

THE INTERNATIONAL CONFERENCE ON IP AND VALUE CREATION
SEOUL, SOUTH KOREA - MONDAY, MAY 18, 2015

Perspectives from a National IP Office on IP Value

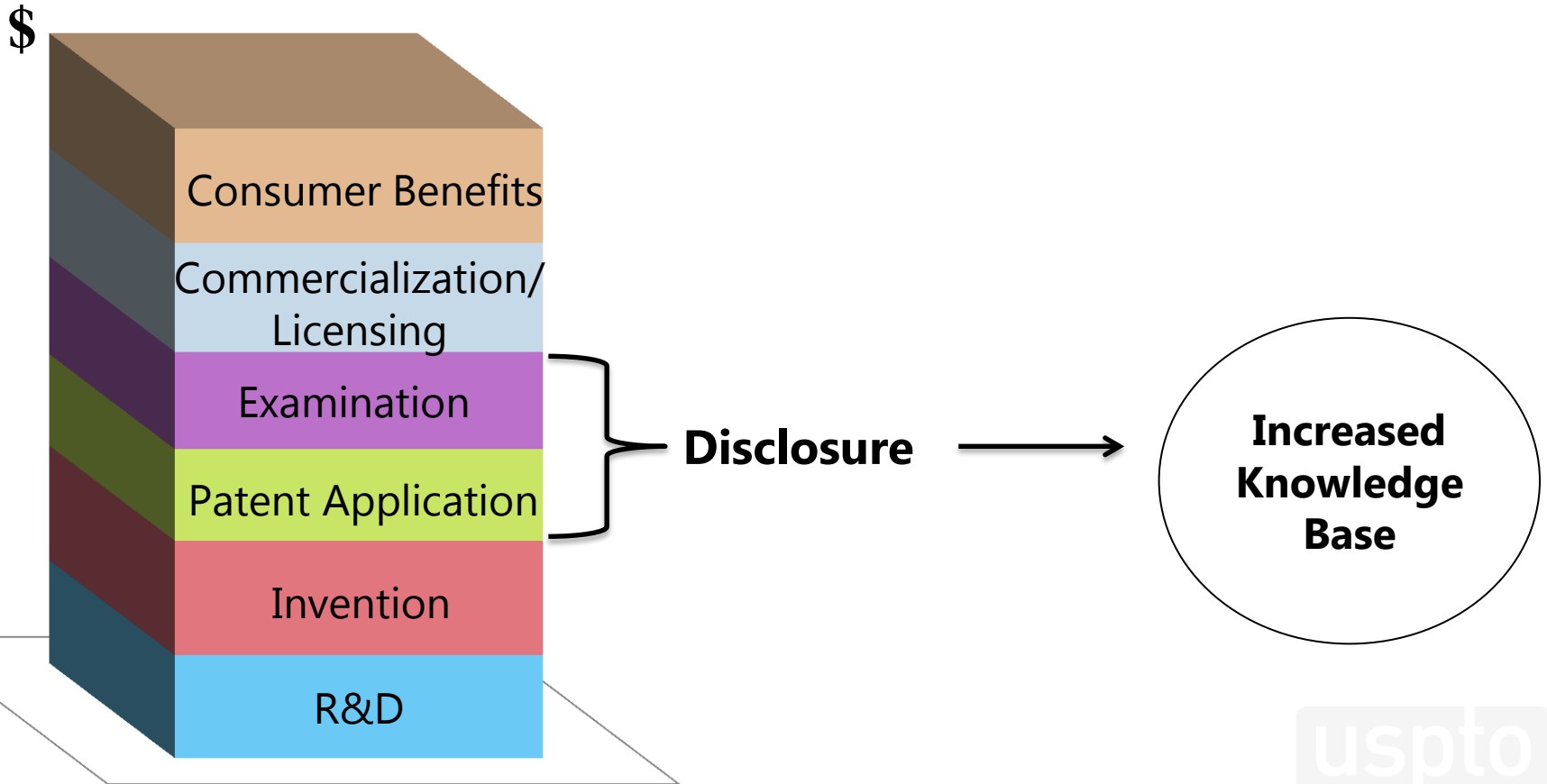
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Deputy Under Secretary of Commerce and
Deputy Director of the USPTO

UNITED STATES
PATENT AND TRADEMARK OFFICE



Components of Patent Value



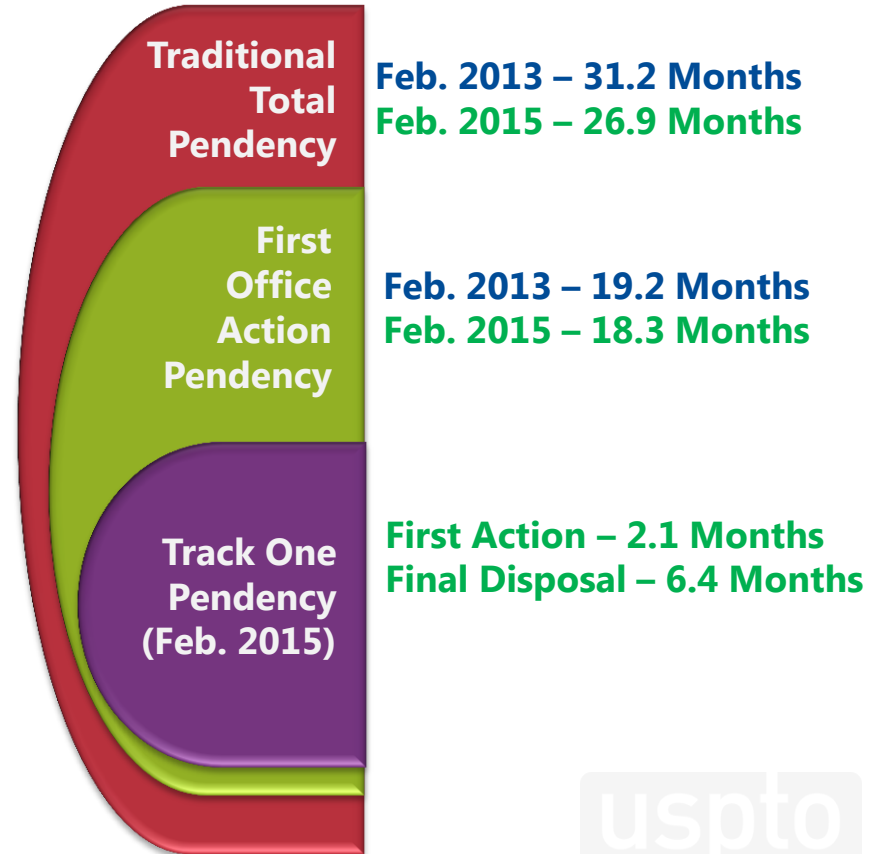
Presentation Overview

- Timely Issuance of Patents
 - Trends in Patent Pendency at the USPTO
- Quality Patents
 - Identity best prior art
 - Well-defined scope of invention
 - Affordable redress mechanisms
- International Collaboration
 - Work Sharing Initiatives
 - Substantive Patent Law Harmonization



Importance of Timely Patent Grants

- Enhances certainty
 - **Applicant:** allows reliable and timely business decisions
 - **3rd Parties:** encourage follow-on innovation through timely knowledge of existing patent rights
- Critical for dynamic markets



Importance of Quality Patents

- Characteristics of a quality patent include:
 - A clearly defined scope of rights;
 - which are within the bounds of the patent statutes as interpreted by the judiciary; and
 - have been evaluated in view of the “best” prior art
- A quality patent encourages:
 - Confidence in validity of patent grants
 - Ability to commercialize and enforce rights

Quality Initiatives – Prior to Examination

- Enhancing Patent Application Clarity
 - Glossary Pilot Program
- Enhancing Access to Prior Art
 - Third Party Pre-issuance Submission



- Patent Application Alert System

Quality Initiatives – During Examination

- Examiner Training Initiatives
 - Examination Training
 - Functional claiming, claim clarity, patent eligible subject matter and first-inventor-to-file provisions
 - Technical Training
 - Patent Examiner Technical Training Program (PETTP)
 - Technology fairs – even at satellite offices
 - Site Experience Education (SEE) Program

Quality Initiatives – Post Examination

- Ex Parte Reexamination
 - Means for patent owner to vet issued patents
 - Increase chance patent can withstand validity challenge
- Patent Trial and Appeal Board (PTAB) Administrative Trial Proceedings
 - A faster and more affordable way to test the validity of issued patents
 - Affirmed patents may be considered “stronger” when later enforced, litigated or offered for license

Popularity of PTAB Trial Proceedings

Number of PTAB Trial Petitions

FY	Total	IPR	CBM	PGR	DER
2012	25	17	8	-	-
2013	563	514	48	-	1
2014	1,494	1,310	177	2	5
2015	1,060	964	89	3	4
Cumulative	3,142	2,805	322	5	10

New Patent Cases in Federal Court, by District (2014)

E.D. Tex.	D. Del	C. D. Cal.	D. N. J.	N.D. Cal.
1,425	946	305	283	257

Work Sharing – Patent Prosecution Highway (PPH)

Goals:

- High Quality Examination
- Faster
- Predictable
- Reduced Cost

Patent Prosecution Highway (PPH):

- Enables an applicant who has received a determination of allowable claims from one office to **obtain fast track processing** of corresponding claims in other offices

Outcomes:

- Second office can avoid duplication of work
- Speed up examination time
- Improve examination quality
- Save money
- Portfolio management

Patent Law Harmonization

- International cooperation is limited by differences in national patent laws
- Encourage diffusion of technology on a global basis
- Current fragmented international system:
 - Increases costs and decreases certainty
 - Forestalls innovation and economic growth





"Innovation has been essential to our prosperity in the past, and it will be essential to our prosperity in the future,"

- United States President Barack Obama

Thank You