October 22, 2012

Via Electronic Mail
TMFRNotices@uspto.gov

Attention: Cynthia C. Lynch
Commissioner for Trademarks


IBM thanks the United States Patent and Trademark Office (“Office”) for the opportunity to provide input and comments in response to the Notice of Inquiry Regarding Adjustment of Fees for Trademark Applications.

Our input and comments are directed to the TEAS and TEAS Plus systems generally as well as to the aspect of the proposed fee restructuring seemingly designed to encourage use of the electronic systems over paper filing.

IBM has found the TEAS system to be user friendly and easy to navigate, even for first time trademark attorneys. As a result, except for Madrid applications, IBM utilizes the TEAS system for its US trademark filings. This is an excellent tool, and IBM supports the concept of motivating use of the TEAS system by setting a higher fee for paper filing given the added administrative burden that it causes. Notwithstanding the high caliber of the current tool, IBM also appreciates the Office’s willingness to consider continued improvement of the trademark application filing system.

 Despite the fee savings it would realize, IBM rarely files trademark applications through the TEAS Plus system. Currently, the TEAS Plus system only permits applicants to subscribe to predefined class descriptions for goods and services without the flexibility to add clarifying wording to the descriptions in some or all classes in which an application is being filed. This is problematic. Although IBM’s business is generally categorized as “information technology,” its products and services cover a wide array of technologies and trade channels, which IBM differentiates in its trademark applications directed to different product families and service offerings. Also, IBM’s trademark applications often cover new and emerging technologies which may still be undergoing definition in the industry. In both cases, experts in the IBM technology and markets, from within the applicant company, have the best understanding of the appropriate descriptions for the associated goods and services. We believe that other corporate
applicants have these same concerns with the TEAS Plus system with respect to their own technologies and channels of trade.

However, we understand that predefined class descriptions reduce examining attorney workload and improve application processing time. It may be possible for the Office to share predefined class description best practices with the Office of Harmonization for the Internal Market (“OHIM”), who similarly utilizes predefined class description, albeit with input from the applicant. By providing each applicant with a private portal, the OHIM works cooperatively with the applicant to define prescribed class descriptions of goods and services covering technologies for which that applicant most regularly files trademark applications. Once a prescribed class description for that applicant has been defined with input from both the OHIM and applicant, going forward, the applicant can use the same prescribed class description in multiple applications before the OHIM, knowing that the description is acceptable. This strategy is particularly advantageous for frequent filers, and has been useful to IBM. We would be happy to provide the Office with further information about IBM’s experiences in this regard before the OHIM.

In consideration of the concerns IBM has with the TEAS Plus system, IBM does not conclude that a reduced cost filing for TEAS Plus will encourage such filing over a TEAS filing, particularly for more frequent users of the trademark system. Moreover, IBM is concerned that the TEAS Plus filing fee should not be so diminished that it is below operational costs, penalizing TEAS filers with an increased filing fee in order to offset the below cost TEAS Plus filing system fees. As noted above, IBM does support the concept that a paper filing be charged an upwardly adjusted filing fee, given the additional administrative burden created by paper filing. Finally, going forward IBM encourages the Office to publish, for public comment, its proposal for the amounts of the proposed fee increase.

Conclusion

IBM appreciates that the public was given an opportunity to submit comments regarding Notice of Inquiry Regarding Adjustment of Fees for Trademark Applications. We look forward to working with the Office on forthcoming regulations and guidance.
Respectfully Submitted,

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