

**American Bar Association  
Section of Intellectual Property Law**

**Patent Public Advisory Committee Hearing  
Testimony on  
Proposed Patent Fee Schedule**

**September 6, 2018**

# **American Bar Association Section of Intellectual Property Law**

## **Mark Dickson, Section Chair**

**American Bar Association – the world’s largest voluntary professional membership organization**

**Section of Intellectual Property Law – the largest intellectual property organization in the world and the oldest substantive section of the ABA**

Comments today are made on behalf of the Section of Intellectual Property Law and have not been approved by the ABA House of Delegates or Board of Governors. They should not be considered to be the views of the ABA.

# Comment Topics

- **Proposed Non-DOCX Filing Surcharge**
- **Proposed Fee Increases of up to 5%**
- **Restructuring of Issue and Maintenance Fees**
- **Proposed Increases of Greater than 100%**
  - Late Payment Surcharge for Maintenance Fees
  - Expedited Examination of Design Applications
- **Proposed Active Patent Practitioner Fee**

# Proposed Non-DOCX Filing Surcharge

The Section supports simple, cost effective, reliable, and non-burdening formats for electronic filings for accessible searching

Most practitioners can comply but the Section suggests limiting the surcharge to the filing of utility applications to avoid over burdening independent inventors and small businesses

## **Proposed Fee Increases of up to 5%**

The Section supports the proposed fee increases of effectively 1.6% annually over the last three years as reasonable for promoting the enumerated USPTO objectives

## **Restructuring of Issue and Maintenance Fees (20-25%)**

The Section supports the proposed increases for large entities as a reasonable way to recover initial search and examination costs and avoid reliance on fees paid late in patent life

# Proposed Fee Increases of Greater than 100%

The Section does not support such high increases because they work as a penalty for independent inventors and small businesses

## 525% Increase in Late Payment Surcharge for Maintenance Fees

The Section recommends notice to a patent owner prior to a late payment surcharge due date and an option to petition for waiver when appropriate

## 122% Increase for Expedited Examination of Design Applications

Expedited design applications require less resources than expedited utility applications and such a large fee increase does not appear justified

# Proposed Active Patent Practitioner Fee

The Section notes these concerns before any fee implementation:

- Prior fee increases appear to address the same OED services
- Further data on projected startup costs and number of participants
- Apportionment of new fees between OED fees and enrollment fees
- Further information on non-compliance fees and reactivation steps
- Apportionment of new fees for OED non-patent related activities
- Further details on structure/cost for accreditation and CLE tracking
- Is new pro hac vice fee tailored to cover all costs of such admission

# Thank You

**Full text of these comments is available in the Section letter submitted in response to the Federal Register notice.**

**The Section thanks the PPAC for the opportunity to present these comments and gratefully acknowledges the efforts of the USPTO to formulate a reasonable fee structure.**