

Boston University School of Management
595 Commonwealth Avenue
Boston, Massachusetts 02215



James Engel
Senior Legal Advisor
Office of Patent Legal Administration

April 24, 2014

Dear Mr. Engel:

I am writing to endorse the U.S. Patent and Trademark Office's proposed rule requiring disclosure of the "attributable owner" of US patents and pending applications. This rule would reduce uncertainty and search costs for inventors, prospective and actual licensees, patent buyers, and other users of patent data at very little direct cost to applicants and patent holders. The rule would also help us better understand the rapid growth of the secondary market in patents – a trend that only increases the benefits of adopting clear rules that promote timely and accurate disclosure of ownership information.

As part of this initiative, I strongly encourage the USPTO to consider a requirement that any assignee that has acquired a Global Legal Entity Identifier (LEI) must use that code to identify the ultimate owner of a patent. The LEI is a global unique identifier that will soon be required of any firm that participates in financial market transactions in the United States or any G-20 country.¹ While not every applicant or assignee will have an LEI, the \$150 cost of acquiring one is a nominal expense for large patentees. Moreover, relying on LEIs to identify patent owners whenever possible would reduce the cost of maintaining parallel registries, facilitate

¹ The US Treasury Office of Financial Research played a key role in developing the Global LEI system, and provides a great deal of information on the goals of the program, the process for obtaining an LEI, and the governance of the Legal Entity Identifier system. See, for example, http://www.treasury.gov/initiatives/wsr/ofr/Documents/LEI_FAQs_August2012_FINAL.pdf.

aggregation of the USPTO's current assignee codes into a set of meaningful legal entities, and enable linking of patent data to other data resources such as the SEC's EDGAR database.

Finally, in response to your request for comments regarding voluntary disclosure of licensing information, I would encourage the USPTO to consider deepening its relationships with voluntary standard setting organizations (SSOs) on several levels. Many SSOs publish licensing commitments made by participants in the standard-setting process, and some SSOs might welcome an initiative by the USPTO to aggregate and preserve this information. Another opportunity for greater cooperation with SSOs is to develop procedures for making standards-related prior-art available to patent examiners in a more systematic fashion, as the EPO has done through its partnerships with ETSI, IEEE-SA and ITU.² In general, efforts to promote transparency in pricing should complement efforts to promote transparency in ownership. However, I believe that efforts to standardize the reporting of licenses or licensing commitments may prove challenging, given substantial heterogeneity in the material terms contained in many of these agreements.

With best regards,



Timothy S. Simcoe

Associate Professor of Strategy and Innovation
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² These agreements are described in a report entitled "Patent Challenges for Standard Setting in the Global Economy" published in 2013 by the National Research Council of the National Academy of Sciences at the behest of the USPTO. That report also contains several detailed recommendations regarding cooperation between SSOs and the PTO.