

SUGGESTIONS TO IMPROVE THE U. S. PATENT AND TRADEMARK OFFICE (PTO) DRAFT STRATEGIC PLAN (2014-2018) (DRAFT PLAN) TO INCREASE U. S. ECONOMIC BENEFIT FROM DESIGN PATENTS

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Submitted via E-mail on November 29, 2013, to strategicplan@uspto.gov .

EXECUTIVE SUMMARY

- 1. There is an immediate need for better PTO design patent printing quality.**
 - 2. Faster Customs Border Protection design protection enforcement can be achieved.**
 - 3. Design patents increased use will strengthen anti-counterfeiting efforts.**
 - 4. There is more to do in supporting the Hague Agreement Design Treaty**
 - 5. It is essential to establish a PTO design patent administrative voice and knowledge base.**
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INTRODUCTION

The dynamic growth of design protection in the U. S. and globally requires the proposed changes. Everyone has experience the importance, almost dominance, of appearance for some products. It makes sales. Counterfeiters are a serious problem. Product appearance protections with a design patent, as well as technical function protection with a utility patent are crucial now. The

rapid recent growth of design patent filing, in the rather stagnant economies of many countries, is message that the design patent protection partnership with utility patent technology protection is essential.

It was my privilege to speak at the Strategic Plan Forum on November 5, 2013. The Presentation Outline and Resource documents I handed out are enclosed in Appendix I. This document supplements my Forum presentation, and it is in a unique format. I have proposed specific text additions to the Draft Plan. Review of the proposed text followed by the detailed explanation should provide quick access.

My comments on drafts of the last two PTO Strategic Plans are accessible on the Internet (*See* Forum Resource Document). I am very pleased that the PTO has taken major steps to achieve some of my proposal goals and objectives. It is obvious that the PTO has recognized the importance of design protection.

In the last few years the PTO has accomplished major changes, in implementing the America Invents Act, beginning implementation of the Hague Agreement Design Treaty, and sustaining a high staff morale. My complements to the Patent and Trademark Office staff for its outstanding work on improving the U.S. intellectual property protection systems and international protection.

As a patent attorney for over 50 years, a former head of an electronics company IP department and a full time law professor for about 30 years (now retired from teaching), I welcome the opportunity to provide these comments. I have published extensively on design protection and participated in leadership roles in design protection related professional organizations, as evidenced by my professional web site located at URL <http://www.fryer.com>, where my CV can be found.

My specific proposals follow next.

I. Better PTO Design Patent Printing Quality

Draft Plan Goal I, Objective 4, add on Draft Plan page 10: E. Develop an improved procedure for maintaining a PTO high quality printed design patents, a standard that may exceed the requirements for utility patent printing.

EXPLANATION:

This topic has been a source of major concern to U. S. patent attorneys. It was discussed at the 2013 American Intellectual Property Law Association (AIPLA) Industrial Designs Committee meeting, and earlier meetings of that group. The PTO representatives present at the last meeting were asked to communicate the need for improved design patent printing quality. This issue should be resolved, at least in principle, before the closely approaching renewal of the PTO patent printing contract

I found from a brief research survey that there has been improvement in PTO design patent printing quality. I confirmed that the printing is not good enough yet. The problem may be poor master drawings used by the PTO printing organization. Design appearance is usually clear on the drawing filed by the applicant and it has been mentioned by others that this master could be used as the master for printing.

It appears that utility patent printing may not require this high printing quality. For design patents the drawings are the claims and visual interpretation requires that the printed copy be the same as the filed application drawing, which may include important shading, broken lines and small lines to convey the product appearance. A printing system that meets the utility patent needs may not be acceptable for design patent printing.

This situation is one of several where design patents need special treatment to achieve its economic purpose. Another example is the Rocket Docket that can obtain a design patent from date of filing in a few months, where there is a competitive need to stop infringement. Design patent matters, usually, move on a fast track in practice for commercial effectiveness.

Perhaps this print quality issue is a need that must be met separately for design patents. I suggest that the PTO work with the AIPLA Industrial Designs Committee that has a studying underway on this topic, and obtain a more extensive survey of the problem and possible solutions, as a way to move forward.

II. Faster Design Patent Customs Enforcement

Goal III, Objective 1, add on Draft Plan page 19: F. Work with Department of Home Land Security, Customs and Border Protection (CBP), to obtain direct enforcement of design patents.

EXPLANATION

Design patents are not enforced directly by CBP, since they are treated under the general heading of patents, with utility patents, requiring an enforcement decision of the U. S. Court of International Trade. This court action requirement for design patents is inappropriate and detrimental to U. S. anti-counterfeiting enforcement. The PTO has made initial inquires to change the Customs regulations, to allow design patents enforcement directly by CBP. Trademark and copyright registrations are enforced directly.

Design patent, as well as trademarks and copyright, restrict the extent of product design features that can be protection. Design patents, trademarks and copyrights deal with product appearances, so the visual analysis for enforcement is similar. Informally, CBP has not objected to the change, as they are well equipped to handle it in my view. Speed of enforcement is the key to maximum enforcement of IP rights. It is imperative that the U. S. make this change to receive full benefits from design patent rights.

A leading article proposed this change a few years ago and discussion so far appears to be favorable to the change (See Debra D. Peterson, *Seizing Infringement Imports of Cinderella=s Slippers ...*, 90 J. Pat. & Trademark Off. Soc=y 888 (2008). Several professional organizations have supported this change. The PTO cooperative work with these organizations should help make the next PTO effort to make this change successful.

As further background information, a very helpful CBP document is: Intellectual Property Rights Technical Information for Pre-Assessment Survey (TIPSP (December 2007), found on the Internet at URL:
http://www.cbp.gov/linkhandler/cgov/trade/trade_programs/audits/focused_assessment/fap_documents/exh5u.ctt/exh5u.pdf . This document outlines CBP current use of intellectual property direct enforcement and the limitations for design patents.

This situation is another example where design patent needs to be used more effectively. The PTO can be this advocate, for design patents to achieve their full effectiveness. It is important to formalize this project in the Draft Plan.

A PTO administrative office for design patents would be useful as an advocate for this policy change, supporting the leading efforts of the PTO Office of Policy and International Affairs, a

topic dealt with below on the Management Goal proposal

III. Anti-Counterfeiting Battle B Design Patent Expanded Role

Goal III, Objective 2, add on Draft Plan page 20: G: Lead the domestic and International communities in expanding anti-counterfeiting use of design Patents.

EXPLANATION

Current anti-counterfeiting activities now focus mainly on trademark and copyright infringements. These organizations need education on how design patents can be useful to fight counterfeiting. The PTO in its many roles working with these organizations can provide this education. A specific example is to integrate this theme into the PTO current STOP program. A web base presentation could identify successful design patent anti-counterfeiting events. This opportunity was present in China not long ago for automobiles body designs.

IV. More to do in Supporting the Hague Agreement Design Treaty

Goal III, Objective 2, add on Draft Plan page 20: G: Complete U. S. Implementation of the Hague Agreement for the International Registration of Industrial Designs (Hague Agreement Design Treaty) and provide education on its features and other support.

EXPLANATION

The U. S. has reached a major point in the process for becoming a member of the Hague Agreement Design Treaty. The opportunity for U. S. design owners to have a simplified design protection filing system in many countries is close at hand. In the Draft Plan the PTO should acknowledge success in that work and the very significant task head to support the treaty use. The related regulations have not been adopted or publically discussed yet, after passage of the implementing legislation in late 2012.

The real challenge for users and the PTO is to develop information critical to make the decision on

when to use the treaty or direct filing in national offices. Many filing situations are the same and some are unique. The support of the PTO can include bringing together officials and practitioners of member countries for discussions with U. S. design owners and their attorneys. Participation by PTO staff in conferences to give useful insights will be helpful. This PTO coordination and participation will be critical at the start of U. S. Hague Agreement membership and throughout its use.

As an example of this type of very useful PTO treaty support, I attended recently a PTO Madrid Protocol conference for persons interested in using that treaty. It would be useful to have a design patent administrative office to help prepare for the Hague Agreement design treaty membership and other design patent matters on a long term basis, as discussed further below in Item V, the Management Goal topic.

V. Design Patent Administrative PTO Voice and Knowledge Base

Management Goal, Objective 3, add on Draft Plan page 24: G: Evaluate how to expand design patent management to achieve greater U. S. economic benefits from the growing design patent use.

A review of the legislative history on how U. S. design law started will show it was an awkward fit at the PTO. My memory from research is that it may have landed in the Trademark part of the PTO for a time. Its legislative history started with the law referring to copyright protection, but no copyright office existed in the U. S. at that time so it came to the PTO. More on this background can be found in the Du Mont and Janis article titled: *The Origins of American Design Patent Protection*, published in volume 88 of the Indiana Law Journal, 837-879 (2013).

The U. S. will need to give design patents more management strength and visibility in the PTO and from outside. This change will occur more easily by rethinking how design patents and utility patents related in protecting a product. Time and space here does not allow a full discussion of this topic. The main point is that the new focus product protection approach has to be the one an attorney takes in deciding how to protect a product. The technology aspects may be covered by utility patents, and the product appearance may be protected by design patent.. Each protection form may be important for a product, or in some cases only one is sufficient.

It is a partnership relation between design patents and utility patents and both need to be fully considered to receive the economic benefits of U. S. and foreign IP laws. The first PTO step to take for that partnership work is to create a design patent administrative office, giving it significant responsibility to support the many needs of design patent users. This step will give design patents greater administrative recognition in the PTO and from outside. Advantages created by this step have been illustrated above in explaining some of my suggested Draft Plan

suggestions (for example, see Item 1 design patent drawing quality issue, Item III expanding design patent anti-counterfeiting effort, and Item IV supporting the Hague Agreement Design Treaty).

The advantages of this partnership relationship is that it will give design patents owners a voice on general patent matters that created issues unique to design patent role and needs. As mentioned in the explanation of my Item 1 proposal on the need for special treatment for design patent drawing printing quality, this administrative voice can help make design patents more effective, creating a knowledge base that can be put to use in many ways. It will allow the PTO to see issues that may develop, thereby not finding itself in a reactive, defensive mode on design patent issues.

The PTO operation is driven mainly by the utility patent, so this partnership role change will be a big PTO refocusing. It will be a major reeducation effort for the PTO staff and many patent attorneys. Most IP Congressional lobbying organizations are utility patent focused, but their proposals cut across design patent law and practice, usually, and design patent users need to be involved in the debates in the PTO and in Congress. The design patent and utility patent partnership approach must be viewed as a change that is best for the U. S. economy, to stimulate development of competitive product in a global economy. There are organizations that will help the PTO make the change.

There are similarities between trademarks and design patents, as they both deal with the visual appearance of a product. The issue of functionality is common to trademarks and design patents with some unique aspects in each approach. Both of these IP forms must deal with their relation to utility patents. The design patent has the general patent law requirements for application preparation, work a patent attorney must do. All these factors must be taken into consideration in determining how best to set up the partnership relation and an design patent administrative office in the PTO organizational structure.

The purpose of this proposal is start evaluation on what options are available for improved PTO design patent administration, and to select the best one to use in developing the design patent a utility patent product partnership.

My suggestion is to create associate a Design Administrative Office with the Trademark Operation. The fact that many countries have this type of organization is not the reason I chose it, but that fact shows that the administration relationship can work. The PTO has two main operational offices, Patents and Trademarks. The need is to give the Design Patent a distinct platform. The Trademark Operation is well run and small enough to handle another task. It understands the PTO customer relations and external interaction. It will be guided by the PTO Office of Policy and International Affairs. The Design Patent Office could help the PTO Director form an advisory group of persons interested in design protection, adding another important source of guidance for the PTO..

The examination of design patents has to be retained under the Commissioner of Patents, for the start

at least, and that person ultimately remains responsible for design patent decisions, with the Design Administrative Office playing a major role on design patent matters. The cooperation between the trademark and patent heads will allow the voice of design patents to be heard. It will add quickly the dimension needed to move new ideas forward and enable success on design patent issues in and outside the PTO.

There are other ways to achieve the design patent and utility patent partnership relation. My suggestion is to put a specific task in the Draft Plan that commits the PTO to evaluate the options. It is the right time to take this step for improvement of the U. S. economy

I would be willing to expand on these comments and participate in discussions related to this topic and other Strategic Plan topics.

Respectfully submitted,

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Appendix I B William T. Fryer III Forum Handouts

A. Presentation Outline

PTO Forum B Nov. 5, 2013 B Draft Strategic Planning 2014 - 2018 B Bill Fryer Comments

2 - 3 minutes not including questions.

Hand in Oral Statement Resources Document (11/5/2013)

Thank you for opportunity to participate in the planning process.

DP ECONOMIC PLANNING

Outline 5 topics: UP/DP Partnership, DP Needs, Anti-Counterfeiting Link, Hague Agreement Credit, Management & Support

DP Economic Impact B Demonstrated significant

- I. Partnership of UP & DP ProtectionC Visualize iPHONE product. Many countries use this economic strategy B ct B Electronics UP & Appearance DP B Apple recent success with this combination
- II. U. S. Urgent DP Needs -- A. Quality Printing of DP drawings B Big Problem B AIPLA concern B Current PTO Printing Contract up for renewal B Essential to resolve this problem before contract renewal.

B. DP Customs access B Stop ImportsB Faster Access B Change need so DP Customs Access Similar to C and TM B Not require Court initial review.
- III. DP Link with PTO B Anti-Counterfeiting program B Expand PTO effort
- IV. HA Design Treaty Implementation and Support B Get Credit for work accomplished so far and add final Implementation and support B Major accomplishment credit.
- V. DP PTO Management .B Continue to Strengthen B Many Skills and Experience Needed. B Suggest Separate DP Advisory Group B Consider Combining with TM Office B TM/DP B The History of DP management in the U S. and in Other Countries.

REPEAT KEY PHRASES

More DP Planning

Economic Impact of Partnership B UP and DP

Solve Urgent PROBLEMS B Drawing Contract and Faster Customs Enforcement Access

Link DP to Anti-Counterfeiting B New foreign filing Option B HA

Strengthen DP Management

Thank you for your attention

B. Resources Document

Oral Statement Resource Document (11/5/2013), Public Forum, U. S. Patent and Trademark Office (PTO), submitted November 5, 2013, Draft Strategic Plan FY2014 - 2018; Submitted by **William T. Fryer, III**, Professor Emeritus, University of Baltimore School of Law, Baltimore, Maryland, U. S. A., and patent Attorney; Academic web site URL: www.fryer.com .

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Prior Fryer PTO Draft Strategic Plan Comments Submitted: 8/2/2006 FY 2007 - 2012 at http://www.uspto.gov/web/offices/com/strat21/fryer_comments.pdf ; and 8/20/2010, FY 2005 - 20102, at URL: http://www.uspto.gov/patents/law/comments/3track_fryer_20aug2010.pdf .

TOPIC I: Utility Patent and Design Patent Partnership; Design Patent Success in *Apple v. Samsung* Litigation Oral Argument, ITC case Fed. Cir. , 86 BNA 792 (oral argument); infringement of U. S. Design Patents 558757 and 618678; *Apple v. Samsung* N. D. Cal., BNA-PTCJ, 84 BNA 451, 85:606; BNA.

TOPIC II: Design Patents Special Needs: PTO Design Patent Drawing Improved Printing Quality, and Faster Design Patent Customs enforcement. AIPLA Industrial Designs Committee meeting, 10/25/2013, and earlier meetings discussions of drawing printing quality problems. A second need is to improved U. S. Customs enforcement for design patent so it can be essentially as fast as trademarks and copyright customs enforcement; AIPLA Industrial Designs Committee, Subcommittee 2012-2013 on Design Patents Customs Enforcement.

TOPIC III: PTO Anti-Counterfeiting Activities. Need more emphasis on design patent advantages in anti-counterfeit battle (See anti-counterfeiting commitment in Draft PTO Strategic Plan 2014-2018, Introduction, Page 7. The Hague Agreement treaty will soon be available to U. S. design owner to obtain foreign design protection as an increase advantage.

TOPIC IV: Hague Agreement Geneva Act for International Design Protection; The PTO should take credit in this Strategic Plan for work accomplished in preparing to implement the treaty, as directed by Congress, and the commitment to support the treaty activities; S. 3486, Patent Treaty Implementation Act of 2012, Public Law No. 112-211, 112th Congress (2012).

TOPIC V. Continue Development of PTO Management to Support Domestic and International Design Patent Activities . A broad range of skills and backgrounds are needed, as outlined in earlier Fryer Draft Strategic Plans comments submitted. (See top of page for Internet access to these documents).

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