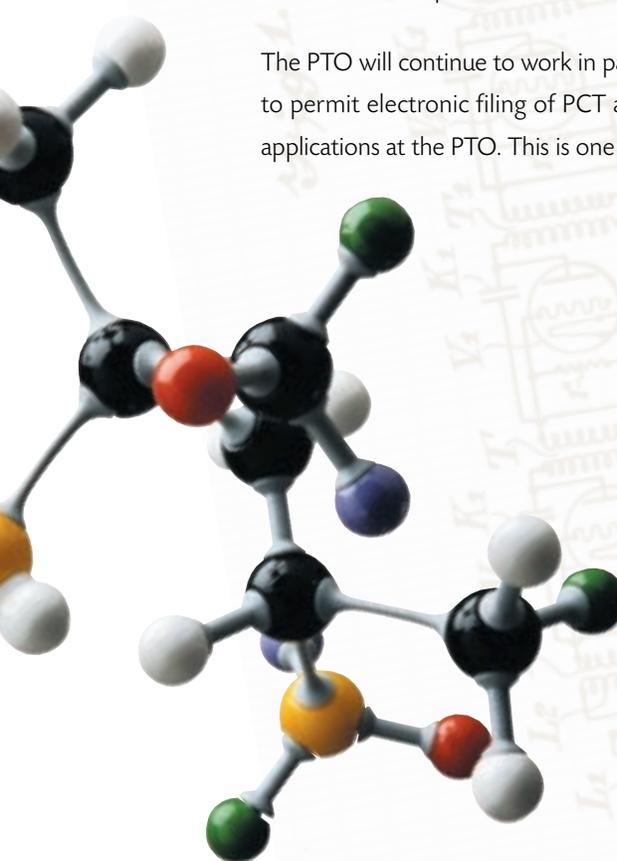


# Intellectual property policy

The goal of the PTO's intellectual property (IP) policy business area is to protect, promote, and expand IP rights throughout the United States and abroad. To do this, the PTO works closely with House and Senate Judiciary Committee members and staff to craft legislation and assists the U.S. Trade Representative and the State Department.

The PTO will continue to work in partnership with the World Intellectual Property Organization (WIPO) to permit electronic filing of PCT applications and, by the end of 2001 to electronically receive PCT applications at the PTO. This is one of the PTO's HIA commitments to Vice President Gore.



**Behind this country lies a history of attention to the vital function that innovation and creativity serve in the development and commercialization of new products and services. The USPTO plays an active role in ensuring that our intellectual property laws and policies promote and encourage innovation and investment. As global trading increases, our success in the future's marketplace will turn, to an unprecedented degree, on the steps taken to preserve and foster one of our most valuable assets: the creativity of our people. The USPTO's strategy for competing effectively in tomorrow's markets focuses on working, unilaterally and in concert with our trading partners, to improve and raise the standards of intellectual property protection throughout the world.**

## Domestic Activities

Significant pieces of intellectual property-related legislation were enacted during the first session of the 106th Congress.

### Reform of Patent Law and PTO Operational Authority

H.R. 1554 ( P.L. 106-113), the “American Inventors Protection Act of 1999,” makes important changes to patent law and improves PTO’s ability to better serve its customers. The new Act:

- Helps to protect inventors from deceptive practices of invention promotion companies by requiring those companies to disclose relevant information. Damages could be assessed for failure to comply. The PTO will make those complaints about promotional companies publicly available.
- Reduces patent fees for the second year in a row, and directs the PTO to study alternative fee structures that would encourage full participation in the patent system by all inventors, large and small.
- Provides a limited defense against infringement to inventors who developed and used a business method prior to that method’s being patented by another party.
- Permits inventors to receive extensions to their patent terms if processing of their applications were delayed for reasons beyond their control. Diligent applicants are assured of receiving a minimum of 17 years of patent term.
- Directs that patent applications filed abroad will be published in the United States eighteen months after filing. American inventors will then know what technology is being developed internationally much earlier and will help to eliminate duplication of research efforts and expenses.
- Provides inventors with an optional reexamination process for reviewing patent validity.

### Anticybersquatting

H.R. 1554 ( P.L. 106-113), the “Anticybersquatting Consumer Protection Act,” prohibits the bad faith registration, trafficking in, or use of an Internet domain name that is identical to, or confusingly similar to, a distinctive trademark or service mark, or dilutive of a famous trademark or service mark. Personal names, protected as trademarks, are subject to the provisions. Civil remedies and damages are made available to aggrieved trademark owners, and an in rem civil action can be brought against a domain name if a responsible defendant is unavailable.

### Trademark Law Amendments/Dilution

S. 1259, the “Trademark Amendments Act of 1999,” (P.L. 106-43) provides owners of famous trademarks the right to oppose or seek cancellation of a mark on dilution grounds in proceedings before the PTO’s Trademark Trial and Appeal Board. The Act also allows private citizens and corporate entities to sue the Federal government for trademark infringement. Last, the Act provides that the party asserting trade dress protection in an action for infringement, where the matter sought to be protected is not registered with the PTO, has the burden of proving that the trade dress is not functional.

### National Intellectual Property Law Enforcement Coordination Council

The conference report on H.R. 2490, “Treasury and General Government Appropriations Act for Fiscal Year 2000” (P.L. 106-58), was signed into law on September 29, 1999. Section 653 of the Act establishes the National Intellectual Property Law Enforcement Coordination Council to coordinate domestic and international IP law enforcement among Federal and foreign entities. The Council is co-chaired by the PTO Commissioner and the Department of Justice’s Assistant Attorney General, Criminal Division. Other members include representatives of the U.S. Trade Representative, U.S. Customs,

Dec. 11, 1934. R. L. HOUSTON  
AUTOMATIC SELECTING AND DISTRIBUTING SYSTEM FOR RADIO RECEPTION  
Filed May 3, 1928 7 Sheets-Sheet 1

Department of State, and Department of Commerce. The Council is directed to consult with the Copyright Office on copyright related issues and must report annually to the President, to the Committees on Appropriations, and to the Department of Justice.

**Copyright Technical Corrections**

S. 1260, a bill to make technical corrections to title 17, was signed into law (P.L. 106-44) on August 5, 1999. The law corrects numbering and other technical errors in P.L. 105-304, the "Digital Millennium Copyright Act."

**Patent Reauthorization Legislation**

S. 1258, the "Patent Fee Integrity and Innovation Protection Act of 1999," was signed into law (P.L. 106-42) on August 5, 1999. The Act authorizes \$116 million from FY1999 carryover and all fees collected in FY 2000 to be made available for the payment of salaries and necessary expenses of the PTO in FY 2000.



**Created by Brigadier General George Owen Squier, Muzak® combined the technology of the wireless radio and cable communications. In 1910, General Squier received multiple patents on "multiplexing," a communications system that allows multiple conversations on a single pair of telephone wires. His technical innovation in signal communications evolved into today's fiber optics and cable television's hundreds of channels.**

**International Activities.**

In addition to PTO's legislative activities, the PTO provides technical assistance to developing countries that are setting up or improving their IP protection systems. In FY 1999, the PTO worked with ninety-three different countries, completing ninety-nine assistance projects. In addition to this work, the PTO assisted on the following projects:

**Trade-Related Aspects of Intellectual Property Council**

The Trade Related Aspects of Intellectual Property (TRIPs) Council meetings this year focused on the review of enforcement provisions and geographical indications. Developing countries must submit their laws and regulations by the year 2000, and the least-developed countries must submit their laws and regulations by the year 2006. The PTO will be involved in the review of laws and regulations for both the 2000 and 2006 requirements.

**Wire the World**

In FY 1998, the PTO promoted the U.S. proposal to establish a special WIPO committee to devise methods for member countries to take advantage of information technology. The Wire the World project was formally adopted into WIPO's program and budget for 1998-1999.

The PTO also prepared an IP "cyberplan" in collaboration with the Japanese Patent Office, proposing initiatives to develop and deploy a secure global information infrastructure; that is, establish a network of intellectual property digital libraries, automate the PCT system, and extend and implement solutions based on this system in interested intellectual property offices.

**Patent Cooperation Treaty**

The PTO continued efforts to amend the PCT regulations in FY 1998. An ad hoc advisory group meeting under the auspices of WIPO continues to make amendments to the regulations defined by the PCT. Some of the proposed amendments were finalized in September 1997 and went into effect on July 1, 1998. Those amendments relate to the language of international

applications, the publication of a bilingual gazette, priority claims and priority documents, fees, nucleotide and amino acid sequence listings, and electronic filing.

**Patent Law Treaty**

The PTO continued to participate in the effort to simplify the formal requirements associated with patent applications and patents in the different countries of the world. A standing committee, meeting under the auspices of WIPO, is continuing to develop articles and regulations that will simplify many of the formal requirements related to patent applications and patents. When concluded, this effort will greatly simplify the formal obligations and reduce the associated costs for patent applicants and owners of patents in many countries worldwide. A Diplomatic Conference is scheduled for May 2000.

**Trilateral Patent Cooperation**

The PTO continued to work with the Japanese and European patent offices to seek ways to benefit from advances in information technology, to develop and share patent search tools, and to work on the harmonization (standardization) of Internet-based filing systems. A memorandum of understanding, developed and signed at the 16th Annual Conference in Miami, Florida, focuses on mechanisms for the future electronic exchange of data and the extension of the trilateral network to WIPO. It also looks at revising the information dissemination policy to allow each office to make available to the public on an Internet service the data received from the other two offices, and at implementing a new concurrent search pilot.

**The Hague Agreement**

Consultations continue on drafting a new Act of the Hague Agreement Concerning the International Registration of Industrial Designs. The new Act is aimed at revising the current agreement to attract as wide a membership as possible and to establish a more efficient and accessible international filing system for the protection of industrial designs. The U.S.

delegation, led by PTO experts, has moved discussions toward a system similar to design patent protection in the United States.

#### **Audiovisual Performers Rights**

The PTO, along with other U.S. government agencies, worked with the U.S. motion picture industry and performers' unions to develop an agreement to improve international protection for audiovisual performers rights. As a result, the U.S. government put forward a comprehensive proposal for a new Treaty on Audiovisual Performers Rights. This proposal aims to meet the needs of both performers and film producers in the marketplace. This proposal is a new milestone in U.S. international

copyright policy and in developing the policies that shape international copyright law in this area. This proposal is the first time that the United States has taken the initiative on this long-standing and controversial topic and proposed an agreement to ensure both moral rights and economic rights for audiovisual performers.

#### **Visiting Scholars Program**

The 14th Annual Visiting Scholars Program (VSP) offered two weeks of classroom and hands-on study to thirty-seven IP officials from twenty-one countries. The VSP gives representatives from IP offices around the world a better understanding of the critical role of intellectual property protection in building strong, vital economies.

# PTO Management



#### **PTO Officers. L to R**

**Clarence C. Crawford** Chief Financial Officer and Chief Administrative Officer, **Anne Chasser** Commissioner for Trademarks, **Robert L. Stoll** Administrator for External Affairs, **Q. Todd Dickinson** Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, **Albin Drost** General Counsel (Acting), **Nicholas P. Godici** Commissioner for Patents, **Mary C. Lee** Administrator for Quality Management, **Dennis Shaw** Chief Information Officer.