

UNLEASHING AMERICAN INNOVATORS ACT OF 2022

STUDY OF THE PATENT PRO BONO PROGRAMS



United States Patent and Trademark Office

*Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office*

December 29, 2023

The Honorable Richard Durbin
Chairman, Senate Judiciary Committee
United States Senate
Washington, DC 20510

The Honorable Jim Jordan
Chairman, House Judiciary Committee
United States House of Representatives
Washington, DC 20515

The Honorable Lindsay Graham
Ranking Member, Senate Judiciary Committee
United States Senate
Washington, DC 20510

The Honorable Jerrold Nadler
Ranking Member, House Judiciary Committee
United States House of Representatives
Washington, DC 20515

Dear Chairmen and Ranking Members:

As required by the Unleashing American Innovators Act of 2022 (UAIA) under the Consolidated Appropriations Act (Act), Pub. L. 117-328, I am pleased to submit this report on the results of a study of the patent pro bono programs. This study builds on the work the United States Patent and Trademark Office (USPTO) has conducted for over a decade—work that has been expanded and strengthened under my leadership and in collaboration with the Pro Bono Advisory Council (PBAC)—to bring more people in America into the innovation ecosystem by offering free legal counsel. It also builds on the work of this Administration, and the work we have done at the USPTO since the spring of 2022, to expand USPTO offerings and create new ones to open the doors wide to innovation and entrepreneurship across our great nation. We know this is the key to creating jobs, fostering economic prosperity, and addressing societal challenges.

To support this study of the patent pro bono programs, the USPTO regularly collected metric data regarding the administrative performance of the patent pro bono programs. The USPTO also solicited public comments through public listening sessions on June 5, 2023, and June 7, 2023, titled "Inventor Listening Session for Patent Pro Bono Programs" and "Patent Practitioner Listening Session for Patent Pro Bono Programs," respectively. The USPTO also solicited comments through a Federal Register Notice published on April 12, 2023, and, to provide more time for interested persons to respond, through a subsequent June 29, 2023, notice extending the deadline for submission through August 11, 2023. The listening sessions and Federal Register Notices invited interested parties to provide feedback on the regional patent pro bono programs. In particular, the USPTO solicited feedback to assess whether the regional patent pro bono programs are sufficiently serving prospective and existing participants, whether participation requirements deter participation among inventors, whether inventors are aware of the program, whether there are any factors that may deter attorney participation, and whether the program would be improved by including non-attorney advocates.

In total, the USPTO received 14 comments (available at www.regulations.gov/docket/PTO-C-2023-0009/comments) from a variety of stakeholders, including legal associations, inventor groups, nonprofit entities, businesses, practitioners, and inventors.

On behalf of the USPTO, I am pleased to deliver this study titled "Unleashing American Innovators Act of 2022: Study of the Patent Pro Bono Programs." At a high level, the study found that these thriving programs are successfully meeting the needs of under-resourced independent inventors and small businesses. Specifically, the study found:

- From 2015 through 2022, over \$39.3 million in donated legal services was provided to under-resourced inventors and small businesses. The USPTO's annual expenditure on the regional patent pro bono programs, which is approximately \$1.2 million, serves as a force multiplier, amplifying the overall amount of funds donated to the public in the form of valuable donated legal services. For every dollar the USPTO spends annually for the regional patent pro bono programs to administer referral services, the public sees anywhere from \$5.52 to \$9.67 annually in direct legal assistance to independent inventors and small businesses.
- When I came on board at the USPTO, the agency and I held an early meeting with the PBAC to assess ways in which the pro bono offerings could be expanded. Based on feedback from that meeting, the USPTO took the proactive step of increasing the fiscal year 2023 budget for the program from \$680,000 to approximately \$1.2 million. The funding that has been allocated from the \$1.2 million was premised not only on fund matching but also on the individual organizations presenting a concrete plan on how the money would be used to enhance access. Though in past years there had been turnover in the regional patent pro bono programs due to the inability of partner organizations to succeed, the additional funding and support has resulted in no turnover in the regional patent pro bono programs in 2023.
- The regional patent pro bono programs effectively expand access to the patent system to historically underserved communities, with those applicants who identify as Black, Native American, or mixed race doing so at or above the existing proportions in the U.S. population. Applicants identifying as Black accounted for 30% of those participating in the program in 2021 and 35% in 2022, and those identifying as Native American accounted for 1.5% in 2021 and 1.6% in 2022.
- Approximately 7.9% of patent pro bono applicants in 2022 were veterans, which was greater than the 5.2% of veterans in the 2020 U.S. population.
- Also, whereas women participate in patenting in the U.S. at a rate of 12-13%, the Patent Pro Bono Program shows high participation rates by women, who accounted for 41% of applicants in 2021 and 43% in 2022.
- The primary condition restricting inventor participation is the financial screening requirement of the regional patent pro bono programs, and the USPTO is working with the programs, where practicable, to increase the threshold to a gross household income that is not more than 400% of the federal poverty line as set forth in the UAIA.

- Year-over-year increases in the number of individuals inquiring about the patent pro bono program in the past few years, including a 6% jump from 2021-2022, indicate that the USPTO, the PBAC, and the regional patent pro bono programs' promotion efforts are improving inventor awareness.
- The regional patent pro bono programs include a significant number of non-attorney advocates (registered patent agents) who support the program, with data showing that approximately 23% of patent pro bono application filings were filed by a registered patent agent.

In coordination with the PBAC, and in response to the many listening sessions I have conducted with inventors and those who have not traditionally had full access to the innovation ecosystem, the USPTO and I are working to expand the resources available to the public through the Patent Pro Bono Program. The PBAC is also working on providing reduced-fee search services, non-disclosure agreements, and licensing help through the regional patent pro bono programs.

In addition to promoting inclusive innovation by strengthening and increasing our pro bono offerings, the USPTO and I have worked since April 2022 to elevate the USPTO and the United States to the status of gold standards in terms of expanding the innovation ecosystem. We have built these efforts into our strategic plan as our first pillar. We have developed new USPTO programming and launched new initiatives such as the Women's Entrepreneurship (WE) initiative, in conjunction with Gina Raimondo, Secretary of Commerce. We now lead the Department of Commerce's military initiative promoting and supporting innovation and entrepreneurship among our military families and veterans. Through my work as a Co-Chair on the Economic Development Administration's National Advisory Council on Innovation and Entrepreneurship, we are building a National Entrepreneurship Strategy. Through my leadership, along with that of Secretary Raimondo, on the Council for Inclusive Innovation, we launched the first-ever First-time Filer Expedited Examination Pilot Program, we introduced a new tool (IP Identifier) for innovators to use to identify their intellectual property (IP), and we are running a pilot to enable the USPTO workforce to be champions for IP across the country. We have also expanded the patent bar and have published a final rule that creates a design patent bar to reduce barriers so more people across the country can assist inventors.

In addition, we are identifying and removing barriers by better serving pro se applicants. For example, we have established Pro Se Champions in the USPTO's Patents organization and have provided all employees with tools that will aid in engaging with pro se applicants at every step of their journey. We also have a full range of contact centers committed to assisting inventors and pro se applicants, and a pro se resources page that provides consolidated access to educational information addressing common questions received from applicants at various stages of the patent application process.

We have also introduced new welcome letters that are sent to each patent and trademark filer which support inventors along their journey, starting with their very first patent and trademark filing.

We are starting with our children and have expanded Camp Invention—a collaboration with the National Inventors Hall of Fame—which provided innovation and IP education to over 367,000 children this year. We have expanded our train-the-trainer programs for teachers and launched our

first-ever Master Teacher of Invention and Intellectual Property Education Program with STEMisED¹ to cultivate a network of teacher-leaders who will empower educators to foster invention and IP education among their students. In addition, we are expanding our Patent and Trademark Resource Center footprint to ensure that more Americans can get patent and trademark assistance in their local libraries. And this year, the USPTO led an initiative across 35 IP offices and organizations around the globe to issue the global IP offices' joint statement on International Women's Day 2023: Innovation and technology for gender equality.²

In response to our recent efforts, the USPTO has topped the list of the most accessible IP office websites for the first time.³ That said, we are still working hard to make sure our resources are available and useful to all. In December 2022, we released a virtual assistant in our Trademarks organization to enhance customer service by providing immediate, targeted answers to common customer questions and to make it easy to find the status of an application or registration. And in September 2023, we made enhancements to our agency's tools by expanding the use of chatbots and launching an updated website search tool to improve the search experience for all web visitors.

The study that follows provides information on the current state of the patent pro bono programs. We look forward to continuing to grow this critical program that broadens access to the IP system as we work across the USPTO and the U.S. government and with Congress to identify and deliver on additional initiatives at speed and scale.

Focusing on the pro bono program, the study also provides a legislative suggestion that could assist the USPTO in doing more to achieve its mission.

- The regional patent pro bono programs are sufficiently funded at current participation rates, but the existing funding mechanism, the Department of Commerce's Joint Project Authority, structurally limits the growth and sustainability of the program. A new funding mechanism that would allow the USPTO to provide funds to the regional patent pro bono programs without requiring equitable contributions from the regional programs is needed to expand patent referral service operations and promotion efforts. The USPTO proposes that Congress provide Other Transaction Authority that will not only permit the USPTO to enter into Other Transaction Authority Agreements to fully fund the regional patent pro bono programs, but will also allow the USPTO to enter into similar partnerships to advance the USPTO mission.

¹ See www.stemised.com/.

² See www.uspto.gov/about-us/news-updates/global-ip-offices-joint-statement-international-womens-day-2023-innovation-0#:~:text=%E2%80%9CThat%20said%2C%20we%20must%20continue,in%20relation%20to%20IP%20policy.

³ See www.worldtrademarkreview.com/article/uspto-website-ranked-worlds-most-accessible-ip-office-web-platform.

Please let me know how we can be of any further assistance.

Sincerely,



Kathi Vidal
Under Secretary of Commerce for
Intellectual Property and Director of the
United States Patent and Trademark Office

cc: The Honorable Chris Coons, Chairman, Subcommittee on Intellectual Property
The Honorable Thom Tillis, Ranking Member, Subcommittee on Intellectual Property
The Honorable Darrell Issa, Chairman, Subcommittee on Courts, Intellectual Property, and the
Internet
The Honorable Hank Johnson, Ranking Member, Subcommittee on Courts, Intellectual Property,
and the Internet

Acknowledgements

This report reflects the exemplary dedication and expertise of the management and staff attorneys of the Office of Enrollment and Discipline (OED), which manages the Patent Pro Bono Program at the USPTO, and in particular, of the following principal contributors: David Berdan, General Counsel; Will Covey, Deputy General Counsel and Director for the OED; James Silbermann, Senior Counsel for Enrollment and Intellectual Property Legal Services; William Griffin, Deputy Director of the OED; and Grant Corboy, Elizabeth Dorsey, Dahlia Girgis, Kim Kelleher, and Diana Oleksa, all OED Staff Attorneys. Without their extraordinary leadership and considerable efforts in managing this program, together with their deep understanding of the subject matter, this report would not have been possible.

I am also immensely grateful to the following team members from the Office of the Chief Economist (OCE), the Office of General Law (OGL), the Office of the Chief Financial Officer (OCFO), the Office of Procurement (OP), and the Office of Governmental Affairs (OGA): Andy Toole, Chief Economist (OCE); Nicholas Rada, Deputy Chief Economist (OCE); Heidi Bourgeois, Associate Counsel (OGL); Michelle Picard, Chief of Staff and Senior Advisor (OCFO); Kristin Fuller, Director of Procurement (OP); Kim Alton, Deputy Director (OGA); and Tamara Foley, Attorney Advisor (OGA).

I would also like to thank the technical support team, who helped assemble the drafts and facilitate the visuals and production of this report, including: Leticia Dooley, Supervisory Management and Program Analyst (OED); Bernice Littlejohn, Program Analyst (OED); Rick Heddlesten, Visual Information Specialist in the Office of the Commissioner for Patents; and Tom Berry, Senior Analyst and Advisor (OCFO).

I also wish to thank Jim Patterson, Joe Mischler, and Morris Newman of the PBAC for their valuable contributions in providing content regarding the PBAC's support of the Patent Pro Bono Program. In addition, I thank them for their deep and engaged efforts to work with the USPTO over time, including over the past year and a half, as we've expanded pro bono services as part of our efforts to expand the entire innovation ecosystem to lift communities, create jobs, and solve world problems.

Finally, I would like to extend my gratitude to all the members of the public who provided written comments in response to the Federal Register Notices. Their wide-ranging experiences and thoughtful submissions provided critical insights into the impact of the Patent Pro Bono Program on independent inventors and small businesses. And I offer thanks to everyone who has played a role in running the programs and donating time to help innovators across our country. Through this work, we lift others, protect IP, and create opportunities and jobs in every corner of our great nation.

Sincerely,



Kathi Vidal
Under Secretary of Commerce for
Intellectual Property and Director of the
United States Patent and Trademark Office

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1. Introducing the USPTO Patent Pro Bono Program

The Leahy-Smith America Invents Act (AIA), passed in 2011, provided that the USPTO “Director shall work with and support intellectual property law associations across the country in the establishment of pro bono programs designed to assist financially under-resourced independent inventors and small businesses.”¹ On February 20, 2014, the White House directed the USPTO to expand the Patent Pro Bono Program (Program) to cover all 50 states and dedicate resources to assisting inventors with obtaining legal representation.² In response, in 2015 the USPTO developed a nationwide network of regional patent pro bono programs, many of which serve multiple states. The Patent Pro Bono Program continues to support expanded services provided through the affiliated regional patent pro bono programs.

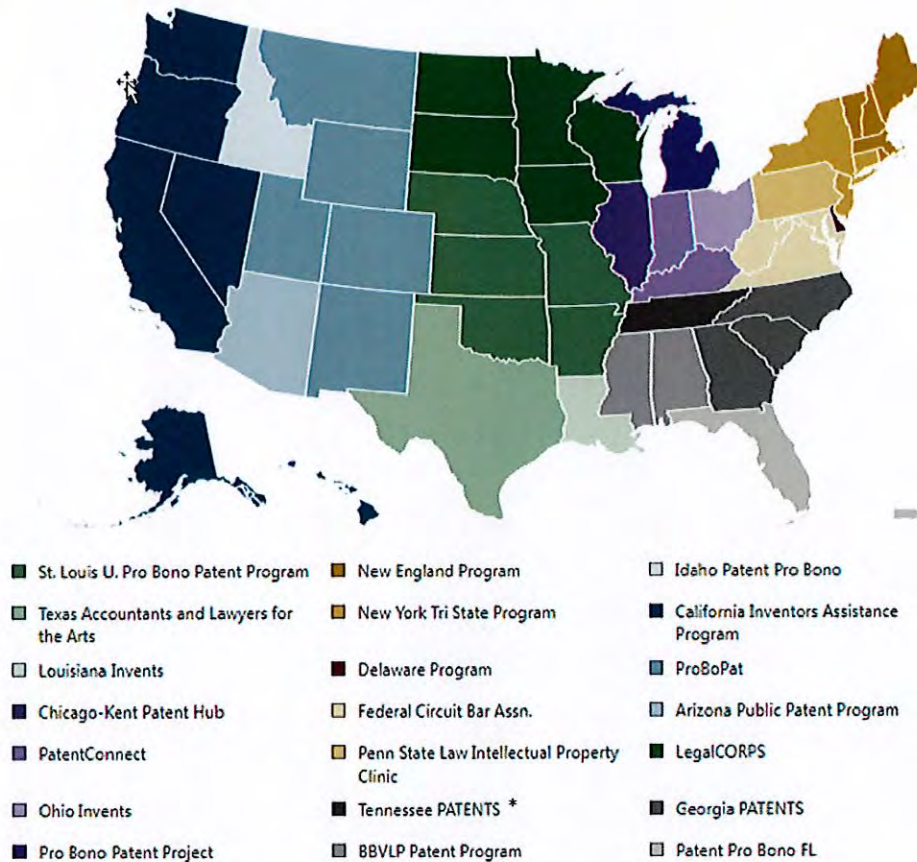
The current nationwide network of 20 independently operated not-for-profit regional patent pro bono programs matches volunteer patent professionals with financially under-resourced inventors and small businesses for the purpose of preparing, filing, and prosecuting patent applications. The network provides access to patent prosecution assistance across all 50 states, the District of Columbia, and Puerto Rico.

Under-resourced individuals and small businesses seeking free legal patent prosecution assistance can apply to the regional patent pro bono program that covers the state in which they reside. The map below illustrates the network of patent pro bono programs and the regions they cover.

¹ Pub. L. No. 112-29, 125 Stat. 284 (2011), Sec. 32.

² White House, “Answering the President’s Call to Strengthen Our Patent System and Foster Innovation,” February 20, 2014, <https://obamawhitehouse.archives.gov/the-press-office/2014/02/20/fact-sheet-executive-actions-answering-president-s-call-strengthen-our-p>.

Figure 1. Map of the regional patent pro bono programs



* Tennessee PATENTS is managed by Georgia Lawyers for the Arts-Georgia PATENTS Program.

The undergirding goal of the Patent Pro Bono Program is to increase access to the patent system for inventors and entrepreneurs who may not have the financial means to navigate the complexities of the system. Startups and other small businesses are the engine of the American economy, having created 64% of new American private sector jobs in the past 15 years—approximately 1.5 million jobs each year.³ Between 1995 and 2019, small business employment grew by 17.2%, and small businesses now employ nearly half of U.S. employees.⁴ Startups whose first patent application is approved create more jobs and enjoy faster sales growth than startups that fail to obtain patent protection.⁵ The approval of a startup's first patent application increases its employment over the next five years by

³ See Chamber of Commerce, "Small Business Statistics," www.chamberofcommerce.org/small-business-statistics/.

⁴ See U.S. Small Business Administration, "2022 Small Business Profile," <https://advocacy.sba.gov/wp-content/uploads/2022/08/Small-Business-Economic-Profile-US.pdf>.

⁵ "What Is a Patent Worth? Evidence from the U.S. Patent 'Lottery,'" *Journal of Finance*, USPTO Economic Working Paper 2015-5, revised July 9, 2019.

55%, on average.⁶ By providing free patent prosecution services to individuals and small businesses seeking protection for their inventions, the Program promotes innovation and supports job creation.

Expanding access to the innovation ecosystem can improve the economy. Women are under-represented in patenting, comprising only 13% of all resident inventors named on U.S. patents granted in 2019.⁷ Including more women, African Americans, and other minorities in the initial stages of the innovation process could increase gross domestic product (GDP) per capita by 0.6% to 4.4%.⁸ By extrapolation, and using the Bureau of Economic Analysis's annual GDP calculation, 4.4% percent of the U.S. GDP in 2021 (\$23 trillion), represents about \$1 trillion in economic gain. The Patent Pro Bono Program is reaching underserved inventor communities to contribute to the growth of the U.S. economy.

To further participation in the innovation ecosystem, the USPTO also launched pro bono programs for matters before the Patent Trial and Appeal Board (PTAB) and the Trademark Trial and Appeal Board (TTAB). The PTAB Bar Association serves as a national clearinghouse to connect volunteer practitioners with eligible inventors for PTAB matters.⁹ The International Trademark Association serves as the first clearinghouse for TTAB-related matters, connecting volunteer trademark practitioners with eligible individuals and organizations.¹⁰ These programs provide the public with resources to help spur inclusive innovation throughout the United States.

2. Characterizing the patent pro bono program structure, operation, and participation

This section provides an overview of the Patent Pro Bono Program, including the role and function of the main organizations responsible for its operation: the USPTO, the Pro Bono Advisory Council (PBAC), and the regional not-for-profit patent pro bono programs. Additionally, it explores significant topics such as the importance of volunteer patent practitioners, participation by non-attorneys, and recently captured demographic and geographical information on participants. The growth of the Program indicates that the USPTO, the PBAC, and the regional patent pro bono programs are effectively promoting the Program to raise public awareness. Lastly, this section includes USPTO findings showing that the main barriers for participation are the financial screening requirements, and that the data suggest the Program is sufficiently serving prospective and existing participants.

⁶ *Id.*

⁷ See USPTO Office of the Chief Economist, "Progress and Potential: 2020 update on U.S. women inventor-patentees," July 2020, www.uspto.gov/sites/default/files/documents/OCE-DH-Progress-Potential-2020.pdf.

⁸ Lisa Cook, "Addressing gender and racial disparities in the U.S. labor market to boost wages and power innovation, January 14, 2021, <https://equitablegrowth.org/addressing-gender-and-racial-disparities-in-the-u-s-labor-market-to-boost-wages-and-power-innovation/>.

⁹ Additional information on the USPTO's PTAB Pro Bono Program is available in Appendix A.

¹⁰ Additional information on the USPTO's TTAB Pro Bono Program is available in Appendix B.

2.1 Describing the organization, structure, and services of the Patent Pro Bono Program

There are three main organizations responsible for the establishment and operation of the Patent Pro Bono Program: the USPTO, the PBAC, and the regional patent pro bono programs. Each entity has a necessary and specific role in the Program. A brief description of each and its role in the Patent Pro Bono Program follows.

Figure 2. Patent pro bono support organizations



2.1.1 Role of the USPTO

With the passage of the AIA in 2011, the USPTO increased its efforts to encourage patent practitioners to volunteer their legal services in a pro bono environment. Realizing that no structured opportunities existed, at that time, for patent practitioners to render pro bono services in their area of expertise, USPTO staff collaborated with existing nonprofits across the country to establish viable programs to provide patent pro bono services.

Currently, the USPTO encourages the establishment of patent pro bono programs across the United States so under-resourced inventors and small businesses have access to this valuable resource. Once established, the USPTO provides these programs with technical assistance, opportunities for collaboration, and financial support.

Since the passage of the AIA, the USPTO and the PBAC have been working to develop best practices for operating and maintaining a patent pro bono program. In 2012, the USPTO and the PBAC

compiled and published best practices in *Patent Law Pro Bono: A Best Practices Handbook*.¹¹ The handbook provides highly practical guidance in the form of sample documents such as applications for legal assistance, intake forms, and inventor information forms. In addition, the USPTO continues to enhance best practices by collecting information regarding the performance and operation of the regional patent pro bono programs. The USPTO shares this information with intellectual property (IP) law organizations interested in hosting a patent pro bono program. By sharing best practices, lessons learned, and existing data on expected utilization, the USPTO reduces the risks of hosting a patent pro bono program for the potential hosts.

In addition, the USPTO ensures the successful operation of the Program by promoting collaboration between the regional patent pro bono programs. The USPTO hosts quarterly administrator conferences to share current trends in the metrics, recent Program developments, and focus areas. Importantly, the conferences provide an open forum where administrators share experiences and collaborate. These administrator conferences are typically held virtually; however, the USPTO holds an in-person conference at USPTO headquarters biennially.¹² The in-person conferences further the collaborative dialogue between administrators; these connections are beneficial when addressing issues that arise during the operation of the regional patent pro bono programs.

The USPTO shares some of the burden associated with operating a patent pro bono program by entering into partnerships with regional programs to provide administrative support through its Joint Project Authority (JPA). Specifically, 15 U.S.C. 1525 provides that the Department of Commerce may enter into joint projects with nonprofit, research, or public organizations on matters of mutual interest, the cost of which is equitably apportioned. Prior to 2015, the USPTO did not partner with regional patent pro bono programs in this way. At the time, the Patent Pro Bono Program had nine regional patent pro bono programs covering roughly 20 states. In fiscal year (FY) 2015, the USPTO began entering into joint project agreements with regional patent pro bono programs via the Secretary of Commerce's JPA, improving the sustainability of the existing regional patent pro bono programs and encouraging the establishment of other programs throughout the United States. By partnering with regional programs to provide administrative support, the USPTO attained nationwide coverage in the summer of 2015. In FY 2022, the USPTO met with the PBAC to assess ways in which the pro bono offerings could be expanded. Based on feedback from that meeting, the USPTO took the proactive step of increasing the FY 2023 budget for the Program from \$680,000 to approximately \$1.2 million. In FY 2023, the USPTO participated in joint projects for administrative support for 16 of the 20 regional patent pro bono programs.¹³ The total contribution by the USPTO to these joint projects is

¹¹ See Amy M. Salmela and Mark R. Privratsky, "Patent Law Pro Bono: A Best Practices Handbook," *Cybaris* 4, no. 1 (2013), available at <https://open.mitchellhamline.edu/cgi/viewcontent.cgi?article=1013&context=cybaris>.

¹² This every-other-year cadence was interrupted by the pandemic. The administrator conference hosted at the USPTO will begin again in the late spring/early summer of 2024.

¹³ The four organizations operating regional patent pro bono programs that are not supported through a partnership agreement with the USPTO are: the Federal Circuit Bar Association, the State Bar of Michigan, the University of Idaho, and Widener University.

approximately \$1.2 million.¹⁴ The funding that was allocated from the \$1.2 million was premised not only on fund matching, but also on the individual organizations presenting a concrete plan on how the money would be used to enhance access to the patent system. Though in past years there had been turnover in the regional patent pro bono programs due to, in some cases, the financial instability of the partner organizations, the additional funding and support stopped the turnover of regional patent pro bono programs in calendar year 2023.

The USPTO also supports the regional patent pro bono programs by encouraging patent practitioners and inventors to participate. Volunteer patent practitioners are the linchpin of the Program. The USPTO promotes the Program to patent practitioners to increase awareness throughout the patent bar.

For example, the USPTO sends out monthly emails to more than 100 state and local IP organizations to promote the Patent Pro Bono Program. The monthly emails also offer the opportunity for presentations to the local IP organization, including sought-after continuing legal education (CLE) ethics content to increase participation and attendance. In addition, the USPTO shares its knowledge of regional patent pro bono program procedures and issues regarding pro bono representation to answer questions and to encourage practitioners to participate.

The USPTO attends conferences and meetings held by national IP, pro bono, and corporate patent counsel organizations to offer greater exposure for the Patent Pro Bono Program to a national audience. These events are often not readily accessible to the regional patent pro bono programs.

The USPTO manages the Patent Pro Bono Program through its Office of Enrollment and Discipline (OED). OED administers the Program with a dedicated Pro Bono Coordinator, OED staff attorneys, and other support staff. The team supports the regional patent pro bono programs, the PBAC, potential patent applicants, and patent practitioners interested in learning more about the Patent Pro Bono Program.

The OED team collects operational metrics from the regional patent pro bono programs on a quarterly basis. The metrics give insight into a particular regional patent pro bono program's service to the public for a given quarter and can illuminate valuable trends regarding a program's ability to attract applicants and volunteers. The metrics are valuable in informing the funding process and measuring and communicating the impact of the Program on the under-resourced inventor and small business community.

¹⁴ Due to the equitable apportionment of the USPTO's Joint Project Authority, the actual value of referral administration services provided by the regional patent pro bono programs is more than \$2.4 million, or twice the approximately \$1.2 million obligated to the regional patent pro bono programs on an annual basis.

2.1.2 Role of the Pro Bono Advisory Council (PBAC)

The PBAC is a 501(c)(3) organization whose core mission is to assist the USPTO with the administration of patent pro bono programs across the United States. The PBAC achieves this mission by providing support for the regional patent pro bono programs in the areas of awareness, participation, and sustainability.

The PBAC is managed through its board of directors.¹⁵ The directors utilize their broad experience in the legal profession, pro bono services, and the provision of assistance to inventors to achieve commercial success. The PBAC hosts important conversations with federal and private sector experts on how under-resourced innovators can leverage the USPTO's Patent Pro Bono Program to bring their ideas and products to market.

A critical role of the PBAC is to assist the regional patent pro bono programs in areas where the USPTO is unable to, by, for example, connecting regional patent pro bono programs with malpractice insurance providers, fundraising, and connecting programs with prior art search services to facilitate application screening. Moreover, the PBAC assists inventors using the regional patent pro bono programs with invention commercialization.

The PBAC meets annually with each regional patent pro bono program on a one-on-one basis, along with the USPTO. These annual meetings, combined with quarterly conferences that include all the programs, facilitate ongoing reviews of practices that optimize each program's services to inventors. The PBAC analyzes regional program data in depth to provide detailed demographic and programmatic information nationwide, and individually for each regional program.

In collaboration with the USPTO, the PBAC engages in a series of conferences held in cities throughout the nation. These conferences focus on outreach and recognition to encourage participation by eligible inventors and pro bono attorneys. The conferences also focus on assisting inventors with commercializing their inventions.

The PBAC has partnered with a venture capital firm to provide free information to patent pro bono inventors on best practices to obtain startup funding. The PBAC has also partnered with a firm to provide free services to connect patent pro bono inventors with businesses interested in licensing their inventions.

¹⁵ The PBAC's Board of Directors includes: Jim Patterson, Patent Attorney and Chair, PBAC, Principal and Founder of Patterson Thuerle IP; Kirk Damman, Patent Attorney and Secretary, PBAC, Member of Lewis Rice; Joe Mischler, Chair, Fundraising and Treasury, PBAC, Partner at Actional Intellectual Property Insights, Founder of MStreet Advisory; and Warren Tuttle, Non-Attorney and Co-Chair, PBAC, Founder of Tuttle Innovation, Co-Founder of Market-Blast.

The PBAC members are a diverse and dynamic group of professionals consisting of attorney practitioners and non-attorney business professionals dedicated to advancing the Patent Pro Bono Program.¹⁶ This balanced composition ensures a comprehensive perspective on matters related to the Program. The attorney practitioners on the board bring a wealth of legal expertise and experience in patent law, while the non-attorney business professionals contribute their strategic insights and practical industry knowledge. This collaborative approach enables the council to effectively fulfill its mission of providing pro bono patent assistance to under-resourced inventors and innovators, thereby fostering a more inclusive and equitable innovation ecosystem.

2.1.3 Role of the regional patent pro bono programs

The regional patent pro bono programs are independently operated by entities such as bar associations, law school clinics, and lawyer referral services. The regional patent pro bono programs match financially under-resourced inventors and small businesses with volunteer patent attorneys and agents for the purpose of securing patent protection. The USPTO's Patent Pro Bono Program would not succeed without the referral services provided by the regional patent pro bono programs.

To perform this matchmaking operation, regional patent pro bono programs must actively identify viable applicants. Each regional program promotes the Program as a resource to independent inventors and small businesses in their region. All regional programs have a website featuring an electronic applicant intake form. The form elicits information from the applicants that the program uses to determine whether the applicant qualifies for free legal assistance.

Among other things, intake screening forms request the applicant's contact information, voluntary demographic information, household income, related business interests, and information regarding the invention. The administrator assembles this data and contacts the applicant to obtain any additional information, such as financial documentation to verify financial eligibility. The administrator then assembles a case file, which is used to evaluate the applicant for acceptance into the Program.

¹⁶ Attorney David Kappos, former Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, August 2009-January 2013; Professor Lateef Mtima, Professor of Law at Howard University, Founder and Director of the Institute for Intellectual Property and Social Justice; Attorney Dara Kendell, Senior Vice President and General Counsel at Procter & Gamble; United States District Court Judge Nina Wang; Attorney Ben Fernandez, WilmerHale; Attorney Dana Colarulli, Executive Director of the Licensing Executives Society International, former Director of the USPTO's Office of Governmental Affairs; Attorney Christie Thoene, Vice President of Policy and Legal Communications, Qualcomm; Lecturer, Design Historian, and Industrial Designer/Inventor James Howard, Executive Director of the Black Inventors Hall of Fame; Attorney Tahda Ahtone, enrolled citizen of the Kiowa Nation, Founder of JackRabbit Development and the Ahtone Law Firm; Attorney Ulysses Williams, IP Counsel, Pall Life Sciences Corporation; Dr. Paul Campbell, Co-Founder, Brown Venture Group; Attorney Chinwe Ohanele, Senior Program Manager, Michelson Philanthropies; and Attorney Andrea Hence Evans, Principal, Evans IP Law.

The regional patent pro bono programs perform a review of the case file to determine whether the applicant qualifies for placement. The screening does not assess the merits of the case or address questions with respect to inventorship, patentability, outstanding rejections, or related substantive eligibility. The screening involves an evaluation of the information provided by applicant against the specific screening requirements for each program. Generally, these screening requirements are centered around residency, financial eligibility, knowledge of the patent system, and possession of a potentially patentable invention. Upon approval by the regional patent pro bono program, the administrator attempts to match the applicant with a volunteer patent practitioner. Applicants that fail to satisfy the screening requirements are notified and provided information regarding other resources to consider for pursuing protection of their IP.

Regional patent pro bono programs must have a bench of volunteer patent practitioners to support their matching operations. To build up their volunteer base, the regional patent pro bono programs host networking events, send promotional email flyers, and present directly to law firms and IP organizations in their region. The patent practitioners likewise volunteer through an intake form hosted on a regional patent pro bono program website.

Each regional patent pro bono program has slightly different methods to match volunteers with qualified applicants. Generally, a regional program emails a list of approved applicants awaiting placement to their roster of volunteers. The email contains basic information about the applicants, such as name, title, and a brief description of their invention. The volunteer patent practitioner can use this information to do a preliminary conflict check and identify the technology area of the invention. In some cases, the information will include a date by which the applicant must be matched.¹⁷ Applicants who are approved for placement and not selected by a volunteer are notified so they can seek other alternatives for assistance (pro se assistance, law school clinics, etc.).

If a volunteer patent practitioner is interested in representing an applicant on the case list, they notify the regional patent pro bono program, and the regional patent pro bono program provides the applicant with the volunteer's contact information. The applicant is responsible for contacting the volunteer patent practitioner to schedule a consultation.

At the consultation, the volunteer and the applicant discuss the invention and decide whether to engage each other and proceed with the preparation and prosecution of an application before the USPTO.¹⁸ Typically, an engagement letter is executed between the patent practitioner and the applicant, and the representation proceeds as if the applicant were a paying client.

¹⁷ The first-to-file system under the AIA requires some urgency on the part of applicants to file their applications with the USPTO in order to obtain a priority date as early as possible. Therefore, the regional patent pro bono programs only attempt to place an applicant for a finite period of time.

¹⁸ 37 C.F.R. § 11.102 of the USPTO Rules of Professional Conduct allows for limited scope representation. As such, the applicant and volunteer may limit their representation to preparing an application, filing the application, responding to an office action, etc. However, the USPTO encourages the regional patent pro bono programs to have their volunteers represent applicants through allowance or final rejection.

Once a match is made, regional patent pro bono programs ask the volunteers to continue providing status updates regarding the representation, including the dates when the application is filed, when and if a patent is issued on the invention, and when the representation concludes. The regional programs also request that the volunteers log their pro bono service hours. Volunteer hours are an important metric for determining the amount of free legal services provided to the public and are also used to recognize volunteers. The information is collected by the regional patent pro bono programs and shared with the USPTO and the PBAC to help promote the Program.

In addition to their outreach efforts to patent practitioners, the regional patent pro bono programs promote the services to inventors and small businesses in their local region by advertising via websites and social media; attending local inventor conferences; attending university events; working with Patent and Trademark Resource Centers; and hosting “brief advice clinics,” where volunteer patent practitioners meet with inventors to provide information on IP.

2.2 Supporting volunteer participation in the patent pro bono programs

The USPTO collects limited information regarding volunteers who participate through the regional patent pro bono programs and focuses on two metrics: (1) the number of hours volunteered, and (2) the number of patent practitioners agreeing to accept cases.¹⁹ Given this limited information on volunteers, the USPTO relied heavily on both a June 7, 2023, practitioner listening session²⁰ and a Federal Register Notice²¹ requesting comments from patent practitioners on the patent pro bono programs for additional information on volunteer participation. The USPTO also relied on research from a prior published study on attorney pro bono participation.

¹⁹ This is the number of patent practitioners who have signed on to volunteer through one of the regional patent pro bono programs, i.e., the total number of volunteers on every regional patent pro bono program’s volunteer roster.

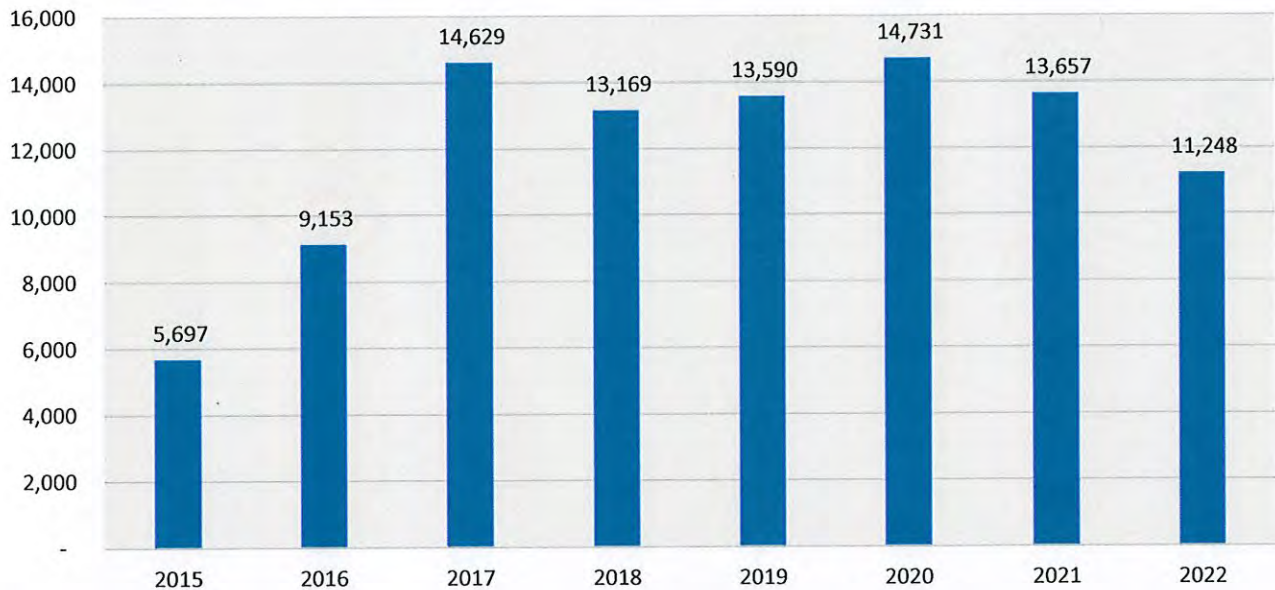
²⁰ A transcript of the June 7, 2023, practitioner listening session is available in Appendix C.

²¹ The comments to the Federal Register Notice are available at www.regulations.gov/docket/PTO-C-2023-0009/comments. A table of the comments and USPTO responses is available in Appendix D.

2.2.1 Hourly volunteer participation and the number of rostered volunteers

Since 2015, the first year of available data, the regional patent pro bono programs have reported an average 10% annual increase in volunteer hours donated to the regional patent pro bono programs (Figure 3).²² Through calendar year 2022, 95,874 total hours were donated by volunteers to help under-resourced inventors and small businesses.

Figure 3. Hours donated to the regional patent pro bono programs, by year, 2015-2022



We can apply a financial value to those hours by using an average hourly billing rate for a private firm associate. The American Intellectual Property Law Association's Economic Survey provides hourly billing rates for 14 cities or regions throughout the United States. In 2016, the average rate was \$381.64/hour.²³ We extrapolated that per-hour rate to the entire 2015-2022 period using the World Bank's Consumer Price Index specific to the United States, which adjusted the 2016 hourly rate to change with inflation.²⁴ Multiplying each year's adjusted hourly rate by the total number of hours volunteered annually, and summing over time, showed that over \$39.3 million in direct legal assistance was provided to under-resourced inventors and small businesses from 2015-2022.

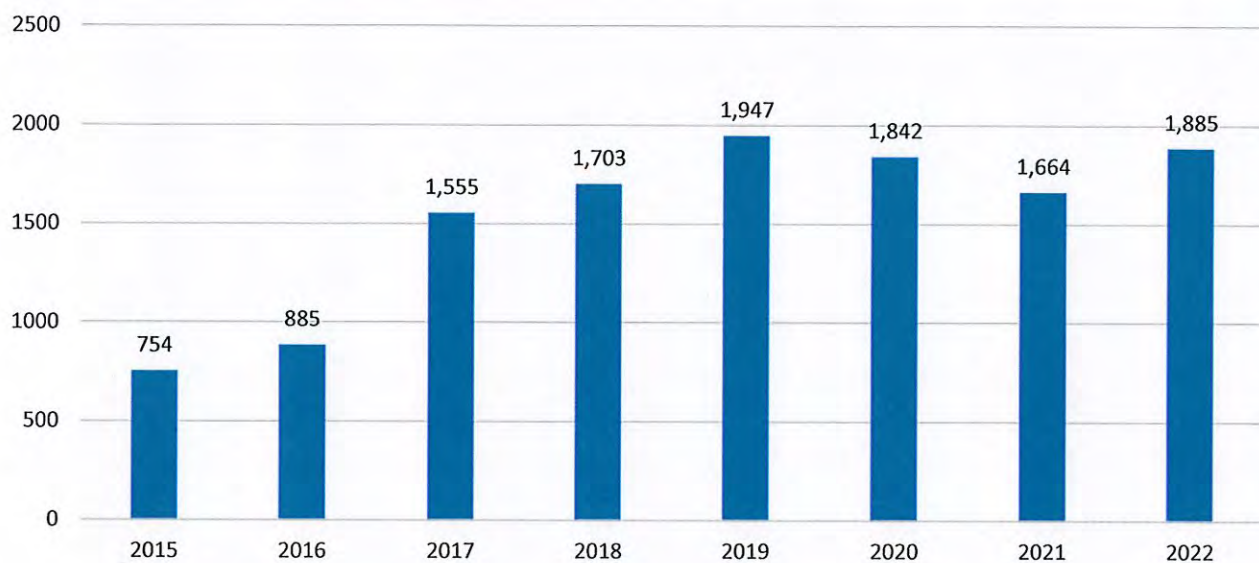
²² Here and elsewhere, average growth rates are geometric, i.e., growth that increases by a constant ratio or percentage over the timeframe.

²³ See American Intellectual Property Law Association, "2017 Report of the Economic Survey," Appendix I-39, <https://user-35215390377.cld.bz/2017-Report-of-the-Economic-Survey/130/>.

²⁴ See World Bank, World Development Indicators, <https://databank.worldbank.org/source/world-development-indicators>.

In 2015, the USPTO began capturing the number of volunteer patent practitioners on the rosters of the regional patent pro bono programs. This number indicates the potential availability of volunteers to match with qualified applicants. The regional patent pro bono programs have reported an average 14% annual increase in the number of volunteers on their rosters who are available to volunteer (Figure 4). The number of reported rostered volunteers may not actually reflect the number of volunteers available to volunteer at any one point in time due to factors that deter volunteers from accepting placement of a qualified applicant, such as a lack of time, family commitments, or other personal obligations.²⁵

Figure 4. Rostered regional patent pro bono program volunteer patent practitioners, by year, 2015-2022



2.2.2 Factors that encourage or discourage volunteer participation (Cong. Qn. Sec. 105 (a)(2)(A)(v))

The referral services provided by the regional patent pro bono programs would not function without a stable base of volunteer patent practitioners. Therefore, it is necessary to understand what factors attract or deter patent practitioners from volunteering with a regional patent pro bono program.

²⁵ See section 2.2.2.1, Deterring participation, below.

2.2.2.1 Deterring participation

The USPTO collects limited information from the regional patent pro bono programs regarding their volunteer patent practitioners. To better understand what factors impact attorney participation, the USPTO held a patent practitioner listening session on June 7, 2023. The USPTO also accepted written comments, in response to a Federal Register Notice, via the Federal eRulemaking Portal.

During the June 7, 2023, listening session, the USPTO solicited specific feedback from patent practitioners. The practitioners identified the lack of malpractice insurance and CLE credit for pro bono service as deterrents to their participation.

To supplement information collected from the USPTO's stakeholders, the agency relied on an extensive study performed by the American Bar Association (ABA). In 2017, the ABA conducted a study of the pro bono work of America's attorneys. Approximately 47,000 attorneys from 24 states responded to the survey.²⁶ The study examined the primary factors deterring and motivating pro bono participation. The ABA findings that malpractice insurance and CLE credit are important factors in pro bono participation is consistent with the feedback the USPTO received at the June 7, 2023 listening session.

Figure 5 shows the various factors discouraging pro bono participation according to the survey.²⁷ Each factor is evaluated on a scale of 1 to 5, with 1 indicating a "not discouraging" rating and 5 being a "very discouraging" rating. The ABA survey results show, for example, that a "lack of time" was the most discouraging factor for pro bono participation, with an average rating of 4.24.²⁸ Thus, according to the ABA study, attorneys were most deterred by personal factors such as lack of time, family commitments, and lack of skills or experience.²⁹ Practical concerns, such as a lack of malpractice insurance, also gave lawyers pause when considering pro bono work. Furthermore, some attorneys preferred to assist the under-resourced in other ways, such as by providing low-fee representation or engaging in non-legal volunteer work.³⁰

One area that may be specific to IP representation is the lack of a history of or focus on IP in the pro bono space. The most common areas of law for pro bono assistance include housing, family law, benefits, veterans' issues, and consumer issues.³¹

²⁶ April Faith-Slaker, "Supporting Justice: A Report on the Pro Bono Work of America's Lawyers," ABA Standing Committee on Pro Bono and Public Service and the Center for Pro Bono, April 2018, www.americanbar.org/content/dam/aba/administrative/probono_public_service/ls_pb_supporting_justice_iv_final.pdf. Copyright 2018 American Bar Association. Reprinted by permission.

²⁷ This information was taken from "Supporting Justice," Figure 16: Discouraging Factors.

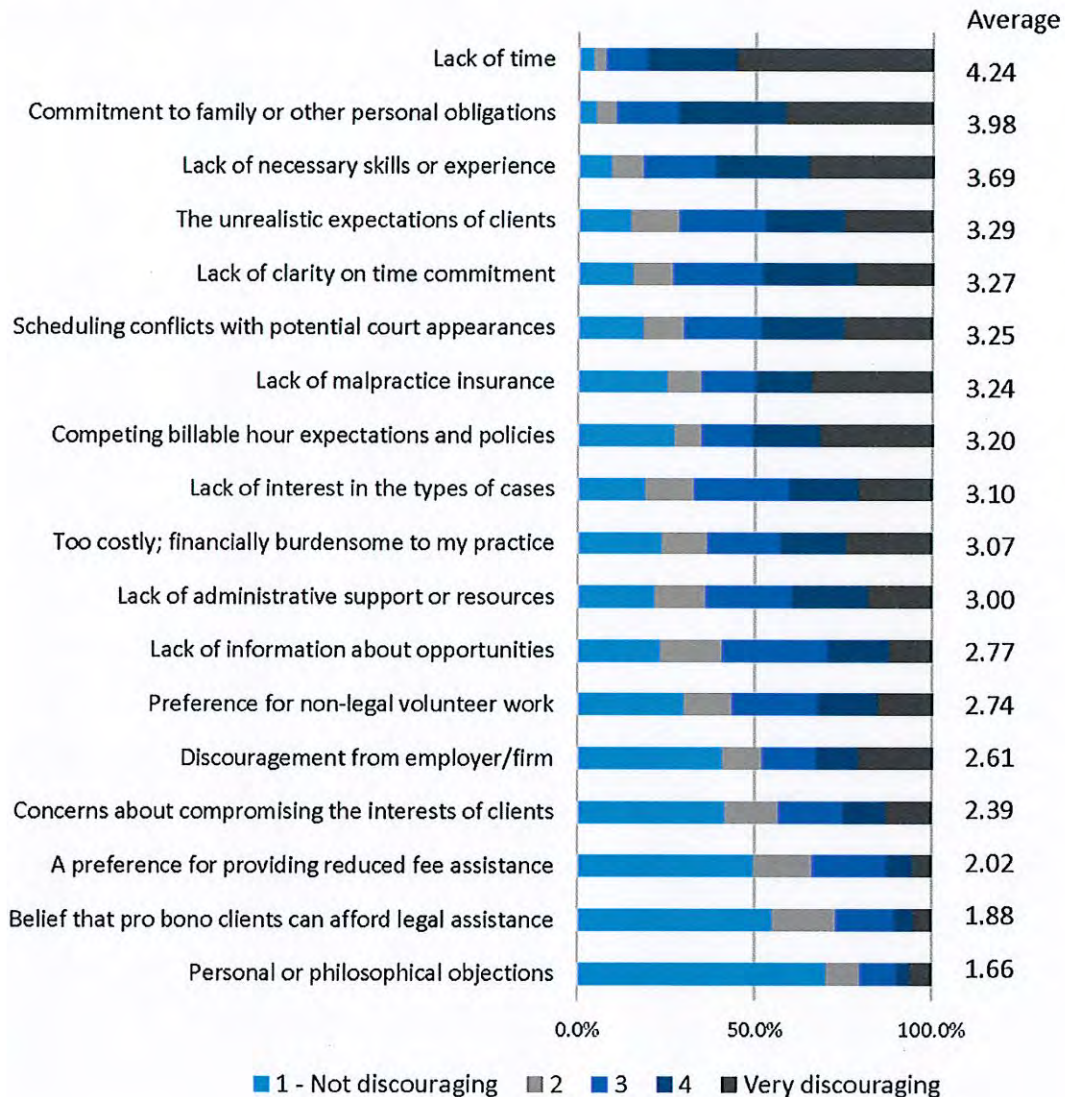
²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

³¹ Legal Services Corporation, "Report of the Pro Bono Task Force," 2012, www.lsc.gov/our-impact/publications/other-publications-and-reports/report-pro-bono-task-force.

Figure 5. Discouraging Factors



2.2.2.2 Encouraging pro bono service

Patent practitioners participating in the USPTO listening session identified the availability of malpractice insurance and the option to obtain CLE credit for pro bono service as factors that would increase their participation. This is consistent with the results of the ABA study. Attorneys responding to the ABA suggested a variety of methods to encourage pro bono service, including offering CLE credit, offering free CLE courses, and providing formal recognition.³²

The Patent Pro Bono Program is working to further encourage pro bono participation by providing solutions to issues surrounding formal recognition, malpractice insurance, and CLE credit.

³² *Id.* at 21.

Regarding formal recognition, the USPTO issues recognition certificates to all registered patent practitioners who contribute at least 50 hours of pro bono service through a regional patent pro bono program in a calendar year. The USPTO has issued over 500 certificates to practitioners and over 100 certificates to law firms.³³ Recipients can also choose to have their name listed on the USPTO's website for public pro bono recognition.³⁴

Regarding malpractice insurance, more than half of the regional patent pro bono programs provide some form of malpractice insurance to cover their volunteers, addressing a major factor that deters attorneys from providing pro bono assistance.³⁵ Due to the federal nature of practice in patent matters before the USPTO, attorneys concerned about obtaining malpractice insurance can choose to participate in a program that offers insurance. The PBAC has assisted, and will continue to assist, the regional programs with obtaining malpractice insurance for practitioners participating in the Patent Pro Bono Program.

The USPTO previously attempted to provide CLE recognition for pro bono service. In August 2020, the USPTO updated its regulations to provide for voluntary certification of CLE to the OED Director.³⁶ The USPTO encouraged participation in the Patent Pro Bono Program by allowing for up to two CLE credits to be earned by completing pro bono work. In October 2020, the USPTO published proposed CLE guidelines with a request for comments.³⁷ In January 2023, after considering negative public comments, the USPTO eliminated the provisions of the USPTO regulations related to the voluntary reporting of CLE.³⁸ Although the USPTO is currently unable to recognize CLE credit for pro bono participation, some volunteer practitioners obtain state CLE credit for participation in the Patent Pro Bono Program. Furthermore, the USPTO assists practitioners by regularly organizing or participating in CLE credit presentations across the country.³⁹

³³ The USPTO provides recognition certificates to law firms based on the size of the law firm and the total hours volunteered by their patent practitioners. Requirements for pro bono certificates for law firms are available at www.uspto.gov/patents/basics/using-legal-services/pro-bono/attorneys.

³⁴ The list of practitioners recognized for participation in 2022 is available at www.uspto.gov/patents/basics/using-legal-services/pro-bono/practitioner-recognition-2022.

³⁵ The following programs provide malpractice insurance: Arts and Business Council of Greater Boston, Arts and Business Council of Miami, Delaware Law School, Georgia Lawyers for the Arts, Idaho Patent Pro Bono Program, LegalCORPS, Louisiana Invents, New York Volunteer Lawyers for the Arts, Ohio Invents, PatentConnect, Texas Accountants and Lawyers for the Arts, and Volunteer Lawyers of Birmingham. See Appendix E.

³⁶ Setting and Adjusting Patent Fees During Fiscal Year 2020, 85 FR 46932 (August 3, 2020).

³⁷ Proposed Continuing Legal Education Guidelines, 85 FR 64128 (October 9, 2020).

³⁸ Final Rule Eliminating Continuing Legal Education Credit Certification and Recognition for Patent Practitioners, 88 FR 4906 (January 26, 2023).

³⁹ A listing of OED speaking engagements is available at www.uspto.gov/about-us/organizational-offices/office-general-counsel/office-enrollment-and-discipline/speaking.

Research suggests that participation in pro bono service during law school leads to increased pro bono work after graduation.⁴⁰ To facilitate pro bono service during law school, the USPTO operates the Law School Clinic Certification Program.⁴¹ There are more than 60 participating law schools providing pro bono legal services to the public. There are more than 40 clinics that participate in the patent portion of the Program. Between FY 2009 and June 2023, 1,643 patent applications were filed through the Law School Clinic Certification Program. Students participating in the Law School Clinic Certification Program may be more likely to participate in the Patent Pro Bono Program after graduation; they are also more likely to have the necessary skills and experience to assist under-resourced inventors in the future.⁴²

Pro bono work in the IP realm is a social investment in America's innovation system. By continuing to highlight the Patent Pro Bono Program through presentations and events, the USPTO can emphasize the value of pro bono patent services and encourage practitioner participation.⁴³

2.2.3 Expansion of Program to non-attorney advocates (Cong. Qn. Sec. 105 (a)(2)(A)(vi))

As the demand for free patent prosecution assistance will often outpace the supply of volunteers, it is important to find additional volunteers to fill the demand gap. The inclusion of non-attorney advocates may help address this imbalance. The USPTO has defined the phrase "non-attorney advocates" to mean non-attorney assistance. We have interpreted "non-attorney advocates" in this manner to capture non-attorney practitioners, or agents, who offer their prosecution services to applicants. In addition, non-attorneys may provide other services such as drafting services, paralegal support, prior art searches, etc. With the exception of patent agents, non-attorney assistants may not practice law before the USPTO. (Congressional Question Sec. 105 (a)(2)(A)(vi)).

⁴⁰ Faith-Slaker, *supra* n. 26, at 27.

⁴¹ The USPTO delivered a report on the Law School Clinic Certification Program to Congress on December 14, 2016. The report is available in Appendix F.

⁴² Additional information on the USPTO's Law School Clinic Certification Program is available in Appendix G.

⁴³ The USPTO held several such events this year, including the Pathways to Inclusive Innovation programs on March 9, 2023, in Minneapolis, Minnesota, and on October 11, 2023, in Alexandria, Virginia.

2.2.3.1 Background on patent agents

A patent agent is a non-attorney practitioner (who fulfills the USPTO requirements) registered to practice before the USPTO in the preparation and prosecution of patent applications pursuant to 37 C.F.R. §§ 11.5 and 11.6(b).

Congress has long recognized the important role and function of patent agents “[t]o promote the progress of science and useful arts, by securing for limited times to . . . inventors the exclusive right to their respective . . . discoveries.”⁴⁴ Competent prosecution of a patent application requires detailed knowledge and expertise in specialized technical and scientific fields.

37 C.F.R. §§ 11.6(b) and 11.7(a)(2) recognize and authorize non-attorney individuals who fulfill the scientific/technical and good moral character and reputation requirements to be registered as patent agents.

As patent agents, they are authorized to engage in the patent-related activities outlined in 37 C.F.R. § 11.5(b)(1):

preparing or prosecuting any patent application; consulting with or giving advice to a client in contemplation of filing a patent application or other document with the Office; drafting the specification or claims of a patent application; drafting an amendment or reply to a communication from the Office that may require written argument to establish the patentability of a claimed invention; drafting a reply to a communication from the Office regarding a patent application; and drafting a communication for a public use, interference, reexamination proceeding, petition, appeal to or any other proceeding before the Patent Trial and Appeal Board, or other proceeding.

The USPTO is not alone in authorizing the practice of law by non-attorneys. The State of Washington provides a reasonable and effective model for non-lawyer specialists. In 2012, the Washington Supreme Court paved the way for this model as a means of providing affordable legal services by authorizing Limited License Legal Technicians (LLTs) to practice family law only. LLTs operate independently without the supervision of an attorney but, like patent agents, are limited in area and scope of practice, i.e., they cannot litigate or represent individuals in court or engage in negotiations.⁴⁵ Utah and Arizona operate similar programs.⁴⁶

The motivations of these states include declines in law school enrollment, lawyer attrition rates and maturing populations, a lack of accessible pro bono patent services in some locales, and the inability of clients to pay for expensive legal services. These realities, among others, led to a shift in the assessment of the legal landscape as to the availability and delivery of much-needed but scarce legal services.

⁴⁴ U.S. Const. art I, § 8, cl. 8; 35 U.S.C. 2(b)(2)(D).

⁴⁵ In June 2020, the Washington Supreme Court decided to sunset the LLT program. The award of new licenses ended in July 2023. *In the Matter of Suggested Amendments to APR*, Order No. 25700-A-1361, Wash. Sup. Ct. (July 1, 2021).

⁴⁶ See Arizona Codes of Judicial Administration § 7-208; Rules Governing the Utah State Bar, R. 14-802.

2.2.3.2 Data on patent agent support

The OED captures the registration information of practitioners that practice before the USPTO. Recent data found that approximately 27% of registered practitioners are patent agents and 73% are patent attorneys.⁴⁷ There is some intrinsic error in these percentages because some practitioner agents subsequently obtain law licenses and fail to update their information with the OED. Similarly, attorneys who allow their licenses to lapse in the relevant jurisdiction may fail to change their status to patent agent.⁴⁸ While not exact, these percentages tend to be generally representative of the breakdown of patent agents and patent attorneys authorized to practice before the USPTO. Using these percentages as a benchmark will allow the USPTO to compare the composition of volunteers in the patent pro bono program to that of volunteers in the patent bar.

The USPTO does not collect specific information regarding volunteer patent practitioners who participate through the regional patent pro bono programs.⁴⁹ While the regional programs collect personally identifiable information from their volunteers, they only report aggregate metrics to the USPTO regarding the volunteers, i.e., the number of volunteers, the number of volunteer hours donated, etc. Therefore, the USPTO devised a derivative method to obtain a breakdown of patent attorney and patent agent volunteers.

In 2017, the USPTO started collecting patent pro bono application filing information using the PTO/AIA/440 form,⁵⁰ which allows volunteers to voluntarily certify their representation as pro bono by including it in their patent application filings. The USPTO is able to search its patent application database for the PTO/AIA/440 form to identify the particular volunteer patent practitioner associated with each application and cross-reference the practitioner's registration number with their agent or attorney status in the OED roster. The form was included in 581 patent applications through December 31, 2022. Of these, 23% were filed by patent agents, and 77% were filed by patent attorneys.

⁴⁷ See <https://oedci.uspto.gov/OEDCI> (last accessed 5/25/2023).

⁴⁸ To address this issue, the USPTO published a notice of proposed rulemaking proposing to remove a fee required when changing one's status from a patent agent to a patent attorney in order to encourage more practitioners to update their status. See Changes to the Representation of Others Before the United States Patent and Trademark Office, 87 FR 54930 (September 8, 2022).

⁴⁹ The USPTO does capture the names of volunteer patent practitioners who provide at least 50 hours of service to the regional patent pro bono programs for recognition.

⁵⁰ See www.uspto.gov/sites/default/files/documents/aia0440.pdf.

2.2.3.3 Increasing patent agent participation

Ideally, the patent pro bono program would like to have the support of patent practitioners, i.e., patent attorneys and patent agents, consistent with the percentages on the OED roster. Based on filing information using PTO/AIA/440, it appears that the Patent Pro Bono Program can increase the participation of patent agents to better align with the overall registration reported to the OED. To address the shortfall, the USPTO has presented information on the Patent Pro Bono Program at the 2022 Annual Conference of the National Association of Patent Practitioners (NAPP). NAPP is a 501(c)(6) nonprofit trade association with hundreds of member patent practitioners throughout the United States, split almost evenly between patent agents and patent attorneys. Presenting information on the Patent Pro Bono Program to NAPP raises awareness among its members and encourages patent agent participation. Having even more patent agents volunteer would increase the number of practitioners available for pro bono applicants.

2.2.4 Non-attorney assistance

The PBAC has undertaken an ambitious effort to foster collaboration between non-attorney resources and patent-seeking inventors. These partnerships will significantly contribute to the mission of leveling the playing field and ensuring equal access to patent protection for all inventors, regardless of their financial resources.

The PBAC has taken significant steps to foster partnerships with patent search service providers to offer discounted patent search services. This initiative aims to improve access to patent-related resources, enhance the quality of patent applications, and contribute to fostering innovation among inventors who face financial barriers.

The PBAC was established to address the challenges faced by inventors with limited financial means who seek to protect their IP through the patent system. Recognizing the importance of equitable access to patent services, the PBAC has sought out collaborations with non-attorney resources to complement existing pro bono legal services and bridge the gap for under-resourced inventors. The primary goal of this initiative is to facilitate the patent process for these inventors, empowering them to protect their IP and fostering innovation across all sectors of the economy. By collaborating with non-attorney resources, the PBAC seeks to minimize barriers to patenting, increase inclusivity in the innovation landscape, and promote the growth of small businesses and individual inventors.

As an example of this initiative, the PBAC has established a strategic partnership with cutting-edge patent search service providers, to offer their services at a steeply discounted cost for under-resourced inventors. These providers utilize advanced artificial intelligence technology to conduct comprehensive patent searches, including a comprehensive analysis of prior art, thereby enabling inventors to assess the novelty and patentability of their innovations, and leading to stronger and more enforceable patents.

Benefits of the partnership:

- *Affordability*: Through this collaboration, under-resourced inventors can access the patent search service providers at a substantially lower cost, which significantly reduces their financial burden and ensures that financial constraints do not hinder their ability to conduct thorough patent searches.
- *Enhanced Quality of Patent Applications*: By using the patent search service providers' sophisticated patent search technology, inventors can identify existing patents and prior art more effectively. This, in turn, helps improve the quality of their patent applications, increasing the likelihood of successful patent grants.
- *Timely and Efficient Processes*: The integration of search capabilities powered by artificial intelligence streamlines the patent search process, reducing the time required to identify relevant prior art. This expedites the overall patent application process, benefiting inventors and their pro bono attorneys with faster responses and decision-making. The patent search service providers have promised to deliver search results within 24 to 48 hours.
- *Empowerment and Inclusivity*: By actively seeking partnerships with non-attorney resources, the PBAC demonstrates its commitment to empowering underprivileged inventors, promoting inclusivity, and supporting diversity in the innovation ecosystem.
- *Expanded Reach of Pro Bono Services*: By collaborating with patent search service providers, the PBAC can extend its reach and impact, supporting a greater number of under-resourced inventors nationwide. This aligns with the USPTO's mission to foster innovation and equitable access to the patent system.

The collaboration between the PBAC and non-attorney service providers represents a significant step toward enhancing access to patent services for under-resourced inventors. By offering discounted patent search services, the partnership aims to improve the quality of patent applications and ultimately foster innovation across the nation. The success of this initiative further underscores the importance of proactive engagement with non-attorney entities to create a more inclusive and supportive patent ecosystem.

2.3 Detailing participation in the patent pro bono programs

The legislative history of the AIA underscores the importance of the Program to support under-resourced inventors and small businesses. In June 2011, the House Committee on the Judiciary issued a favorable report on H.R. 1249, which provided that the Director of the USPTO would “work with and support intellectual property law associations across the country in the establishment of pro bono programs designed to assist financially under-resourced independent inventors and small businesses.”⁵¹ The committee report identified “the importance of individuals and small businesses to the patent system and our national culture of innovation” as the motivation of Congress.⁵² By September 2011, H.R. 1249 had passed both chambers by large bipartisan margins and was enacted as the AIA.⁵³

To fulfill the legislative intent of Congress, the Patent Pro Bono Program seeks to enhance access to the patent system, ensuring that inventors from all backgrounds have a fair chance to protect their IP and contribute to innovation. Recognizing the financial hurdles often associated with patent applications, the USPTO established this Program to provide crucial assistance to inventors who might otherwise face significant barriers. Recently, the USPTO Pro Bono Program began collecting the demographic information of patent pro bono program applicants to ascertain the Program’s impact on inclusivity and equitable access to patent services.

2.3.1 Annual inventor participation and location information

Since 2015, when the USPTO began collecting information on the Patent Pro Bono Program, the number of individuals inquiring about the Program has grown, and steadily so in the past few years. This upward trend is likely in response to the USPTO’s efforts to promote the Program and increase recognition of its value. By connecting applicants with experienced patent practitioners, the Program fosters collaboration, knowledge sharing, and guidance, ultimately leading to more successful patent applications. Figure 6 illustrates data on the regional patent pro bono programs’ number of inquiries from the public seeking information on the Patent Pro Bono Program. The data represent the submission of applicant intake forms, phone and email inquiries, and attendance at events hosted by

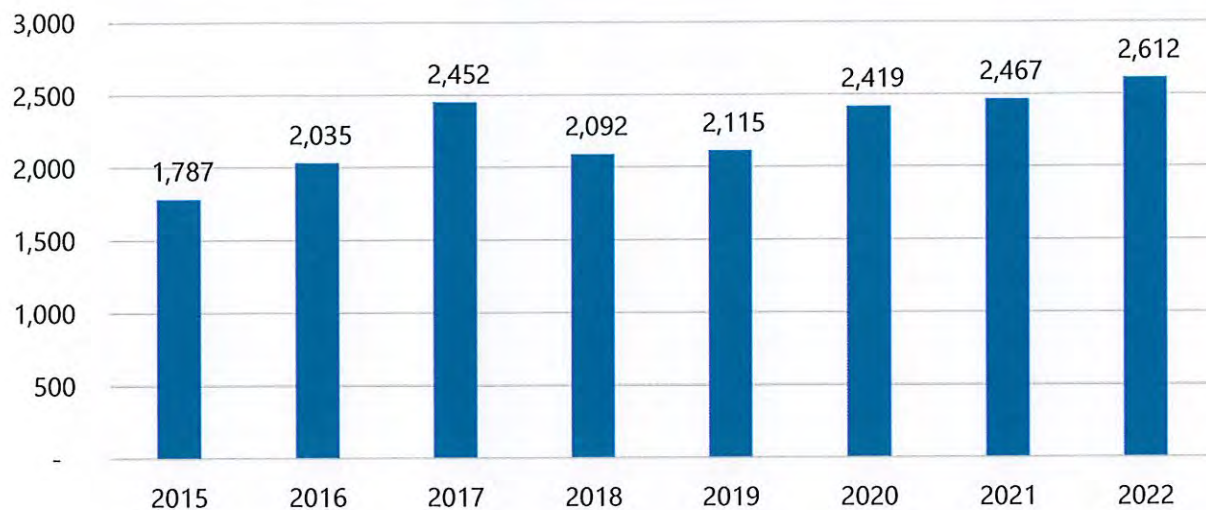
⁵¹ H.R. REP. NO. 112-98, at 38 (2011) (reproducing § 29 of the Act, later enacted as § 32).

⁵² *Id.* at 56.

⁵³ First introduced in the Senate as S. 23, the AIA passed the Senate on March 8, 2011, by a vote of 95-5. See www.congress.gov/bill/112th-congress/senate-bill/23/all-actions. The bill passed the House with amendment on June 23, 2011, by a vote of 304-117 as H.R. 1249. The amended bill passed the Senate on September 8, 2011, by a vote of 89-9 and was signed into law on September 16, 2011. See www.congress.gov/bill/112th-congress/house-bill/1249/all-actions. See also, Jennifer M. McDowell et. al., “The USPTO Patent Pro Bono Program,” 7 *Cybaris* 7, no. 1, 7-8 (2015).

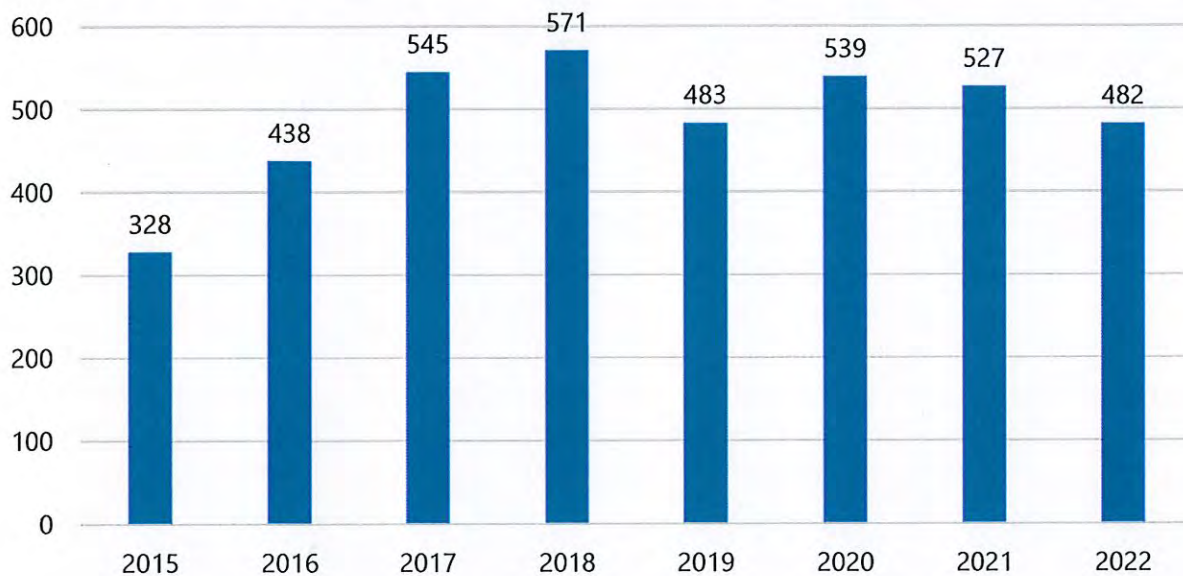
regional patent pro bono programs regarding the Patent Pro Bono Program. The number of inquiries from 2015-2022 increased by an average rate of 6% per year.

Figure 6. Inquiries made to the patent pro bono programs, by year, 2015-2022



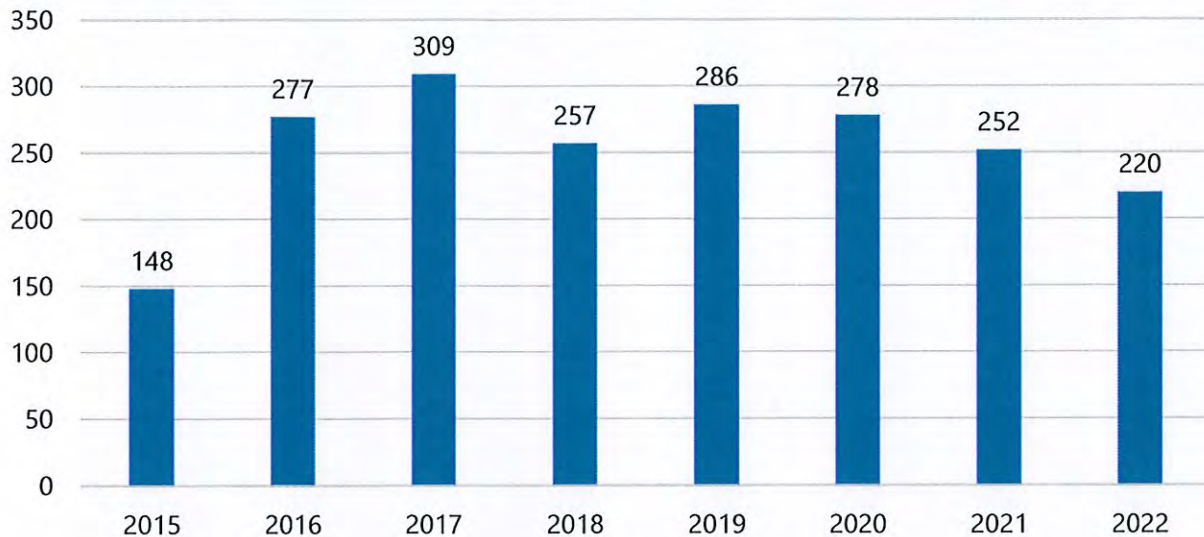
An essential metric demonstrating the Program’s efficacy is the number of applicants matched, since this metric indicates direct legal assistance provided to inventors. Matched applicants are a more important metric than, for example, the number of applications filed, since some matched applicants may not file a patent application. For example, after consulting with a patent practitioner, an inventor may determine that they are not ready to file an application or that pursuing patent protection is not in their best interest. The consultations with applicants also help ensure that the applications that are ultimately filed with the USPTO have a higher probability of resulting in a patent. Figure 7 reflects annual data from the regional patent pro bono programs capturing the number of matches between volunteer patent practitioners and approved applicants. These programs report over 3,900 matches, growing from 2015-2022 by 6% per annum on average.

Figure 7. Regional program applicant matches with volunteer patent practitioners, by year, 2015-2022



Ideally, matches between volunteer patent practitioners and under-resourced inventors result in applications filed with the USPTO. Since 2015, the regional patent pro bono programs have reported more than 2,000 applications filed through the Program. These are applications for inventions that might not have otherwise been filed with the USPTO. These applications encompass a wide range of innovative ideas, contributing to the advancement of various industries and promoting economic growth. By removing financial obstacles, the Program empowers inventors who may have otherwise been unable to protect their IP rights, encouraging creativity and stimulating entrepreneurial endeavors. Figure 8 below shows the annual breakdown of applications filed with the USPTO as reported by the regional patent pro bono programs. During the period represented, there were 253 applications per year on average, growing annually at 6% since 2015.

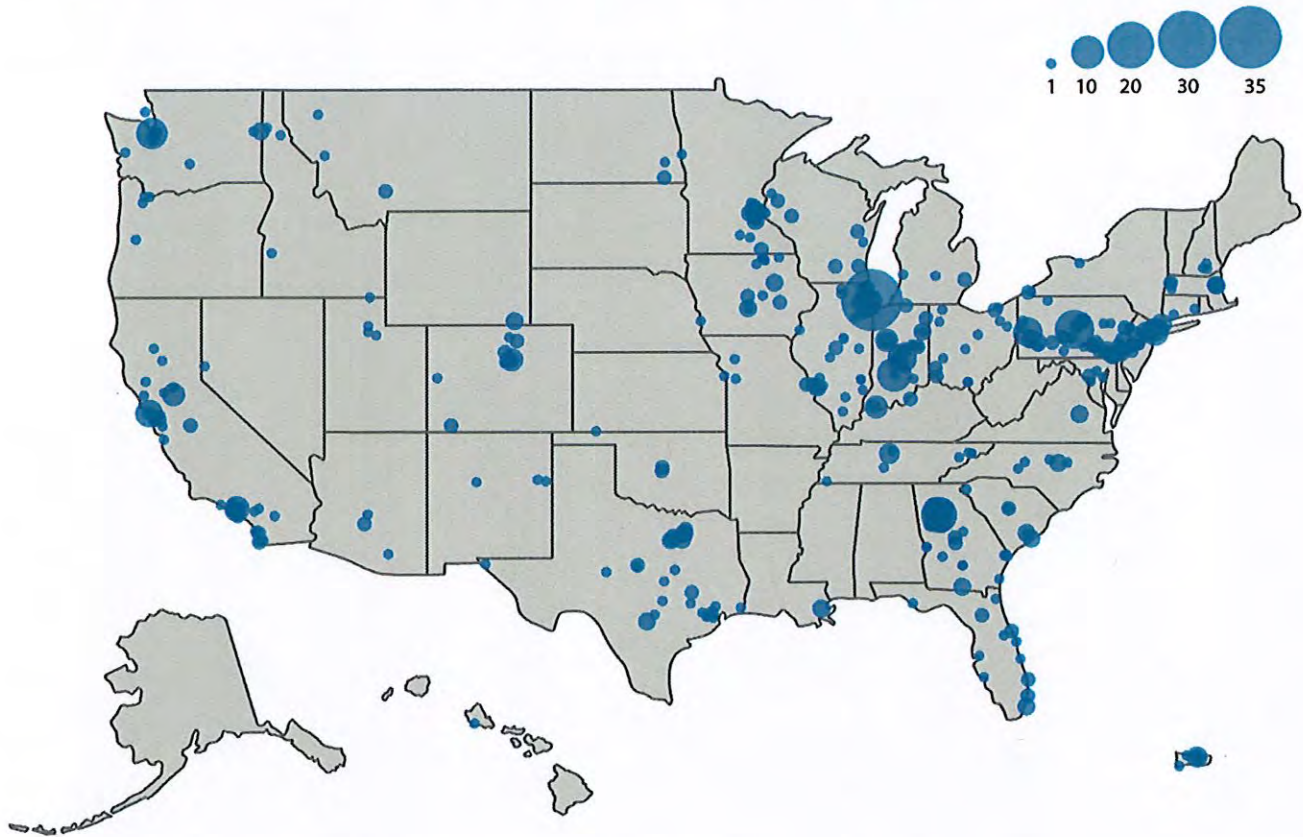
Figure 8. USPTO application filings (provisional, non-provisional, and design), by year, 2015-2022



As mentioned above, the USPTO started collecting patent pro bono application filing information in 2017 using the PTO/AIA/440 form, which allows volunteers to voluntarily certify their representation as pro bono by including it in their patent application filings. The USPTO is then able to search its patent application database for the PTO/AIA/440 form to identify the city and state for the inventor or inventors associated with each application. The 622 unique applications that included the PTO/AIA/440 form were associated with 744 U.S. inventors.⁵⁴ While the 622 unique applications do not represent all the applications filed under the Patent Pro Bono Program, the heat map below provides a location distribution for those patent application filers who included the pro bono certification form in their application.

⁵⁴ The data for the PTO/AIA/440 form for inventor city and state location was collected through June 18, 2023.

Figure 9. Inventors certifying patent pro bono representation, totals from January 2017-May 2023



2.3.2 Demographics of inventor participation

While the number of inventor inquiries, the number of matches, and the location of inventors are indicators of the Program's overall effectiveness, it is also crucial to consider the demographic information submitted by individuals benefiting from the Patent Pro Bono Program. In recognition of the importance of inclusivity, the USPTO started collecting voluntary demographic data from the regional patent pro bono programs in 2021. This expanded data collection enables a more comprehensive understanding of the Program's reach and effectiveness, thereby allowing for the identification of any disparities in participation. With this information, targeted efforts can be undertaken to ensure that individuals from under-represented groups participate.

2.3.2.1 Gender diversity in the patent pro bono programs

Starting in January 2021, regional patent pro bono programs began reporting metrics on applicant demographics.⁵⁵ The information provided below represents self-reported demographic information during the 2021 and 2022 calendar years (Table 1). In some instances, applicants may have chosen not to respond to the regional programs' survey on demographics or may have chosen to respond with "do not specify" to specific questions within a survey. In total, 81% of respondents self-reported their gender over the two years.

Table 1: Gender responses from regional patent pro bono program applicant surveys, 2021-2022

YEAR	MALE	FEMALE	DID NOT SPECIFY
2021	785	549	386
2022	816	611	264
2021-2022 change	4%	11%	-32%

Table 1 shows that the number of applicants who chose to specify their gender increased 7%, from 1,334 in 2021 to 1,427 in 2022. While a majority of those applicants are men, the number of women applicants increased more than the number of men over the two years. Notably, the number of applicants who did not specify their gender decreased substantially.

The Patent Pro Bono Program data show high participation rates by women applicants (Table 1). Of those responding, women applicants accounted for a 41% share in 2021 and a 43% share in 2022. Two touchstones for comparison are the gender balance of the U.S. population and that of the patenting population. U.S. Census data show the population in 2020 included slightly more women; 49.5% identified as "Male" and 50.5% identified as "Female."⁵⁶ USPTO estimates show the inventive population in 2019 included more men; about 13% of all resident inventor-patentees were women.⁵⁷ Thus, for those individuals who elected to indicate their gender as female on their applications for assistance through the regional patent pro bono programs, they were doing so at rates near the population average and three times higher than the U.S. resident inventor-patentee population statistic.

⁵⁵ Some regional patent pro bono programs collected demographic information prior to January 2021, but the USPTO began collecting demographic information from all the regional patent pro bono programs in January 2021.

⁵⁶ See www.census.gov/quickfacts/fact/table/US/SEX255221.

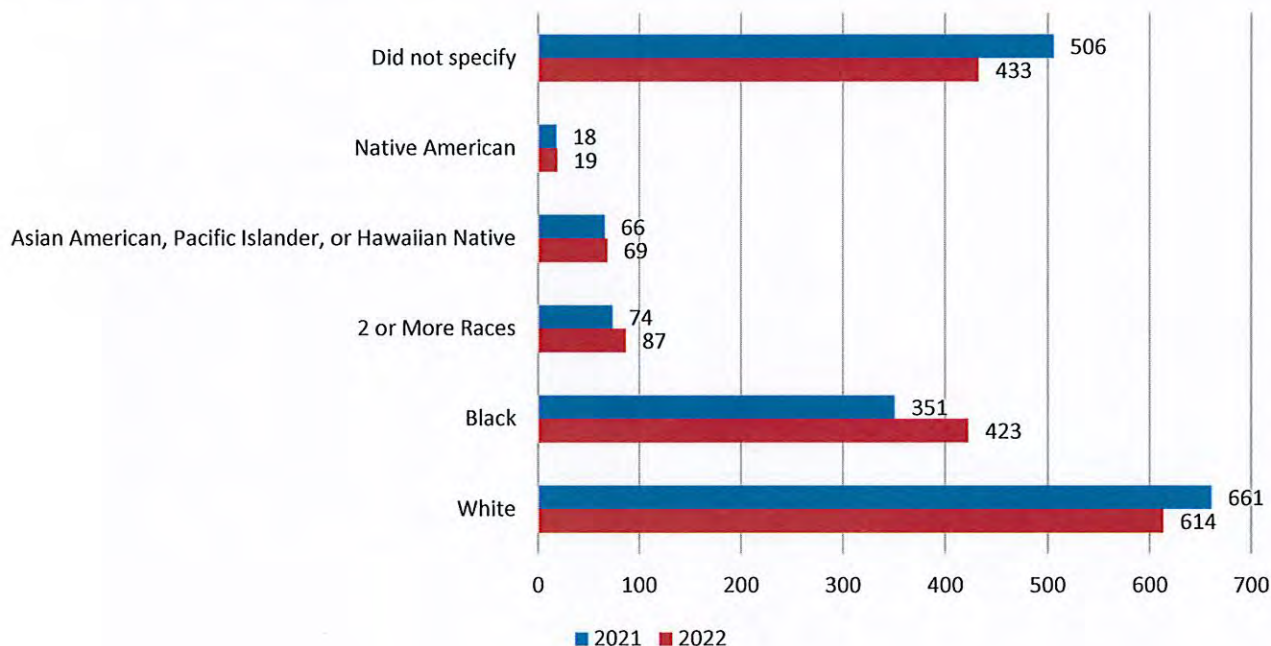
⁵⁷ See USPTO Office of the Chief Economist, "Progress and Potential," www.uspto.gov/sites/default/files/documents/OCE-DH-Progress-Potential-2020.pdf.

2.3.2.2 Racial demographics of patent pro bono program applicants

Figure 10 illustrates the racial demographic responses from the regional patent pro bono program survey. Similar to the gender responses, it shows an increasing share of respondents willing to offer their race to the regional patent pro bono programs in 2022 relative to 2021. In 2021, 506 respondents, or 30% of all respondents, chose not to provide the USPTO their race. In 2022, that share had dropped to 26%.

In addition to more self-reported race responses in 2022, we also see higher applications from all except white applicants, who saw a dip from 661 applications in 2021 to 614 in 2022. As shown in Table 2, the under-represented groups of those who identify as Black; Native American; Asian American, Pacific Islander, or Hawaiian Native; or mixed races are being served by the Patent Pro Bono Program near or above their existing proportions in the U.S. population.⁵⁸

Figure 10. Racial demographic responses to the regional patent pro bono program surveys, 2021-2022



⁵⁸ The percentage of the participation of those who identify as Asian American, Pacific Islander, or Hawaiian Native is slightly below that identified in the 2020 U.S. Census Data.

Table 2: Demographic responses to the regional patent pro bono program surveys relative to U.S. Census Data, 2021-2022

YEAR	BLACK	NATIVE AMERICAN	WHITE	ASIAN AMERICAN, PACIFIC ISLANDER, OR HAWAIIAN NATIVE	2 OR MORE OR "OTHER RACE"
2021	30%	1.5%	56.5%	5.6%	6.3%
2022	35%	1.6%	50.5%	5.7%	7.2%
2020 U.S. Census Data ⁵⁹	13.6%	1.3%	75.5%	6.1%	3.0%

Table 3: Ethnicity responses to the regional patent pro bono program surveys, 2021-2022

YEAR	HISPANIC	NOT HISPANIC	DID NOT SPECIFY	% REPORTED HISPANIC
2021	116	702	573	14.2%
2022	132	828	467	13.8%
2021-2022 change	14%	18%	-18%	

A large percentage of applicants chose not to specify their ethnicity, as represented in Table 3, indicating a high degree of uncertainty in these data. If the data are representative, it would appear to indicate that the Patent Pro Bono Program could provide greater outreach and promotion to Hispanic communities. Three of the regional patent pro bono programs—Mi Casa Resource Center’s ProBoPat in Denver, Colorado; Texas Accountants and Lawyers for the Arts in Austin, Texas; and the Arts and Business Council of Miami’s Patent Pro Bono FL, in Miami, Florida—have large Hispanic communities in their regions. The USPTO is coordinating with the programs to help drive further inclusion of Hispanic innovators.

2.3.2.3 Veteran status of Patent Pro Bono Program applicants

The regional patent pro bono programs allow applicants to indicate whether they are a veteran. Unlike the request for gender, race, and ethnicity information, there is no option for the applicant to “prefer not to specify” their veteran status.

⁵⁹ See www.census.gov/quickfacts/fact/table/US/PST045222, July 1, 2022 (V2022).

Table 4: Veteran status responses to the regional patent pro bono program surveys, 2021-2022

YEAR	APPLICANTS	INDICATED VETERAN STATUS	% INDICATING VETERAN STATUS
2021	1,752	116	6.6%
2022	1,847	145	7.9%
2021-2022 change	5%	25%	

The 7.9% of applicants indicating veteran status in 2022 was above the 5.2% of the total U.S. population who reported being a veteran in the 2020 U.S. Census.⁶⁰

2.3.3 Summary of inventor participation in the Patent Pro Bono Program

The Patent Pro Bono Program serves as a vital mechanism for enhancing access to the patent system for inventors of all backgrounds. By enabling inventors to overcome financial barriers, the Program promotes inclusivity and fosters innovation. The recent collection of demographic information by the USPTO underscores its commitment to equitable access, ensuring that inventors from diverse backgrounds have the necessary resources to protect their IP and contribute to the advancement of society. Through the Patent Pro Bono Program, the USPTO drives progress and encourages inventors to shape the future.

2.4 Increasing inventor awareness (Cong. Qn. Sec. 105 (a)(2)(A)(iv))

To achieve the overall participation numbers above, the USPTO initiated a vigorous promotion campaign to inform the public about the Patent Pro Bono Program. The USPTO held a listening session on June 5, 2023, to solicit feedback regarding whether inventors are aware of the regional patent pro bono programs.⁶¹ Over 100 attendees took part in the listening session, either in person or online. The USPTO also solicited written comments from the public via the Federal eRulemaking Portal.⁶² During the listening session, commenters highlighted the importance of the public promotion of the Program. One written commenter, Kathleen Lynch, expressed her concern that “many entrepreneurs and small business owners who otherwise might qualify for the Program do not know about it.” To further increase awareness, the USPTO is heavily promoting the Patent Pro Bono Program to both inventors and patent practitioners, as it is critical to have an adequate number of volunteers available to be matched.

⁶⁰ See www.census.gov/quickfacts/fact/table/US/PST045222 (The USPTO used the Census’s five-year estimate for the number of veterans, 17,431,290, which is 5.2% of the total population of 333,287,557, the population estimate as of July 1, 2022).

⁶¹ A transcript of the June 5, 2023, inventor listening session is available in Appendix H.

⁶² Comments are available at www.regulations.gov/docket/PTO-C-2023-0009/comments.

2.4.1 Inventor outreach

The USPTO, the USPTO Regional Offices, the PBAC, and the regional patent pro bono programs perform significant outreach to inventors, entrepreneurs, and small businesses.

2.4.1.1 Webpage and plain language

The USPTO is making significant efforts to enhance the visibility of its Patent Pro Bono Program through an updated webpage aimed at improving search engine optimization (SEO). The USPTO is employing various SEO best practices to ensure the Program is more readily discoverable by the public. The webpage's content is being updated with relevant keywords and plain language, enabling search engines and the public to better understand and index the information. Additionally, the USPTO is optimizing the page's structure and metadata, making it more appealing to search engine algorithms. These changes are designed to increase engagement and reduce bounce rates, thereby improving the webpage's search ranking.

Using Google Analytics, the USPTO tracks unique page views for the Patent Pro Bono Program. From October 1-December 31, 2022, Google Analytics indicated 14,064 unique page views of the USPTO Patent Pro Bono Program's landing page.⁶³ After implementation of the changes, for the period from July 1-September 30, 2023, Google Analytics indicated 16,105 unique page views, or an increase of 14%.

By leveraging the power of the internet and adopting these SEO strategies, the USPTO is paving the way for a more accessible and widely known Patent Pro Bono Program, thereby fostering greater innovation and inclusivity in the IP ecosystem.

2.4.1.2 Events/training

The USPTO Patent Pro Bono Program plans and executes Pathways to Inclusive Innovation events for inventors and entrepreneurs. The events are planned quarterly across the country and welcome inventors who are interested in learning more about protecting IP, securing funding, and developing a network. The events heavily promote the free services offered through the regional patent pro bono programs. Pathways events are conducted in coordination with the PBAC and the Small Business Administration.⁶⁴ The USPTO also works with other federal agencies at Pathways events, such as NASA and the Federal Laboratory Consortium, to promote resources they have available for inventors and entrepreneurs.

⁶³ Fourth quarter calendar year 2022 unique webpage data was used as a baseline because the USPTO heavily promoted a Pathways to Inclusive Innovation event that took place on March 9, 2023, and public listening sessions that took place on June 5 and 7, 2023, which increased traffic to the Patent Pro Bono Program webpage during the first and second quarters of calendar year 2023. The fourth quarter calendar year 2022 data represents traffic to the webpage without any additional promotion.

⁶⁴ The first Pathways to Inclusive Innovation event was held in Minneapolis, Minnesota, on March 9, 2023.

To educate inventors and highlight resources like the Patent Pro Bono Program, the USPTO also hosts a variety of stakeholder programs, such as a three-day Stakeholder Training on Examination Practice and Procedure for inventors. In addition, the USPTO hosts Stakeholder Offerings and Resources courses featuring recent training delivered to experienced USPTO examiners. These training events are free and open to the public. Similarly, the USPTO offers a Stakeholder Application Readiness Training workshop that focuses on helping the public learn the fundamentals of the patent application process. Each of these programs provides the public with information on the Patent Pro Bono Program.

The USPTO Regional Offices in Michigan, Texas, Colorado, and California, and the Eastern Regional Outreach Office at headquarters in Virginia heavily promote the Patent Pro Bono Program through their outreach activities targeting financially under-resourced inventors or small business owners who are interested in securing patent rights. Many of the outreach activities involve collaborations with the Small Business Administration (SBA) and SBA's Small Business Development Centers to promote USPTO resources such as the Patent Pro Bono Program. Outreach activities also extend to coordination with SBA's Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs through participation in SBA's annual SBIR/STTR Road Tour, a national outreach effort that connects innovators and entrepreneurs with Federal agency procurement and research program personnel through a multi-day bus tour around the country.

Through collaborations with a variety of organizations focused on certain groups, such as military or Spanish-speaking communities, the Regional Offices' outreach activities and programs directly promote USPTO resources to targeted communities to expand American innovation to all. Audience-tailored presentations to K-12 schools, colleges, and universities, including Historically Black Colleges and Universities, also highlight IP education and related resources through many virtual, hybrid, and in-person events. Furthermore, outreach programs often involve collaborations with local bar associations on pro bono tours and workshops to reach those in underserved and under-represented areas to provide educational sessions on patents, trademarks, copyrights, and trade secrets, along with technology-specific breakout sessions and one-on-one consultations.

2.4.1.3 Welcome letter initiative

As part of our commitment to expanding the innovation ecosystem and providing timely and valuable resources to those beginning their IP journey, the USPTO is now providing official "welcome letters" to applicants to help them more quickly and easily navigate the patent and trademark application processes and to connect them with relevant resources.

The USPTO started issuing welcome letters in 2023. The letters are sent, either electronically or by postal mail, with a filing receipt in newly filed patent and trademark applications. The letters for both patent and trademark applicants highlight free resources, such as the Patent Pro Bono Program.

2.4.1.4 Additional work by the USPTO Director

In addition to the welcome letters, since April 2022 the Director of the USPTO has also engaged the community by seeking out opportunities to speak to inventors and would-be inventors; by launching the Women's Entrepreneurship (WE) initiative with Gina Raimondo, Secretary of Commerce; and by creating a monthly email newsletter for inventors. The Director has also engaged the military community by facilitating Entrepreneurship Essentials programs on military installations in the U.S. and abroad. Through all these initiatives, the Director regularly and consistently highlights pro bono offerings. She also worked with USPTO staff to create a colorful and informative postcard on pro bono services that the USPTO regularly distributes at conferences and USPTO information booths at IP events.

2.4.1.5 Regional patent pro bono programs

The regional patent pro bono programs also conduct inventor outreach. They promote the resource to their local region by advertising via websites, attending local inventor conferences, and hosting "brief advice clinics," where volunteer patent practitioners meet with inventors to provide information on IP and answer questions.

2.4.1.6 Conclusion

The efforts outlined above are paying dividends. In the first quarter of calendar year 2023, there was a 45% year-over-year increase in the number of applicants requesting services, suggesting that the outreach has been effective. In addition, there was a 14% year-over-year increase in patent practitioners agreeing to accept cases.

2.5 Previewing inventor requirements for participation (Cong. Qn. Sec. 105 (a)(2)(A)(iii))

The USPTO raises public awareness about the Patent Pro Bono Program, but interested inventors must take the initiative and apply to the regional patent pro bono programs to obtain free assistance. The regional patent pro bono programs screen applicants to ascertain the readiness of an individual to obtain free patent prosecution assistance. The USPTO studied the impact of these screening requirements for individuals seeking assistance through the regional patent pro bono programs. This section investigates whether any of the participation requirements serve as a deterrent for prospective participants.

2.5.1 Background

Each regional patent pro bono program sets forth specific requirements for participation. The requirements are determined by regional patent pro bono programs in conference with board/steering committee members, taking into consideration community input from external stakeholders. In addition, the USPTO provides guidelines for participation that the regional programs can consider; however, the leaders of the regional programs set the specific requirements for each program.

The USPTO developed guidelines for participation in the Patent Pro Bono Program in consultation with the America Invents Act Pro Bono Task Force (Pro Bono Task Force, a forerunner to the PBAC),

pursuant to section 32 of the AIA.⁶⁵ The Pro Bono Task Force included IP thought leaders in academia, private and corporate practice, and the U.S. Court of Appeals for the Federal Circuit.⁶⁶ The Pro Bono Task Force applied its members' broad experience in the legal profession in the provision of pro bono service, along with the practical experience of having observed the LegalCORPS Minnesota Pilot Program in 2011. LegalCORPS, a nonprofit organization that provides free assistance in non-litigation business law matters to low-income small business owners, small nonprofit organizations, and low-income innovators in Minnesota through the services of volunteer lawyers, expanded its services under the Minnesota Pilot Program to include providing patent pro bono referral services. The Pro Bono Task Force adopted its findings in the best practices handbook, which set forth the rationale for the requirements for participation.⁶⁷ This was done with the understanding that these best practices would later inform the establishment of similar programs around the country.

In general, the regional patent pro bono programs have adopted the following guidelines for participation: (1) the applicant must have a household income of less than three times the federal poverty level,⁶⁸ (2) the applicant must demonstrate knowledge of the patent system through the filing of a provisional patent application or the completion of a training course, and (3) the applicant must be able to describe the invention and how it works.

In addition to meeting financial, knowledge, and invention requirements, many regional patent pro bono programs have expanded these basic requirements to satisfy organizational needs and increase the likelihood of a successful outcome. Some additional requirements for participation set forth by the regional patent pro bono programs include: an administration fee, state residency requirements, a payment method for USPTO fees, a prior art search, a meeting with a program administrator, and a meeting with a patent practitioner to review and approve an invention for placement. The regional patent pro bono programs have found that additional screening helps with program sustainability, compliance with some funding requirements, adherence to the rules of the organization, verification that the inventor has a *bona fide* invention, and facilitation of engagement when matched with a patent practitioner.

⁶⁵ Pub. L. No. 112-29, 125 Stat. 284 (2011), Sec. 32.

(a) IN GENERAL.--The Director shall work with and support intellectual property law associations across the country in the establishment of pro bono programs designed to assist financially under-resourced independent inventors and small businesses.

⁶⁶ As of August 2012, the Pro Bono Task Force members included: James Brookshire, Federal Circuit Bar Association; Jay Erstling, William Mitchell College of Law; Candee Goodman, Lindquist & Vennum; Georgann Grunebach, Fox Group; Harry Gwinnell, Greenblum & Bernstein; James Patterson, Patterson Thuyente IP; Mark Privratsky, Lindquist & Vennum; The Hon. Randall Rader, U.S. Court of Appeals for the Federal Circuit; Kevin Rhodes, 3M Innovative Properties Company; Paul Roberts, Foley & Lardner; Amy Salmela, Patterson Thuyente IP; Warren Tuttle, United Inventors Association; and Laura Zeman-Mullen, Zeman-Mullen & Ford.

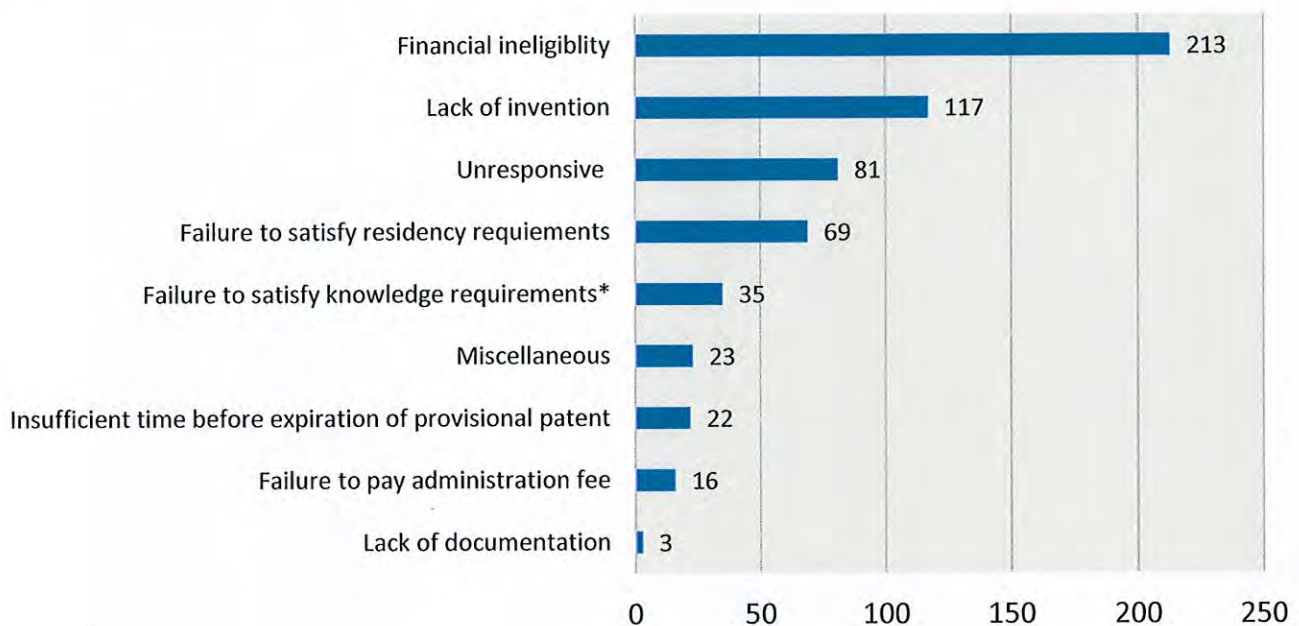
⁶⁷ See Amy M. Salmela and Mark R. Privratsky, *supra* n. 11.

⁶⁸ At the time of this report, only a few regional patent pro bono programs had increased their financial requirements for participation to 400% of the federal poverty level as set forth in the Unleashing American Innovators Act of 2022. The USPTO is currently working with the regional bono programs to increase their financial requirements to the new threshold. Currently, most pro bono service is provided to those whose household income is less than 300% of the federal poverty level.

2.5.2 Requirements that may serve as a deterrent for participation

From the second quarter of calendar year 2015 through the first quarter of 2020, the USPTO captured information on regional patent pro bono program screening operations.⁶⁹ Previously, the regional patent pro bono programs were to list “some reasons for [applicant] disqualification.” This metric did not capture the absolute number of disqualifications, but rather provided the USPTO with an anecdotal overview, for each quarter, of the general factors that the regional patent pro bono programs attributed to applicant disqualification. The graph below provides a consolidated list of the factors identified by the regional patent pro bono programs as having disqualified prospective applicants.

Figure 11. Factors that disqualified applicants, Q2/2015 to Q1/2020



* The USPTO offers a patent training course in both English and Spanish that produces a course completion certificate. The regional patent pro bono programs use the course completion certificate to show the applicant possesses knowledge of the patent system.

The regional patent pro bono programs disqualified 71% of applicants for one of the following reasons: failure to meet income requirements, lack of invention, or unresponsiveness to the regional program. Of those, financial ineligibility was the most important, disqualifying 37% of applicants. The other two, lack of invention and unresponsiveness, are fundamental to participation in the Program. No modification to the screening requirements would change the requirement that an inventor must have a patentable invention and must respond to the administrators’ requests for information to complete the application process.

⁶⁹ The USPTO reduced the number of screening operation metrics collected from the regional patent pro bono programs when the USPTO expanded its data collection to include the demographic information of applicants in 2020. This was done to avoid increasing the collection burden on the regional patent pro bono programs and to refrain from deterring them from their mission of matching under-resourced applicants.

2.5.3 Addressing the main driver restricting participation—financial ineligibility

On December 29, 2022, President Biden signed the Consolidated Appropriations Act, Public Law 117-328, which provided appropriations to federal agencies and established or modified various programs. It included the Unleashing American Innovators Act of 2022 (UAIA or the Act), which, among other things, required the USPTO Director to work with the regional patent pro bono programs to expand income eligibility to “an individual living in a household, the gross household income of which is not more than 400% of the Federal poverty line.” Increasing the financial threshold for participation directly addresses the main factor disqualifying applicants from participation.

After the passage of the Act, the USPTO met with the regional patent pro bono programs at two quarterly administrators’ meetings (January 26, 2023, and April 20, 2023) to discuss increasing their financial threshold for participation to not more than 400% of the federal poverty line. Regional patent pro bono programs indicated that they would attempt to adjust the financial participation requirements but needed time to update client intake infrastructure, websites, and promotion material. In addition, many programs expressed a need to obtain feedback from stakeholders to assess any reservations or difficulties in changing to the new financial threshold.

At the April 20, 2023, meeting, the USPTO took an *ad hoc* survey to ascertain the extent to which the regional patent pro bono programs would be capable of expanding their financial threshold for participation. Of the 14 regional programs that provided a response, eight indicated an ability to expand their income screening threshold up to 400% of the federal poverty line. The other six regional programs could not affirmatively commit to a change at the meeting. One administrator stated that they “would need to learn more from the pro bono attorneys and explore the ramifications” of the change. Another administrator indicated two constraints that could impact their ability to adjust to the new requirements: the regional patent pro bono program’s bandwidth and the ability of volunteers to support more cases. A third administrator indicated that a firm that supports their program generally had a policy for providing pro bono services to those at 187% of the federal poverty line but expanded the requirement for allowable pro bono service to those at 300% of the federal poverty line solely for the patent program. It is unclear whether that firm would be willing to extend the support of its volunteers at the higher threshold.

One regional patent pro bono program, operated through the State Bar of Michigan (SBM), is structurally limited from increasing its threshold beyond 200% of the federal poverty line. The SBM sets forth a Voluntary Pro Bono Standard that encourages all members of the SBM to participate in direct delivery of pro bono legal services by annually providing “representation without charge to a minimum of three low income individuals or 30 hours of pro bono service.”⁷⁰ The SBM further defines “low income individuals” as clients whose income does not exceed 200% of the federal poverty line.⁷¹ Since the SBM defines the required financial threshold for pro bono service, it is unlikely that practitioners in Michigan would volunteer for a service that would not count toward their annual pro bono service aspirational goal. In addition, for the regional patent pro bono program to be

⁷⁰ See State Bar of Michigan, “Voluntary Pro Bono Standard,” www.michbar.org/programs/atj/voluntarystds.

⁷¹ See State Bar of Michigan, “Pro Bono Service in Michigan,” www.michbar.org/alawyerhelps/probonoservi.

administered by SBM staff, clients of the Program must qualify for pro bono legal services as defined by the SBM. Increasing the threshold would effectively prohibit SBM staff from continuing to administer the program.

Similarly, Volunteer Lawyers of Birmingham (VLB), a regional patent pro bono program that covers Alabama and Mississippi, indicated a structural funding limitation in increasing their threshold beyond 200% of the federal poverty line. VLB obtains some of its funding through the Legal Services Corporation (LSC). LSC-funded programs are required to devote 12.5% of their budgets to providing pro bono legal assistance to eligible clients.⁷² This is referred to as the Private Attorney Involvement (PAI) requirement.⁷³ PAI referrals are usually made to volunteer attorneys by a member of the legal services program staff or by an outside subcontracting entity (such as a local bar association). To be eligible for these services, a prospective client must generally have income that is at or below 125% of the official federal poverty guidelines.⁷⁴ Thus, for VLB to receive LSC funds, it must comply with LSC's financial requirements for prospective clients. While the threshold of 200% of the federal poverty income is over the 125% limit set by the LSC, some patent pro bono clients are covered using LSC funds. A further increase in the financial requirements for participation would move VLB's regional patent pro bono program further away from parity with LSC's requirements, perhaps eliminating patent pro bono services from LSC coverage.

Of the eight regional patent pro bono programs that indicated an ability to expand their income screening threshold up to 400% of the federal poverty line, four had done so already: the Penn State Intellectual Property Clinic, California Lawyers for the Arts, LegalCORPS, and the Chicago-Kent Patent Hub. These regional patent pro bono programs have updated their intake forms, websites, and screening practices to enable participation for individuals with household incomes of not more than 400% of the federal poverty line. The USPTO will continue to work with the regional patent pro bono programs on updating their financial screening requirements, where practicable, and to promote to the public those regional patent pro bono programs that have updated their screening requirements to the higher financial threshold.

2.6 Serving prospective and existing participants (Cong. Qn. Sec. 105 (a)(2)(A)(i))

This section focuses on prospective and existing participants in the regional patent pro bono programs, and assesses whether those participants are being sufficiently served by them. Two metrics assess whether prospective participants are sufficiently being served: the number of inquiries to the regional programs and the number of applicants. Three metrics assess whether existing participants are being sufficiently served: the volume of applications processed, approved matches with a volunteer patent practitioner, and patent applications filed on behalf of patent pro bono participants.

⁷² 45 C.F.R. § 1614.2.

⁷³ *Id.*

⁷⁴ 45 C.F.R. § 1611.3(c)(1).

2.6.1 Prospective participants in the patent pro bono programs

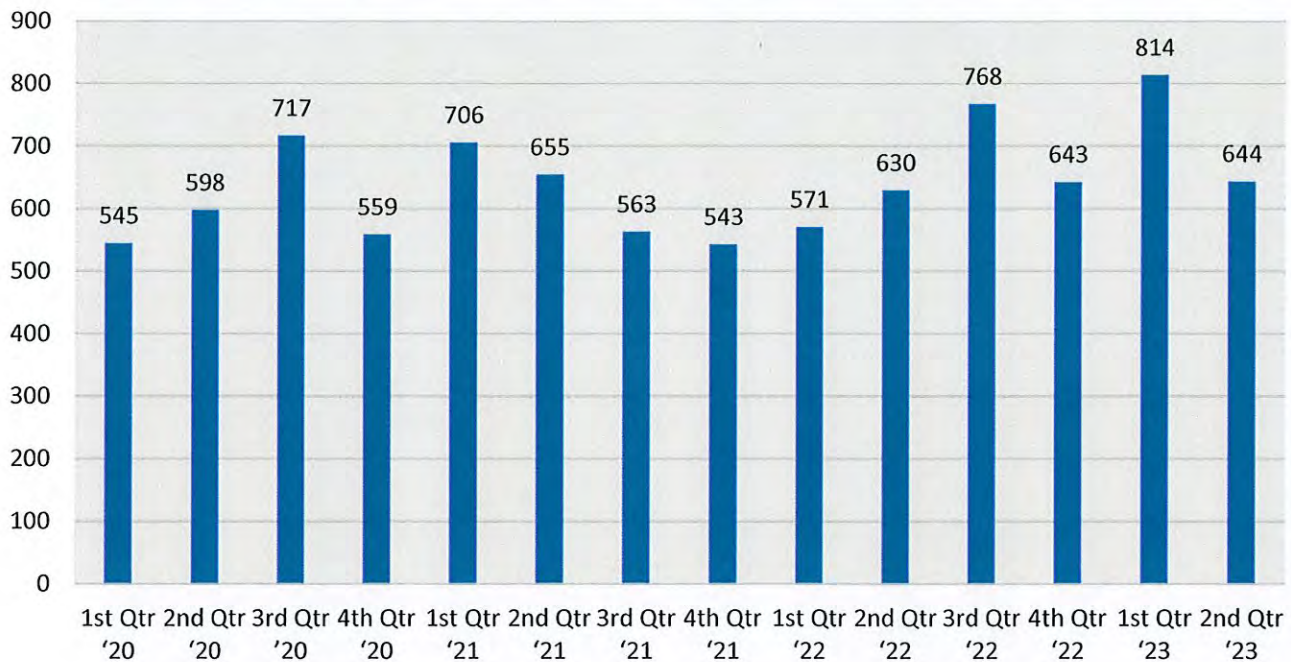
The USPTO defines prospective participants as those individuals who have inquired about the free prosecution services provided by the regional patent pro bono programs.⁷⁵ The USPTO requested that the regional patent pro bono programs capture the number of such inquiries starting in calendar year 2020. The prospective participant data capture inquiries about services via phone, email, fax, letter, or application to the regional programs. The regional programs also capture the number of applications for services submitted on a quarterly basis. Accordingly, the number of inquiries will always be more than the number of applicants.

The extent to which the patent pro bono programs are sufficiently serving prospective participants is determined, in part, by the regional programs' ability to support and respond to inquiries from the public. The figure below includes the number of inquiries to the regional patent pro bono programs by quarter starting in the first quarter of 2020.

From the first calendar quarter of 2020 to the second quarter of 2023, there was an average of 640 inquiries from prospective participants each quarter (Figure 12). The number of inquiries grew by an average of 1.3% each quarter, rising from 545 in the first period to 644 in the last. The regional patent pro bono programs have not indicated any difficulty handling this gradual increase in demand.

⁷⁵ Not all prospective participants who request information about the Program apply for assistance. For example, some prospective participants may, upon learning of the financial requirements for participation, decide that they would not qualify for assistance and therefore do not apply. Others, upon learning that they will be responsible for USPTO application fees, may decide not to pursue filing an application due to financial constraints.

Figure 12. Prospective participant inquiries, by calendar year quarter, Q1/2020-Q2/2023

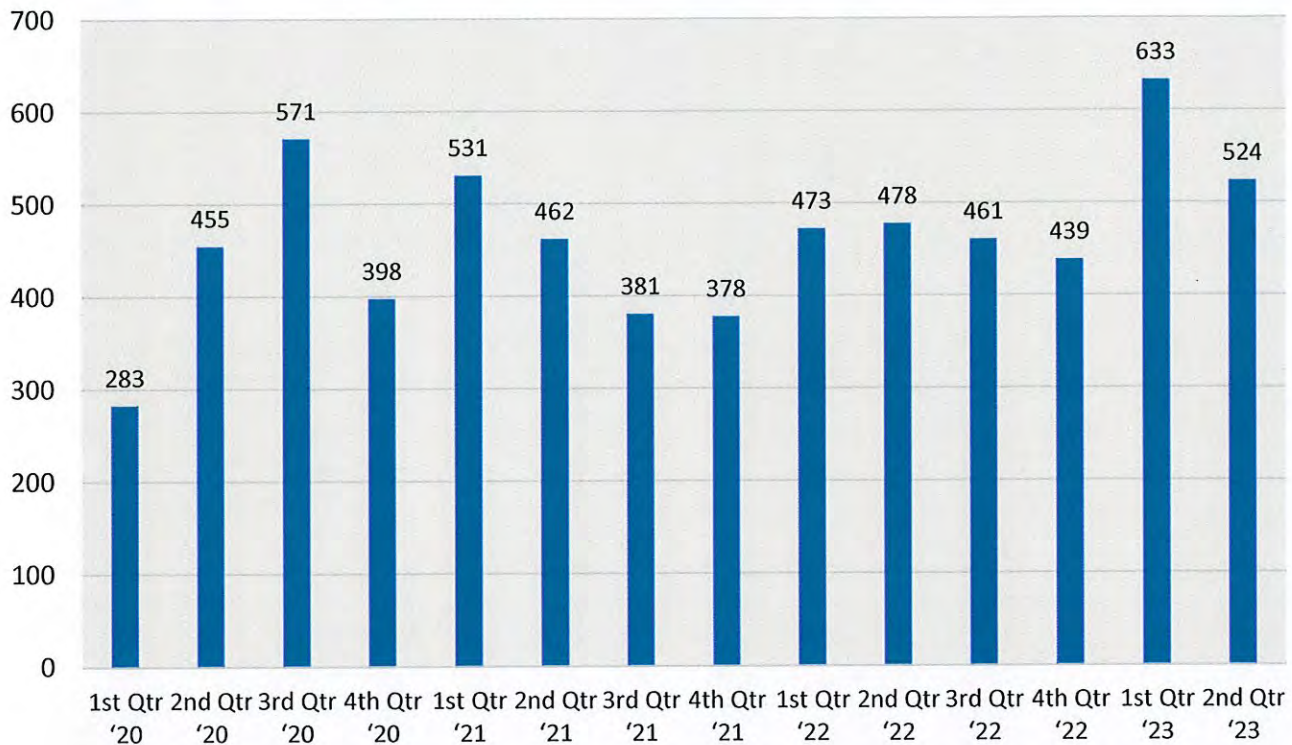


The inquiries to the regional patent pro bono programs may ultimately lead to individuals applying for assistance. Figure 13 illustrates the number of individuals applying for assistance through the regional patent pro bono programs by quarter, starting with the first quarter of calendar year 2020 and ending with the second quarter of calendar year 2023. On average, over that period there were 462 applicants per quarter, rising by nearly 5% per quarter from 283 in the first period to 524 in the last.

The data indicate that there are between 1-2 inquiries about the Program for each individual application. This relationship has improved since the start of the sample period, falling quickly from nearly 2 inquiries for each application in the first quarter of 2020, and settling along an average of 1.4 inquiries per application to the regional patent pro bono programs. This decrease may be due, in part, to efforts by the regional patent pro bono programs and the USPTO to promote awareness of the Program and its participation requirements.

Importantly, the USPTO took the proactive step of increasing the budget for the Program from \$680,000 in FY 2023 to approximately \$1.2 million in FY 2024. This additional funding will help the regional patent pro bono programs increase their operational efficiency to handle the increase in inquiries and applicants.

Figure 13. Applicants to the regional patent pro bono programs, by calendar year quarter, Q1/2020-Q2/2023



The improvement in the number of inquiries per application and the steep boost in funding for the Program indicate a strong commitment by the USPTO to aid the regional patent pro bono programs in serving prospective participants in the Patent Pro Bono Program.

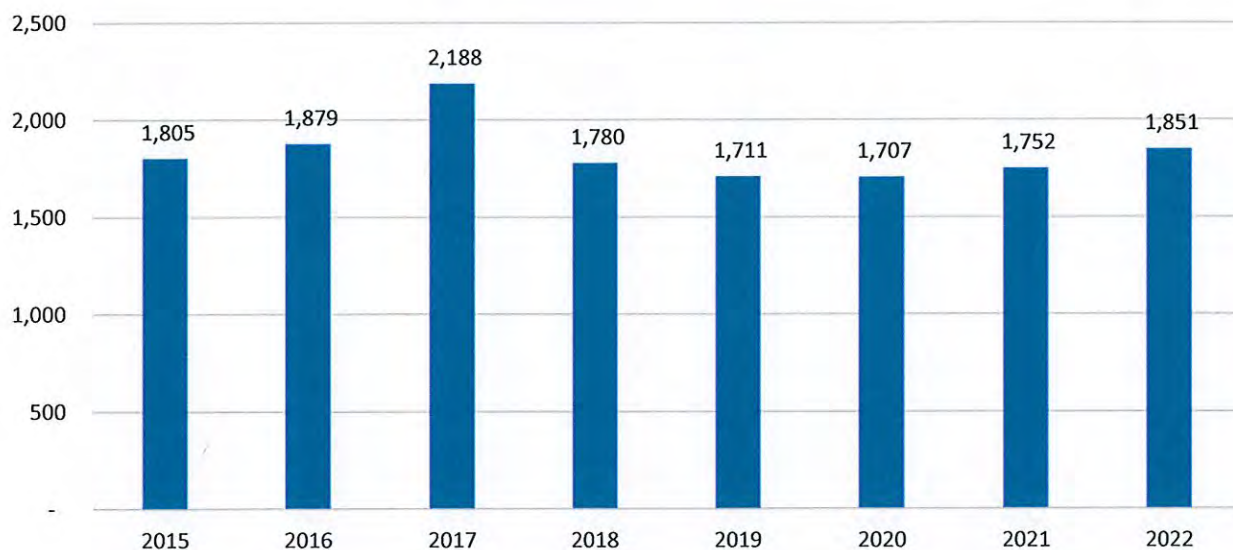
2.6.2 Existing participants in the patent pro bono programs

The USPTO defines existing participants as those individuals who applied for free patent services through one of the regional patent pro bono programs.

The primary way the regional patent pro bono programs are serving existing participants is evidenced by the high volume of applications processed by the programs.

The regional patent pro bono programs maintain statistics on the number of individuals who complete online applications for free patent prosecution services. The regional patent pro bono programs screen the online applications to determine whether the applicants meet the participation requirements. In 2015, the USPTO began capturing the number of applications for assistance filed through the regional patent pro bono programs. Through calendar year 2022, the public used these programs to file 14,673 applications, or 1,834 per year (Figure 14). Note that this figure includes annualized numbers from Figure 13 to present the longest time-series trend available.

Figure 14. Applications for assistance filed through the regional patent pro bono programs, by year, 2015-2022

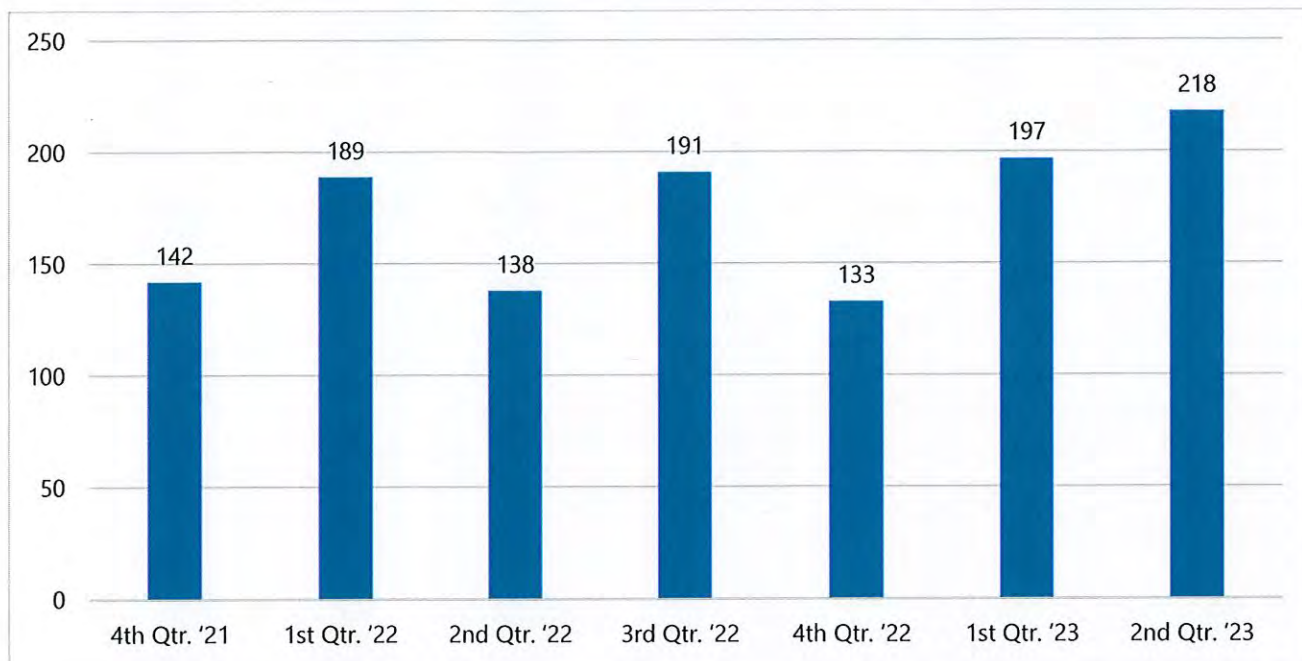


The regional patent pro bono programs have not expressed any concerns in handling this volume of applications. To reduce the burden on their administrative resources, many regional patent pro bono programs require that applications be submitted via an online web form. Most of these programs have structured their web forms to require applicants to supply all the necessary information in order to complete and submit the form, thereby improving the efficiency of the programs' administrative processes.

As described in section 2.5 of this report, "Previewing inventor requirements for participation," the regional patent pro bono programs screen applicants against their requirements for participation to facilitate a match with a patent practitioner. The regional patent pro bono programs have found that rigorous screening helps ensure that the inventors being referred for a match have a *bona fide* invention.

Due to the participation requirements of the regional patent pro bono programs, approximately 36% of applicants are approved for placement. Figure 15 presents the number of applicants approved for placement by calendar-year quarter. Note that prior to the fourth quarter of calendar year 2021, the USPTO did not collect these data.

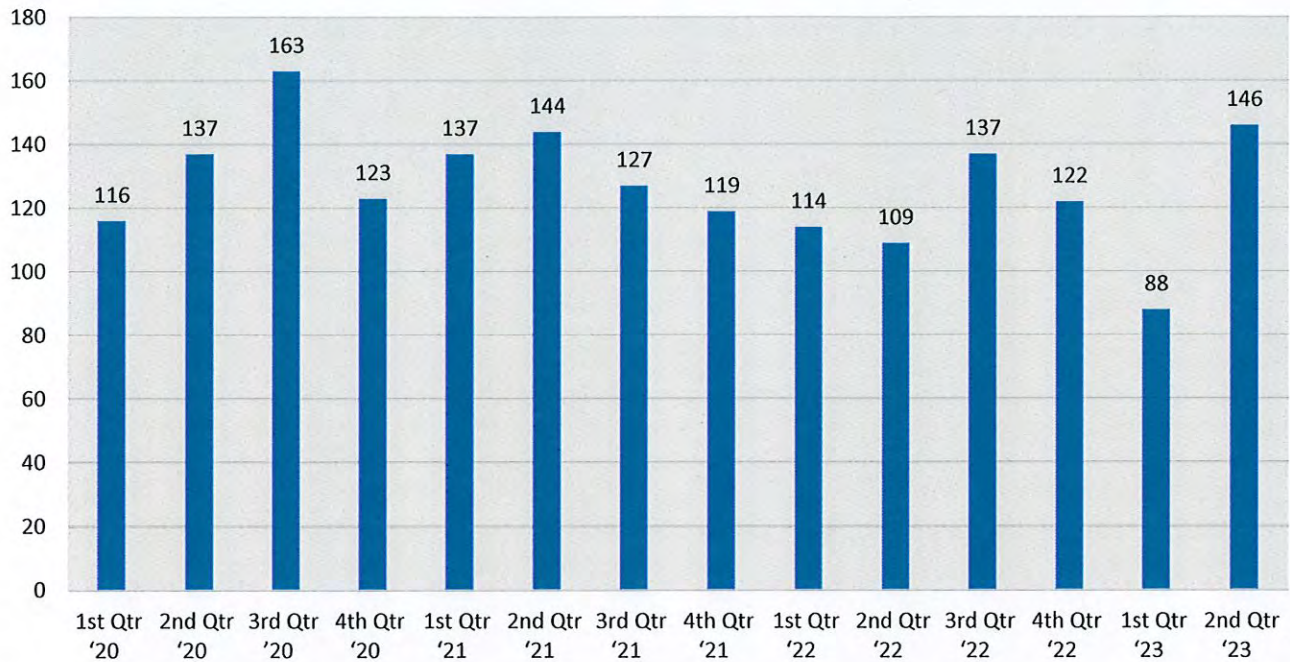
Figure 15. Patent pro bono applicants approved for placement, Q4/2021-Q2/2023



The second way regional patent pro bono programs are sufficiently serving existing applicants is by matching approved applicants with pro bono attorneys. Figure 16 shows the number of matches made by the regional patent pro bono programs between volunteer patent practitioners and qualified pro bono applicants per quarter, starting in 2020. In the seven calendar-year quarters for which data on the number of qualified applicants and the number of matches were collected, we found that roughly 7 in 10 qualified applicants were successfully paired with volunteer patent practitioners.

The USPTO supports the regional patent pro bono programs by encouraging volunteers so more are available for a match. However, the regional programs have indicated various factors that prevent approved applicants from being matched. Those factors include an inability of the inventor to pay filing fees, failure to contact the volunteer practitioner, a perceived lack of marketability of the invention, a lack of volunteer availability, volunteer disqualification due to a conflict of interest, and a lack of volunteers with appropriate technical backgrounds.

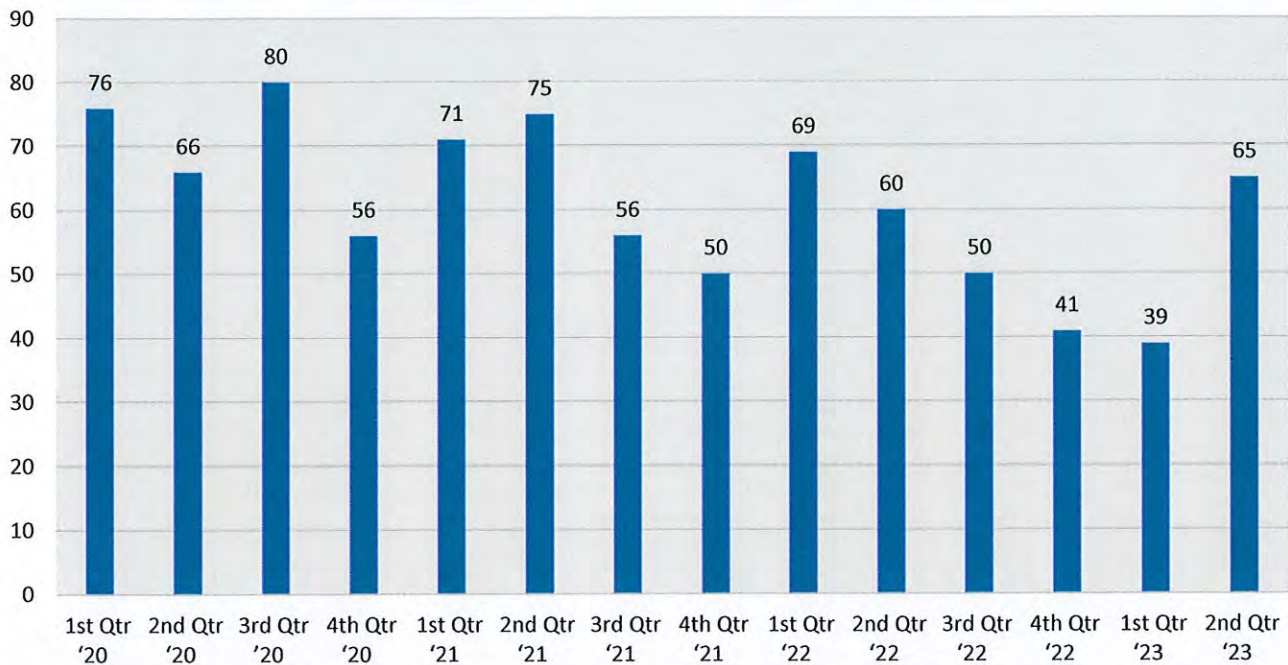
Figure 16. Approved applicant matches with volunteer patent practitioners, Q1/2020-Q2/2023



The third way regional patent pro bono programs sufficiently serve existing applicants is by supporting volunteer patent practitioners in filing patent applications on behalf of approved participants. From October 2017-June 2023, the regional patent pro bono programs reported more than 1,460 patent application filings on behalf of program participants.

Figure 17 illustrates quarterly filing data from the first calendar-year quarter of 2020 to the second calendar-year quarter of 2023. These data show that, on average, nearly 50% of matched applicants file a patent application.

Figure 17. USPTO patent application filings from pro bono program matches, Q1/2020-Q2/2023



Importantly, the number of patent application filings identified by the regional patent pro bono programs may not accurately reflect the current number of patent applications filed by their applicants.

It is well recognized that legal aid organizations have little infrastructure or capacity for tracking data and are better at tracking “outputs” than downstream outcomes.⁷⁶ This difficulty manifests itself in the regional patent pro bono programs. Regional programs are able to accurately determine “outputs” for which they are responsible: the number of inquiries and applications to the program, the number of applications approved for placement, and the number of matches with patent practitioners. But downstream information is difficult for the administrators to collect; for example, patent applications may be filed months after the match. Furthermore, the patent application may take years to be granted.⁷⁷ Adding to this difficulty in collecting downstream outcomes from volunteer practitioners is the fact that many practitioners change law firms.⁷⁸ The result is that regional patent pro bono programs often are not equipped to capture these “outcomes” that occur long after the match.

⁷⁶ National Center for Access to Justice, “Tracking Outcomes: A Guide for Civil Legal Aid Providers & Funders,” June 20, 2018, <https://ncaj.org/sites/default/files/2021-02/NCAJ-Outcomes-Guide-complete-for-6-20-18.pdf>.

⁷⁷ Traditional total pendency including requests for continued examination is 28.2 months as of September 2023. See www.uspto.gov/dashboard/patents/pendency.html.

⁷⁸ Jessica Blaemire, “Analysis: Are Lawyers Jumping Ship? Or Sailing to Other Firms?” Bloomberg Law, July 26, 2022, <https://news.bloomberglaw.com/bloomberg-law-analysis/analysis-are-lawyers-jumping-ship-or-sailing-to-other-firms>. Law firm attorneys

To address the issue of downstream data collection, the USPTO started collecting patent pro bono application filing information at the USPTO by creating a voluntary form, PTO/AIA/440,⁷⁹ which allows volunteers to voluntarily certify their representation as pro bono by including the form in their patent application filings. The USPTO can then search its patent application database and collect application filing and patent issuance information without burdening the regional patent pro bono programs. The USPTO introduced this form in October 2017. Since then, the form was included in 603 patent applications through December 31, 2022. During that same time frame, the regional patent pro bono programs reported more than 1,360 patent application filings with the USPTO.

The disparity between application filing information obtained from the PTO/AIA/440 form and that reported by the regional patent pro bono programs may be due, in part, to a lack of familiarity with the form. For example, during the fourth quarter of 2017, when the USPTO first introduced the pro bono certification form, only 19 of the forms were included with patent applications. Over that same time frame, the regional patent pro bono programs reported 70 patent applications filed. As time progressed and the regional patent pro bono programs continued to promote the use of the form, adoption increased. For the 4th quarter 2022, there were 35 applications that included the pro bono certification form, while the regional patent pro bono programs reported 41 patent applications filed with the USPTO.

The form has not been universally included in patent applications for a variety of reasons. Most importantly, it is a *voluntary* certification. The form expressly states “the undersigned attorney hereby *voluntarily* certifies the following . . . ” The voluntary nature of the certification enabled the USPTO to launch the form without formal rulemaking or without it falling under the requirements of the Paperwork Reduction Act.⁸⁰ Another consideration is that since volunteer practitioners are encouraged to treat pro bono applicants the same as paying clients, it is not surprising that those same volunteers decide not to include a voluntary certification that is not required for their paying clients. Some volunteers have expressly refused to use the form, indicating that its inclusion could potentially impact a client’s ability to later obtain funding or defend against potential infringers. Volunteers have indicated that the form, which is publicly available in the application’s image file wrapper, is essentially disclosing an applicant’s lack of resources due to the requirements for participation in the Program. To address this concern, the USPTO is investigating changing the visibility of the form so that it is not available to the public.

responded that, on average, 5.7 attorneys whom they personally knew had departed, and that 4.1 attorneys from their specific practice group had departed.

⁷⁹ www.uspto.gov/sites/default/files/documents/aia0440.pdf.

⁸⁰ A voluntary certification is outside the scope of the Paperwork Reduction Act.

2.6.3 Summary findings of service to prospective and existing participants

From the first quarter of 2020 to the second quarter of 2023, the regional patent pro bono programs received, on average each calendar-year quarter, 462 applications for their services. Using a somewhat shorter period (seven calendar-year quarters of data) to approximate the first quarter 2020-second quarter 2023 period, we found roughly 36% of applicants are approved for services. Applying this share of applicants approved to the entire sample period, we found an average of 165 applications approved for services.⁸¹ Of those 165, 127 applicants to the regional patent pro bono program advanced from an initial application to working with pro bono counsel. Those 127 pro bono practitioner-inventor collaborations per quarter resulted in an average of 61 applications for a patent to the USPTO. Thus, a little more than one-third of all applications approved by the regional patent pro bono programs for services resulted in a USPTO patent application each quarter of calendar year 2020-2022.

3. Enhancing opportunities for the regional patent pro bono programs

The data show that the Patent Pro Bono Program is helping increase access to the patent system, especially for historically underserved communities. The demographic data show an improvement in the engagement of groups that have traditionally had difficulty accessing the patent system, including a measurable jump in the past year. Addressing this untapped resource of inventors by providing access to typically underserved communities means that the Program is helping drive U.S. innovation and stimulating economic growth. It is important for the USPTO to continue the trend of ensuring that inventors from all backgrounds have an equitable chance to protect their IP and contribute to innovation.

While the USPTO initiates the establishment of the regional patent pro bono programs, to make the most impactful change, stakeholders' energy and resources should be directed toward the regional patent pro bono programs to ensure their ability to provide patent pro bono referral services. Improving their ability to promote the Program, screen applicants, recruit volunteers, place qualified applicants, and track outcomes will enhance the overall reach of the Program. At the June 7, 2023, listening session, Jim Patterson of the PBAC framed the issue succinctly, saying, "I think . . . a lot of the focus needs to be right where it's happening [the regional patent pro bono programs]. That comes down to funding. You need to have an administrator. The administrator needs to have a staff. Hubs need to have an advertising budget. They need to have an outreach budget." Without sufficient financial resources, the regional patent pro bono programs are limited in the amount of patent pro bono referral service operations they are able to provide.

⁸¹ The Q1 FY 2020-Q2 FY 2023 average number of applicants is 462, but the Q4 FY 2021-Q2 FY 2023 average is 484; thus, 36% of 484 is 173.

3.1 Funding of the regional patent pro bono programs (Cong. Qn. Sec. 105 (a)(2)(A)(ii))

In February 2014, the White House issued an executive action to “help expand the existing America Invents Act Pro Bono Program to cover all 50 states.”⁸² To achieve this goal and help encourage IP organizations to establish these programs across the United States, the USPTO worked collaboratively with IP organizations and shared the cost of administration efforts. By reducing a major impediment to participation—the cost of running a referral service—the USPTO attained nationwide patent pro bono coverage in the summer of 2015.

The USPTO uses the Department of Commerce’s JPA to cost-share the administrative efforts of the regional patent pro bono programs.⁸³ The JPA allows for equitable cost sharing with IP organizations for activities of mutual interest, does not require a formal acquisition via the USPTO’s Office of Procurement, and can easily be terminated, if needed. The flexibility of the JPA allows the USPTO to quickly engage and work with an IP organization interested in hosting a regional patent pro bono program.

The USPTO shares the cost of administration efforts for most of the regional patent pro bono programs. JPA agreements are in place with 16 of the 20 regional patent pro bono programs. Four of the patent pro bono programs do not share administrative costs with the USPTO because they are funded through other means.⁸⁴ For the regional programs with which the USPTO has entered into JPA agreements, the USPTO contribution to the costs varies annually for each program, ranging from approximately \$23,000-\$119,000. Different types of organizations have different compensation and overhead and locality factors, resulting in varying funding allocations across the programs.

The regional patent pro bono programs encounter a variety of costs in administering the programs. Such costs may include support for an administrator, advertising/marketing, rent, equipment, and travel. In 2011, the Minnesota Pilot Program estimated an anticipated annual expense budget for program administration of \$55,000. Adjusted for inflation, that expense budget has increased to \$75,383 today.⁸⁵ Depending on the size and location of the program, budgets may be noticeably larger. For example, Volunteer Lawyers for the Arts in New York, a regional patent pro bono program that covers New York, New Jersey, and Connecticut, had a 2022-2023 annual budget of \$302,302, of which the USPTO contributes only 39%, or \$119,000. The high cost of office space, salaries, and overhead greatly increases the total cost to administer the program in that region.

⁸² White House, “Answering the President’s Call to Strengthen Our Patent System and Foster Innovation.”

⁸³ See 15 U.S.C. 1525. The Department of Commerce’s JPA provides that the Department may enter into joint projects with nonprofit, research, or public organizations on matters of mutual interest, the cost of which is equitably apportioned.

⁸⁴ For example, the Michigan Pro Bono Patent Project is run through the State Bar of Michigan and is supported exclusively through dues charged to members of the Michigan State Bar.

⁸⁵ See U.S. Bureau of Labor Statistics, “CPI Inflation Calculator,” www.bls.gov/data/inflation_calculator.htm (calculating the inflation increase from January 2011 to March 2023).

In 2017, the USPTO's Office of Finance conducted an internal review of the Patent Pro Bono Program.⁸⁶ The Office of Finance determined that a majority of the regional patent pro bono programs were operating efficiently and had the necessary funding to provide high-quality service to participants. The review was based, in part, on a survey of 10 regional patent pro bono programs: three high-volume programs, three medium-volume programs, three low-volume programs, and one self-sustaining program. In addition, the Office of Finance looked at funding data for each of the regional programs. In general, the review determined that the regional patent pro bono programs were satisfied with the level of support provided by the USPTO Patent Pro Bono Program.

While the regional patent pro bono programs generally had the necessary funding to serve existing and prospective participants, a significant majority of the programs relied on the USPTO to pay for some of the costs of administering their program. One survey participant emphasized that "[i]t is unlikely that our organization can sustain this program on a long-term basis without continued financial and administrative support from the USPTO." Another participant expressed concern that cuts to USPTO funding could undermine support for the program.

In 2019, as part of its requirements under the joint project agreements, the USPTO included the requirement that the regional patent pro bono programs provide "sustainability plans" to illustrate how they intended to fund their equitable cost-share.⁸⁷ The sustainability plans showed that while the regional patent pro bono programs were sufficiently funded, they spent a significant amount of their time fundraising to meet their equitable cost-share obligation. One program indicated that it was unable to find enough contributions from its sponsors, so it would "heavily rely on general operating funds" to cover the shortfall. The expenditure of time on fundraising takes resources directly away from patent pro bono administration services for under-resourced inventors and small businesses. In addition, limitations on a program's ability to fundraise also restrict its ability to grow.

When Director Kathi Vidal joined the USPTO in 2022, the agency held an early meeting with the PBAC to assess ways in which the pro bono offerings could be expanded. Based on feedback from that meeting, the USPTO took the proactive step of increasing the FY 2023 budget for the Program from \$680,000 to approximately \$1.2 million. The funding that has been allocated from the \$1.2 million was premised not only on fund matching but also on the individual organizations presenting a concrete plan on how the money would be used to enhance access to the patent system. The additional funding has helped and will continue to help the regional patent pro bono programs support prospective participants. With equitable cost sharing at current levels, the regional patent pro bono programs have the necessary funding to provide high-quality service to prospective participants. And though in past years there has been turnover in the regional programs providing patent pro bono assistance due to factors including the financial instability of some partner organizations, the additional funding and support stopped the turnover of regional programs in calendar year 2023. At the time of this study, the regional patent pro bono programs had not indicated to the USPTO any difficulty in supporting prospective and existing participants at current levels.

⁸⁶ The Patent Pro Bono Program Review is provided in Appendix I. Appendices to this report are available upon request.

⁸⁷ The regional patent pro bono programs' 2019 sustainability plans are available upon request.

As mentioned, there are limitations with equitable cost-sharing through the JPA.⁸⁸ A regional patent pro bono program might not be able to match an increase in funding via a JPA agreement. Thus, to some extent, the growth of the Program is limited by the regional patent pro bono programs' ability to raise sufficient funds to match the USPTO's contributions. Therefore, the flexibility the JPA allows for easily partnering with IP organizations is countered somewhat by the limitation of requiring equitable cost-sharing.

3.2 Alternative approaches for funding the regional patent pro bono programs

Given the known limitations of the JPA, the USPTO is considering several options for a structure that is better able to support the regional patent pro bono programs.

3.2.1 Working within the JPA

One option is to maintain the current JPA approach, but to use a provision in the JPA statute that allows the Department of Commerce to "waive payment of any portion of [joint project] costs by others, when authorized to do so under regulations approved by the Office of Management and Budget."⁸⁹ It may be possible that this provision could be used to allow an increase in the USPTO's contributions to the regional patent pro bono programs, with a "waiver" of the increased contributions by the nonprofit partners that would otherwise be required to maintain an equitable apportionment of costs between the parties. Exploration of this possibility would require coordination with the Department of Commerce. Because the JPA is not intended to be used primarily for the purpose of transferring funds from an agency to a partner organization, it is unlikely that this approach will lead to a dramatic increase in the amount of funds that the USPTO can provide to support the regional patent pro bono programs.

3.2.2 Other Transaction Authority

Another option is to seek Other Transaction (OT) Authority from Congress. OT Authority permits agencies to enter into Other Transaction Agreements (OTA). An OTA is a unique legal instrument, different from a contract, grant, or cooperative agreement.

OTAs offer tremendous flexibility. An OTA is generally not subject to the Federal Acquisition Regulation (unless otherwise specified by Congress or in the OTA's terms and conditions), nor are OTAs covered by requirements enumerated in grant statutes or regulations. OTAs, nevertheless, are subject to the limits and legislative mandates included in the congressional grant of OT Authority to an agency, as well as any internal guidance, policy, or direction promulgated by the agency. Agencies generally establish internal policies and guidance to ensure that abuses will not occur when invoking OT Authority. Approval of OTAs usually must be obtained from fairly high levels within an agency, as a protection from possible abuses of the authority that could result in congressional revocation.

⁸⁸ The USPTO considered using conventional procurement vehicles and competitively bid the patent pro bono administration to the public, but determined that the effort to advertise and competitively bid procurements or to make sole source justifications for the regional patent pro bono programs made it difficult to use procurement contracts to fund the programs.

⁸⁹ 15 U.S.C. 1525.

Congressional grants of OT Authority vary between agencies, with some agencies receiving wide swaths of latitude and flexibility regarding the underlying subject matter of OTAs, as well as their terms and conditions. Other agencies have been granted only very narrow authority to enter into OTAs, and then only for very specific activities. The degree of latitude that Congress provides agencies depends on a variety of factors, including Congress's desire for legislative oversight, the amount of money involved (some grants of OT Authority contain dollar or percentage limits), and the subject matter. A grant of OT Authority may also be used more broadly across the agency's efforts and initiatives and might be useful to the agency in other contexts.

3.2.3 Conclusion

The USPTO is constrained in its ability to provide additional financial resources to regional patent pro bono programs using the current JPA funding approach. The JPA requires the contributions by the joint project partners to be "equitable," which means that increases in USPTO contributions must generally be met with increases in our non-profit partners' contributions. Because many of our partners do not have additional resources available, USPTO is limited in its ability to provide additional funding. Additional flexibility can be found within the JPA structure, or by seeking OT Authority from Congress. Such authority would provide the USPTO with much more flexibility in funding regional patent pro bono programs. Additionally, depending on the scope of any OT Authority the agency receives, it may also be useful in achieving other agency goals.

4. Potential Options for Improved Stability and Flexibility

Because the Patent Pro Bono Program depends on the financial stability of its regional partners, the program could provide greater stability and better ensure continuity if USPTO had the authority and flexibility to support regional patent pro bono programs and preserve and expand access to the patent system for those who need it most. To this end, USPTO considers working within a special provision of the Joint Project Authority (JPA) and seeking legislation for Other Transaction Authority . OT Authority, in particular, could be used as a tool to reach the Federal marketplace to increase access to non-traditional entities and underserved communities. This funding mechanism could allow the USPTO the ability to strengthen funding of administrative, business development, and outreach services provided by regional patent pro bono programs and alleviate the financial burden that often leads to their withdrawal. This authority could also be used to support, expand, and establish other agency programs that seek to sustain and expand access to the innovation ecosystem.

Since 2015, the USPTO has worked diligently to maintain nationwide patent pro bono coverage. Despite these efforts, we have seen a significant turnover in the regional patent pro bono programs that support the Program.⁹⁰ This ongoing turnover jeopardizes the availability of these services to the public. While various factors contribute to this, a major factor is the financial strain imposed on the host pro bono organizations responsible for administering the program.

⁹⁰ On average, the USPTO sees a 10%-20% annual turnover in the organizations that support the Patent Pro Bono Program. The USPTO has maintained nationwide coverage by having other existing regional patent pro bono programs cover the vacancies or by finding alternative replacement organizations.

Under the current funding approach that uses the Department of Commerce's JPA, the regional patent pro bono programs bear a significant financial burden for administering the program. The JPA requires contributions to be "equitable," meaning that each regional program must cover a proportionate share of its administration service costs. In certain instances, this equitable contribution becomes unsustainable, leading to the withdrawal of regional programs from providing patent prosecution referral services. These occurrences and uncertainties threaten the continuity of the Patent Pro Bono Program, potentially depriving underserved inventors of access to this valuable resource.

Providing the USPTO with OT Authority would help alleviate this financial burden and ensure the continued availability of this vital program.⁹¹ Specifically, OT Authority would provide the USPTO with the flexibility to allocate its resources more effectively to support regional patent pro bono programs. It would allow the USPTO to fully fund the administrative services provided by these programs without the requirement that an equitable share of those costs be covered by the regional programs, thereby alleviating the financial burden that often leads to their withdrawal. The USPTO would also be better equipped to adapt to the unique circumstances and financial challenges faced by each of the regional programs and to potentially expand the Program to more regions, since the USPTO could help mitigate the financial burden that the regional patent pro bono programs face.

The Patent Pro Bono Program is a vital initiative that provides access to the patent system for individuals and entities that are unable to afford the services of a patent practitioner. It has been instrumental in democratizing access to the patent system and has played a pivotal role in ensuring that historically underserved groups and under-represented inventors have the opportunity to protect their IP. The Program not only serves as a source of optimism for under-resourced inventors, but also contributes to the inclusive innovation ecosystem our nation strives to foster. It is a testament to our commitment to equitable participation in innovation.

The USPTO will consider formal submission of a legislative proposal for OT Authority to continue the tradition of innovation and invention, promoting equity and providing opportunities to underserved inventors who have the potential to shape the future.

⁹¹ As with other federal agencies, OT Authority will allow the USPTO to work more effectively with our private sector partners, such as the regional patent pro bono programs, in sharing the financial costs of providing pro bono patent prosecution services. For instance, NASA has successfully utilized OT Authority for years, enabling the agency to establish effective partnerships with private sector organizations through sharing financial costs, which has been instrumental in helping the agency achieve its goals and advancing its mission.

