

April 21, 2011

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: “Improving Regulation and Regulatory Review”
76 Federal Register 15891 (March 22, 2011)**

Dear Under Secretary Kappos:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments on “Improving Regulation and Regulatory Review” (Notice).

AIPLA is a national bar association with approximately 16,000 members who are primarily intellectual property lawyers and other 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. Its members represent both owners and users of intellectual property.

The Notice

According to the Notice, the USPTO is preparing a plan for reviewing its regulations in response to the President’s Executive Order 13563 (the Executive Order). That order directs agencies to develop and submit, within 120 days, preliminary plans for periodically reviewing existing significant regulations and determining whether and how such regulations could be made more effective and less burdensome. The USPTO has invited the public to submit ideas and information about preparing a preliminary review plan, and to help in identifying regulations that should be reviewed.

General Comments

Several general comments are given below for undertaking a retrospective analysis of existing rules. More specific answers to the questions posed in the Notice follow these general comments.

- The process for making rules and preparing guidance documents would benefit from being even more open and transparent. The USPTO should take steps to ensure active participation by the public in the earliest stages of the process.
- In developing its plan and implementing ongoing processes for retrospective analysis of rules, the USPTO should reevaluate all of its rule-making procedures to ensure compliance with the law, all Executive Orders, and implementation guidance provided by the OMB. Close adherence to the principles set out in the Executive Order and to the guidance from the OMB will result in flexible rules that promote innovation and competition in the least burdensome way.
- Although AIPLA recognizes that the 120-day period in the President’s Executive Order leaves little time to receive and synthesize public comment, the Executive Order itself states that comment periods should be at least 60 days in length. Though our members have supplied us with many examples of rules and guidance documents that need to be changed, the short period for response has not always allowed AIPLA sufficient time to prepare comments on specific rules requiring substantive analysis. AIPLA looks forward to commenting on specific rule changes once a plan for retrospective analysis of existing rules is put into place.

Answers to Questions Posed in the Notice

1. What is the best way for the Office to identify which of its significant regulations should be modified, streamlined, expanded, or repealed?

There is not one “best way” for identifying regulations for modification, expansion, streamlining, or repeal. AIPLA suggests the Office consider the following suggestions:

First, USPTO personnel should be consulted, polled, or surveyed, as they are often in the best position to identify inefficiencies and problems. Examples of such personnel include but are not limited to: supervisory patent examiners, ombudsmen, inventor’s help desk staff, members of the Office of Petitions, OPLA attorneys (especially those handling reexamination petitions and help lines), PCT help desk examiners, and Tech Center personnel who handle petitions.

Second, the USPTO should establish mechanisms for collecting information from USPTO personnel and active practitioners as they encounter problems during prosecution. Satisfaction surveys are not structured to elicit details necessary to identify specific rules and ways to improve them, and are sent long after the fact. The best time to collect specific information and comments from practitioners and USPTO personnel about a rule is when they are dealing with it, or are thinking about a particular application. For example, a short survey or written request could be sent to the attorney of record upon final disposition of an application—*e.g.*, upon a notice of allowance or a notice of abandonment—or with a decision on a petition. The comments should be sent directly to USPTO personnel in charge of reviewing rules.

Third, the USPTO should establish an internal review program that methodically reconsiders, on a periodic basis, all existing regulations and USPTO forms to ensure that they are not outmoded, counterproductive or excessively burdensome. For example, the USPTO could select, on a rolling basis, subsets of rules for review and public comment—even if the USPTO has no reason to believe that the particular rules are problematical. A notice or request could be published asking specifically for comments on whether any of the selected rules should be changed and, if so, how. Those comments would then be considered by the USPTO and published with any proposed rule changes. We might also suggest that the Office consider ways in which the Public Advisory Committees might be leveraged to assist and provide input during regular reviews.

Fourth, online discussion forums are useful for starting dialogs and sharing information among members of the public. However, finding and culling worthwhile information might be challenging, especially if the forums are open to everyone. Online processes should be developed for practitioners, applicants, and USPTO personnel to comment directly on a regulation in a regularized or formalized fashion. For example, the USPTO could maintain all rules on a web site. The web site would allow for comments to be posted on each rule in a prescribed form that would allow the comments to be processed or collated.

Fifth, as an initial step, the USPTO should institute an open period for the public to provide comments on any rule or guidance document. This could be done by Notice and a web site provided for collecting the comments in a structured form. After the period closes, a summary of the comments received could then be posted on the USPTO website to allow further public review and exchange of ideas.

2. What can the Office, relative to its regulation process, do to reduce burdens and maintain flexibility for the public while promoting its missions?

The USPTO would benefit from being even more transparent and open. It should share details of its processes and make publicly available pertinent information relevant to existing and proposed rules. For example, rather than presenting a completed rules package for comment, the USPTO may benefit from developing means for soliciting opinions from the bar and the Office as to how best to solve the problem that the rules package is designed to address.

Input from the public should be sought early in the process, *before* specific rule packages are proposed or guidance materials prepared. Some of our members have also expressed concerns that the burdens placed on applicants and the public are not adequately weighed during regulatory processes. Some suggest that the USPTO personnel who are drafting new rules might benefit greatly from the input of those who have experience representing inventors and clients in patent application prosecution. By the time the rules are formally submitted to the public for review, it is often difficult to obtain significant re-writes, and they are often already in practice with some examiners.

Lastly, AIPLA suggests that appointments to Public Advisory Committees include representatives of all stakeholders, who could take a more active role in the initial drafting of efficient and practical new USPTO rules and in commenting on existing and new rules. In particular, the Committees should always include practitioners who actively prosecute applications before the USPTO.

3. How can the Office ensure that its significant regulations promote innovation and competition in the most effective and least burdensome way? How can these Office regulations be improved to accomplish this?

Please see our comments, above.

4. Are there USPTO regulations that conflict with, or are duplicative of, regulations from others agencies? If so, please identify any such rules and provide any suggestions you might have for how this conflict or duplication can be resolved in order to help the Office achieve its mission more effectively.

We understood that this *Federal Register* Notice was directed toward the process for assessing issues such as these. As such, AIPLA had difficulty in determining the relationship of any specific rules with the rules of other agencies.

5. How can the Office best encourage public participation in its rule making process? How can the Office best provide a forum for the open exchange of ideas among the Office, the intellectual property community, and the public in general?

Please see our comments, above.

Continued use of regular “town hall” meetings or roundtable discussions, possibly in major cities in addition to the Office itself, to which stakeholders are invited, would provide a structured environment for the exchange of information between USPTO personnel, practitioners, applicants, and other members of the public. Local bar associations, universities, or research centers could be used to organize these meetings.

We appreciate the opportunity to provide these comments on the Notice regarding “Improving Regulation and Regulatory Review” and would be pleased to answer any questions about our comments that may arise. We look forward to participation in the continuing development of rules applicable to USPTO patent practice.

Sincerely,



Q. Todd Dickinson
Executive Director