

CHAIR

Robert O. Lindefjeld
Pittsburgh, PA

CHAIR-ELECT

Lisa A. Dunner
Washington, DC

VICE-CHAIR

Theodore H. Davis Jr.
Atlanta, GA

SECRETARY

Joan Morgan McGivern
New York, NY

FINANCIAL OFFICER

Kim R. Jessum
Philadelphia, PA

CLE OFFICER

Jonathan Hudis
Alexandria, VA

PUBLICATIONS OFFICER

George Washington Jordan III
Houston, TX

MEMBERSHIP OFFICER

Susan McHale McGahan
Bedminster, NJ

**SECTION DELEGATES TO
THE HOUSE OF DELEGATES**

Jack C. Goldstein (2014)
Houston, TX

Donald R. Dunner (2015)
Washington, DC

Susan Barbieri Montgomery (2016)
Boston, MA

IMMEDIATE PAST CHAIR

Joseph M. Potenza
Washington, DC

COUNCIL MEMBERS

Amy J. Benjamin (2014)

Darrell G. Mottley (2014)

Donna P. Suchy (2014)

Marc K. Temin (2014)

June M. Besek (2015)

Christopher A. Bullard (2015)

Denise W. DeFranco (2015)

Scott F. Partridge (2015)

L. Marisia Campbell (2016)

Dale Cendali (2016)

Willard Jones II (2016)

Adriana Suringa Luedtke (2016)

Steve Caltrider (2017)

Herbert Hart (2017)

Patricia Smart (2017)

Mark Whitaker (2017)

SECTION STAFF

Michael G. Winkler
Director

Carey Farley
Programming / Events

Amy Mandel
Communications / Publications

Hayden W. Gregory
Legislative Consultant

Washington, DC
hayden.gregory@americanbar.org

AMERICAN BAR ASSOCIATION

November 25, 2013

Via Electronic Mail: strategicplan@uspto.gov

Bonita Royall
The USPTO Strategic Plan Coordinator
P.O. Box 1450
Alexandria, VA 22313-1450

Re: Comments on Draft USPTO 2014–2018 Strategic Plan

Dear Ms. Royall:

I am writing on behalf of the American Bar Association Section of Intellectual Property Law (the “Section”) in response to the Office’s October 17, 2013 request for comments on the Draft 2014–2018 Strategic Plan (“the Plan”) (Press Release, 13-29). These comments have not been approved by the American Bar Association’s House of Delegates or Board of Governors and should not be considered to be views of the American Bar Association.

I. INTRODUCTION

As an introductory remark, the Section appreciates the opportunity to comment on the Plan, and applauds the Office’s efforts to reduce the application backlog by 18%, first-action pendency by 7.4 months and average total pendency by 5.2 months. The Section also agrees with the Office’s five goals on page 5 of the strategic plan, but believes that the goals need to include more emphasis on stakeholder participation and cooperation with the customers who are actively participating in the system and whose fees are supporting the Office. Stakeholder engagement and regulatory transparency are goals which should be included to effectively carry out the stated USPTO Mission on page 4.

The Section also supports the Office’s goal for full access to all fee collections. This will enable the Office to optimize patent and trademark quality and timeliness.

The Section notes that the Plan does not specifically mention encouraging the international adoption of a grace period. The Section supports ratification of an international harmonization treaty memorializing an international-type grace period.

The Section strongly encourages the Office's initiatives to deliver IP information and education worldwide. The Section offers its membership and resources to help with this endeavor. Indeed, the Section has and is growing its outreach programs at all ages and skill levels through the creation of video explanations of IP and in-person public outreach. The Section welcomes opportunities to work with the Office to help the public gain a better understanding of IP.

II. STRATEGIC GOALS

A. Goal I: Optimize Patent Quality and Timeliness

Objective 1: Refine Optimal Patent Pendency

The Section encourages the Office to maintain and improve the Patent Dashboard, which contains much useful information for stakeholders. The Section suggests that the Office adopt more granular information in, for example, the PTAB Dashboard, which currently does not provide information for dispositions in fewer than 10 months. For cases forwarded to the PTAB, it appears that all cases are disposed of within 10 months. It would be helpful to provide a more detailed metric.

Objective 2: Increase Efficiencies and Patent Examination Capacity to Align with the Optimal Patent Pendency

The Section agrees with the Office's suggestion to provide options in the prosecution of patent applications. Track I is an excellent example of a useful tool for early-stage companies to build a patent portfolio quickly. However, the Section cautions the Office that programs, such as a possible glossary pilot, can be traps for the unwary and should be implemented only after careful consideration of stakeholder input. The Office should fully explain possible detriments and educate stakeholders to ensure that independent inventors and small businesses fully understand the advantages and disadvantages of those programs.

The Section also encourages the use of examiner-initiated interviews to help examiners understand applications. The inherent ambiguity in the English language often leads to misunderstandings between applicants and examiners. It is often that only real-time communication enables both parties to understand each other's positions and agree on allowable subject matter. Therefore, examiners should more proactively reach out to applicants when they do not fully understand an invention or a claim.

Lastly, while a nationwide workforce has its benefits, a drawback to geographic diversity is maintaining examination quality. For this reason, the Plan should (but currently does not) emphasize the need for continued examiner oversight and training in order to ensure that the examining corps maintains quality and consistency between geographical units.

Objective 3: Increase International Cooperation and Work Sharing

The Section also encourages the Office's continued efforts in relation to international cooperation, work sharing, such as the PCT, PPH, the Global Dossier, and the Cooperative Patent Classification (CPC). While such efforts to improve efficiency and effectiveness of such cooperation are an admirable goal, the Plan does not mention how such improvements will reduce stakeholder costs or maintain examination quality. The Section therefore believes the Plan needs to emphasize both issues in addition to the efficiency and effectiveness gains realized through international cooperation and workshare,

Objective 4: Continue to Enhance Patent Quality

The Section encourages the Office's continued efforts in relation to enhancing patent quality. However, the Plan discusses use of components to determine patent quality, but does not discuss how such components are arrived at or stakeholder input in determining the relative importance of each component. The Section therefore believes the Plan should emphasize transparency and stakeholder input into the development of quality measurements to ensure that the examination corps is performing high quality examination using the standards expected in the patent user community.

QUALITY METRICS

The Section encourages the Office's efforts to increase patent quality. The Section asks that the Office continue to provide this information transparently to the public, including assessments of patent quality and the metrics used to measure quality, and to provide regular opportunities for sharing, evaluation, and utilization of such information with the end-user community.

The Section favors the identification and the correct, predictable, and consistent application of quality standards so as to improve the quality of issued U.S. patents and decrease both the cost of patent prosecution for applicants and the costs to the public associated with the issuance of low quality patents.

The Section favors using patent quality metrics that account for both rejection errors and allowance errors.

The Section favors collecting data throughout the entire search and examination process to measure quality, particularly

- (a) when a search is completed, to determine whether the best and most pertinent prior art related to the invention of the application has been found,
- (b) when an office action is issued to determine whether the office action
 - (1) clearly explains the relationship between cited prior art and the claimed invention and

- (2) appropriately responds to arguments made by applicants in response to an earlier office action; and
- (c) when either the application is allowed or finally rejected, to determine whether the use of interviews with applicants could more effectively resolve conflicts in examiners' and applicants' positions.

The Section favors a Quality Program that focuses on the USPTO's performance with an understanding that the USPTO rules and regulations should be the guiding principles to address any low quality applications caused by failings of the applicants or their representatives.

Quality patent examination means the consistent interpretation and enforcement of the rules and regulations governing the USPTO, and that includes—

- (1) a quality measure for determining whether the USPTO has met the quality goal of providing timely decisions on petitions filed by the applicant during prosecution;
- (2) the development of training programs for the Supervisory Patent Examiners so as to enable and encourage them to carry out their supervisory function and to assist their Examiners with consistent interpretation and enforcement of USPTO rules and regulations; and
- (3) a quality measure which measures the quality of Examiners' restriction and election of species by determining the extent to which the issued restriction and election of species are consistent with a uniform set of procedures.

The Section favors recommendations for incentives and measures in the USPTO's Examiner Performance Appraisal Plan (PAP) that encourage Examiners to meet and surpass the quality goals.

Recognizing that quality of examination has a direct relationship to the skills of, and the training provided to, the Patent Examination Corps, the Section favors including the development of training programs for the Patent Examination Corps to specifically address quality issues as identified by the Quality Program, as well as broadening of technical experience of the Examiners, where such training programs include USPTO-led and end-user community-led class-room training in the developments of the technology in an art area and small group training which would allow examiners to visit research facilities doing work in the Examiner's art area.

RCE PRACTICE

The Section believes that examiner actions that may avoid or minimize the necessity for an RCE. The Section respectfully suggests that the USPTO consider updating examiner and supervisor metrics to encourage these actions and to reduce incentives for driving applications into extended RCE practice. For example, RCEs may often be avoided by an examiner's suggestion of claim amendments and/or identification of allowable subject matter. RCEs are less likely when the examiner issues second action non-final rejection for clarifying amendments, rather than rushing to final.

Often the need to cite new art (whether by the examiner or the applicant) and to have due consideration of that art necessitates the filing of an RCE. A number of members expressed frustration that new art is often cited by an examiner in a final office action, or the second action is automatically made final even if the applicant's actions did not warrant the final rejection. In addition to updated examiner incentives, a program allowing applicant submission of Information Disclosure Statements without filing an RCE, particularly if the art was cited in a related, but not family member case and foreign applications in the same family, would decrease the number of RCE applications. Additionally, comprehensive searches embracing all embodiments of the claimed invention may minimize the need to cite additional art and serial prior art rejections.

Many responses from members of the Section note that the inability to conduct an examiner interview, enter clarifying amendments, and/or submit evidence after final rejection often necessitate the filing of an RCE. Several responses point out that a new rejection is often raised in a final rejection, necessitating an RCE application to enter necessary claim amendments and/or evidence to address the new rejections. The After Final Consideration Pilot should be made permanent to enable further examiner training to facilitate resolution of fairly minor issues and clarifying amendments to expedite allowance.

Finally, responses suggest that MPEP § 706.07(b) practice should be rescinded (or sharply limited), if the examiner's office action in an RCE application is made final, to facilitate resolution of issues without the need for yet another RCE application.

Objective 5: Ensure Optimal Information Technology (IT) Service Delivery to All Users

The Section encourages the Office's continued efforts in relation to enhancing IT service delivery to users. However, the Plan discusses use of tools such as XML. While those tools are appropriate in many contexts, the Section cautions that any use of tools requiring software changes by the customers need to be evaluated with the stakeholders, with a specific emphasis on costs to the customers as well as effects on individual inventors and small businesses. The Section therefore believes the Plan needs to emphasize transparency and stakeholder input into the development of tools and formats being proposed which require customer changes in behavior or software.

The Section also encourages the Office's continued efforts in relation to enhancing search services, and suggests that such services should include easier access to both the published patent or application, as well as the related file-wrapper history and assignments from a common search result. The Section notes that the Trademark Electronic Search System (TESS) provides an example of such a unified result which is simple to understand by all users. The Section therefore believes the Plan needs to further emphasize ownership and file-wrapper history transparency without requiring multiple search engines to accomplish the goal.

The Section supports the use of information technology capabilities to enable filing papers more quickly, easily, and cost-effectively. Specifically, the Section supports the

development of a web-based service or application programming interface (API) to automate the electronic filing of documents with the USPTO.

The Section supports cost effective, readily maintainable, and easily extendable implementations, for both the USPTO and the full spectrum of users of USPTO services, of any new information technology capabilities. The Section supports open-source development of a reference software package for XML filing of documents with the USPTO that enables the user community of such capabilities to contribute to and expand upon the development of that package.

The Section supports efforts by the USPTO to optimize its patent-related e-commerce initiatives, through encouraging participation by and feedback from the patent community at large, including efforts to secure input from various corners of the non-patent intellectual property community. The Section supports the establishment of an e-commerce working group committee, to be available to the USPTO as a technical resource to collaborate with the USPTO during the design and development of emerging information technology infrastructure, whose membership would include representation on from (1) large-volume filers of patent applications; (2) patent practitioners representing client interests in the areas of chemistry, biotechnology, and information technology; (3) small- and micro-entity filers of patent applications; (4) university-based filers of patent applications; and (5) software vendors that produce patent-related software.

Objective 6: Continue and Enhance Stakeholder and Public Outreach

The Section encourages the Office's continued efforts in relation to enhancing public outreach and education. As noted above, the Section would encourage the Office to engage with groups such as the Section to more broadly provide such education. The Section would also like to note that the last sentence of on page 11 indicates that the goal of the education is to ensure that "no worthy invention is left undiscovered". The Section believes that this sentence does not accurately reflect the goal because inventions are discovered without access to the patent system, whereas the goal in question relates to protecting the invention that has already been discovered. Therefore, the Section suggests changing this sentence to read "no worthy invention is left unprotected" to more accurately reflect the goal as understood by the Section.

The Section welcomes the Office's continued outreach to work together. The Section also congratulates the Office on establishing the AIA Pro Bono Advisory Council. The Section offers its continued support through its pro bono committee, led by Amy Salmela and Mark Privratsky, who established the gold-standard patent pro bono program in Minneapolis, MN. Ms. Samela also represents the Section on the new Council. The Section looks forward to working with the Office to increase access to inventor communities that typically have less access to the patent system.

The Section thanks the Office for its continued outreach and invitations to the Section to speak at these roundtables. The Section believes that these are valuable to the Office and all stakeholders. The Section is encouraged by the Office's responsiveness to public comments.

Objective 7: Maintain the Patent Trial and Appeal Board's (PTAB) Ability to Provide Timely and High Quality Decisions

The Section encourages the Office's continued maintenance of the PTAB's ability to provide timely and high quality decisions. The Section notes that the Plan does not mention other objectives which relate to such decisions, including quality metrics as well as improved search access to the decisions themselves. The Section therefore believes the Plan needs to emphasize transparency and stakeholder input into the development of quality measurements, as well as ensuring that the PTAB decisions are made searchable in order to ensure the stakeholders can access these decisions.

Consistency in decisions is an important goal, but the Office should endeavor for consistency in all aspects of PTAB practice. For example, the PTAB has an FAQ page that prohibits arguments in claim charts filed in post-grant petitions. However, the Section feels that this rule is vague and therefore applied inconsistently. In some instances, petitions having extensive arguments have received filing dates. In other instances, petitions having very little additional analysis have not received filing dates. Accordingly, the Office should clarify this rule to ensure that all petitions understand the rules and the Office can fairly determine whether petitions violate the rule.

The Office's progress on reducing the appeal backlog is encouraging, and the Section hopes for a continued downward trend. The increased size of the PTAB is necessary and should continue to grow. The PTAB received many more petitions than expected, and this trend is likely to continue in view of the number of pending patent lawsuits, and the speed and efficiency of PTAB post-grant proceedings. Therefore, the Section agrees that Congress should give the Office sufficient funds to effectively try post-grant proceedings within the statutory requirements.

B. Goal II: Optimize Trademark Quality and Timeliness

The Section appreciates the Office's inquiry regarding possible changes to its policies regarding the optimization of trademark quality and timeliness, and specifically, its invitation for comments on GOAL II of the Request for Comments. The Section agrees with all of the five objectives set forth by the Office and supports the Office's mission to maintain and improve quality, timeliness and education. We would, however, like to provide some specific feedback on a few points.

Objective 1: Maintain Trademark First Action Pendency on Average Between 2.5 -3.5 Months with 12 Months Final Pendency

The Section, of course, appreciates the Office's commitment to timely review and registration. The Section nevertheless is interested in learning more about the Office's plans for achieving this goal. For example, does the Office anticipate hiring additional examining attorneys to meet expected demand? Are existing methods for allocating applications for review adequate to account for the complexity of each application? In light of the fact that telephonic and email communication often leads to more timely resolution of matters, are existing

incentives sufficient to ensure that examining attorneys respond to phone calls and emails in a timely manner? This first objective is likely important to all trademark attorneys (and their clients), but a more specific action plan should help the Office achieve its goals.

Objective 2: Maintain High Trademark Quality

The Section acknowledges and appreciates the several ways in which the Office already strives to achieve this important objective. For example, over the last year, the Office has invited input from the ABA-IPL Section on a number of critical issues, such as through the Office Action Review process and ID Manual Review Process. The initiatives are evidence of the Office's commitment to improving the quality of both its office actions and its Acceptable Identification of Goods and Services Manual. By engaging front line stakeholders, the Office increases the odds of improved quality in the final product. A specific challenge facing Section members is the inconsistency of the examination process. An issue can be addressed in one way by one examining attorney, and the same issue may be handled in a different manner by another attorney. The Section encourages the Office to continue to focus its training of examining attorneys to encourage uniform and consistent rulings, so that the evaluation of applications, specimens, and IDs becomes more reliable. The Section also asks that there be a particular emphasis in training and education on applications related to technology and new media, which often prove to be the most difficult to get through the application process.

Objective 3: Ensure Optimal IT Service Delivery to All Users

The Trademark Next Generation (TMNG) IT system, which is currently under development, is an excellent idea, so long as streamlining the electronic process does not make the process less user-friendly. As indicated in the Section's comments to the Office's *Notice of Inquiry re: Adjustment of Fees for Trademark Applications*, 77 Fed. Reg. 159 (PTO-T-2012-0029, August 16, 2012), although many Section members use TEAS, few avail themselves of TEAS-Plus primarily due to the required use of an identification from the Acceptable Identification of Goods and Services Manual and the requirement that the application be complete. In addition, it is not unusual for a TEAS-Plus application to receive Office Actions for procedural reasons. If TMNG offers tools that make the process user-friendly, applicants will be more likely to use it. The Section also is interested to know whether hard-copy applications will still be permitted. Optimal IT Service delivery is a laudable goal, but not at the risk of alienating those who still avail themselves of other processes.

Objective 4: Continue and Enhance Stakeholder and Public Outreach

The Section encourages the Office to continue to hold Roundtables throughout the country, and to continue to engage front line stakeholders in various review processes. To echo our point in section 2 above, the ABA-IPL Section welcomes the opportunity to be a continued resource in as many ways as possible, which we believe will both provide valuable feedback to the Office and aid in facilitating public outreach

Objective 5: Enhance Operations of the Trademark Trial and Appeal Board (TTAB)

As stated earlier, the Section truly appreciates the effort the Office has made in achieving this key objective. Particularly we appreciate the strides made to improve the quality of inter partes proceedings, e.g., oppositions, cancellations, interferences, and concurrent use proceedings, as well as improvements regarding ex parte appeals by applicants whose marks have been refused registration. We hope you will continue to solicit our input and engage us in the process.

III. CONCLUSION

In closing, the Section appreciates the Office asking for input on the Office's strategic goals for 2014-2018.

If you have any questions on our comments or would wish for us to further explain any of our comments, please feel free to contact me. Either I or another member of the leadership of the Section will respond to any inquiry.

Very truly yours,



Robert O. Lindefjeld
Section Chair
American Bar Association
Section of Intellectual Property Law