to this Objective.

**6. Increase Effectiveness of IP Attachés by Creating USPTO HQ and IP Attaché Integrated Action Plans that Focus on Country-Specific Needs and Interagency Cooperation.** As already acknowledged, the Attaché program has been highly successful, and has provided very practical and useful assistance to U.S. industries that do business abroad. AIPLA supports the placement of additional IP attachés in currently inactive countries or regions. It would seem that this imperative could be combined with that of imperative 2 above.

**7. Improve Efficiency and Cooperation in Global Intellectual Property System.** It would seem that this Objective is synonymous with Strategic Goal III. Further clarification would be useful. In particular, it is not apparent why these important activities should appear last in the list of imperatives.

## **MANAGEMENT GOAL: *Achieve Organizational Excellence***

AIPLA agrees with and fully supports the goal of achieving organizational excellence, and stands ready to assist the USPTO, wherever possible, to continue to improve in all areas.

**Objective: Achieve Management Excellence (Four Strategic Priorities)**

### **Strategic Priority: Improve IT Infrastructure and Tools**

See, in general, suggestions concerning Goal I, Objective 6, *supra*.

**Objective: Establish Cost-Effective, Transparent Operations and Processes (Data.Gov).**

AIPLA is appreciative of the recent efforts of the USPTO to improve the transparency of its operations and to make more of its data available to the public. This facilitates objective analysis and assists USPTO users to better understand and anticipate various aspects of the patent examining process. Making more data accessible via the worldwide web in a form that is convenient for users of USPTO services would be welcome. AIPLA stands ready to cooperate and partner with the USPTO to help identify data that would be useful to the public, and aid in the analysis of such data, where appropriate.

**Objective: Improve the User Experience; Objective: Upgrade IT Infrastructure.** AIPLA understands the critical need for the USPTO to improve its IT infrastructure and the importance of this effort in the USPTO's ability to accomplish most of the other goals of its Strategic Plan. The major objectives of this effort are set forth in broad terms, and we look forward to the opportunity to comment on more specific proposals as they become available.

**Objective: Develop and Implement the Next Generation Fee Processing System.** AIPLA looks forward to learning more detail about these specific tasks as set forth in the Plan, and the potential benefits of migrating to this new system.

### **Strategic Priority: Implement a Sustainable Funding Model for Operations**

**Objective: Obtain and Implement Interim Funding Authority; Objective: Obtain and Implement Fee Setting Authority.** AIPLA acknowledges that the Office faces serious resource challenges, and we have supported efforts to secure those resources, particularly as part of comprehensive patent law reform. However, we cannot support the implementation of a surcharge, nor can we support giving the Director the authority to raise fees, without some assurance that those funds will remain at the Office. In our view, many of the challenges the Office is trying to address with this Strategic Plan, such as those related to quality and pendency problems, are attributable in large measure to the prior diversion and use of USPTO fee revenues to fund other government operations. Cumulatively, this diversion resulted in reduced appropriations of more than \$750 million in fees paid by patent and trademark applicants for the processing of their applications.

As a result, the USPTO was severely constrained in its ability to hire, train, and retain the number of skilled Examiners needed to cope with a significant increase during that same period of patent application filings, resulting in the present backlog that now leaves applications in some critical technology areas pending for as long as four to five years before examination even begins. Steps taken by the Office to address its quality and pendency issues—made possible in large measure by allowing it to receive and use all of its fee revenues—demonstrate the absolute necessity of allowing the Office to continue to retain and use its fee revenues.

Last year, it took emergency Congressional action to pass legislation to prevent the possible furlough of patent Examiners due to a drop-off in fee collections. This year, it took an exceptional supplemental appropriation by Congress to restore \$129 million in fees to the Office. Clearly a more stable mechanism is needed.

We agree that it will take a comprehensive, sustainable, and reliable funding source to overcome the challenges the Office faces. However, without some mechanism to ensure that the Office retains its fee revenue, the USPTO has no guarantee of such full funding and, perhaps more importantly, has no way to intelligently plan long term, to implement this Strategic Plan, and to meet the multitude of challenges facing the Office.

As to the specific fee request above, a question arises as to what becomes of the qualifier “interim” in the event the Office is unable to obtain fee-setting authority. Furthermore, we are unaware of how or if the level of the interim fee may have been calculated, which makes it impossible for stakeholders to determine whether it is appropriate.

**Objective: Reformulate the USPTO Fee Structure.** Assuming the Office is granted fee-setting authority, stakeholder input would be imperative to ensure confidence in any newly proposed fee structure. Transparency will be necessary for stakeholders to understand how “costs” are being calculated, to ensure that the proposed fees are appropriate. If the Office is determined “to compare the cost of activities with fees,” we wonder whether that will be the standard of evaluation across the board—for example, how it would impact something such as maintenance fees.

We would also have concerns, for example, if fees were aligned, not to cover costs, but to drive certain practices, along the lines as had been proposed in the past. We would like more discussion on small entity fees and the proposed micro-entity fees, to better understand the Office’s goals and whether the level of subsidization is set appropriately. Maintenance fee amounts and the methodology for setting such fees is also an area that needs to be addressed more clearly.

**Objective: Obtain and Implement Private Sector Business Tools.** As previously discussed, AIPLA strongly believes that the practice of diverting USPTO fee income to other governmental purposes must be ended. The establishment of an operating reserve that could be carried over from year to year would be an extremely beneficial change. AIPLA is interested in what precedents exist for such a reserve in other government agencies, and how such a reserve would be implemented and controlled in the context of the overall appropriations process. Although not mentioned in the Strategic Plan, we might even suggest consideration of a long-held objective, not less spoken of, namely the conversion of the USPTO to a stand-alone government corporation.

**Objective: Present Requirements-Based Budgets.** AIPLA recognizes that a more traditional “Requirements-Based Budget” might assist in the review of the USPTO annual appropriation request. Such a budget may also give the public a better picture of how the USPTO is allocating its funds on an annual basis. To the extent that such a process does not lead to unwarranted trimming of the budget based on an external assessment of desired priorities, AIPLA believes that such an effort could be useful.

**Objective: Strengthen Financial and Non-Financial Internal Controls.** AIPLA supports the USPTO’s effort to strengthen its internal controls and improve its compliance and efficiency.

**Strategic Priority: Improve Employee and Stakeholder Relations**

**Objective: Recruit, Develop, Train and Retain a Highly Skilled Diverse Workforce.** Retention and training of a skilled workforce is essential to the ability of the USPTO to carry out its mission. AIPLA supports the Ombudsman program, and looks forward to receiving feedback on its use and effectiveness. We suggest that Examiner training include opportunities for interaction with stakeholders, including site visits and arrangements for technical skill development at stakeholder locations. AIPLA is ready to assist in this effort, as appropriate. We are also prepared to assist the USPTO with the Patent Training Academy by providing lecturers and advisors, if called upon.

**Objective: Enhance Current and Future Agency Leadership by Focusing on Leadership Development, Accountability and Succession Planning**

**Objective: Provide Information and Feedback Channels for Employees and the Public**

**1. The USPTO Web site is the official source of Office news and information.**

AIPLA appreciates the ongoing efforts of the USPTO to improve the flow of information between the USPTO and the public. Expanding use of the USPTO website is a benefit to users of the USPTO services. Traditional means of disseminating information also need to be continued for those who do not have computer access.

**2. Patents Ombudsman Pilot Program.** As previously noted, AIPLA supports the Ombudsman program, and looks forward to receiving further information on its use and effectiveness.

### **3. Independent Inventors Programs and Forums**

- **Inventors Eye Newsletter.** AIPLA has a standing committee on inventor issues, and this newsletter is a helpful tool for that committee in its role of informing and educating our membership on topics of interest.
- **Independent Inventors Roundtables.** AIPLA supports the use of roundtables by the USPTO for all users of its services, including the independent and small inventor community.
- **Training and Education.** The commitment of the USPTO to public education on the use and importance of the intellectual property system is extremely important. AIPLA is ready to assist the USPTO in pursuing this objective wherever possible.
- **Pro-Bono Services.** AIPLA supports the objective of providing pro bono legal services to deserving individuals, non-profit entities, and small businesses. We are prepared to work with the USPTO in organizing a suitable program to assist in achieving this objective.
- **Pilot Program to Accelerate the Patent Process for Small Entity Inventors.** AIPLA is interested in this pilot program and looks forward to receiving further data on the extent of use and the resulting analysis of the pilot program.

**4. Feedback Channel.** AIPLA welcomes the availability of all feedback channels that allow public comment on any USPTO activities and initiatives. Such open channels of communication often can help to solve unanticipated problems and unforeseen consequences of particular actions and changes.

**5. USPTO Director's Forum Blog.** AIPLA appreciates the openness of the Director in establishing and maintaining the Director's Forum Blog. It has already proven to be a valuable resource for USPTO current information and direction.

**6. Roundtables.** The use of roundtables by the USPTO on important issues has already proven to be a very beneficial tool for involving the stakeholder community in various USPTO initiatives. AIPLA has participated extensively in these roundtables, and encourages the USPTO to continue with these efforts.

**7. Facebook.** The use of Facebook to enhance the USPTO’s dissemination of information may prove to be an important tool in the future, as the number of Facebook users continues to increase.

**8. Establish a Labor Management Council to promote exchange of ideas and collaborative problem solving with the unions.** Good relations with the unions representing USPTO employees has proven to be a critical factor in resolving many of the troublesome issues facing USPTO management in the past. AIPLA supports the idea of establishing a Labor Management Council to help in the dialogue with its representative unions.

**Objective: Provide Transparency of USPTO Information and Materials by Increasing the Availability of Public Information**

**1. USPTO Bulk Data.**

**2. On-line dashboards providing pendency metrics.**

**3. Speeches by USPTO officials on the Internet.**

**4. Increased public speaking frequency and question and answer forums.** As previously mentioned, AIPLA has found the recent increased dissemination of some USPTO bulk data to be quite useful. Continued efforts in that regard will be welcomed. The increased availability of USPTO officials as public speakers, and the increased availability of their comments on the Internet are also very important to maintaining an open dialogue between the USPTO and the public. On-line dashboards providing pendency data and other metrics should be another helpful tool for users of the USPTO services.

**Objective: Improve Relationships with DOC, OMB and Congress**

AIPLA strongly supports the USPTO Objective of improving relationships with the Department of Commerce, the Office of Management & Budget, and the Congress. In this time of critical need for increasing the resources of the USPTO, these relationships are extremely important. Education of these and other government departments on the importance of intellectual property to the growth of the nation’s economy will play an important role in the USPTO’s ability to obtain the necessary resources to accomplish its strategic goals.

\* \* \* \* \*

April 2, 2010

The Honorable David J. Kappos  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

**Comments on “Pilot Program for Green Technologies Including Greenhouse Gas Reduction,” 74 Federal Register 64666 (December 8, 2009)**

Dear Under Secretary Kappos:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments regarding the USPTO’s Pilot Program for Green Technologies Including Greenhouse Gas Reduction as set out in the Federal Register notice of December 8, 2009.

AIPLA is a national bar association whose more than 16,000 members are primarily lawyers in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, 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 thoughts and comments on the Pilot Program as it stands today appear below. Please contact us if you would like us to further consider the Program and/or provide more details on any issue.

AIPLA recognizes and supports the Administration’s efforts to promote green technology, as evidenced for example in the President’s State of the Union address, through funding of green technology projects in the Recovery Act, and in the White House Strategy for American Innovation. Strong intellectual property protection is an essential part of any strategy that will be successful in promoting the development of new and innovative technologies.

As we understand it, the Pilot Program is intended to advance the Administration’s goal of promoting the development of green technologies by benefiting existing patent applications in predetermined green technologies that are caught in the U.S. Patent Office backlog. By relaxing the usual requirements for Petitions to Make Special, the Program may be viewed favorably by applicants. And, by taking up qualifying applications out of turn and reviewing them earlier, it is possible that the owners can develop and commercialize the green technologies more rapidly.

Thus, AIPLA supports the goals of the Pilot Program for Greenhouse Technologies, and would like to see the program be successful and grow. In this spirit, the Association would like to highlight several issues which are raised by the Program's details:

- The Pilot Program applies only to applications filed prior to the December 8, 2009 Pilot Program publication date. Because of this requirement, the Program benefits existing cases, but does not encourage the filing of additional applications on green technologies, thereby promoting additional innovation. In order to encourage additional filings, newly filed applications should be included. It is possible, however, that the resources of the PTO do not allow newly filed applications to be included at this time (this is consistent with the Program being limited to the first 3000 filed petitions to make special). Nevertheless, AIPLA would like to see the program extended to newly filed applications.
- The Pilot Program applies only to applications classified in a limited number of predetermined U.S. classifications. Due to the limited number of eligible classes, valuable technologies may be excluded. It is thus possible that an "outside the box" new green technology would be excluded – e.g., because it does not adequately fit within the existing classification scheme. Further, the existing classification system is often inaccurate in classifying claims completely. Having said this, the classification criterion is recognized as a fairly objective tool for selecting appropriate cases and for avoiding additional strain on existing Patent Office resources.
- An application identified under the Pilot Program is limited to three or fewer independent claims and twenty or fewer total claims, and the claims must be directed to a single invention (the applicant must be willing to agree to a telephone restriction without traverse). These limitations may be problematic for some technologies and applications, particularly if a new invention is groundbreaking. In addition, the continuations and divisionals will not automatically be accorded special status under the Pilot Program. AIPLA would like to see these restrictions eased. However, the Pilot Program will still be beneficial, in that development and commercialization of the technology may be aided by advancing at least one claim set.
- General Comment on Special Status Docket. Under the Pilot Program as designed, it is difficult to determine the benefit of filing the Petition for Special status because it is not clear how quickly this would advance the application as opposed to remaining in the regular docketing queue. Particularly with existing cases, an applicant may give up an earlier place in line for a worse position in a "better" line. Thus, AIPLA would like to see the Patent Office provide guidance on the number of months that will be shaved from the date of the first Office Action.

Thank you again for the opportunity to comment on this important issue.

Sincerely,



Alan J. Kasper  
President, AIPLA

# **AIPLA Comments: Enhanced Examination Timing Control Initiative (“3-Track”)**

1

**Q. TODD DICKINSON**

**EXECUTIVE DIRECTOR,  
AMERICAN INTELLECTUAL PROPERTY  
LAW ASSOCIATION (AIPLA)**

**USPTO PUBLIC MEETING  
JULY 20, 2010**

# EETC Initiative

2

- **3-Track Options**
  - **Track 1 – Acceleration for a fee**
  - **Track 2 – “Traditional examination” timing**
  - **Track 3 – Deferred examination**
- **Handling of first-filed-foreign applications**
- **Supplemental search**

# Track 1: Accelerated Examination

3

- **Our understanding of Track 1 is as follows:**
  - Based on a simple request and cost-recovery fee.
  - Application will be put into either:
    - ✦ (i) a single queue with applications from other existing acceleration programs, or
    - ✦ (ii) in a separate “Track 1” queue.
  - FOA within **4 months** (target) from the grant of prioritized status (entry into the queue).
  - Final disposition within **12 months** (target) from the grant of prioritized status (entry into the queue).
  - Additional resources from fees deployed to meet these deadlines without delaying Track 2 applications.

## **Track 1: Accelerated examination (cont'd)**

4

**If our understanding is correct,  
we see this part of the proposal  
in a generally positive light.**

# Track 1: Accelerated examination (cont'd)

5

- **Strength of support dependent on at least the following:**
  - First permanently ending fee diversion.
  - No consequential delays for Track 2 applications.
  - Available for all applications, including Paris Priority applications.
  - Limit on number of claims should be raised, e.g. to 6 independent and 40 total.

# Track 1: Accelerated examination (cont'd)

6

- **Cost-Recovery Questions**

- Magnitude of the acceleration fee may discourage use.
- PPH: Possible detrimental effect on U.S. applicants who want to use PPH in other offices.
  - ✦ USPTO accelerated examination necessary.
  - ✦ If the cost-recovery fee is prohibitive, it will adversely affect U.S. applicants' ability to benefit from PPH.
- Impact of small and micro entity discounts.

# **Track 2: The Current Process**

7

- Continuation of current examination process as default process generally acceptable.
- Current timing should not be delayed by other aspects of proposal, in particular, accelerated examination under Track 1.

# Track 3: Deferred Examination

8

- AIPLA has traditionally opposed deferred examination
- Commented in January 2009. Did not oppose deferred examination, if certain issues were addressed.
- Few of those concerns seem to be addressed in the 3-track initiative.
- Deferred examination already available under 37 CFR 1.103(d), although the fees must be paid up front (rarely used?).

## Track 3: Deferred Examination (cont'd)

- For us to consider support for deferred examination at this time, it should include, *inter alia*:
  - Mandatory 18-month publication
  - Search, preferably prior to publication (e.g., PCT)
  - Possibility of third party requests for examination, perhaps including the option of accelerated examination
  - A timely first office action after the deferral period ends
  - Clarification of patent term adjustment
  - Intervening rights

# Track 3: Deferred Examination (cont'd)

10

- Additional issues:
  - Data to support actual reduction in workload?
  - Possible filing increase for business strategy reasons?
  - Duplicative of or in conflict with PCT.
  - Gaming?
    - ✦ More filing of questionable applications?
    - ✦ Switching between tracks.
    - ✦ Continued uncertainty.

# Track 3: Deferred Examination (cont'd)

11

- Additional issues:
  - Unintended consequences?
  - Pilot project?
  - Sunset?

# Patent Term Adjustment (PTA)

12

- Reducing PTA for delayed examination via Track 3 is appropriate.
- Significant questions regarding how “average pendency” determined.
- Applying PTA reduction to SHARE possibly discriminatory?
- More time and details needed.

# First-filed-foreign Applications

13

- **Our understanding of the proposal for handling Paris priority applications is as follows:**
  - If a U.S. applicant claims a foreign priority, the application will be set aside.
  - When and if the applicant submits a foreign search report, office action, and US-style response to the office action, the application will be put into the examination queue.
  - The applicant could at that time request accelerated examination under Track 1.
  - If the foreign application was allowed, the applicant would not have to provide the search, office action or response, but only provide a notice to that effect to the USPTO. (IQ issues?)
  - If the foreign application was not allowable, the applicant could also submit an amendment, but would have to include arguments as to why the claims are patentable in the U.S.

# First-filed-foreign Applications (cont'd)

14

- Based on our understanding, we have many concerns about this proposal
- Adverse impact foreign-based applicants.
  - Indications from sister IP associations abroad of strong opposition.
- Retaliation risk from other offices, with detrimental effects on US patent owners.
- Contrary to harmonization principles.

# First-filed-foreign Applications (cont'd)

15

- Will this proposal lead to a reduction of workload at the USPTO?
  - Possible actual increase in USPTO workload, i.e., foreign applicants may choose to file first in the USPTO, or to file simultaneously with their home filing, in order to avoid “mandatory deferral,” and also to benefit from the availability of accelerated examination under Track 1.
- Downplays PCT as a major means to achieving work sharing.

# First-filed-foreign Applications (cont'd)

16

- Trilateral and IP5 talks on international work sharing, including SHARE.
  - These discussion should continue.
  - Additional information needed on JPO and EPO handling of this issue, e.g., JP First and PACE/European Utilization Project.
- SHARE should continue to be discussed in the context of other international work sharing initiatives such as PPH, PCT-PPH, CAF, CCD, etc.
- We do agree that these discussions should be substantially accelerated.

# Supplemental Search

17

- No objections in principle.
- Issues/concerns:
  - Commitments from other offices?
  - How will it be used by USPTO?
  - Effect on legal issues (presumption of validity, IC, etc.)
  - Undesirable outsourcing by other office?
  - Reciprocal commitment by USPTO increasing workload?
  - Interface with currently available resources?
  - Pricing?

# Thank You

18

[tdickinson@aipla.org](mailto:tdickinson@aipla.org)

December 11, 2009

The Honorable David J. Kappos  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
Mail Stop OIPE  
P.O. Box 1450  
Alexandria, VA 22313-1450

Comments on Work Sharing for Patent Applications  
74 Federal Register 54028 (October 21, 2009)

Dear Under Secretary Kappos:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments in response to the Notice of the U.S. Patent and Trademark Office (USPTO) regarding Work Sharing for Patent Applications.

AIPLA is a national bar association whose more than 16,000 members are primarily lawyers and other patent practitioners in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

AIPLA supports the USPTO's efforts to increase work sharing and reduce the application backlog, and in particular supports the current effort of the USPTO to gather user views on the topic of work sharing and reducing backlog by convening the Roundtable held on November 11, 2009, and receiving comments from the patent community and public sector. I was pleased to participate in the Roundtable on behalf of AIPLA and look forward to continued cooperation with this administration in developing programs and practices that will assist the USPTO in accomplishing its mission.

While AIPLA fully supports the work sharing initiatives identified to date, it is important that efforts to promote efficiency and eliminate duplication of work not be carried out in a manner that would adversely affect the quality of search or examination performed, or prejudice the rights of patent applicants. In particular, resources devoted to new work sharing initiatives should not detract from efforts to improve the quality and reliability of international search and examination efforts under the Patent Cooperation Treaty (PCT).

AIPLA supports the PCT as the model for international cooperation that is likely to yield the greatest benefit for both Offices and the largest number of patent applicants, and we are especially heartened by Director Kappos' commitment to "world class" PCT processing. We suggest that performance metrics should be developed to properly assess the results of any adopted work sharing programs. These new work sharing initiatives will necessarily lead to increased demands for training and monitoring for USPTO staff and patent practitioners alike and should only be continued if they provide a net benefit to the patent community.

AIPLA is encouraged by the USPTO's recent commitment to transparency in its operations and suggests that the USPTO make available on its website statistics and other information regarding its work sharing initiatives. The recent success of the Patent Prosecution Highway (PPH) program in terms of rates of allowance and speed of examination can be used by patent practitioners and applicants alike to appreciate more fully the potential benefits of participation. The USPTO should consider posting a report of errors or misunderstandings that occur most frequently and reduce the expected efficiencies and benefits of the program to help reduce the recurrence of those problems.

We believe that one of the challenges in the early adoption of PPH, especially between Offices such as the USPTO and the European Patent Office, has been a lack of user awareness. To that end, AIPLA has sponsored one webinar on the PPH program, conducted on June 3, 2009, by former USPTO officials Nick Godici and Esther Kepplinger, to promote awareness of the program and its advantages. We welcome additional opportunities to disseminate information about and promote USPTO work sharing programs among our membership and the user community at large, and we look forward to working with the USPTO on expanding awareness of the various work sharing programs. Finally, the growth and success of these programs will ultimately depend on the ability of the USPTO and other participating Offices to consistently deliver on their promises of greater efficiency and speed in the examination process, while at least retaining the quality of the work product.

AIPLA offers the following comments on the three types of work sharing programs addressed at the Roundtable: (1) Patent Prosecution Highway (PPH); (2) strategic handling of applications for rapid examination (SHARE); and (3) the PCT.

### **Patent Prosecution Highway**

The PPH program arises from a series of bilateral arrangements between patent Offices. Under the PPH program, a patent applicant who has obtained allowable claims in an Office of first filing (OFF) is able to obtain accelerated examination and earlier allowance in most cases in another patent Office of second filing (OSF). The OSF is able to reduce the examination burden and improve the examination quality by taking into account the results of search and examination from the OFF. The PPH program was initiated as a pilot program between the USPTO and the JPO in May 2006 and has shown promising results that have led not only to the continuation of that program, but also to the expansion to other Offices.

We applaud the recent USPTO announcement that it intends to launch, early in 2010, a pilot program for handling PCT applications through the PPH process among the Trilateral Patent Offices. We understand that the program will make applications eligible for processing that have received positive results in either an examination search report, a written opinion, or an international preliminary examination report. Although this pilot program may be limited to situations where a second Office would rely on a positive examination result during the international phase by another Trilateral Office, it should also be contemplated that, at some point, a patent Office would accept its own work in reaching a positive examination result as a sufficient basis to accelerate examination of its own national phase application. Such a program already exists in the U.S. under 37 C.F.R § 1.496, but is not well understood by the examining corps or by practitioners.

One of the major disadvantages to U.S. origin applicants in using the PPH is the continuing difficulty in obtaining an early allowance in the USPTO, which would provide favorable results to foreign jurisdictions using the PPH. There are very few fields of technology where the pendency to first action in the USPTO is at a level that would provide an early indication of allowable subject matter that could be useful in foreign jurisdictions participating in the PPH. We continue to be concerned that, generally speaking, the current requirements to support a petition for accelerated examination (MPEP 708.02(a)) are both burdensome and present risks to applicants in making a good faith attempt to satisfy all the requirements. Moreover, the absence of reasonable procedures in the USPTO has encouraged some applicants to develop strategies of filing applications first outside the United States, after obtaining the appropriate foreign filing license, in order to participate in the PPH program without the burdens imposed by the USPTO's accelerated examination requirements. This, of course, only adds additional costs to a program that should be focused on achieving greater efficiencies in a global filing program. Accordingly, the USPTO is encouraged to develop a more user-friendly opportunity to obtain accelerated examination, at least for those applicants who intend to participate in the PPH program in foreign jurisdictions.

Another concern for U.S. users is that the work of the examiner in the USPTO may not be accepted by the examiner in the partnering Office of second filing. In particular, there is uncertainty as to the meaning of when there are "corresponding claims" and uncertainty as to the impact of allowability of corresponding claims on other claims. Greater clarity and uniformity on a global basis would be desirable.

In this same regard, AIPLA recognizes that if large numbers of PPH bilateral agreements differ in detail one from another, this may present practical difficulties for users in the long term. Such differences can create traps for applicants who want to take advantage of the PPH program, but will have to endure burdensome correction procedures to comply with particular PPH agreements. These correction procedures add inefficiencies for both applicants and the Offices and represent an unnecessary barrier to achieving the expected benefits of work sharing. While recognizing the desirability and necessity of examining ways to streamline the system of multiple bilateral agreements, we also appreciate that there are on-going discussions about the feasibility of establishing a "plurilateral" or "multilateral" PPH.

AIPLA would like to understand more about how such a system might be established and maintained before supporting such a concept and, in particular, questions the practicality of any such system that would have the effect of competing with or weakening the PCT. At a minimum, the USPTO should list and publish the requirements for each bilateral agreement in a manner that makes differences among the agreements readily apparent to users.

Finally, the need for copies and translations of all documents coming from the foreign OFF into the USPTO is extensive. We understand that this information is already available to the USPTO examiner through the use of the Dossier system. It would be helpful to applicants if the USPTO would provide additional training to examiners in the use of the systems, in order to avoid the need for applicants to continuously provide costly copies and translations of information that can be easily accessed by the USPTO examiner. To the extent that these systems do not exist with respect to any of the participating Offices, AIPLA would encourage the Offices to develop such systems and improve the efficiency of the PPH process for all participants.

### **SHARE**

As we understand the SHARE program, applications for which an Office is the Office of first filing (OFF) are prioritized in the examination queue relative to applications where the Office is the Office of second filing (OSF). The concept is that the OSF can use the work product of the OFF to the maximum extent practicable to reduce redundant work, decrease pendency, and improve examination quality. These are very important goals, especially in times of enormous backlog like the present, and AIPLA supports the SHARE concept in principle. However, we have reservations based on the potential impacts of such a program and the types of applicant behavior that may be stimulated by such a program.

Fundamentally, AIPLA believes that Offices of second and subsequent filings, and particularly the USPTO, do benefit from the search and examination results from the OFF or earlier examinations in counterpart foreign applications. As in the case of the PCT, however, any real benefit that is derived from an earlier search and examination by another Office is highly dependent on the quality of that search and examination. It would also appear that much of this type of information (i.e., search and examination results from other Offices) is already provided to the USPTO through information disclosure statements filed by applicants in accordance with and pursuant to 37 C.F.R. §§ 1.56, 1.97 and 1.98. To the extent that participating Offices are equally committed to the quality of their work product, the SHARE program should lead to both increased efficiencies and quality in the examination process.

AIPLA shares the concern expressed by some about how the opportunity for intentional delay of examination for some applications is likely to affect applicant behavior. As noted above, it can be predicted that some applicants may develop strategies to take advantage of a new program in ways that may not be in the public interest. For example, an applicant may select an Office of first filing that has the longest delay to examination, so that examination in the second or subsequent Offices would be delayed, invoking perhaps inappropriate patent term adjustment issues, at least in the United States.

In addition, it may not be predictable how an effective work sharing program for those applicants filing applications in multiple jurisdictions will affect the examination of applications filed by applicants who file only in the United States, principally small entities.

AIPLA looks forward to following closely the results that are achieved by the pilot SHARE program and an analysis of the likely impacts on all users of the patent system and the public.

### **Patent Cooperation Treaty**

AIPLA supports the PCT as a work sharing mechanism, and also supports including PCT search and examination results in the PPH program. We encourage the USPTO to improve its processing of PCT applications, along with improving the quality and reliability of international search and examination efforts under the PCT. The work done during the international stage of the PCT will be valuable to those Offices processing national stage applications only to the extent that the work performed in the international stage is both complete and reliable. The PCT can be the model for international cooperation among Offices, but only to the extent that each Office processing the international application and conducting both the search and examination in the international stage perform those responsibilities in a competent and complete manner.

Finally, the efficient national stage processing of applications can also serve the goal of optimizing work sharing and reducing the backlog, while maintaining quality. At the most basic level of work sharing, full faith and credit in the U.S. national stage should be given to the work performed by the U.S. examiner in the international stage. In addition, AIPLA supports and would strongly encourage the USPTO's processing of papers for entry into the U.S. national stage as promptly as the USPTO processes domestic (111(a)) patent applications. Further, AIPLA supports the implementation by the USPTO of enhancements to the docketing system to better identify and highlight the "out of turn" cases under Rule 496 so that examiners will be able to take advantage of recently performed work by themselves or others.

We appreciate the opportunity to provide these comments in response to the Notice and would be pleased to answer any questions our comments may raise.

Sincerely,



Q. Todd Dickinson  
Executive Director  
AIPLA

April 5, 2010

The Honorable David J. Kappos  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

RE: Response to Request for Comments on Enhancement in the  
Quality of Patents; 74 Federal Register 65093 (December 9, 2009)

Dear Under Secretary Kappos:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments in response to the Notice Requesting Comments on Enhancement in the Quality of Patents. Comments are provided below on the Categories identified in the Notice and the areas of particular U.S. Patent and Trademark Office (“PTO”) interest also addressed in the Notice.

AIPLA is a national bar association whose more than 16,000 members are primarily lawyers and other patent practitioners in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

AIPLA commends the PTO for taking a fresh look at the factors that affect examination quality and efficiency. The quality of U.S. patents is critically important to inventors, businesses, the investment community, and the public. Any time patents are issued that are of questionable validity, it reflects negatively on the patent system and the PTO, and undermines the confidence of businesses, consumers, and Congress. While the validity of such patents may be tested through post-grant processes, such as reexamination or litigation, these proceedings are expensive and time-consuming.

Thus, in addressing the problem before a patent is granted, it is essential that primary attention is focused on quality management processes and tools, most importantly those which lead to a reduction in errors made by the PTO in the first place. Efforts to assess or measure quality are often criticized as being “impractical,” due to lack of resources to make a complete assessment, or a lack of clarity in the law, or even differences of opinion about the “correct” answer. Such difficulties ultimately should not distract us from attaining the worthy goal of finding the appropriate quality management processes for improving the quality of the examination process.

Additional attention also should be given to the establishment of proper protocols for the examination process, and proper training of personnel so that comprehensive and timely examination can be conducted. New initiatives that test promising strategies should be undertaken and the cooperation of stakeholders sought where appropriate.

Finally, recognizing that quality is relevant at many steps along the path to a patent grant, the PTO should work with stakeholders, through public fora and on the basis of enhanced Office transparency, to define best practices for applicants, their attorneys, and even the public in helping to achieve greater quality in the work product of the PTO.

### **Category 1 - Quality Measures Used**

Few aspects of good quality management are as important as establishing appropriate metrics to measure both the quality itself and the progress that is being made toward a continuously improved quality standard. The PTO has identified tools now in use for monitoring the quality of examinations: (1) allowance compliance—monitoring patentability of claims and clarity of record; (2) in-process review—addressing whether randomly selected Office Actions are complete, clear and appropriate; and (3) quality index ranking—using internal statistical measures (e.g., number of RCEs or non-final actions) to identify anomalies that should be investigated. These factors should, if administered competently, assist the PTO in identifying systemic shortfalls in its training and/or supervision. Information gathered in systematic ways should be used in conjunction with information from other sources (e.g., petition and Board decisions, results of reissue/reexamination or court/ITC proceedings, complaints regarding performance) to identify areas of practice and/or people requiring closer attention.

Among the challenges with these procedures for reviewing Examiner's work, either in process or at the time of allowance, is the accuracy and reliability of the person doing the review and how much time is devoted to the review process. While the PTO has used appropriate procedures to evaluate the quality of examination products, one key problem lies in the quality and consistency of the work of those performing the review. The quality and consistency of their work is affected by their knowledge, skills and abilities, and the time and resources available to accomplish the expected result. An important factor for improving examination quality, therefore, would be to improve the overall knowledge, experience, and judgment of those in training and supervising roles so that quality is monitored and measured in a more effective way. This is a huge challenge as the examining corps is expanding to address the ever rising workload, but it remains a critical determinant and measurement of examination quality.

One specific area of practice that is often mentioned as requiring serious attention is restriction practice. Decisions by the Office on restriction, in many cases, do not follow proper restriction practice as set out in the Rules. See, e.g., 37 C.F.R. 1.475. For example, the differences between national restriction practice and the international unity of invention practice is not evidenced in many decisions.

While this is not a new problem, experience has shown that when the PTO pays proper attention to its training materials and supervision and management relating to restriction practice, significantly greater compliance and uniformity can be achieved. See 1053 OG 5, Restriction Practice Survey II (1985), reporting a 36% decline in restriction requirements as a result of training, closer supervision and management oversight. Restriction practice petition decisions should be posted in the FOIA Reading Room, and simultaneously made searchable online. Much of the effort and resources devoted by PTO Examiners and applicants to restriction practice could be better spent on more substantive examination issues. Perhaps the Ombudsman program can be used to help address this issue, but a larger intervention is more likely needed.

### **Category 2 – Stages of Monitoring**

The PTO has identified 8 stages for possible monitoring of examination work and has requested comments on the choice and practicability of measuring quality at each one of these stages. As any objective supervisor would understand, the choice and practicability of each step is going to depend largely on the circumstances and the individuals involved. Some monitoring of examination work should take place at each stage simply to obtain information on the overall quality of the examination process. Each stage can be very important, depending on the circumstances.

A complete first action is among the most important stages to monitor. It should reflect the result of a complete search of the prior art, treatment of all pending claims, and a clear explanation of any allowance, rejection, objection, or requirement made including claims affected, statutory or regulatory basis for the action, and supporting rationale. A first action that is complete, e.g. based on the best prior art available and a complete analysis of other statutory requirements (e.g. Section 112 issues), is one of the surest steps the PTO can take to improve the quality of examination and reduce pendency at the same time.

Interviews have been repeatedly mentioned as an effective tool for improving communications and understanding between the Examiner and applicants. Some practitioners have had very favorable experiences with pre-first Office Action interviews for the purposes of discussing the invention and improving the understanding of claim scope. Having a better understanding of the invention and claim scope can assist the Examiner in performing a more focused search and may aid in facilitating a more efficient, high quality examination.

The large gaps of time between written communications in the examination process can be inefficient, and may detract from resolving the issues that could be eliminated by direct interaction through a personal or telephone interview. Examiners and practitioners can actually save time through these personal interactions, as they can resolve issues faster or at least shape the issue that needs to be resolved by appellate review. Many of our members have commented on the positive change in attitude of many Examiners toward a willingness to conduct interviews and the constructive focus of their participation. The Office is commended for this positive development.

Second or subsequent actions that are not final may be an indication that the first Office Action is not complete, or may indicate that applicants have significantly changed what they regard as their invention. Many of these types of actions may warrant closer review or investigation, but they should not be regarded as problematic per se.

Monitoring of final Office Actions, can be very important, again, depending on the circumstances. If an Examiner has a poor affirmance record at the Board, or appeals are stopped as a result of appeal conferences or panel decisions in a pre-appeal brief conference, closer attention should be paid to the content of final actions by that Examiner before they are mailed.

A model for such a review is now practiced in the Reexamination Unit where a panel of Examiners reviews and approves the action before it is mailed. It is important that the panel be objective and not dominated by the Examiners who authored the Office Action. Some applicants are discouraged from using the pre-appeal brief conference opportunity when the Examiner is an assistant Examiner because they believe the conference panel is already dominated by the assistant Examiner and his or her supervisor so the result would be predictable, echoing the prior action and not based on an objective review. Applicants should be able to participate, at least by telephone, in these panel discussions. A pilot program may be appropriate to test user participation.

Appealed cases can be reviewed in a pre-appeal brief conference and after an appeal brief is filed. It is our understanding that prosecution is reopened in about one-third of the appealed cases reviewed in an appeal conference. This results in allowance in some cases, and is an appropriate vehicle for quality, and should be maintained. Nonetheless, the reopening of prosecution represents a significant waste of Examiner and applicant resources if it could have been avoided at an earlier stage. The PTO should review the reasons for reopening, publish the results of that review, and take appropriate steps to reduce instances of reopening that are caused by Examiner action or omission. It would be informative for the PTO to publish its statistics on pre-appeal brief and appeal conferences on a technology center and group basis.

### **Category 3 – Pendency**

The PTO has questioned whether the quality of prosecution, examination and patent grant can be improved while at the same time reducing overall pendency. Yes, it can, but not in all cases. Patent applicants have different motives for seeking patent protection, and operate in different industries and different product cycles. Some applicants need a strong patent that is issued quickly because technology develops rapidly or because they need investment capital that can best be attracted after obtaining exclusive rights. Others might prefer deferred examination, particularly if it does not cause a reduction in patent term adjustment opportunities, because they have not determined which part of the invention is going to be important, or because the market for the protected product develops more slowly or is subject to regulation by other agencies.

The flexibility afforded applicants by continuing applications and requests for continued examination does not detract from the quality of prosecution and examination, but it can adversely affect its efficiency. These procedures are often necessary to obtain the full scope of protection for an invention, either because of the difficulties in getting the Examiner to understand the invention, technology, or applicable legal principles, or because the applicant has not identified what is really important, namely the appropriate claim scope and evidence of patentability that should be rewarded with a patent.

#### **Category 4 – Pilot Programs**

AIPLA strongly supports the use of pilot programs by the PTO to identify and develop practices that can contribute to improvements in examination quality and efficiency. Positive contributions have already been made by programs such as the Peer-to-Patent pilot, pre-appeal brief conference pilot, and first action interview pilot. We are not aware of any information on the cost of maintaining these programs, but that should be a factor in determining the overall value of each of these pilot programs. The Continuing Education for Practitioners (CEP) Pilot offers a useful vehicle for offering education and guidance to registered practitioners, particularly when new policies and practices are implemented.

#### **Category 5 – Customer Surveys Regarding Quality**

Customer surveys directed to institutions and firms that file a large number of applications can be useful for identifying general reactions to survey questions. Opinions are often affected by critical incidents, either good or bad, and it can be difficult to gauge the accuracy of these general reactions. Some members believe that more accurate and precise information can be obtained by a spectrum of surveys addressed to individual cases.

#### **Category 6 – Tools for Achieving Objectives**

An improved classification system would be a significant tool in meeting the objectives of application and patent quality.

#### **Category 7 – Incentives**

The PTO has requested comments on means to incentivize applicants and PTO personnel to adopt procedures and practices that support the achievement of patent quality. Applicants who are interested in a quality patent are already incentivized to spend the resources commensurate with the value placed on the patent to protect their interests. PTO personnel are incentivized by the opportunities for recognition in their performance reviews, awards, and advancement for outstanding performance.

Areas of particular interest to the PTO were identified as follows:

1. Prior Art

The PTO has requested comments on ways to improve the performance of Examiners in identifying relevant prior art as well as ways to measure success of identifying relevant prior art. Many practitioners commenting on this issue regarded identification of the most relevant prior art as among the most important factors in obtaining a quality patent. The issue is addressed in almost all third party-initiated reexamination proceedings and litigations where the validity of patent claims is challenged. Significant resources often are devoted to whether the best prior art was before the PTO. Even where new prior art is identified, it may require the action of the courts to determine whether it was good enough to render a claim unpatentable.

It is necessary to place some practical limits on the extent of efforts that will be made to assess the PTO's success in identifying relevant prior art. These efforts also will be impacted by the qualifications—technical, legal, and linguistic—of the individuals doing the assessment. The efforts already initiated by the PTO to seek the cooperation of other major patent offices in Europe, Japan, China, and Korea have the potential to identify the best prior art applicable to a particular invention. However, it should be emphasized to Examiners that all of the prior art identified in searches performed in the international stage should be reviewed when examining an application. We also encourage the Office to develop a system for automatic access to citations of prior art documents from other patent offices for corresponding applications.

2. Comprehensive Initial Application

The PTO has solicited comments on guidelines that the PTO can disseminate to best assist applicants in preparing applications that can most efficiently be examined, and how the completeness of filed applications can be measured. Many applicants prepare applications for filing in many countries and regions of the world. The preparation of these global applications is often guided by the specific requirements and practices of the office of first filing. It would assist applicants and ultimately the other patent offices to agree on a common format and practices so that specifications and claims accepted in one part of the world would also be accepted internationally. We note that the Trilateral Offices have agreed to a “common application format (CAF)” that provides certain benefits to users when adopted. The availability of a downloadable template for such format, along with embedded guides or suggestions, may aid uniform adoption of the CAF.

The treatment of multiple dependent claims dependent on other multiple dependent claims is an easy example. This type of claim is acceptable in most other countries and regions, but it is not examined in the U.S. pursuant to 35 U.S.C. § 112, paragraph 5.

Unless these claims are revised in the U.S. application before examination begins, they will not be examined and the efficiency of the examination process is adversely affected. Greater uniformity in application requirements would benefit both applicants and the PTO.

3. Comprehensive First Action on the Merits, With Clear Explanation of All Issues

Comments are solicited on the aspects of the initial Office Action that will enhance quality and how the success of PTO communications can be measured. The importance of a good search of the prior art has been discussed above. It is also important that Examiners focus on substantive aspects of the examination process and not waste time correcting misspelled words in the specification, or modifying an Abstract because it contains a “legal” term like “said”, or identifying a numeral in the drawings that is not discussed in the specification unless these minor errors adversely affect an understanding of the disclosure and claims.

The substantive aspects of examination evaluate whether the application and claimed invention comply with all statutory and regulatory requirements for obtaining a patent. Many Examiners produce a comprehensive Office Action that provides all the necessary information for clearly communicating the position of the Office and reasons supporting that position. Those who sign Office communications that do not meet that standard either do not know the facts, law, or procedure well enough to reach a proper decision, or have not devoted the time necessary to make correct determinations or communicate clearly the position of the Office. Finally, where there are clear errors or omissions in the statement of a rejection, the Office should incentivize prompt identification of them to the Examiner, so that a corrected or clarified Office Action can be issued.

4. Comprehensive and Clear Response to Office Action on the Merits

The PTO has requested comments on what guidelines the PTO can disseminate to best assist applicants in preparing responses that can most efficiently and completely resolve issues, and bring the examination to a rapid, yet comprehensive conclusion, and how the success of the guidelines can be measured. The recent emphasis and willingness of most Examiners to participate in a constructive way during interviews should facilitate a common understanding between Examiner and applicants of the claimed invention and issues arising during examination.

The apparent desire of the PTO to receive all evidence to address an Examiner’s position as early as possible, and at least before final Office Action, may well be an appropriate prosecution strategy in reexamination or where an applicant seeks a patent as soon as possible, but is neither practical nor is it advisable where time is not critical and where an applicant seeks to obtain patent protection without creating any unnecessary prosecution history estoppel.

The luxury of continuing prosecution practice through continuations and requests for continued prosecution simply makes it unnecessary to make all arguments and present all evidence as soon as possible where much less may be sufficient to persuade the PTO of patentability.

#### 5. Proper Use of Interviews

Comments have been solicited on how to improve the interview process to resolve issues and to make the full substance of the interview of record, and how to measure the effectiveness of the interview and the completeness of the recorded summary. Interviews can be most effective when attended by someone who has authority to make final decisions. Examiners are sometimes handicapped by the unavailability of a primary Examiner familiar with the application and practitioners are handicapped by needing client approval for changes made to the claims.

In addition, the interview process would be enhanced if Examiners would prepare specific claim amendments that they think would overcome the prior art or resolve indefiniteness issues, and be prepared to suggest them to the Applicant at the interview, in cases where it would serve to efficiently advance prosecution. Despite these handicaps, interviews are considered very effective tools by Examiners and practitioners alike for improving communication and understanding and making the examination process more efficient.

At the same time, prosecution file histories where an interview has taken place are often found deficient in providing a record of the reasons for reaching the results of the interview. Consideration should be given to ways in which a useful summary of the results of an interview, and the reasons for reaching those results can be put into the record, without necessarily requiring a verbatim recordation.

We appreciate the opportunity to provide these comments on enhancement of the quality of patents and would be pleased to answer any questions that our comments may raise. We look forward to participation in the continuing development of practices and procedures for measuring and improving the quality of patent examination.

Sincerely,



Q. Todd Dickinson  
Executive Director  
AIPLA

June 23, 2010

The Honorable David J. Kappos  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

Response to Request for Comments on Enhancement in the Quality of  
Patents and on United States Patent and Trademark Office Patent Quality  
Metrics  
75 Federal Register 22120 (April 27, 2010)

Dear Under Secretary Kappos:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer further comments in response to the above-referenced Notice Requesting Comments on Enhancement in the Quality of Patents and on United States Patent and Trademark Office Patent Quality Metrics (the “April 2010 Quality Notice”). AIPLA also appreciates the opportunity given to participate in a first roundtable held on May 10, 2010 in Los Angeles, California and a second roundtable held on May 18, 2010 in Alexandria Virginia. The comments provided below are supplemental to the AIPLA Response of April 5, 2010 to the first Request for Comments on Enhancement in the Quality of Patents (74 Federal Register 65093 (December 9, 2009)) (the “December 2009 Quality Notice”). These additional comments are provided with respect to the draft U.S. Patent and Trademark Office (“PTO”) patent quality metrics that were posted on the PTO’s website, and issues raised at the roundtables.

AIPLA is a national bar association whose more than 16,000 members are primarily lawyers and other patent practitioners in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals,

companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

AIPLA commends the PTO for the initiative and creativity applied in (1) preparing a draft Preliminary Report that organized and summarized the public comments submitted in response to the December 2009 Notice and (2) quickly preparing six proposed metrics categories for comment, seeking stakeholder comment and suggestions with regard to the proposed metrics and setting an aggressive schedule for further developing, refining and establishing metrics that can be applied to the evaluation of quality in the patenting process. We look forward to this initiative continuing on an aggressive schedule, and to our continued participation in the process. This initiative has the potential to serve as a basis for global standards for measuring quality in the patenting process, for continually testing and refining the measures of quality and for establishing best practices among users, Offices and the public that will ensure a highest level of quality and confidence in the patent system.

#### **A. The Definition of Quality**

As an initial matter, we note that the Preliminary Report includes a definition for “patent quality” that has three factors: (1) actions which increase the likelihood that claims granted by the PTO are legally valid, (2) actions which reduce the likelihood that valid claims are not improperly rejected by the PTO, and (3) actions which increase process efficiency and reduce overall application pendency.

In general, we support the combination of both substantive and procedural factors in a consideration of quality. However, we are concerned that the definition, as phrased, may not

provide the most relevant guidance for all of those having a shared responsibility for the vitality and integrity of our patent system, including users, inventors, practitioners, the PTO and the public at large.

First, we suggest that limiting the definition to “patent quality,” with an inherent focus on the claims granted, may place too much emphasis on the downstream aspects of the patenting process, well after critical steps that impact on quality are complete. While concerns with quality in the past have been focused on the quality of issued patents, largely because only the granted patent provides an exclusive right that can be the basis for litigation, we believe that the PTO should place greater emphasis on quality in connection with the filing and prosecution of patent applications. Such “quality” includes the quality of a patent application, including its form and content, as well as the quality of the examiner’s search and examination and the applicants’ responses. Thus, we encourage the measure of quality to extend beyond the application prosecution process itself and to include both pre-filing and post-issuance activity, making the definition more appropriately, concern “quality patents and patent applications.”

Second, focusing quality on “valid claims” may be too narrow, as often, issued claims that are “valid” and enforced in the courts nonetheless are considered to be “low quality” because the supporting description is marginal or the claim language is somewhat ambiguous, though not to a fatal extent. The focus may more appropriately be on the “quality of a patent right,” which may include as factors the quality of the patent application as filed, the quality of the examiner’s search and examination, including appeals, and the quality of post issuance proceedings, including reexamination and reissue proceedings. The process for achieving a quality patent right is one that is (1) iterative, with activity prior to filing, during prosecution and after issue, (2)

cooperative and (3) adversarial at times. Thus the quality of a patent right extends beyond validity and includes the concepts of predictability and legal stability.

Third, a focus on “actions” also may be too narrow, as it appears to concern only procedural and transactional aspects without considering infrastructure, training, worksharing and cultural factors that have a direct impact on quality during prosecution.

In our view, quality would be enhanced when there is an appropriate combination of both substantive quality and procedural quality that involve the Office, applicants and the public. Substantive quality is achieved when (1) all relevant prior art has been considered by the PTO, (2) the specification meets the legal requirements for description and enablement, and (3) the claims are clear, concise and fully supported by the specification and are unambiguous. Substantive quality may be achieved during prosecution of a patent, but at times also may require reconsideration during post grant proceedings where additional prior art is considered and claims are clarified. Procedural quality can be achieved where all relevant procedural requirements that affect patentability have been met and the application has been processed promptly, accurately and efficiently to issue.

Core to substantive quality is the prior art search, the importance of which cannot be overemphasized, coupled with highly competent analysis of the art and the application during examination. However, given the dynamic and independent processes of innovation in any given technology that take place concurrently around the world, we recognize that, as a practical matter, especially in view of existing limitations on the patent search and examination process due to differences among Offices in law, language and procedure, inadequacies of infrastructure and human factors, the achievement of quality as an absolute matter may be elusive. During the

several stages that a patent may pass, from the day that the original application is filed, to the day that the patent expires, the issue of validity over the prior art is likely to remain open. Thus, the quality of the patenting process and the resultant quality of the patent right at any given point in time may be achieved only as a relative matter.

Nonetheless, it should be a primary task during the examination process to ensure that the description and enablement requirements for an application are fully met, and that the claims are clear, concise and effective in defining over the available prior art. And as to the prior art, the achievement of absolute quality for the patent right should be the goal, even if not attainable today, that drives investment, training and procedural initiatives for the patenting process.

These efforts towards quality are the ones to be measured, and consistently modified on the basis of the feedback from that measurement effort.

## **B. The Metrics of Quality**

The PTO has proposed a composite quality metric that includes six individual metrics, including (1) final disposition error rate, (2) in-process review error rate, (3) complete application process review scoring, (4) quality index review scoring, (5) customer survey data, and (6) examiner survey data.

The final disposition error rate and the in-process review error rate, which correspond to the measures the PTO currently has in place, are intended to measure whether the action (allowance or other Office action) taken is an action that a reasonable Supervisory Patent Examiner (SPE) could have permitted. We note that this error rate is performed by random sampling of PTO actions that allow or finally reject an application and treat errors in final

decisions to allow and errors in final decisions to reject an application in common. We believe this expanded measure of a final disposition error rate with regard to the quality of the end product of patent examination is an appropriate metric. The in-process review error rate, which also is performed by random sampling of PTO actions that are not final actions or allowances, is also an appropriate metric since it includes the propriety and completeness of the rejections, the completeness and clarity of the Examiner's responses, the propriety of restriction requirements, the quality of a search and the propriety of the treatment of formal matters. While each of these may have different importance in the examination process, they all are indications of the quality of examination and should be measured.

We believe, however, that the PTO should look at increased granularity with regard to the categories of review, particularly as experience is gained with initial quality measurements and additional quality issues are identified. Further, while random sampling of applications historically has been applied in the measurement of quality, a more focused selection process may yield more relevant results. For example, applications that have been identified by their own applicants or attorneys as having quality issues could be the subject of targeted review, thereby quickly addressing the more specific issues of quality during examination. In order to avoid problems in perception and management, an anonymous or blind protocol that permits the applicant or its attorney to identify such applications during the examination process, for example, at the time of filing a Response to an Office Action, could easily be fashioned.

The third and fourth measures of quality, which are intended to address specific features of the prosecution process and offer a more intensive review of a random sample of applications and provide a complete review of activities in all applications in a manner that complement the first measures of quality, are new proposed metrics. The complete application process review

scoring is intended to review applications chosen by the random sampling of applications that are currently undergoing examination with a view to allowing feedback to Examiners on an application-specific basis concerning issues not currently measured by the in-process or final disposition reviews. This review would score individual applications based on their compliance with best practices at the PTO, including compliance with statutory requirements, MPEP guidelines and compact prosecution principles. Each measured factor would be weighted with regard to its impact on examination process. Here again, the initial proposal is appropriate but further granularity and selectivity may be added based upon experience and feedback in an initial pilot program. Again, a blind protocol that precludes an identifiable relationship between the review and a specific application is essential.

The proposed quality index report, as a new measure based on data currently available through the PTO patent application locating and monitoring (PALM) internal tracking system offers significant advantages and appears to have great promise. The PTO identified three prosecution events that may be indicative of quality concerns, including (1) actions reopening prosecution after final rejection, (2) second action non-final rejections and (3) filing of Request for Continued Examination. Additional activities that may be monitored from the global data available to the PTO would include restriction practice, interview practice and its timing, and the use of pre-appeal submissions.

The fifth and sixth measures of quality include customer surveys, which would measure a customer's perception of the quality of the decisions on allowed patents, the perception of the quality of rejections made on a first action on the merits and the perception of the quality of final rejections that were made. As stated in our previous letter, customer surveys are not likely to be of great value, largely because they are not application specific and tend to be influenced by

individual recent events and experiences rather than general trends. Even general trends are not likely to provide valuable feedback for modification of the patent process in order to achieve greater quality, although they may be useful in providing a mechanism to obtain positive perceptions from users, which would not be provided by a more targeted complaint mechanism. Similarly, Examiner surveys of Applicant trends may not be of great value but more targeted input, which would gather information from examiners about the quality of applications, responses, interviews and the like, without affecting the integrity of the file wrapper and associative legal rights, would be of greater value.

### **C. Additional Recommendations During Roundtables**

A number of other recommendations were made during the roundtables that could affect both substantive and procedural quality.

Reference Characters in Claims - One recommendation is the adoption of policies, coupled with appropriate legislation, that would permit the use of reference characters from the specification in claims. Such correlation between the disclosure and the claims is essential to the achievement of substantive quality. This practice is common in other Offices and is recommended by the Industry Trilateral as an appropriate cost saving practice that would aid examiners, the public and applicants in correlating the claims to the specification. However, the problem with estoppels and the risk of narrow claim interpretation that can result must be avoided by appropriate legislation to preclude such impediments.

Pre-Examination Advisories – A further suggestion includes the use of pre-examination/post-filing review of applications to determine whether they contain claims that may raise issues during examination, coupled with advisories to applicants recommending voluntary

pre-examination amendments. This recommendation would enhance procedural quality in the examination process. Those issues, which could easily be identified by non-examining personnel, include the following:

- Improper Multiple Dependent Claims - recognizing that more than 50% of the applications filed with the PTO have foreign origin and are filed on the basis of the foreign priority application or PCT application without amendment, the claims are likely to include multiple dependent claims that are proper in other Offices but improper under current U.S. practice. Improper multiple dependent claims are not examined in a first Office Action, but are subject to objection and later examined after the improper multiple dependencies are removed. The presence of such claims extends and complicates prosecution, and applicants may be willing voluntarily to amend such claims into proper form.
- Restrictable Claims – often a submitted claim set that has been prepared for a global application includes a combination of method and apparatus claims, or a combination of system, subsystem and component claims that are likely to receive a restriction or election requirement prior to substantive examination. Applicants may be willing voluntarily to restrict submitted claims to one category of invention, provided that rights under 35 USC 121 are not waived.
- Means Plus Function Claims – again, a submitted claims set from a global application may include means-plus-function claims or step-plus-function claims. Such claims raise issues with respect to proper correspondence to the specification

and even statutory subject matter. Applicants may be willing voluntarily to delete or amend such claims into a different form prior to examination.

- Statutory Subject Matter - claims that are directed on their face to possibly improper statutory subject matter, such as “a computer program,” may not be searched and examined, but simply subject to objection or rejection under 35 USC 101. Applicants may be willing voluntarily to delete or amend such claims into a different form prior to examination.

Claims in the foregoing categories, or others that raise similar pre-examination issues, may be easily identified during preliminary processing by non-examining staff who could advise Applicants, using a simple checkbox form, that such claims may be objectionable and that Applicants may wish to amend the claims voluntarily prior to formal examination so that unnecessary rejections or delays or communications may be avoided. Such program could be tested on a pilot basis and, if implemented across the board, subject to appropriate metrics so that accuracy and quality would be ensured.

Collaborative Best Practices – A final suggestion is that the PTO, users and organizations work together to develop best practices relative to the preparation and prosecution of applications, including the provision of appropriate tools, education and incentives. Such effort would lead to enhancements in both substantive and procedural quality. Many corporations already have developed standards for the drafting of high quality applications, and certain industry and user groups are in the process of developing similar recommendations. The PTO could serve as a catalyst to bring diverse interests together in a focused effort to develop a set of

user-defined best practices that would enhance the quality of application preparation and processing.

On the basis of the foregoing, AIPLA looks forward to additional opportunities to participate in quality roundtables and discussions with the PTO.

Very truly yours,

A handwritten signature in black ink that reads "Alan J. Kasper". The signature is written in a cursive, slightly slanted style.

Alan J. Kasper  
President  
AIPLA

February 25, 2010

The Honorable David J. Kappos  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

Response to Request for Comments on Potential Modifications to Final  
Rules of Practice Before the Board of Patent Appeals and Interferences in Ex  
Parte Appeals  
74 Federal Register 67987 (December 22, 2009)

Dear Under Secretary Kappos:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments on the Advance Notice of Proposed Rulemaking Regarding Potential Modifications of the Rules of Practice Before the Board of Patent Appeals and Interferences (Board) in Ex Parte Appeals. AIPLA has made a separate submission regarding the topics raised at the Roundtable regarding ex parte appeal practice, and has tried to avoid any duplication to the remarks already made.

AIPLA is a national bar association whose more than 16,000 members are primarily lawyers and other patent practitioners in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

AIPLA appreciates the opportunity to comment on proposed modifications to the final rules directed to practice before the Board in ex parte appeals. AIPLA supports each of the possible changes under consideration that include:

- (1) deleting certain provisions requiring a petition to the Chief Administrative Patent Judge;
- (2) deleting certain briefing requirements like a jurisdictional statement and tables of contents and authorities;
- (3) deleting provisions requiring identification of arguments previously presented;
- (4) deleting certain formatting requirements and page limits; and
- (5) deleting a requirement for a list of technical terms or other unusual words for an oral hearing.

We commend the Patent and Trademark Office (PTO) for taking the initiative to reconsider the final rules, and particularly the provisions noted above, considered very controversial by most practitioners. Many of the provisions being considered for deletion were of questionable benefit and would have imposed substantial, unjustified burdens on appellants. AIPLA supports the PTO in seeking ways and procedures that will make ex parte appellate practice efficient and effective, but this effort needs to strike an appropriate balance between improving the Board's efficiency and the burdens placed on appellants in achieving this goal.

AIPLA supports the overall direction of the proposed modifications. We are providing comments below on specific changes proposed in the Advance Notice that should be either clarified and/or reconsidered.

### **Comments on Specific Sections**

#### **§ 41.12 Citation of Authority**

The change being proposed is to delete the requirement for parallel citations, and to permit citation to a single source, in the priority order set out in the rule. It is not understood whether this means that the citation must be to the first occurring citation in the priority order specified or whether the PTO is expressing a preference for a particular citation that is not required. For example, if there is both a Federal Reporter and a United States Patents Quarterly citation for a case,

is the Federal Reporter citation necessary, or can either be cited? Will the Board ignore a case citation that does not follow the designated priority if that is required? Clarification is requested.

### **§ 41.31 Appeal to Board**

It is proposed to amend paragraph (b) to delete the provision that a notice of appeal need not be signed, meaning that a notice of appeal would need to be signed in accordance with § 1.33. No reason has been provided for this change, and none is apparent. While it is not an item of major concern, removing a flexibility afforded practitioners can lead to mistakes and more work for both the PTO and appellant in correcting those mistakes. Perhaps the proposed change would be better understood if the PTO identified the purpose or reason for the change.

### **§ 41.33 Amendments and Evidence After Appeal**

In our comments filed September 28, 2007, AIPLA addressed concerns with the provisions in this section as unnecessarily limiting the discretion of the PTO to enter amendments or evidence. Specifically, proposed § 41.33(b) would give an examiner discretion to enter an amendment filed with or after an appeal brief only if filed under limited circumstances. Proposed § 41.33(c) provides that “No other amendments . . . will be admitted.” The PTO appeared to agree that examiners should have this flexibility when it remarked: . . . nothing in the rule should be construed as precluding an examiner from suggesting an amendment or evidence if timely filed. 73 Fed. Reg. 32957, answer to Comment 22. However, both the final rule and the rule proposed in the Advance Notice states that any amendment made after the appeal brief is filed is untimely. This does not appear to give examiners any discretion to enter amendments they have suggested. The PTO is requested to reconsider amending paragraph (b) to include a third possibility that amendments approved by the examiner be entered.

Similarly, proposed § 41.33(e) adopts a very restrictive policy that any evidence that does not meet the standards of § 41.33(d) would not be admitted except in very limited circumstances. We question the wisdom of precluding an examiner, at his or her discretion, from entering evidence that would clarify or remove issues that will be placed before the Board for review. This need not create a new opportunity for appellants to submit unauthorized papers to the PTO, but could be limited to evidence suggested by the examiner.

#### **§ 41.37(g) Statement of Related Cases**

This proposed section requires a continuing obligation to identify “all prior or pending appeals, interferences or judicial proceedings, known to any inventors, any attorneys or agents who prepared or prosecuted the application on appeal . . . and that are related to, directly affect, or would be directly affected by, or have a bearing on the Board’s decision in the appeal.” Although this language is substantially similar to the current provision, it is considered overly broad to satisfy any apparent need of the Board. First, it is not clear whether the language includes only applications of the assignee, or other known applications as well.

The Advance Notice indicates that a related case would include any continuing application (continuation, divisional, CIP). This collection of cases is likely to include applications containing no prosecution, or possibly directed to subject matter not related to the issues on appeal. It would not seem to be in the best interests of the efficiency of the Board to sift through unrelated cases. On the other hand, the omission of reexamination proceedings from the list of potentially related cases is not understood. Clarification is requested.

### **§ 41.37(p) Claims Section**

The claims section in the appendix would require a clean copy of all claims pending in the application or reexamination proceeding on appeal. Our understanding is that a “clean copy” means a copy of the claim without any markings that would suggest an addition or deletion in the claim. This proposal would also require that the status of each claim be set out, but it is not clear why the proposed status of “4 (cancelled)” would be applicable to a “pending” claim. Clarification is requested.

### **§ 41.37(r) Claim Support and Drawing Analysis Section**

This proposed section would require an annotated copy of each claim argued separately indicating where each limitation is described in the specification. It is not clear whether this is a requirement to cite every instance of support, or simply those citations that are sufficient to understand the scope and meaning of the claim limitations. We think this requirement should be clarified to avoid requiring all support and avoid any possible implication that no other claim support exists.

### **§ 41.37(t) Evidence Section**

This proposed section essentially continues present practice by requiring copies of affidavits, declarations, or other evidence relied on by appellant. This apparently would include copies of U.S. patents and U.S. application publications that are not required to be supplied to the PTO in an information disclosure statement. There are additional burdens and costs associated with assembling these materials that are already of record in the appealed case, and the driving force behind this duplication of effort is not understood. We can appreciate that having this package already assembled may reduce such work for the Board or facilitate working at home, but we are not aware

whether this proposal is considered to be an opportunity for improving efficiency at the Board. Clarification is required.

### **§ 41.52 Rehearing**

The proposed section would preclude raising any new argument in a request for rehearing except where (1) it was in response to a new ground of rejection made by the Board, or (2) it identifies a recent legal development. It is respectfully submitted that this restriction is too limited as the Board often attempts to justify an examiner's rejection/decision with a rationale or argument of its own that was not previously made on the record. When this occurs, appellant should be able to point out why the new rationale/argument is erroneous, even though the argument was not previously made, and at least request the Board to designate the affirmed rejection as a new ground of rejection.

### **§ 41.56 Sanctions**

The need for sanctions in the conduct of ex parte appeals has not been justified by the PTO. The proposed transfer of authority to the Director to impose a sanction is an appropriate step for such an extraordinary penalty, if it is adopted. The PTO indicates that a sanction would be applied against an appellant, not against the registered practitioner (74 Fed. Reg. 67997, Sanctions), yet states that the rule is "meant to be employed for egregious cases of attorney misconduct." 74 Fed. Reg. 67998, comment 2. It does not appear that the PTO focus is clear, but to the extent that the rule is meant to address misconduct of the practitioner, it is not clear why the Office of Enrollment and Discipline cannot address any problem, which must be rare.

We appreciate the opportunity to provide these comments on the Advance Notice, and would be pleased to answer any questions our comments may raise. We look forward to participation in the continuing development of rules appropriate for ex parte practice.

Sincerely,

A handwritten signature in black ink, appearing to read "Q. Todd Dickinson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Q. Todd Dickinson  
Executive Director  
AIPLA

February 25, 2010

The Honorable David J. Kappos  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

Comments on Issues Raised at Roundtable Discussion of Board of Patent  
Appeals and Interferences Ex Parte Appeals Rules  
74 Federal Register 67987 (December 22, 2009)  
Roundtable: January 20, 2010

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Dear Under Secretary Kappos:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to participate in the subject Roundtable and to offer comments on the issues raised for discussion. Each of the topics raised at the Roundtable are discussed below under a separate heading. AIPLA is sending a separate submission on the Advance Notice of Proposed Rulemaking Regarding Potential Modifications of the Rules of Practice Before the Board of Patent Appeals and Interferences (Board) in Ex Parte Appeals.

AIPLA is a national bar association whose more than 16,000 members are primarily lawyers and other patent practitioners in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

#### INTRODUCTION

The subject Notice indicated that the Patent and Trademark Office (PTO) is considering modification to the rules governing practice before the Board in ex parte appeals. AIPLA

welcomes not only the opportunity to participate in this consideration, but also the new direction reflected in the proposals to eliminate burdensome and costly requirements that are not likely to contribute to the efficient and effective operation of the Board. We share the concerns of the PTO that the ex parte appeal process work for the mutual benefit of appellants and the PTO in resolving disagreements on patentability in an efficient and effective manner, where neither appellants nor the Board is handicapped by burdens unnecessary to the appellate process. AIPLA is pleased to offer the following comments on the topics discussed at the Roundtable.

**Topic 1: Should jurisdiction pass to the Board upon filing a notice of appeal. (§ 41.35(a))?**

No. AIPLA is not aware of any potential benefit to the efficient operation of the Board by making such a change. Adding to the administrative burdens of the Board (e.g., keeping track of briefing, processing amendments/requests for interviews after appeal, mailing notices of abandonment) should be avoided. The practice of shifting jurisdiction to the Board only after briefing is complete and the appeal is ripe for decision appears to be better practice.

**Topic 2: Arguments to explain examiner error. (§ 41.37(o))**

This proposed section makes a vast improvement over the provision in the final rules by deleting the requirement that appellants identify whether and where an argument had been previously made by appellant. However, AIPLA continues to be concerned about other requirements, both as to their clarity and desirability.

Proposed § 41.37(o) would require an explanation of why the examiner erred as to each ground of rejection that must address all points made by the examiner with which appellant disagrees, wherein any finding or conclusion not challenged will be presumed correct. First, it is not clear what the PTO means by the “point” made by the Examiner. How should appellants determine the metes and bounds of a “point”?

The proposal puts an unnecessary burden on appellant to evaluate every statement made and conclusion reached by the examiner (throughout the examination process), even if not relevant to the issues presented for decision. If appellants are encouraged to address every phrase, statement or argument that cannot be unconditionally accepted as accurate, this will lead to unnecessary work for both appellants and the Board, and tend to reduce focus on the real issues in the appeal. Appellants often do not know the arguments the examiner is relying on until receipt of the Examiner's Answer. The proposed requirement may be easier to understand and comply with if there were a single document describing the examiner's position, but often it must be gleaned from a consolidation of an Advisory Action, final rejection, and one or more other actions. If a presumption is to be retained, it should be made clear that it applies only for the purpose of that appeal, and could be addressed/corrected upon filing an RCE or continuation application.

Finally, proposed § 41.37(o)(2) indicates that only those arguments presented in the arguments section of the appeal brief will be considered and that all other arguments are waived in the appeal. Surely this cannot mean that arguments properly raised in the Reply Brief will not be considered, and we would request a clarification.

**Topic 3: No longer dictating appeal strategy of Appellants:**

AIPLA generally supports efforts by the PTO to minimize requirements that dictate appellate strategy, while ensuring that a clear record and identification of issues are presented to the Board. Specific sections are addressed in comments on the Advance Notice.

**Topic 4: Should the Board have briefing requirements similar to other appellate tribunals (e.g., page limits, jurisdictional statements, table of contents, and table of authorities)?**

No. AIPLA does not support the imposition of briefing requirements that add unnecessary burdens and costs to appellants unless it can be shown that they will materially assist the Board in a significant number of cases. Any page limits should be practical, based on experience, and designed to reduce the number of petitions to enlarge the length of a brief. If a page limit is to be

adopted, the PTO should determine and publish the average length of reply briefs filed and set the limit with that information in mind.

**Topic 5: Should the Board allow examiners and/or appellants to present arguments not presented during prosecution?**

Yes. There is presently no requirement that would prohibit either an examiner or appellant from presenting arguments during the briefing process not presented during prosecution. It is preferable that an issue be developed in advance of the briefing process, but situations can arise where arguments are identified during the briefing process that are appropriate, but were not previously identified. Whenever a new argument is presented, either the examiner or appellant has an opportunity to respond. It would not be efficient to reopen prosecution or restart prosecution with an RCE each time it was considered desirable to introduce a new argument.

The PTO already has authority to control the introduction of new evidence after appeal, and an examiner may reopen prosecution where desirable. Trying to control the introduction of new arguments would inevitably lead to wasted time and resources deciding whether an argument was new. The PTO should avoid restrictions that are difficult to enforce, and are not demonstrated to make a positive contribution to the appellate process.

The evidentiary record should be established at the time the appeal brief is filed, except when the PTO introduces a new ground of rejection in the Examiner's Answer—if that practice is permitted. Proposed § 47.41(i) provides that any argument not presented in the briefs, with very limited exceptions (e.g., a new, relevant decision) cannot be made at the oral hearing.

**Topic 6: Should examiners be allowed to make new grounds of rejection in an answer (41.39(a)(2))?**

Yes, but this authority must be supervised closely. Situations can arise where it is in the best interest of appellant and the PTO to introduce a new ground of rejection in the Examiner's Answer, rather than reopening prosecution. There may be a need to revise an existing rejection by adding a reference that teaches a conventional feature in the art that should be designated a new

ground of rejection but would not substantially alter the issues on appeal. An appellant may prefer to advance this case to the Board as quickly as possible to obtain a decision without restarting the prosecution. On the other hand, if a totally new reference and a different logic to the appeal is introduced, an appellant may want to restart prosecution to provide a full opportunity to address the new ground of rejection.

The PTO should consider permitting an examiner to introduce a new ground of rejection in an examiner's answer, but only when it is authorized by a panel of examiners who consider the new rejection to be appropriate. This should be coupled with an option given to the appellant, as in the proposed rules, to treat the new ground in the same way as a new ground introduced by the Board. In other words, appellant would have the option of treating the new ground as a new PTO action reopening prosecution, or to address the new ground based only on the evidence of record and proceed with the appeal, addressing the new ground in a reply brief.

The PTO suggests in the proposed rulemaking that the addition of a newly added reference in the examiner's answer ordinarily would not be regarded as a new ground of rejection where it merely serves as evidence of a prior statement made by the examiner as to what is "well known" in the art which was challenged for the first time in the appeal brief. While there may be limited circumstances where this may be regarded as appropriate, there should be a presumption that where a new reference is introduced for any purpose (changing the evidentiary basis for the rejection), a new ground of rejection has been introduced.

**Topic 7: Should the Board be allowed to enter new grounds of rejection.**

Yes. Current practice and the proposed rule gives the Board this authority, and gives appellant the option of amending and reopening prosecution before the examiner or requesting rehearing at the Board. We understand that the occurrence of such new grounds is relatively rare, and we regard an explicit rejection made by the Board to be preferable to a secret communication

to the examiner suggesting a rejection that must then be interpreted and articulated by the examiner based on this secret communication.

**Topic 8: Should the rules be more specific as to the requirements for Examiner's participation in an appeal?**

The directions to examiners for the content of an Examiner's Answer should be as explicit and detailed as those given to appellants. While it is not important whether those requirements are spelled out in the regulations or in the Manual of Patent Examining Procedure, examiners should be expected to adhere to them, and Answers should be reviewed for compliance before mailing.

**Topic 9: Should the rule regarding the Director's sanction powers for appellate matters be more specific (§ 41.56)?**

The issue of sanctions is very controversial. The need for this authority is not apparent, and the PTO has not demonstrated why its existing authorities are not adequate to address offending acts. As stated in the Notice, a sanction would be applied against the appellant, not against the registered practitioner. Many question whether a sanction is fair or needed in the three examples of misconduct identified by the PTO:

- (1) failure to comply with a Board order or applicable rule. Failure to comply with a PTO requirement results in abandonment. 35 U.S.C. § 133. What further sanction is needed?
- (2) advancing or maintaining a misleading or frivolous argument. Even if the PTO provides a litmus test or specific guidance for when an argument is frivolous, how would the average appellant be able to make that determination?
- (3) engaging in dilatory tactics. Again, even if the PTO provides a litmus test or specific guidance for when a tactic is dilatory, how would the average appellant be able to make that determination?

At least two of these offending acts are vague and appear to punish an appellant who may have no idea about the propriety of the acts performed on its behalf. In direct answer to the question posed, if the PTO adopts sanctions at all, specific guidance should be provided as to conduct that is likely to be subject to action by the Director. In addition, giving the sanction power for appellate matters to the head of the agency seems more appropriate for such an extraordinary penalty, but it does not alleviate all our concerns.

We appreciate the opportunity to provide these comments to the topics raised at the Ex parte Appeal Roundtable, and would be pleased to answer any questions our comments may raise.

Sincerely,

A handwritten signature in black ink, appearing to read "Q. Todd Dickinson", with a long horizontal flourish extending to the right.

Q. Todd Dickinson  
Executive Director  
AIPLA



**AMERICAN INTELLECTUAL PROPERTY LAW ASSOCIATION**  
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September 28, 2007

The Honorable Jon Dudas  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

Comments on Proposed Rule: “Rules of Practice Before the Board  
of Patent Appeals and Interferences in Ex Parte Appeals”  
72 Federal Register 41472 (July 30, 2007)

Dear Under Secretary Dudas:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments regarding the rules proposed by the U.S. Patent and Trademark Office (PTO) regarding “Rules of Practice Before the Board of Patent Appeals and Interferences in Ex Parte Appeals.”

AIPLA is a national bar association whose more than 16,000 members are primarily lawyers in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

## **Introduction**

The proposed changes to rules governing practice before the Board of Patent Appeals and Interferences (“Board”) in ex parte appeals are intended to make the decision-making process more efficient and permit the Board to handle an increasing number of ex parte appeals in a timely manner. We commend the PTO and the Board for its efforts over the past decade in reducing the inventory of undecided appeals that had exceeded 9,000 just ten years ago.

We note that this reduction was accomplished without the need to impose any additional burdens on applicants or increases in the costs of filing and presenting an appeal to the Board. We support the efforts of the PTO to adopt practices and procedures that will improve the effectiveness and efficiency of the appeal process, particularly where the benefits of those practices and procedures outweigh the burdens and costs associated with them.

However, some of the proposals in the present Notice, discussed in more detail below, will have the effect of needlessly increasing the burdens and costs to applicants in pursuing an appeal rather than bringing forth information that is appropriate to facilitate

an effective and efficient resolution of issues presented to the Board. In this regard, the Notice states that “The proposed rules which change the format and content of briefs may require the appellant to spend additional time in preparing a compliant brief.” It adds that the proposed changes “do not significantly increase the cost of filing or presenting an appeal before the Board” (information associated with the Regulatory Flexibility Act at 72 Fed. Reg. 41484).

We do not agree with the latter statement. Although it may be accurate for some practitioners who specialize in ex parte appeals before the Board, the average appellant is not a specialist, and the proposed new requirements will definitely add significant costs to the preparation of an appeal brief in the overwhelming majority of cases.

Moreover, the increased costs associated with the filing of an appeal brief under the proposed rules is particularly inappropriate when one considers the number of applications in which appeal briefs are filed that never reach the Board for decision. According to a report by Deputy Commissioner John Love delivered to the AIPLA Patent Relations Committee on May 10, 2007, in at least 45% of the 9000 cases in which an appeal conference was held after an appeal brief was filed since June 2005, the PTO decided not to proceed to the Board.

We commend the PTO for its initiative in introducing a pre-appeal conference program. Again according to the statistics provided by Deputy Commissioner Love at the AIPLA May 2007 meeting, we understand that this has been effective in avoiding the filing of an appeal brief in more than 50% of the cases in which such a conference is requested. While these programs and practices demonstrate that they are effective in screening out needless appeals to the Board, they also suggest that the PTO is not taking appropriate and effective action early enough in the examination process to avoid appeals in the first place.

We recognize that the Board has neither jurisdiction nor responsibility for the work performed by patent examiners. However, until the PTO improves the work of examiners so that needless appeals to the Board are eliminated or substantially reduced, it is inappropriate to increase the burdens and costs to applicants of filing an appeal brief in an attempt to control the increasing number of ex parte appeals, particularly when more than half of the appeals never reach the Board.

## **Comments on Specific Rules**

### **Section 41.3—Petitions**

The proposed rule would delegate to the Chief Administrative Patent Judge the authority to decide certain petitions not only on matters pending before the Board, but those authorized by this part. The latter category would include petitions that seek an extension of time to file certain papers if an appeal brief is filed in an ex parte appeal, and to enlarge the page limit of an appeal brief, reply brief, supplemental reply brief or request for rehearing. As we understand the provisions of § 41.35, the jurisdiction of the Board over the appeal begins when a docket notice is entered by the Board after the application is forwarded to the Board after all briefing is completed. Thus, the proposed rule would give the Chief Administrative Patent Judge the authority to decide certain petitions on matters that are not under the jurisdiction of the Board - e.g., a petition to expand the

length of an appeal brief in an application pending before an examiner in the patent examining group.

While having such petitions decided by the Chief APJ rather than one of 24 group directors has some attraction, we wonder whether having divided jurisdiction of matters pertaining to an appeal might lead to unforeseen problems. Not only may this divided jurisdiction cause confusion among practitioners, but experience has shown that petitions properly addressed to the deciding official often are not forwarded within the PTO to the proper official in a timely manner. Moreover, if the goal is to facilitate the work of the Board, it would seem that delegating the Board more responsibility for petitions on matters that are not yet under its jurisdiction would have the opposite effect.

Finally, with respect to delegating to the Board the question of whether an extension of time to file certain papers after an appeal brief is filed, it would appear that the Board might not be the most appropriate place to resolve such a request. At least one factor that should be considered in evaluating a petition for an extension of time is the availability of examining resources to act upon whatever paper is the subject of the request for extension of time. For example, should an extension of time for two weeks be denied when the examiner who will act on the paper when it is filed is going to be on vacation for the next month? Such information is not likely to be taken into consideration by the Board, but someone in the examining group could take this fact into consideration. Accordingly, on balance, we consider it more appropriate to retain the authority to decide petitions under the authority of the patent examining group until jurisdiction of the appeal is transferred to the Board.

### **Section 41.30—Definitions**

This section proposes to define the “record on appeal” as consisting of certain parts of the application file wrapper. As we understand this proposed definition, it appears to be too broad and inclusive of documents that would not be necessary for consideration by the Board or any reviewing authority. Specifically, the record on appeal is proposed to include U.S. patent documents, including published applications, if cited by the examiner or appellant. This would appear to include any document cited by either the examiner or applicant for any reason, including an IDS, even when that document has not been relied upon either by the examiner in any rejection or by the appellant in making an argument for patentability or describing the content of the prior art.

A better definition would include only those documents that would be identified in the proposed evidence section, and be limited to the evidence relied upon by the examiner to support a rejection or by the appellant in support of arguments for patentability. In the absence of any justification for including all U.S. patents or U.S. published applications in the record on appeal, it is respectfully suggested that the definition of the record on appeal be modified to focus on those documents that have been relied upon by either the examiner or the appellant in addressing the rejections on appeal.

### **Section 41.33—Amendments and Evidence after Appeal**

Proposed §41.33(b) would give the examiner discretion to enter an amendment filed with or after an appeal brief is filed under only two limited circumstances. This would,

on its face, preclude the entry of an amendment that is suggested or approved by the examiner.

Clearly the examiner should retain discretion, at the time of filing or after an appeal brief is filed, whether to enter any amendments. Considering the number of appeals that are derailed by an appeals conference, or the cases in which a simple error overlooked by both applicants and the examiner during the examination process could be cured by a simple amendment, we submit that it would be unwise to tie the hands of the PTO by precluding amendments that could eliminate the necessity for appeal or any further examination, or put the application in better form for appeal by allowing amendments that are authorized by the examiner. Accordingly, it is suggested that paragraph (b) be amended to include a third possibility that amendments suggested or approved by the examiner may be entered at the discretion of the examiner.

Proposed § 41.33(d) is amended to provide that evidence filed after a notice of appeal is filed and before an appeal brief is filed may be admitted if the examiner determines that the evidence overcomes some or all rejections under appeal and appellant also shows good cause why the evidence was not earlier presented.

If we understand this proposal correctly, we regard it as positive since it no longer requires the evidence to overcome all rejections under appeal as under the current regulation. We are not certain of our understanding, however, given the commentary on this proposed change (72 Fed. Reg. at 41473). We find the commentary confusing in that it describes this proposal as requiring that the evidence overcome all rejections. We urge the PTO to adopt the language of the proposed § 41.33(d), rather than the commentary. We would appreciate some clarification.

Proposed § 41.33(e) also adopts the very restrictive policy that any evidence that does not meet the standard of § 41.33(d) would not be admitted except in very limited circumstances.

Again, we question the wisdom of precluding an examiner, at his or her discretion, from entering evidence that would clarify or remove issues that will be placed before the Board for review. The declared purpose of the proposed rules is making the decision-making process more efficient, a purpose not served by precluding evidence that may facilitate this desirable goal.

### **Section 41.37—Appeal Brief**

**(a) Requirement for appeal brief.** This proposed section provides that upon the failure to file an appeal brief, “the proceedings on the appeal are terminated without further action on the part of the Office.” In the commentary related to this proposal (72 Fed. Reg. at 41474), it is stated that “Upon a failure to timely file an appeal brief, proceedings on the appeal process would be considered terminated.” Further, it is stated that the language “proceedings are considered terminated” would provide notice that when no appeal brief is filed, the time for filing a continuing application under 35 U.S.C. § 120 would be before the time expires for filing an appeal brief.

We are concerned that this language is confusing and is unclear as to how current practice would be affected by this proposed change. Under current practice, as

described in MPEP 1205.01, the failure to file an appeal brief within the permissible time will result in dismissal of the appeal. If any claims stand allowed, the application does not become abandoned by a dismissal, but is returned to the examiner for action on the allowed claims. Under this practice, any continuing application would not have to be filed during the time period in which the appeal brief was due. If, on the other hand, there are no allowed claims, the application would be regarded as abandoned as of the date the appeal brief was due. It is not clear whether the proposed language is intended to change current practice, or how it would be altered with the proposed language.

In addition, use of the language “proceedings are considered terminated” may result in the application not being regarded as abandoned where the appeal brief was not timely filed and there are no allowed claims. If the application is not regarded as abandoned, it may not be subject to revival based on unavoidable or unintentional delay in filing the appeal brief in appropriate circumstances. As noted in MPEP 711.02(c), the phrase “termination of proceedings” is not viewed as an equivalent of abandonment.

Accordingly, we request that the PTO clarify the practice that is intended to be adopted by the change proposed in § 41.37(a), and to retain the ability of an applicant to reinstate an appeal where the failure to file a timely appeal brief was due to unavoidable or unintentional delay.

**(e) Content of appeal brief.** The proposed rules expand the requirements for an appeal brief in many respects.

Some of these new requirements, such as a jurisdictional statement, table of contents and table of authorities, do not appear to address any specific problem being experienced by the Board, and would simply add additional formal requirements that would increase the burden and costs of preparing an appeal brief, and lead to even more disputes over compliance of an appeal brief with the many formalities already required. Further, we question the need for a table of contents since there is a page limit and each section of the brief must be presented under a separate heading. Although these added requirements might conceivably assist the Board in unique circumstances, the addition of these requirements for all appeal briefs is a situation where the costs far outweigh the potential benefits.

Accordingly, to the extent these items are retained, we suggest that they be made optional with appellant.

**(n) Statement of facts.** The proposed section on statement of facts is required to set out in an objective and non-argumentative manner the material facts relevant to the rejections on appeal. Each stated fact must be supported by a reference to a specific page number and, where applicable, a specific line or drawing numeral in the record on appeal. The PTO offers additional guidance as to when a statement of fact would be proper, and when it would not be proper as where a compound statement of fact is used.

These requirements exalt form over substance and will provide further opportunities for disputes over whether the appeal brief meets the formal requirements intended to be imposed by the proposed rules. The PTO states that the proposed statement of facts is necessary because an appellant should not expect the examiner or the Board to search the record to determine whether a statement of fact is supported by

the evidence. The cases cited by the PTO in support of this proposition clearly show that courts have no difficulty in dealing with cases where an appeal brief does not support the position advocated by the appellant.

It is respectfully submitted that the Board also should not have any difficulty in those circumstances. To impose additional requirements as to the form or style in which an appellant presents the material facts relevant to rejections on appeal should be left to the discretion of the appellant. While practitioners appreciate the guidance relative to the manner in which at least some members of the Board would prefer to see material facts presented in an appeal brief, this guidance should remain in a form of guidelines rather than a mandate for the formal content of an appeal brief.

**(o) Argument.** This proposed section is particularly objectionable from several standpoints. First, the proposal states that “each rejection shall be separately argued under a separate heading.” Does this mean that, for example, if an examiner rejected a claim as being unpatentable over A or B, each in view of C or D, the Board would expect the appeal brief to address, under a separate heading, each of the rejections based on A plus C, A plus D, B plus C, and B plus D?

In this regard, were such rejections made, separately responding to each would unnecessarily lengthen the appeal brief and have an adverse effect on the efficiency of the Board. If rejections of this nature were made (in apparent violation of the policies set forth in MPEP 706.02(I) and 904.03 requiring that rejections be based on the best prior art), would it be the position of the PTO that appropriate relief would be available via petition?

Second, this proposed section indicates that the argument shall explain why the examiner is believed to have erred as to each rejection to be reviewed, and that appellant must identify where the argument was made in the first instance to the examiner or state that the argument has not previously been made to the examiner.

It is respectfully submitted that the latter requirements of identifying whether and where an argument has been made are unnecessary, and needlessly add to the burdens and costs of preparing an appeal brief. The argument is either persuasive or it's not. It is not understood why this information would be relevant to either a patent examiner in preparing an examiner's answer or the Board in deciding the issues on appeal. Rather, it simply introduces another formality requirement that bears no connection to the issue on appeal or the decision-making process.

In addition to the highly questionable necessity or importance of this information in the decision-making process, it may be very difficult in some instances to determine whether or not a specific argument had been made in the past. For example, how different would an argument have to be in order to qualify as an argument not previously made to the examiner? We see very little value in this information to the decision-making process of the Board, and also see it as a potentially rich source of irrelevant disputes about whether an argument had been made previously. Accordingly, we respectfully request that the requirements to identify whether and where an argument was made in the first instance or state that the argument was not previously made not be adopted in any final rule.

In paragraph 2 of this section, it is noted that only arguments presented in the argument section of the appeal brief and that address claims set out in the claim support section will be considered. It is further stated that “appellant waves all other arguments.”

It is not clear what was intended by this waiver statement. In the current rule, §41.37(c)(1)(vii), it is stated that any arguments or authorities not included in a brief or a reply brief will be refused consideration by the Board, unless good cause is shown. It is not understood why this current statement of policy and practice is not sufficient and appropriate under the proposed rules. It would appear that the waiver statement suggests that an appellant may waive forever any argument that is not addressed, regardless of whether a similar issue is raised in a different context, in a different appeal, or even in a different application. Further, the PTO has cited no authority for the presumed correctness of any statement made by the examiner. It is respectfully submitted that the current practice and policy that the Board will not consider any argument not included in the briefs, unless good cause is shown, adequately serves the interests of both appellant and the PTO. Accordingly, we request the PTO to retain its current policy and practice and not adopt any reference to a waiver.

In paragraph 3 of this proposed section, requirements are identified for responding to a point made in an examiner’s rejection. Specifically, the appeal brief is required to “specifically identify the point made by the examiner” and indicate where appellant previously responded to the point or state that appellant has not previously responded to the point.

First, it is not entirely clear what is intended by the term “point.” Second, for the reasons set forth above, the requirement to identify whether and where appellant previously responded to a point made by the examiner is unnecessary, and serves no useful purpose for either the examiner or the Board in resolving the issues on appeal. The question before both the examiner and the Board is whether, in the first instance, the examiner has established a prima facie case of unpatentability when considering the evidence and arguments made by the examiner, and if so, has that case been rebutted when considering that evidence and arguments in conjunction with the evidence and arguments made by the appellant. Information related to whether and where an argument has been previously made is not relevant to the consideration of those issues. Accordingly, it is respectfully requested that this requirement for identification of whether and where an argument has previously been made not be included in any final rule.

In paragraphs 4-7 of this section, the appeal brief is required to not only specify the errors in a rejection made by the examiner, but also identify how the rejected claims comply with the statutory requirements that were the basis for the examiner’s rejections.

It is respectfully submitted that this latter requirement is both improper and inappropriate, and should not be necessary to supply in an appeal brief. As recognized by the Federal Circuit, “[i]f the examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent.” *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1990). Accordingly, it is appropriate for the argument in the appeal brief to specify why the examiner has failed to establish a prima facie case of unpatentability to support any rejection, and if those arguments are persuasive, appellant should not have to separately

justify compliance with the statutory requirements to be entitled to a patent. Further, it is not clear what would be required for such a justification. Should it be limited to the evidentiary record on appeal? Accordingly, it is requested that the proposed requirements in paragraphs 4-7 to provide arguments that justify how the rejected claims comply with the statutory requirements not be incorporated into any final rule.

**(p) Claims section.** This section would require a claims section of the appendix that would consist of an accurate copy of all claims pending in the application or reexamination proceeding on appeal.

The change introduced by this proposal would expand the current claims appendix that requires a copy of only the claims involved in the appeal to also include claims that are withdrawn, objected to, and allowed. It is not clear why this proposed expansion is being made, particularly if the focus of the proposed rulemaking is to make the decision-making process more efficient. While we are not questioning or challenging the authority of the Board under § 41.50(b) to make a rejection against any pending claim, it seems both unnecessary and unwise to change the focus of the appeal brief away from the Board's statutory mandate to review adverse decisions of examiners upon applications for patents. 35 U.S.C. § 6(b). Accordingly, we suggest that the claims section of the appendix be restricted to claims that are subject to any rejection before the Board for resolution.

**(q) Claim support section.** This new requirement for a claim support section of the appendix calls for an annotated copy of each claim argued separately, indicating after each limitation, the page and line where the limitation is described in the specification as filed.

While the requirements of this section may be largely duplicative of the relevant information presented in the argument for patentability, we also recognize that it may serve a useful purpose in cases where claim construction is an issue. If adopted in the final rule, we suggest that the claim support section include support in both the specification and drawings, and that a separate drawing analysis section as called for in § 41.37(r) not be required. The support for a claim limitation is better understood in the context of the application as a whole, rather than as separate sections directed to the specification or drawing.

**(t) Evidence section.** This extensive new proposal would add significantly to the cost and complexity of preparing an appeal brief. Unlike the current evidence appendix according to § 41.37(c)(1)(ix) that is limited to declarations or any other evidence relied upon by appellant in the appeal, the proposed evidence section would be substantially expanded to include Office actions, responses by applicant, evidence relied upon by the examiner in support of a rejection on appeal, and a table of contents, most of which are already available and accessible to the Board by way of the image file wrapper (IFW) of the PTO.

While we understand the need for the Board to have access to evidence and arguments relied upon by either the examiner or the appellant in the appeal, the requirement for Office actions and arguments made during the course of examination and prosecution appear unnecessary, and would simply add to the burden and costs of preparing appeal briefs. Accordingly, extensive expansion of the evidence appendix

should not be adopted, but, if any form of it is, we request that it be limited to only the evidence relied upon by either the examiner or the appellant that is relevant to the issues on appeal.

**(v) Appeal brief format requirements.** The new format requirements proposed in this section create several new and burdensome requirements different from those normally associated with submission of papers to the PTO. For example, this section calls for: the lines on each page of the appeal brief, and where practical the appendix, to be consecutively numbered; double spacing except in certain specified instances; margins that are inconsistent with the provisions of § 1.52(a)(1)(ii); a font size not required for most other PTO papers; and, a limit on the length of an appeal brief.

These new requirements create new burdens and costs for appellants, and will certainly provide new opportunities to object to briefs because of some informality that has nothing to do with the merits of the appeal or the ease with which the examiner and the Board can address the issues. While the information provided in the Notice of Proposed Rulemaking indicates that some of these features have been used for some time in interference cases, there is no indication how each one of these exceptional requirements is expected to facilitate the efficiency of either the examiner or the Board, or do anything other than cause unnecessary costs and delay to appellants. Although no information is provided about the average length of an appeal brief, we can well imagine there are instances where briefs may be excessively long. However, if the PTO is going to adopt a page limit, it is encouraged to adopt a limit that is both practical and that will reduce the number of petitions to extend the length to a minimum. It also is suggested that any adopted rule allow for single-spacing of indented block quotations.

In preparing an appeal brief, it is often desirable to include drawings or comparison of figures representing the invention with prior art figures. Appellants should be encouraged to present arguments for patentability in a manner that is both clear and concise. It is often difficult to judge the length of an appeal brief in sufficient time to determine whether a petition is necessary or desirable. Accordingly, if the PTO is going to set a page limit, it is encouraged to adopt a limit that is normally not exceeded in most appeals to provide appellants with the maximum flexibility in presenting arguments on appeal.

#### **Section 41.39—Examiner’s Answer**

This proposed section indicates simply that if the examiner determines that the appeal should go forward, an examiner’s answer responding to the appeal brief will be prepared. The supplementary information indicates that the specific requirements of what would be required in an examiner’s answer would appear in the Manual of Patent Examining Procedure.

The PTO should adopt guidelines for the preparation of an examiner’s answer that are as rigorous as those adopted for the appeal brief. It is also requested that examiner’s answers be reviewed before they are mailed to ensure compliance with the guidelines adopted by the PTO. Indeed, many practitioners believe that a significant number of appeals would be unnecessary if examiners were required to apply greater rigor in writing Office actions.

## **Section 41.41—Reply Brief**

Some of the proposals made in this section are subject to the same comments and suggestions made above with respect to appeal briefs. Specifically, we incorporate by reference the comments related to the need to file a table of contents, table of authorities, statement of timeliness, statement of facts, and the supplemental appendix. In addition, the commentary suggests that the provisions of Rule 136(a) will no longer apply to extensions of time to file a reply brief. It is our understanding from § 41.41(c), that such a policy and practice is already in place.

Under paragraph (g) of this section, the reply brief is expected to be limited to responding to points made in the examiner's answer, and arguments generally restating the case will not be permitted in a reply brief.

It is respectfully submitted that vague statements about what will and will not be permitted in the reply brief only create uncertainty and generate issues about what is or is not an appropriate content for the reply brief. It would seem that the imposition of a reasonable page limit for a reply brief would appropriately limit the content of most reply briefs to responding to points made in the examiner's answer. The PTO is urged not to create another source of administrative delay in resolving issues on appeal other than the general guidance provided by the first sentence of this paragraph.

The guidance provided in the commentary state that an argument that could have been made in the appeal brief cannot be made in the reply brief seems both unreasonable and unnecessary. An appellant should be able to raise a new argument that addresses an argument raised for the first time in the Examiner's Answer or even before, particularly where the importance of the argument was not appreciated until considering the Answer. The proposed limitation raises unnecessary procedural roadblocks to a full and fair consideration of the issues on appeal.

## **Section 41.44—Supplemental Reply Brief**

This new section addresses the requirements for a supplemental reply brief that may be filed in response to a supplemental examiner's answer.

The requirements for the content of a supplemental reply brief are subject to the same comments and suggestions that are made above with respect to the appeal brief and reply brief. Accordingly, we request that they be considered also in the context of the requirements for a supplemental reply brief.

## **Section 41.52—Rehearing**

This section proposes to address the content of a request for rehearing. As noted above in the context of our comments and suggestions for the appeal brief and reply brief, we have the same concerns relative to the requirements for the content of a request for rehearing.

In addition, we note the limited provisions that provide for a new argument in a request for rehearing. Specifically, a new argument cannot be made unless it is a response to a new rejection or to call the Board's attention to a recent new development.

It is respectfully submitted that this may be an inappropriate limitation where a statement by the Board to support its decision raises a question that had not been raised by the examiner. Appellant should not be precluded from submitting a new argument to address a statement or rationale adopted by the Board that had not been addressed by the examiner.

### **Section 41.56—Sanctions**

This proposed new section would provide that sanctions could be imposed against an appellant for misconduct.

The need for this authority is not apparent, nor has the PTO offered any justification for this authority in conducting the business before the Board. In addition, the alleged acts of misconduct would include “a misleading or frivolous request for relief or argument” and “[e]ngaging in dilatory tactics.” As stated, these “acts” are vague and will be subject to disparate application by various panels by the Board. The PTO has cited no specific mischief or other practice, or any other need in conducting its business that would justify the creation of this authority, nor has it explained why the Office of Enrollment and Discipline, in exercising its authority under 37 C.F.R. Part 10, could not adequately address any perceived problem that may occur. Accordingly, we find this proposal highly objectionable and unnecessary, and strongly encourage the PTO to withdraw it in any final rule.

We appreciate the opportunity to provide comments on the proposed rule and are available to assist the PTO in further developing patent practice and procedures.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael K. Kirk". The signature is written in a cursive, flowing style.

Michael K. Kirk  
Executive Director  
AIPLA

April 15, 2010

The Honorable Lynne Beresford  
Commissioner for Trademarks  
United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450

Comments on “Trademarks Next Generation” Information Technology Initiative

Dear Commissioner Beresford:

The American Intellectual Property Law Association (“AIPLA”) appreciates the opportunity to offer comments regarding the United States Patent and Trademark Office’s (“USPTO”) “Trademarks Next Generation” Information Technology Initiative, as set out in your March 1, 2010, correspondence and the Trademark Public Advisory Committee (“TPAC”) attachment.

AIPLA is a national bar association with more than 16,000 members who are primarily lawyers in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

AIPLA fully supports the USPTO’s efforts to improve information technology and create new systems to better support both internal and external Trademark procedures. You have kindly invited our comments, suggestions, and ideas that may relate to the specific automated and electronic functions that currently exist or potential new systems.

As a general comment, AIPLA encourages the USPTO to consider enhancements in information technology and automation implemented in other Trademark Offices as part of its initiative. The Trademark Law Treaty and Singapore Treaty have harmonized many procedural requirements across Trademark Offices. To further harmonize trademark practice and procedure, users should also have a relatively common experience across the electronic systems of all Trademark Offices. At the very least, these systems should be interoperable to permit a future where priority documents, assignments, and other common documents may be exchanged in a trusted electronic environment, and where Madrid applications can be filed internationally and enter into national processing completely electronically.

With respect to specific electronic/information technology features, our members are primarily external users and customers of the USPTO. Thus, we have focused our comments on proposed external system improvements and changes as set forth below.

### **Externally – Owner Trademark Portfolio Management**

1. *An option for automated “monitoring” service that notifies the requestor of certain status changes in any application or registration.* AIPLA supports this proposal. AIPLA is aware that the Office for Harmonization in the Internal Market (“OHIM”) is proposing to extend its e-tooling capability to permit users to automatically monitor third-party applications and registrations. In the OHIM system, the monitoring service is available to system “users” (i.e., applicants) who can access the service through a “MyPage” personal portal on a confidential basis. While it is not clear whether the USPTO is proposing a similar service, AIPLA believes that similar capabilities should be available through the USPTO system. The system should allow monitoring for system users’ own applications and registrations, as well as third-party applications and registrations. To the extent that private vendors already offer similar types of monitoring services, AIPLA considers this proposal a lower priority.
2. *A system that allows email alerts regarding the status of deposit accounts, including deposits made or withdrawn, is a welcome improvement.* AIPLA supports this proposal. The system should provide an option for the user to select the frequency of email alerts or to opt out of them. In addition to the deposit account, the system should allow an option for automatic credit card charging for all USPTO fees, including the ability to retain and store credit card information for routine use, overdrafts, and reoccurring fees, if the user agrees. The USPTO already offers a credit card option for filing fees, so that expanding the use of credit cards should be relatively easy to implement. A credit card option, or a credit card backup to a deposit account, may avoid the need for burdensome monitoring of deposit accounts and intermittent or emergency transfer of funds. Further, the credit card option may also make application filing and registration maintenance easier for *pro se* users. Any automated credit card system should have the appropriate encryption and safeguards to protect against credit card fraud and other privacy/disclosure issues.
3. *The automatic updating of ownership data when an assignment is filed and the online availability of the actual assignment documents as filed before the USPTO.* AIPLA believes that this proposal should be a high priority. Such information will assist trademark owners in maintaining the most current correspondence address of record. In addition, such information is important for, among others, those searching the trademark registry for possibly conflicting marks and those preparing and serving complaints in proceedings before the TTAB. To the extent that actual assignment documents contain confidential information, AIPLA recommends that the system provide a warning to users that such documents will become public record upon filing.

4. *A system that allows trademark owners or their representatives to manage application and registrations online, making real time changes to the application and registration files.* AIPLA needs more information in order to provide a meaningful response to this proposal, which has raised numerous questions and concerns. What types of real time changes to an application or registration are referred to? Can real time changes be made at any time during the pendency of an application, including after publication? How do real time changes affect an Office Action response period? How and when will an Examining Attorney review an application or issue an Office Action if the applications and/or cited registrations are subject to constant, real time changes? In addition, AIPLA is concerned that constant, real time substantive amendments to an application or registration (*e.g.*, amending the identification of goods and services, the mark, or the basis for registration) may result in the dissemination of inaccurate or outdated information. For example, any searches of the USPTO database for possible conflicting third-party marks (prior pending applications or registrations) may be inherently unreliable or outdated because of real time changes made during or immediately after the search. That said, with appropriate safeguards, AIPLA believes that this type of system is worth exploring.
5. *An on-line “docketing system” that would permit either the attorney of record or applicant/registrant to view all their upcoming deadlines.* AIPLA supports this proposal. However, AIPLA proposes a system that permits users (particularly larger filers) to create personal portals to consolidate their portfolios (both applications and registrations) into a single view, not limited to files with current deadlines. These portals should include all oppositions and cancellation deadlines involving the user, including those that have been completed. That said, AIPLA believes that any docketing system should include a warning to users that they are ultimately responsible for monitoring and tracking the accuracy and timing of all *ex parte* and *inter partes* deadlines. In addition, there should be a warning that USPTO errors do not relieve the user of its responsibility for meeting deadlines. Further, an encryption system should be established to prevent unauthorized access to any docketing system. To the extent that private vendors already offer similar types of services, AIPLA considers this proposal a lower priority.
6. *Any automatic email reminders of upcoming deadlines should be tied to the online USPTO “docketing” system noted above.* AIPLA supports this proposal. As with any docketing or reminder system, however, the USPTO should adopt consistent timing intervals for reminders and allow users to opt for personalized reminders (*e.g.*, frequency, type of reminder, opting out). As noted above, the reminder system should have a clear warning to users that they are ultimately responsible for monitoring and tracking the accuracy and timing of all *ex parte* and *inter partes* deadlines. In addition, there should be a warning that USPTO errors do not relieve the user of its responsibility for meeting deadlines. Such an automatic docketing or reminder system should be encrypted to prevent unauthorized access. To the extent that private vendors already offer similar types of services, AIPLA considers this proposal a lower priority.

7. *An automated system to maintain easily viewable lists of every version of the identification of goods or services that an applicant or registrant has submitted.* AIPLA supports this proposal, noting only that the system should be both easily viewable and accessible.
8. *The ability for users to create a customized “watch service” in order to be notified of third-party applications and registrations based on user input search strategies.* AIPLA supports this proposal, with similar features noted in response to No. 1 above.

### **Externally – Ease of Use of System**

9. *Official Gazette (“OG”): (a) Links provided with the notice of publication open to the relevant trademark information rather than downloading the entire OG and (b) The OG is published in HTML rather than in PDF, with a download to PDF as an option.* AIPLA supports this proposal. In addition, the ability to search the OG by class, trademark owner, goods/services, etc., would be helpful.
10. *Direct email links to the relevant Examining Attorney are included within the record for ease of communication.* AIPLA supports this proposal and considers it a high priority item. The Examining Attorney’s email address is often omitted from the Office Action. With so many Examining Attorneys working remotely, it is often difficult to contact them to discuss an Office Action or enter an Examiner’s Amendment. AIPLA strongly supports efforts to improve mechanisms and systems to facilitate easier and efficient collaboration between the Office and its external customers.
11. *The website recognizes—to the extent possible—the level of expertise of the applicant or registrant.* AIPLA needs more information in order to provide a meaningful response to this proposal. It may be fine to provide helpful “wizards” when an applicant or registrant seems to hesitate or make inconsistent choices. On the other hand, a system that diverts inexperienced users to a simplified form or path may not lead to the appropriate trademark protection (*e.g.*, inaccurate identification of goods or services or basis of registration). If the system diverts users to a simplified form or path, it should include clear warnings and hyperlinks to the relevant TMEP sections to educate the user about each choice taken or question asked by the system. Moreover, AIPLA disfavors a system that would permanently “track” or keep records of the performance or skill level of particular users. In particular, AIPLA does not believe the system should store or track non-public information, such as the searches a user has conducted.
12. *The filing system collects information and leads the user through the appropriate steps for what the user wants to do.* AIPLA incorporates by references its response to No. 11 above.

13. *New applicants and pro se users responding to an Office Action can be successful without knowing anything about the internal working of the Office. There will be a pre-built response form tailored to the office action that will identify all issues. While a “pre-built” response may be helpful for addressing pro forma objections, an applicant should be able to opt out of a pre-built response to file a customized response or portion of a response. Moreover, the “pre-built” response should have links to the relevant C.F.R., TMEP, or TBMP authorities to assist the user.*
14. *To the user, all USPTO records regarding a particular application/registration are seamlessly combined and accessible, whether from the Trademark Operation, the TTAB, the Assignment Division, or the Finance Office, resulting in total end-to-end electronic processing for all matters. AIPLA supports this proposal and considers it a high priority. The lack of interface between electronic documents in trademark prosecution before the USPTO and in the TTAB (TTABVUE) is a major omission in the current system.*
15. *Users filling out an application can peruse the USPTO ID Manual and in one step simply check off each ID to be inserted in the application. AIPLA supports this proposal. However, AIPLA also believes that such a system should be optional. Moreover, any automatically populated information or fields should contain a clear message to users about the importance of accurate identification of goods and services, and the potential fraud and lack of *bona fide* intent issues.*
16. *An easily available, up-to-date, process map on the web site that will link to up-to-date processing times for each application or registration. AIPLA supports this proposal. However, to the extent that this proposal will primarily benefit only some inexperienced users, it should be given lower priority.*
17. *Continued expansion of acceptable file formats: Systems will accept all popular file formats and users can retrieve information in a preferred format. AIPLA supports this proposal and considers it a high priority. At a minimum, TIF, Word, and Open Document Format files should be acceptable file formats.*
18. *Unusual formats such as sound and video can be accessed and stored in the electronic file (today the TICRs and TDR databases). AIPLA supports this proposal.*
19. *Development of a method to include all the attachments to an office action in a single file, as opposed to multiple files. AIPLA supports this proposal.*
20. *Constantly up-to-date, HTML versions of TMEP and TBMP. AIPLA supports this proposal, with certain caveats. It is important to inform users of the time and date any changes are made to the manuals. AIPLA’s concern is that both the Examining Attorneys and practitioners (and *pro se* users) rely on the manuals in issuing and/or responding to Office Actions.*

Thus, all users must know what version of the manual(s) (and corresponding rules of practice and procedure) were in place at the time the Office Action issued and/or the time the response was filed. Further, users should not be penalized in any way if changes are made to the manuals *after* a response or paper is filed with the USPTO or TTAB. Further, AIPLA also proposes adding a feature that would flag proposed or entered amendments to the TMEP, TBMP, and Trademark Rules of Practice and Procedure, including links to the relevant Federal Register notices (if any).

21. *Office Actions contain hyperlinks to cited C.F.R. and TMEP sections if the links can be kept updated as the TMEP itself is updated. A constantly updated TMEP/TBMP is the preference if the updated links cannot be achieved. AIPLA supports this proposal. As noted in response to No. 20 above, however, certain safeguards should be in place to ensure that the Examining Attorneys and practitioners (and pro se users) know what version of the manuals and/or rules were in place at the critical time periods (e.g., the time and date the Office Action issued and the response or paper is filed).*
22. *Issuance of electronic certificates of registration with a paper certificate optional at extra cost. AIPLA supports this proposal. AIPLA is aware that OHIM is working on a similar option. AIPLA recommends, however, that the electronic certificates contain an imprint or other electronic footprint to confirm authentication.*

#### **AIPLA’s Additional Recommendations**

23. A system that allows users to perform multiple online actions at one time, such as mass renewal filings and changes of correspondence address across multiple application or registration files.
24. The ability to automatically populate new applications with an applicant’s previously accepted identification of goods or services which is otherwise publicly available, and to save, at the customer’s request, customized identifications of its goods and services to selectively import into new applications.
25. A searchable database of marks that interfaces with the IT systems of other Trademark Offices to allow multi-jurisdiction searches.
26. For Office Actions concerning relatively straightforward issues (e.g., changes to the identification of goods or services or disclaimers), a TEAS (or similar) response button linked within or at the bottom of the Office Action to expedite response filings.

27. A system that allows Examining Attorneys and applicants (or their representatives) to improve communication and collaboration on relatively straightforward Office Action issues (*e.g.*, changes to the identification of goods or services or disclaimers), such as an automatic calendar and telephone call-in number link (similar to an Outlook invitation that may be accepted, rejected, or modified by participants) to arrange for a telephone or video conference to discuss issues.
28. A search tool that would allow users to simultaneously search all documents filed before and issued by the USPTO, including but not limited to the TTAB. An ideal search tool would access all USPTO trademark databases, and return a list of hits on things such as Office Actions, responses to Office Actions, orders, petitions and decisions on petitions, TTAB motions and decisions on motions, post-registration actions, TTAB final decisions, etc. The list of search results would, ideally, include hyperlinks to the actual texts of the documents. Such a tool would allow a user to search for a key word or phrase across all USPTO procedures, in order to permit them, for example, to see how particular rules or case holdings are currently being applied broadly within the USPTO. Similar tools are now available on commercial web sites, which tap into USPTO XML data, but we believe it would be better to have a single USPTO-based tool that would be reliable, complete and up-to-date. We believe that this type of search system would facilitate knowledge and utilization of current law and practice by users and USPTO officials alike, and would foster more efficient and consistent filings before the Office as well as decision-making by the Office.
29. Online webcasting of TTAB hearings.
30. Allow case cites in Office Actions and TTAB decisions to have hyperlinks to the full text of the cited decision or to the text of the rule in effect at the time.
31. Allow status updates on TARR to link automatically to the Office Action that is referenced, without having to go to the separate "TDR" page (the way it works on TTABVUE).
32. Conform all USPTO and TTAB electronic form documents so the user can forward each to a second party for signature (*e.g.*, electronic Recordation Form Cover Sheet and Request for Extension of Time to Oppose, Notices of Opposition). This system will allow multiple attorneys, clients, or paralegals to prepare and revise the forms and then forward them to the attorney for review and filing.
33. Implement an easier system for searching design marks. Currently, searching for design marks is an advanced search. There should be an easier system to conduct at least a preliminary design/logo search.

AIPLA Comments on "Trademarks Next Generation"  
Information Technology Initiative  
April 15, 2010

AIPLA appreciates the opportunity to comment on this important initiative. Please contact us if you would like us to further consider the initiative and/or provide more details on any issue.

Sincerely,

A handwritten signature in black ink that reads "Alan J. Kasper". The signature is written in a cursive style with a large initial 'A' and 'K'.

Alan J. Kasper  
President  
AIPLA