

TO: Board of Directors

FROM: Brad Forrest

Chair, Patent Relations with the USPTO Committee

DATE: October 1, 2020

RE: Proposed Resolution on Worldwide Acceptance of Electronic Signatures

RESOLVED, that the American Intellectual Property Law Association (AIPLA) supports efforts to encourage IP offices around the world to accept and recognize e-signatures by all parties for office correspondence, declarations, powers of attorney, assignments, and any other documents that require signing, where prevailing laws permit. AIPLA encourages the IP offices to allow the use of e-signatures to help alleviate burdens associated with both hand-written signatures and in-person authentication. AIPLA supports efforts of the USPTO to work with the IP5 group to establish consistent rules and guidelines regarding the requirements of IP offices around the world for the acceptance of electronic signatures on documents utilized in intellectual property prosecution and for assignment of intellectual property rights.

Past Actions

None known in AIPLA. IPO just passed a similar resolution.

Discussion

The need for world-wide acceptance of electronic signatures has become increasingly important due to the challenges that COVID-19 has created relating to obtaining and authenticating signatures. Electronic signatures have been a topic of interest to AIPLA members for many years, and numerous members have been using electronic signatures for USPTO documents. However, additional members, particularly those operating and/or filing patents internationally, have not found a way to effectively use electronic signatures as a standard practice; even though some of those members, including large companies, have

moved to near-exclusive use of electronic signatures on documents outside of intellectual property.

As with many other business practices, the global pandemic has highlighted cumbersome or inefficient business operations. High among those is obtaining original "wet" signatures on patents/IP-related documents, sometimes in the presence of a notary, and mailing or couriering the signed documents — operations that were manageable when most employees were in shared offices but became tedious (and in the case of notarization – complex, time consuming, and risky from a health perspective) with many employees working from home. As a result, numerous companies have expressed interest in understanding, and hopefully resolving the barriers to broadly adopting electronic signatures for patent documents.

Patent filers face two primary issues: (1) whether all necessary entities (primarily IP offices) will accept electronic signatures; (2) the electronic signature characteristics, and verifiability, of the signatures that will be accepted (with a related issue regarding proof of identity through notarization). The USPTO is a leader on the first issue, in allowing S-signatures by inventors and other parties; while many (perhaps most) other IP offices limit electronic signatures to licensed practitioners.

Even in the U.S., other types of documents, such as assignments, present additional challenges, as effectiveness of the assignment contract is influenced by individual state laws regarding such contracts. While a basic S-signature (signature between slashes) is broadly permitted by federal statute, individual states impose different standards, such as differing presumptions of the validity of electronic signatures on contracts based upon digital properties of the signature, such as digital tamper-sealing of the signature, association with a third party identification, etc. Many examples of advanced digital signatures that will assure signature validity include additional images and/or alphanumeric characters not currently accepted under USPTO guidelines. Bias for more advanced digital signatures exists in other countries. As an example, also accompanying this letter is an announcement of interim procedures of KIPO in accepting

electronic signatures on powers of attorney and for electronic notarization of the powers, which identifies two categories of electronic signatures accepted).

These different tiers of electronic signatures are relied upon in many other countries, including the other members of the IP5. Each of the other member countries and the EU have multitiered standards for accepting electronic signatures for most types of commercial documents-- but transfers of intellectual property are excluded. The US is the only member of the IP5 to expressly accept electronic signatures on patent assignments. Though, anecdotally, KIPO may now also be accepting electronic signatures on assignments, though outside the scope of the attached notice.

Given the current lack of international acceptance of electronic signatures on patent assignments, it appears likely that initial progress toward international adoption would likely be tied to relatively advanced digital signatures providing enhanced verification and audit trails. We also note there may be uncertainty under the Paris Convention surrounding use of electronic signatures on documents transferring the right of priority, since sometimes, IP offices do not necessarily defer to the law of another ("home") jurisdiction as to such transfers. It may be difficult to resolve such questions broadly under the Paris Convention, but perhaps it would be possible to achieve resolution at least for PCT filings?

It is also noted that requirements for notarization of patent assignments could be problematic. Even in the U.S., few states allow for online notarization and for those that do, the standards are state-specific. Early in the pandemic, New York temporarily allowed online notarization such as through video conference, to avoid in-person appearances (though that order has expired). Texas has issued orders allowing notaries to receive an additional certification for performing notarization by videoconference but restrict use of online notarization to limited categories of documents, not including IP assignments. A strong case can be made that an advanced digital signature providing authentication of the signer can be at least as reliable, if not more so, than personal appearance before a notary (or equivalent).

The following resolution was adopted by IPO [date/month]: “*Resolved*, that IPO advocates, where the national laws permit, that IP offices accept and recognize simple e-signatures for office correspondence, declarations, powers of attorney, assignments, and any other e-signatures. IPO encourages the IP offices to allow IP owners the option to use advanced e-signatures to help alleviate burdens associated with in-person authentication.”

Conclusion

The shift to remote work, expedited by the COVID-19 worldwide pandemic, has highlighted the need for universal acceptance of electronic signatures. AIPLA support of the effort to encourage patent offices to accept electronic signatures is appropriate.

Committee Vote

Total Voting Members of the ? Committee: xxx

Committee Vote on This Resolution:

Yes	nn
No	nn
Abstain	n
No Reply	nn

APPENDIX I

KIPO Notice:

KIM & CHANG

June 18, 2020


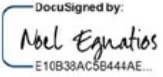






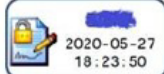
Intellectual Property

KIPO's New Announcement: Plan to Allow Electronically Signed Power of Attorney and Electronically (Remotely) Executed Notarization for Foreign Residents

In light of the difficulty in executing power of attorney ("POA") in person before a notary public due to the COVID-19 pandemic, the Korean Intellectual Property Office ("KIPO") announced new guidelines to facilitate execution of POA and notarization by foreign residents on June 18, 2020. According to the KIPO announcement, electronically signed POA and remote online notarization of POA, etc. of foreign residents will now be allowed. The new guidelines will go into effect immediately.

During the pandemic situation, our firm has been a vigorous proponent for allowing the use of online notarization and electronic signature for POA at KIPO. With the official announcement of the guidelines to the public, KIPO has finally decided to implement the new procedure.

The announced guidelines provide examples of two types of electronic signatures with respective requirements as follows:

Examples of Electronic Signatures			Type
 (Signature using a pad)	 (Signature + Symbol)	 (Signature + Digital Sign Attribute)	Type I
 (Signature using a mouse)	 (Signature (image))	 (Signature + Digital Sign Attribute)	
 (Character + Digital Sign Attribute)	 (Symbol + Digital Sign Attribute)	 (Digital Sign + Symbol)	Type II

For Type I:

POA or a notarized document that is electronically executed with a conventional type of signature will be accepted when the agent declares (states) in a translation of the POA or the notarized document to the effect that the document (file or printout) has been electronically signed by the authorized party.

For Type II:

POA or a notarized document that is electronically executed with characters (such as text, digital sign, etc.) rather than with a conventional type of signature will be accepted when a captured image of signature attribute data (signer authentication) validating the signature within the electronic document file is additionally submitted with a translation of the document, along with the agent's statement or declaration as explained on Type I above (if the signature attribute data is not clear, the executed document will be required to be supplemented or will not be accepted).

The foregoing guidelines are a temporary measure during the Covid-19 situation, and will also apply to outstanding POA or notarized documents which should be supplemented upon a notice from KIPO.

APPENDIX II

Selected slides from SLW Institute presentation:



USPTO's
requirements for
electronic
signatures
[\(37 C.F.R.
1.4\(d\)\(2\)\)](#)

An S-signature is a signature inserted between forward slash marks, but not a handwritten signature.

An S-signature includes **any signature made by electronic or mechanical means**, and any other mode of making or applying a signature not covered by a handwritten signature.

The S-signature must consist only of letters, or Arabic numerals, or both, with appropriate spaces and commas, periods, apostrophes, or hyphens for punctuation.

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USPTO's
requirements for
electronic
signatures
(cont.)
[\(37 C.F.R.
1.4\(d\)\(2\)\)](#)

The signer's name must be:

- (A) Presented in printed or typed form preferably immediately below or adjacent the S-signature, and
- (B) Reasonably specific enough so that the identity of the signer can be readily recognized.

A patent practitioner ([§ 1.32\(a\)\(1\)](#)), signing pursuant to [§§ 1.33\(b\)\(1\)](#) or [1.33\(b\)\(2\)](#), must supply his/her registration number either as part of the S-signature, or immediately below or adjacent to the S-signature.

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Proper and Improper S-Signature Examples



/John A. Inventor/

John A. Inventor

Marsha A. Inventor

Marsha A. Inventor

/Joe Q. Attorney/

Joe Q. Attorney, Reg. No. 999999



Marsha 😊 Inventor

Marsha A. Inventor

//Joe Q. Attorney//

Joe Q. Examiner, Reg. No. 999999

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Electronically submitted correspondence
[\(37 C.F.R. 1.4\(d\)\(3\)\)](#)



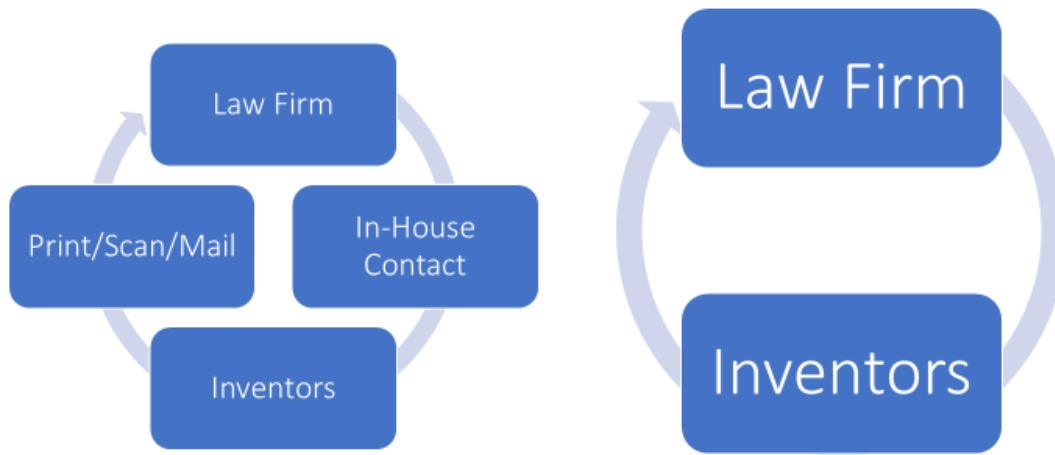
Correspondence permitted via the Office electronic filing system may be signed by a graphic representation of a handwritten signature or a graphic representation of an S-signature when it is submitted via the Office electronic filing system.

Original handwritten signatures remained a requirement under 37 CFR 1.4(e)(1) and (2) for certain correspondence with the and certain payments **Office of Enrollment and Discipline** by credit card.

However, in March 2020, the USPTO [indicated](#) it considers the effects of COVID-19 to be an "extraordinary situation" within the meaning of 37 CFR 1.183 for affected patent and trademark applicants, patentees, reexamination parties, and trademark owners. Therefore, the USPTO waived the requirements of 37 CFR 1.4(e)(1) and (2) for original handwritten signatures.

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Signature Workflows – In office vs. working from home



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Signing pitfalls in work from home environment

- **Hardware** – Lack of basic office environment hardware (printer, scanner, fax, etc.); or to employer-approved hardware
- **Software** – PDF programs on signer home computers can vary widely from view only to full Acrobat
- **Mail** – Limited access to mailing supplies (postage, envelopes) and limited access to postal services
- **Difficulty reaching** or following up with signers
- **Errors** in signed documents lead to lengthy additional cycles obtaining corrected documents
- **Delays** in obtaining signatures can lead to delays in getting documents on file with the PTO



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Advantages of electronic signature software



- **Ease of signing** – No hardware or mailing supplies required. Software requirements (web browser) nearly universally available, including signing from smartphone
- **Multiple signing options** (draw, insert stamp, stylized type) allow for customized signature which can be stored for later reuse
- Built in **signature workflows** can be set up for S-Signature compliance, limiting errors and reducing additional signature cycles
- **In-house contacts** can help coordinate or can be copied on items sent for signature
- **Speed** from start to finish – race to the Patent Office
- **Audit reports/certificates of completion** can be retrieved/stored for verification of signing details
- Jobs out for signature can be shared with **backups** for follow-up and retrieved/followed-up with as needed
- **No additional costs** to companies – Signers don't need seats in order to execute documents; in-house coordinators can be added to workflows to facilitate signing without additional seats



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Electronic signature software considerations



- Database and document security
- Document output
 - How will it interact with electronic filing systems (EFS, EPAS, Patent Center (beta))?
- Ability to generate audit trail/certificate of completion
- Integration with existing software/workflows (i.e. Outlook, SharePoint, Box, OneDrive, etc.)
- Ease of use – Preparer and signer, including mobile use
- Ease of configuration
 - Can it be customized? Does it need to be?
- Compliance with applicable rules and regulations
- Pricing models – Number of users vs. Number of transactions
- Customer Support



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Software Setup – Administrator

- Set document security / password for editing signed PDFs
- Configure settings to integrate related software
 - Outlook Add In, SharePoint page, or OneDrive for uploading documents
 - Box for archival of signed documents and audit logs
- Access to accounts – contingency sharing
- Template creation
 - Inserting document text tags into standard or dynamic forms
 - Creating client-specific workflows that include a client coordinator or with specific messaging
 - Brand communications to help identify sender to recipients



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Software Setup – User Rollout

- Test document preparation/sending/signing across multiple interfaces (desktop, tablet, mobile) to understand the signer experience and troubleshoot issues prior to user rollout
- Identify points of change to existing workflows
- Pre-load and save user signature/initials
- Internal Training
 - S-signature and electronic/digital signature requirements before patent offices
 - Document creation and tagging
 - Document sending and setting follow-up reminders
 - Extracting signed documents and how to prepare certified or protected PDFs for patent office filing
 - Archival procedures for signed documents/audit logs



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Subjective "Truths" Learned

- Invariably, when an **inventor signature** is urgently needed, he/she cannot find a pen, is not near a computer, is out of printer ink cartridges, and/has no access to a post office box.
- Attorneys **always** want their electronic signature to look exactly like their handwritten signature.
- Document signers have a remarkable and uncanny ability to **creatively execute** documents.
- Once familiar with utilizing electronic signature software, preparers and signers of documents have at no point **waxed nostalgic** for the days of mailing and faxing signature pages.



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Types of Signatures



Electronic Signatures

Electronic sound, symbol or process, attached to or logically associated with a contract or other record and executed or adopted by a person with the intent to sign the record - 15 USC 7006 (ESIGN Act)



Digital Signatures

Encrypted digital certificate to authenticate identity

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Tiers of Electronic Signatures



Tier 1: Simple Electronic Signature

Data attached to/associated with other electronic data
Means of authentication
Easy to Use



Tier 2: Advanced Electronic Signatures (AES)

Linked to and capable of identifying the signatory
Tamper-sealed
Moderately easy to use



Tier 3: Qualified Electronic Signature (QES)

3d-party verification and token
Attached to record only via use of a "secure signature creation device"

Considerations for Legal Validity



INTENT



CONSENT



ATTRIBUTION



ASSOCIATION

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Legal - US

Common Law

- Contract formation based on offer, acceptance, consideration

Legislation

- ESIGN - Electronic Signatures in Global and National Commerce Act
- UETA - Uniform Electronic Transactions Act

ESIGN



Does not specify technology or form of the signature

ELECTRONIC SIGNATURE—The term 'electronic signature' means an electronic sound, symbol, or process, attached to or logically associated with a contract or other record and executed or adopted by a person with the intent to sign the record.

Permissive--No specified procedures / formalities

...with respect to any transaction in or affecting interstate or foreign commerce:

(1) a signature, contract, or other record relating to such transaction may not be denied legal effect, validity, or enforceability solely because it is in electronic form;

(2) a contract relating to such transaction may not be denied legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation.

UETA

CONSENT--may be determined from context, circumstances, and parties actions

ATTRIBUTION -- An electronic record or electronic signature is attributable to a person if it was the act of the person. The act of the person may be shown in any manner, including a showing of the efficacy of any security procedure applied to determine the person to which the electronic record or electronic signature was attributable.

The effect of an electronic record or electronic signature attributed to a person ... is determined from the context and surrounding circumstances at the time of its creation, execution, or adoption, including the parties' agreement, if any...

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US Assignment Considerations



Enforceability of an assignment is generally a matter of state law

ESIGN is not limited to persons in the US (just as with other assignments)

But given the prevalence of other electronic signature laws in other countries, a conflict of law issue could arise re signatures of non-US based inventors

Though ESIGN and UETA are (generally) uniform...

States may apply different standards for consent or attribution (security) and/or the proofs required (consent mechanism, audit trail, etc.)

States may offer elevated weight to greater security mechanisms

Assignment proof may require an explanation of the audit trail, have a strategy for maintaining that data long term—in effect, it is part of the assignment

Consider using a more secure digital signature technology on an assignment than the PTO would accept on another document

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Legal - International



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International – Paris Convention

Electronic signatures could present a new consideration

Paris Convention Art. 4(A)(1) establishes the right of priority, and the potential transfer of that right to a successor in title:

Any person who has duly filed an application for a patent, or for the registration of a utility model, or of an industrial design, or of a trademark, in one of the countries of the Union, or his successor in title, shall enjoy, for the purpose of filing in the other countries, a right of priority during the periods hereinafter fixed.

Though the Paris Convention is silent as to the governing law controlling perfection of the transfer

Other jurisdictions do not always defer to the law governing the initial transfer

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Europe and the UK

EP: eIDAS permits use of electronic signatures in Europe, with three tiers of verification standards

BUT: the EPO will not accept an electronic signature on an assignment (though it will accept a scanned copy of a “wet” signature)

In a recent decision, the EPO Legal Division refused to accept an assignment with electronic signatures, stating:

This formal requirement for the validity of such an assignment formal requirement for the validity of such an assignment constitutes autonomous law, which supersedes national law applicable under Article 74 EPC in this respect. Hence, neither national law governing the regime of electronic signatures nor specific EPO provisions in this context are applicable. Moreover, the EPO has no means of verifying the authenticity of the electronic signature following a certain national regime.

UK: Electronic signatures are accepted on documents including patent assignments

BUT: POAs (and deeds) must be signed by a notary in the same room as the signer, complicating electronic signature use

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China

Though the Electronic Signature Law has been in place since 2005, at the current time CNIPA allows only registered users of the e-filing system to use electronic signatures -- but not patent applicants / inventors

For many situations, a certified copy of an prior assignment executed with electronic signatures (before a claim for priority is made), and recorded in the USPTO may be accepted by the CNIPA examiners

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India

India requires either of two forms of digital signatures

(1) E-signatures that combine a digital signature (such as an Aadhaar) authenticated with an asymmetric crypto system and hash function which envelop and transform the initial electronic record into another electronic record (e-KYC), verifiable by a public key

(2) Digital signatures that are generated by an asymmetric crypto-system and hash function, issued by an approved Certifying Authority (CA) in the form of a digital certificate

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Assignment Use Cases / Uncertainty

US application having all US-based inventors

Foreign filing of US application having all US-based inventors

Direct non-US filing of application

Any application having non-US based inventors

Application filing in jurisdictions rejecting e-signatures or having specific requirements



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Looking Forward



- **Wet Signatures are Still the Gold Standard**
- **Electronic signatures are increasingly accepted worldwide**
 - Though some major patent offices are lagging the trend
 - Non-uniformity of national requirements will always be an issue
- **An electronic signature assignment should suffice for US filings (and some non-US filings)**
- **If a wet signature assignment will be harder to obtain or be delayed:**
 - An electronic signature would likely be preferable to no express assignment
 - You can follow up with a ratification / confirmatory assignment when feasible