November 5, 2012

The Honorable David J. Kappos  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office

United States Patent and Trademark Office
600 Dulany Street
Alexandria, VA 22314

Via email: (fee.setting@uspto.gov)


Dear Under Secretary Kappos:


AIPLA is a U.S.-based national bar association whose approximately 14,000 members are primarily lawyers in private and corporate practice, government service, and the academic community. AIPLA represents a diverse spectrum of individuals, companies, and institutions involved directly and indirectly in the practice of patent, trademark, copyright, unfair competition, and trade secret law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

INTRODUCTION

At the outset, AIPLA would like to express its appreciation to Director Kappos and his staff at the United States Patent and Trademark Office (“Office”) for their willingness to listen to and consider the comments from AIPLA and others in the user community on the “Preliminary Patent Fee Proposals” submitted to the Patent Public Advisory Committee (“PPAC”) by the Office on February 7, 2012. While we still have concerns with certain fees and the manner in which some provisions of the America Invents Act (“AIA”) have been implemented (some of which are addressed below), and we fully support (with one exception noted below) the suggestions for additional modifications contained in the PPAC’s “Fee Setting Report” of September 24, 2012, commenting on the provisional fees proposal of the Office (“PPAC Report”), we are pleased that the Office has reduced and modified many of the preliminary fees it proposed in January.
A number of suggestions made by AIPLA in its comments submitted in conjunction with the PPAC hearings on the “Proposed Patent Fee Schedule” held February 15 and 23, 2012, have been taken into account by the Office in the Notice. These include the following:

- **Reserve Fund** – while agreeing that a three-month operating reserve is a reasonable fiscal goal, we expressed concern that too rapidly building such a reserve could unduly impact near-term applicants in a negative way. The lengthening of the target date to fully fund the operating reserve by two years is a move in the right direction.

- **Pendency Goals** – AIPLA also agreed with the goals of achieving a first action pendency of ten months and a total pendency of twenty months. However, AIPLA expressed concern that the target periods for achieving these goals were too steep. The extension of this period by one year in the Notice is a welcome move.

- **Front-end Fees** – while AIPLA noted its approval of the preliminary proposal to reduce the level of combined front-end fees, we suggested that consideration be given to maintaining current issue and publication fees, and passing the benefits back to further lowering filing, search, and examination fees. Thus, AIPLA sees the reduction of the filing, search, and examination fees in the Notice as a welcome step.

- **Request for Continued Examination (RCE)** - AIPLA proposed reducing the burden created by the high number of RCEs, for example through the establishment of a new procedure for a “single review RCE” at a lower fee than that for a full RCE. We are therefore pleased to see the proposal for pilot programs to address RCEs, by providing time for consideration of amendments after final, and for consideration of references that were unknown by applicants at the time they paid the issue fee.

Other proposals suggested by AIPLA for addressing the level of front-end fees, for example, separating and “staging” fees for filing, search, and examination, or to cover requesting supplemental examination and the actual conduct of such proceedings when initiated, do not appear to have been accepted by the Office. Nonetheless, AIPLA appreciates the actions taken, and fully agrees with the statement by the PPAC that, “[a]s is clear from the revisions to the proposed fees outlined in the Notice, the Office listened to the various comments and concerns raised and consequently reduced or revised a number of the proposed fees.” AIPLA joins the PPAC in commending the Office for its willingness to be flexible in the application of its new fee-setting authority, which can only enhance its reputation as a well-run, responsive government agency.

AIPLA also commends the Office for its commitment to conduct an early review of the actual costs of the new procedures and to adjust the fees on the basis of such review. AIPLA believes it is very important that the Office follow through on this commitment for all of the fees it establishes under the current fee-setting process, as there are many areas of uncertainty with respect to the new procedures and how applicants will use them in light of the fees that will be established. Adjusting the fees on the basis of actual costs will go a long way towards
maintaining users’ trust in the Office’s management of its new fee setting authority. The Office should also continue to keep the overarching goal of patent quality in the forefront of the discussion. The user community has been and remains open to supporting reasonably justified fee increases and procedural changes that are clearly aimed at producing high quality, valid, and enforceable patents. As noted above, however, we continue to have important concerns with a number of the proposed fees in the Notice, as well as with associated procedures that drive costs upward. We now address those concerns.

OPERATING RESERVE

AIPLA continues to agree that the careful building and management of a 3-month operating reserve is a reasonable fiscal goal for the Office. It allows for continuity of agency operations when the federal government is operating on a continuing resolution or is forced to shut down for a short period. It also permits better long term planning for multi-year projects like IT upgrades. A balance must be struck and maintained between the reserve fund on the one hand, and pendency goals, improvements to the IT systems, and other resource-intensive challenges that the Office will be facing on the other hand. AIPLA therefore appreciates the modification in the Notice which lengthens the target date for achieving full-funding of the operating reserve by two years. This represents a move in the right direction towards a more reasonable and balanced approach.

Specifically, with respect to how the reserve fund is justified, budgeted, and maintained, it is paramount that every precaution be taken to ensure that the fees paid by users are not vulnerable to sequestration or diversion. If the existence of the reserve fund becomes an irresistible target, in whole or in part, then the risks of establishing such a fund may start to outweigh its benefits. Taking the time for a more deliberate approach to building the reserve may be one way to assess this risk. If the concern about a sequestration or the return of diversion becomes reality, all contributions toward building the reserve fund should be immediately stopped until a mechanism can be found to protect the fund. Serious consideration should also be given to finding ways to recover the funds contributed to the reserve fund up to that point.

AIPLA notes that there may be several potential surges in activity coming in the course of implementing the AIA and related changes, which will likely lead to “bubbles” of fee payments. These bubbles in fee collections could very well be used as a source of funds for building the reserve, and thereby lessen the need to raise fees for that purpose.

With the proposed new fee structure, it appears that a $200 million increase is planned for the reserve fund in 2014. We believe that this is still too aggressive. AIPLA continues to believe that a more appropriate goal would be to budget for a two-week increase in the operating reserve annually (permitting the reserve fund to achieve the three-month goal over six years). Even with such a relaxed target date, AIPLA remains cautiously optimistic that some of the surges and bubbles in the implementation phases may accelerate the initial building of the reserve fund more quickly.
PENDENCY GOALS

As noted in our February 29, 2012, comments, AIPLA believes that the proposed pendency targets reflect appropriate long-term goals for the Office. Patent applicants and the public will benefit from the Office achieving a first action pendency of ten months and a total pendency of twenty months. Applicants will benefit from having an early indication of their likely patent coverage, as well as from the speedier issuance of a patent, which can allow them to more confidently invest in the commercialization of their innovations. Small entities in particular will benefit from these improvements given their need for certainty that a patent will issue before they can obtain needed financing. More timely patentability decisions will also give applicants an early indication of the scope of any patent they might receive. This will allow them to make informed decisions on whether to abandon an application before publication in order to maintain their inventions as trade secrets. Competitors of the patentee will also benefit from receiving early information as to where they may safely target their commercial activities and investments.

AIPLA is pleased to see that the Office has addressed our concern that the trajectory to achieve these pendency goals was too steep. While the 10- and 20-month goals are desirable, there is no reason why they must be achieved in the time frames initially proposed by the Office. The costs required to achieve these goals by a particular time must be weighed against the undue burdens on near-term applicants that would result, keeping in mind the overarching goal of patent quality. Relaxing the target date for achieving these goals will allow the Office to reduce patent fees generally, and particularly in the circumstances discussed below. Accordingly, lengthening by one year the timeframes for issuing first actions in 10 months to 2015, and achieving total pendency of 20 months to 2016, is appropriate and welcome.

Although we fully support public input on all aspects of the Notice, AIPLA notes that the PPAC singles out the proposed pendency goals as a “fruitful area for public comment and testimony.” To the extent that this suggests or implies the desirability of alternate goals to 10 and 20 months, we respectfully disagree. Patent applicants need an indication of their prospects for receiving a patent in time for them to consider whether and where they might wish to file outside the United States. Under the Paris Convention for the Protection of Industrial Property, applicants have only one year in which to file and claim the priority of their first filing. For applicants who did not first file a provisional application or other priority application, receiving a first action at ten months will allow them to decide whether to file abroad and to take steps to achieve such filings.

The possibility that, under the goals of 10 and 20 months, there may be prior art that is unknown to both an applicant and the Office, is not persuasive. While it is true that claims may be allowed that could later be found unpatentable based on subsequently published prior art, that is true today. And under the AIA, both patent applicants and the public have enhanced mechanisms to bring such prior art to bear on such claims. Indeed, it is difficult to understand this concern given that the PPAC refers to the Track 1 prioritized examination - which has a much greater risk of issuing patents before all the prior art is available - as a “winning program.” PPAC Report at page 17.
Finally, AIPLA does not believe that the need to maintain a certain level of inventory across the Patent Examining Corps in order to “provide[] a ‘soft landing’” is a reason to change the 10- and 20-month pendency goals. Past problems of over-staffing in some art units while under-staffing in others speaks more to past management than to a reason to maintain artificially long pendencies. Moreover, the Office has many tools at its disposal to calibrate the throughput in specific art areas. These include increasing/decreasing overtime, monitoring filing activity and adjusting hiring to meet fluctuations in filing in specific art units, tweaking the timing to reach the pendency goals, and even potentially recalling some initial PCT activity into the Examining Corps, etc. Director Kappos has recently stated that the Office has already begun to scale back its hiring plans as pendency is dropping faster than expected, so it would appear that the Office is already working to use the tools at its disposal towards this end. Given these tools, as well as a significant backlog of unexamined RCEs that need to be reduced (discussed further below), we are confident that the Office can reasonably achieve both these pendency goals and a “soft landing.”

In short, AIPLA strongly supports the Office’s goals of first action pendency of 10 months and a total pendency of 20 months, and supports the prolongation of the time for achieving these goals as set out in the Notice.

**RCEs**

AIPLA agrees with the positions taken by PPAC on RCE fee-setting, PPAC Report at pages 15-17. As noted before, AIPLA believes that RCEs are a common and frequently necessary practice (at least in some art units). The Office appears to continue to perceive RCEs as an applicant-generated problem that does not need to be addressed or accounted for by the Office. Further, it appears that the Office does not believe that the increased use of RCEs could be a result of efforts by some Examiners to reduce the allowance rate, or that it could be an unintended consequence of the recent performance agreement. Whatever the cause, AIPLA continues to believe it is important to deal with this “hidden” backlog which is growing and reflects a real challenge that needs to be monitored, discussed, and resolved cooperatively by all participants. Instructed by the adage that “one gets what one measures,” AIPLA believes that pendency goals should be established taking into account RCEs (e.g., X months from filing to final disposition of RCEs, and Y months for traditional total pendency including RCEs) These measures would establish a clear focus on the problem and would keep the user community fully apprised of the Office’s progress in bringing it under control. These goals should be tracked and reported side-by-side with the 10- and 20-month goals.

AIPLA appreciates the move by the Office in the Notice to moderate the increase in the fee for an initial RCE, but the Notice still maintains the nearly doubled fee for any subsequent RCEs. Further, even the moderated fee is still high when compared to the costs to examine a case from scratch or to examine a Continuation, which has already had an examination. The Office has acknowledged in the Activity Based Costing information provided along with the proposed fees of February 2012 that the examination of an RCE costs less than a utility application. The concern remains that increasing the RCE fee would not only unfairly penalize many applicants, but it would also seem to leverage and fund a failed model. AIPLA believes more open tracking
and study of RCEs and other re-files along with the issues underlying them is a key part of any solution.

While a modest increase in the fee for RCEs could provide a part of the solution for the benefit of the system overall, it must be accompanied by an effort to ensure that Examiners promptly complete examination and that supervisors thoroughly review Examiners’ work and not simply look for opportunities to “kick the can down the road.” While the Office is looking at incentives for the applicant community, AIPLA believes that the Office also needs to look at the incentives which fees create for the Office and its personnel. All things being equal, the increased revenue (and Examiner credits) stemming from RCE filings (which are at least partly under the control of the Office) would tend to incentivize the behavior that leads to RCE filings. Incentives need to be balanced for all participants.

AIPLA recognizes that the lowering of the fee for filing an RCE will have an impact on the aggregate cost recovery of the Office. But AIPLA is also concerned about appropriately matching fees with the underlying costs and achieving appropriate value for the fees paid. These thoughts lead to two potential proposals to better justify or set the proposed fees while still maintaining appropriate cost recovery for the Office.

In our February 2012 comments to the PPAC, AIPLA proposed that the Office create a new procedure for a “single review RCE” or a “one more action” procedure with a lower fee than that currently being charged for an initial RCE. This new procedure is envisioned as an opportunity for an Examiner, in exchange for some portion of a count, to consider art the Examiner has newly discovered or identified or for an applicant to put claims in condition for appeal. It would also provide an opportunity for an Examiner to update his or her search following an agreement after final on potentially allowable subject matter, all without requiring a full RCE with a delayed track, multiple actions, and the like. This procedure should not be slow-tracked onto the continuing new case docket, but should be maintained on the amended case docket (response to office action scheduling), or even faster, and treated as an amendment after final, and should provide some count benefit to the Examiner commensurate with the fee and the work. This is similar to some of the ongoing efforts of the Office (specifically the after-final pilot program), but would be available as a matter of right and would come with a lower fee than a current RCE (but higher than the pilot program which does not currently require payment of additional fees to the Office).

Additionally, after reviewing the Office’s proposal and the comments from the PPAC, AIPLA believes that another possibility should be considered. One of the most troublesome issues with the new RCE fees is the decision that placed RCEs on the continuing new case docket, an alternate path which only requires an Examiner to consider two applications per month from the continuing new case docket which includes RCEs. Consequently, depending upon the mix and age of applications on a particular Examiner’s continuing new case docket, he/she may not handle any RCEs at all in any given month. This has resulted in substantial delays in the processing of RCEs in some art units. In many instances, these delays are impacting cases which an Examiner had recently considered (and was therefore familiar with) and which might have been just a last clean-up search or prior-art review away from an allowance. The increase in fees
combined with this significantly diminished responsiveness is a difficult pill to swallow. While the Office has created the option to fast-track an RCE and get it off the continuing new case docket (i.e., the slow path), the fee for this service is identical to the fee to fast-track an initial application and does not provide much relief.

If the Office is going to hold the line on the significantly increased RCE fees, AIPLA believes that, at a minimum, those who pay the increased fee should have their RCE’s put back on the amended case docket (the same scheduling as responses to office actions). To help in the aggregate fee recovery, but provide cost or time relief over the current system, the Office could offer two paths: one with the proposed higher fee but placing the RCE on the amended case docket (same response time as an office action), and one with a fee similar to that currently charged for RCEs associated with placements on the continuing new case docket.

In sum, like the PPAC, AIPLA still does not believe the right balance has been achieved in the proposed fees for RCEs. The PPAC’s cost analysis provides compelling arguments for lowering the fees. AIPLA is also open to alternative approaches which would make the aggregate fee collection sufficient for the Office’s reasonable needs, but which would also provide a better match between the service provided and the fees charged.

EXCESS CLAIM FEES

AIPLA also remains concerned about the proposed excess claims fees, even as revised in the Notice. Patent applicants need the flexibility to cover an invention using a variety of claim types and scope, and this becomes more challenging with increased excess claim fees combined with the continuing restriction against the use of multiple dependent claims.

The excess claims fees are very steep and the activity-based costing for the various activities associated with the examination of patent applications provided by the Office does not seem to provide historic costs for the consideration of claims. Note, for example, that there are no historical costs provided in the Office’s September 6, 2012, PowerPoint presentation entitled “Setting and Adjusting Fees At a Glance” (see slide 33). Therefore, it is not clear why a fourth independent claim would cost $420 for examination, particularly since the Examining Corps does not hesitate to issue restriction requirements between claims. AIPLA would also suggest that there might be more tolerance of excess claims fees if they were only assessed for claims which were actually substantively examined. Given the current aggressive restriction practice, there are many cases in which little time is invested by Examiners in examining claims prior to their being canceled or withdrawn. The significant fees charged by the Office based on the projected costs of a complete examination of such claims, where such full examination never ultimately occurs, is a source of much of frustration within the applicant community.

Moreover, the fees are currently set at levels to discourage the filing of large numbers of claims. AIPLA believes that these fees have already reduced the numbers of independent and dependent claims submitted to the Office. It does not seem that significantly higher excess claims fees are necessary to further drive behaviors. Particularly considering that certain technologies/art units may have more technology- and market-driven needs for complex claiming approaches, where there is not an historic cost basis supporting the requested increases, the increased claim fees
could be perceived as unfair to specific practice areas and technologies rather than as balanced and neutral across technologies. For example, in technologies where multiple restriction requirements are often imposed, using high fees to prevent the filing of all claims necessary for a complete restriction requirement can effectively deprive applicants of the safe harbor for restricted claim groups under 35 USC §121. Even if the applicant filed claims in future continuation applications, the application could be construed as a voluntary divisional. Therefore, the applicant should have the right to submit all claims sought for at least obtaining a restriction requirement, without having to pay exorbitant fees.

CORRECTION OF INVENTORSHIP

While claims define an invention, incorrectly naming inventors in a patent application can have devastating consequences, ranging from invalidation and/or unenforceability of the patent, to claims of misappropriation. Penalties affecting licensing rights and/or royalties, and unjust enrichment damages, affect not only the inventors and/or owners, but the lost rights and incentives can directly disadvantage the public as a whole. For that reason, there has historically been a strong incentive to readily permit changes to inventorship without charging fees, in an effort to assure accuracy. Thus, when the Office submitted its initial fee schedule to the PPAC on February 7, 2012, proposing to charge $3,000 for filing an oath or declaration up to the notice of allowance and $1,700 to correct inventorship during examination, the proposal was roundly criticized during the PPAC’s public hearing on February 15, 2012, in Alexandria, VA. Acknowledging that these fees were somewhat of a placeholder, the Office removed the fee for filing the oath or declaration and reduced the fee for changing/correcting inventorship at each occurrence after the first substantive office action on the merits to $1,000 (large entity). These steps will encourage reasonable diligence and are greatly appreciated. However, to further encourage bona fide efforts to ascertain the actual inventorship as early as possible, it is respectfully suggested that placing the proposed $1,000 fee on each occurrence of a change of inventorship is still too high to achieve the intended goal. Since inventorship must be assessed each time claims are cancelled, amended or added (which routinely occurs during prosecution as additional prior art is cited by an Examiner), it is unreasonable to charge a fee to correct inventorship each time it is necessary, especially when the changes are necessitated by the Examiner’s office actions.

Remedies already apply for intentionally misleading the Office or the public as to the true inventorship of a claimed invention, or for misappropriation of another’s invention by failure to accurately attribute inventorship. As a result, further penalties by way of a substantial fee are not needed to incentivize the proper naming of inventors in a patent application (although an appropriate fee may be necessary to compensate for potential additional examination requirements, repeat searches or reconsideration of prior art to determine patentability or possible double patenting). AIPLA respectfully submits that the proposed $1,000 fee is still so high as to be punitive, rather than compensatory. Searches during examination remain claim-based. No additional search is required when inventors are deleted, and as a result, no fee is appropriate for deletions in inventorship. Regarding the addition of an inventor, searching remains based on the claim-based art which, even if repeated, would not seem to justify such high fees. Perhaps a more reasonable, truly cost-based, fee could be applied only in instances in
which additional searches are actually required, with no fee charged where one or more inventors are deleted, or where an inventorship error was unintentional and the diligent change requires no additional search by the Office.

Finally, while AIPLA appreciates the added limitation that changes of inventorship as a result of a restriction requirement will not be assessed the proposed fee if the applicant promptly files for the requisite correction (prior to first office action on the merits), such first actions may follow within as little as a week of the applicant’s date of response to the restriction requirement. This does not provide adequate time to evaluate requisite inventor changes associated with amendments. The Office should also recognize that under current practice Examiners are not infrequently entering restriction requirements later in prosecution (e.g., after a first office action) when this small window would not apply. Consequently, if the goal is to ascertain the actual inventorship as early as possible, rather than to institute a punitive mechanism, AIPLA joins with PPAC in asserting that a much lower fee, or no fee, should be applied for requests to correct inventorship in an application, particularly with regard to changes or reductions in the inventorship entity stemming from a restriction requirement or from amendments during prosecution that respond to prior art cited by the Examiner or otherwise. Although a fee may be appropriate when inventors are added after the first office action, the proposed $1000 fee seems too high when compared to the actual costs that are involved, and reconsideration is requested.

SUPPLEMENTAL EXAMINATION

The Office is to be commended for reducing the fees for processing and treating a request for supplemental examination, and for conducting an ex parte reexamination ordered as a result of a supplemental examination request. The Office is also applauded for raising the proposed limit for items to be considered in each supplemental examination request to twelve.

However, AIPLA is still concerned that the Office is overcharging for these important services. We note that a patentee requesting supplemental examination is required to provide a separate explanation of the relevance and manner of applying each item of information to each claim of the patent for which supplemental examination has been requested. Even after supplying this explanation, if supplemental examination is ordered, the patentee will be required to pay a minimum of $18,000 in fees. This stands in stark contrast to the average historical cost of less than $4,000 incurred by the Office where it independently conducts a complete search and examination.

In our March 26, 2012, comments with respect to supplemental examination, we noted that the fee structure for considering all items in one supplemental examination would be more reasonable than the current formulation. The Office should charge a base fee for up to twelve items and an additional fee for each item over twelve.

Also, “staging” the fees for requesting supplemental examination and for conducting an ex parte reexamination, and charging the fee for the latter only in those instances where it is ordered, would be far preferable to charging both fees initially and then refunding the fee for ex parte reexamination when it is not ordered.
EX PARTE REEXAMINATION

AIPLA supports the PPAC’s positions with respect to the proposed ex parte reexamination fees. Like the PPAC, AIPLA believes it makes sense that a two-stage fee structure is equally appropriate for ex parte reexamination as it is for all of the other post grant review processes (each of which has a proposed two-stage fee). Like the PPAC, AIPLA is also struggling to understand why the estimated historic costs for ex parte reexamination are so high for a proceeding which, in many ways, is more focused and limited than a full initial examination and for which the critical art is supplied upfront. We simply do not understand how an ex parte reexamination could cost more than four times the estimated cost for an initial search and examination. It is AIPLA’s view that either the costing is being done with assumptions which are much too cautious (overestimating the likely cost) or, as the PPAC suggests, the Office needs to apply a significant focus to rein in the historical costs and not merely shift the burden of its inefficiency to applicants.

POST-GRANT REVIEW, INTER PARTES REVIEW, & COVERED BUSINESS METHODS

In its comments on these procedures in its February 29, 2012 letter, AIPLA expressed concerns about the high fees proposed in the “Preliminary Patent Fee Proposals” submitted to the PPAC, and the extent to which they were a result of the failure by the Office to take into account the more controlled procedures envisioned in Section 6 of the AIA. The Office has partially addressed our concerns regarding the size of the fees for these procedures by providing separate fees for petitioning to institute these proceedings, and for conducting them if instituted, which, together, are lower than the single fees initially proposed. The Office has missed an opportunity, however, in continuing to require these separate fees to be paid up-front upon the filing of the petition, with a refund if the petition is not granted. It would clearly promote the quality enhancement goals intended for these procedures in the AIA if a challenger did not have to incur both fees at the outset. As in other areas, “staging” of the fees for these procedures should be adopted.

AIPLA remains concerned that the Office’s estimated costs for its procedures are simply too high, which results in the proposed fees being set higher than necessary to recover the actual costs. One reason may be that the Office is simply being too cautious in its estimates of the costs of the procedures in order to avoid setting the fees below actual cost. For this reason, AIPLA believes it is very important that the Office follow through on its commitment to review and adjust fees once the true cost is known by experience.

Additionally, and equally important, AIPLA believes that the procedures currently envisioned are overly complex, inefficient and cost intensive. AIPLA, along with Intellectual Property Owners and the Intellectual Property Law Section of the American Bar Association, proposed an approach which would be leaner and more efficient in usage of Patent Trial and Appeal Board (“Board”), petitioner and patentee resources. Under the approach suggested by the three organizations, the proceedings would require only three major submissions to the Board – the initial petition, the patent owner’s response to the petition, and the petitioner’s responsive
comments. The required initial disclosure, standard protective order, pre-authorized discovery in pre-defined periods, time-limited and subject-matter-narrowing depositions, and other suggested proposals not adopted in the final regulations would save the Board time and considerable expense. Instead, the final regulations import needless procedures from prior Board practices in contested cases, increase Board involvement in matters best addressed by simple rules, and ignore suggestions based upon best practices developed in the Federal Courts. The adoption of the suggestions from the three organizations would establish a more streamlined and efficient set of procedural rules that would produce significantly lower costs for these proceedings, lower fees for petitioners, and lower costs for patent owners and petitioners in outside attorney fees. We remain hopeful that the Office will reconsider the rules for these proceedings.

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AIPLA appreciates the open and transparent process undertaken by the Office in its initial foray into implementing Section 10 of the AIA. It is obvious that the Office seriously considered the views and comments of the user community in proposing the fees in the Notice. However, as detailed in our comments, AIPLA remains concerned about the levels of certain fees and certain rules implementing the AIA.

We appreciate the opportunity to present these comments and pledge to continually work with the Office to develop a sound, balanced, and fair fee schedule that will benefit both the Office and the user community.

Sincerely,

Jeffrey I.D. Lewis
President
American Intellectual Property Law Association