

COMPTON FILE TRADEMARKS
NIPRA
7/15/02 11:03

National Intellectual Property
Researchers Association

U.S. PATENT
AND
TRADEMARK OFFICE
August 15, 2006

Commissioner for Trademarks
P.O. Box 1451
Alexandria, VA 22313-1451

Att: Mary Hannon

Re: FR Doc. Vol. 71, No. 121 page 36065 Request for Comments on Removal of Paper Search
Collection of Marks That Include Design Elements

Dear Ms. Hannon:

The United States Patent and Trademark Office (USPTO) is proposing to remove the paper search collections of trademark registrations from its public search facilities and replace them with electronic information collections. The National Intellectual Property Researchers Association (NIPRA) is opposed to such a transition at this time as the USPTO has provided no support for its assertions regarding the availability and reliability of the electronic search system. Thus the proposed plan does not address the potential adverse impact on the public users of the systems and renders the it arbitrary and capricious.

The National Intellectual Property Researchers Association, Inc. (NIPRA) is a not-for-profit trade association of individuals and businesses that conduct patent and trademark searches for attorneys, inventors, businesses and other patent or trademark owners or assignees. NIPRA is dedicated to the maintenance and improvement of the United States Patent and Trademark Office with particular emphasis on improving the ability of its members to access patent and trademark information so that they might effectively support the Intellectual Property Community.

Previous comments, actions and USPTO reports

The USPTO has previously sought public comment and held public hearings on the proposed removal of the paper search records. Numerous comments were reviewed and analyzed, resulting in the development of a plan purportedly addressing the issues raised. On July 24, 2002, the USPTO submitted a certification and report to Congress detailing a plan for the removal of a portion of its paper search collection. As a result of a challenge filed by NIPRA in the United States District Court for the Eastern District of Virginia, that certification was rescinded by the USPTO on December 9, 2002 (Exhibit A). In response to the NIPRA complaint regarding the volume of errors in the USPTO's electronic system, the USPTO decided to retain that portion of the paper collection that includes design coding, and a modified plan was submitted to Congress with a new certification on May 9, 2003. Subsequently, the USPTO entered into a stipulated settlement in National Intellectual Property Researchers Association, Inc. v. Rogan, Civ. A. No.

7/15/02 11:03
U.S. PATENT
AND
TRADEMARK OFFICE
TRADEMARK FEE PROCESS
F11111111

03-808-A (NIPRA v. Rogan). Among other terms, the settlement required that NIPRA provide a list of trademark registrations it considered not searchable and/or retrievable as well as a written, detailed description of systemic problems to the USPTO Commissioner for Trademarks. Pursuant to the terms of the settlement, NIPRA provided a detailed description of the systemic problems with the USPTO databases and tens of thousands of examples of trademarks it considered not searchable and/or retrievable (Exhibit B). To date, a large percentage of the reported errors have not been corrected nor all the systemic problems addressed. Moreover, the USPTO response to NIPRA members electronically reporting several thousand errors in the last quarter of 2005 (Exhibit C) was to disable the primary search function used to locate the erroneous records.

In 2002 the USPTO attempted to justify the elimination of the paper record with a study of the design code error rate (Design Search Code (DSC) Quality Review) initiated by the Assistant Commissioner for Trademarks in response to the published results of previous USPTO contractor and independent studies. On January 9, 2003, in response to a complaint filed by NIPRA, the Department of Commerce Office of the Inspector General (DOCOIG) initiated an investigation into the validity of the USPTO certification to Congress and the supporting DSC Quality Review. At the request of the DOCOIG and as part of the investigation, NIPRA conducted an audit of the DSC Quality Review. The results of that audit brought into question the parameters and validity of the DSC Quality Review (Exhibit D). At its conclusion, the investigation report noted that although it found no evidence that the Commissioner for Patents and Trademarks provided false statements to or intentionally misled Congress as he relied upon staff for technical information it did however note that the Assistant Commissioner for Trademarks failed "to fully disclose information critical to a complete understanding of the DSC Quality Review" a failure that "rendered not only the Review, but also the Congressional testimony and report which relied in part upon the Review's findings, vulnerable to challenges" (Exhibit E).

The current USPTO plan

In its June 23, 2006 Federal Register notice, the USPTO asserts that it has taken additional steps to improve the quality and integrity of its electronic search system. While NIPRA concedes that the data quality of the electronic search system has improved, upon review of the current state of those systems, NIPRA is convinced that the USPTO is still not ready to transition to an exclusively electronic search environment. Although the automated search systems are superior to those in place in 2002, those improvements came only as a result of the NIPRA v. Rogan consent agreement and at present the systems still suffer a high error rate in the historic data and an 11% error rate among those recently issued registrations containing design coded elements.

Moreover, the USPTO has again failed to undertake a review of the system's accuracy and reliability prior to its publication of a plan to eliminate the paper search collection. Shortly after the publication of the Federal Register notice, NIPRA members questioned Commissioner for Trademarks Lynne Beresford and Deputy Commissioner for Trademark Operations Debbie Cohn at the July 19, 2006 Monthly Public Users Meeting as to whether any studies had been conducted in support of the plan to determine the current error rate in the X-Search database. Their direct

queries were met with silence. Subsequently, on July 21, 2006, a NIPRA member filed a Freedom of Information Act (FOIA) request for “any reports, studies, memoranda and correspondence including electronic records and e-mail, created, initiated, forwarded, sent or received concerning studies of the image data quality and design coding in the X-Search database”. On July 31, 2006 the USPTO Office of the General Counsel responded that the USPTO had no records responsive to the request (Exhibit F).

In contrast, upon receipt of the instant Federal Register notice, NIPRA immediately conducted a study of the error rate in design codes for recently issued registrations containing a design element. In an effort to review a representative sample, NIPRA studied the design codes issued for all registrations issued during the month of April 2006. Of the 2712 registrations issued that contained a design element, NIPRA determined that 293 or 11% contained an error such that a dominant element or a mark in its entirety would not be located by an experienced searcher or trademark examining attorney using an overly broad search strategy designed to overcome the system’s deficiencies. NIPRA asserts that if a more discriminating methodology, one designed to mimic the strategy of a novice searcher, were used, the error rate would double.

Given that the General Counsel’s Office has asserted that no records X-Search data quality studies exist, NIPRA asserts that the USPTO has again conceived a plan without empirical evidence to support its claims, claims that are clearly refuted by the results of the most recent NIPRA study. It thus follows that the USPTO electronic search systems may not be mature or reliable and although they may provide similar functionality to the paper collections, they do not provide the more important criteria, equivalent results.

Implementation

Notwithstanding its assertions regarding the reliability of the electronic search system, it is telling that in the instant Federal Registration the USPTO, in detailing its plans, has conceded one of long standing arguments against the elimination of the paper records. NIPRA has consistently maintained that a dual search of both the electronic and paper records is necessary given the high error rates in both indexes. As the electronic and paper systems rely on different design coding schemes, NIPRA has consistently maintained that the likelihood of a mark being coded improperly in both systems is remote and that a dual search will result in a superior result set. Among the USPTO’s proposed changes is the addition of an additional design code field that would mirror the existing coding system used in the paper files. The USPTO asserts that addition of this search field will result in a “highly reliable system that is far superior to the existing paper system” as a design coding error made in one system “will be found in a search using the other coding system, since it is unlikely that the same error would be made in both systems”. While NIPRA applauds the USPTO’s epiphany with regard to the systemic change, it notes that the implementation is ill-conceived and unsatisfactory in that it will not be applied to those applications filed or registrations issued before the date on which the system is implemented, resulting in tens of thousands of marks remaining unsearchable.

Conversely, the USPTO continues to maintain that the X-Search and TESS databases contain “Government insignia protected by U.S. law or by Article 6^{ter} of the Paris Convention, and

insignia that various federally and state recognized Native American tribes have identified as their official tribal insignia". Even a cursory examination of the databases will indicate that the Paris Convention records are incomplete and a search for the Government insignia contained in the paper search records reveals that many have been omitted. Similarly, the paper search records contain notices regarding weapons systems names, chemical compounds and certain Federal statutes such as that which limits use of the term OLYMPICS and its derivatives, notices that have not been included in the electronic databases. It should be noted that X-Search and TESS do not fulfill the statutory requirement that the USPTO maintain a collection of United States trademark registrations arranged to permit search for and retrieval of information as they are composed solely of bibliographic and image data that has been keypunched or tagged by USPTO employees and contractors and are not collections of the trademark registrations as issued. Given the General Counsel's fine interpretation of Section 4804(d)(2) in its determination that the pending trademark applications were not subject to the Act, that same fine interpretation should be used to analyze the electronic search systems compliance with Section 4804(d)(2)

AIPA § 4804(d)(2)

The USPTO asserts that because it will "continue to maintain all existing word marks in non-electronic form, i.e., on microfilm, the certification requirements of AIPA § 4804(d)(2) are not applicable to such marks". NIPRA contests the USPTO position as the subsection clearly states that the USPTO "shall not, pursuant to the amendment made by paragraph (1), cease to maintain, for use by the public, paper or microform collections of United States patents, foreign patent documents, and United States trademark registrations" (emphasis added).

The plain language of § 4804(d)(2) requires the USPTO to provide an opportunity for public comment on the issue of whether it should "cease to maintain" the paper collections; not on the plan for their removal. The discussion of the requirement that the "plan" be submitted to Congress is in the clause following the requirement for public comment. When § 4804(d)(2) is read without the subsequent clause which requires submission of a plan to Congress, the language clearly indicates that the subject of the notice and comment opportunity was to be whether or not the USPTO should "cease to maintain" the paper collections.

History of USPTO Automation efforts

The inadequacy of the electronic search systems and the USPTO's development practices has been well documented for more than twenty-five years. Despite consistent negative reports by the Government Accounting Office (GAO) and the Department of Commerce's Office of the Inspector General, the USPTO still has not learned from their previous mistakes. Since as early as 1979 the GAO has raised concerns about the effectiveness of electronic searching and noted that the USPTO has a difficult time defining quality measures, electronic systems development costs and proper systems specifications. These findings are repeated annually through the mid 1990's in a series of GAO reports lambasting the agency for poor systems development, extravagant costs and questionable contractor agreements. Similarly, as late as March 2001 the Office of the Inspector General (OIG) had found weakness in the development of electronic

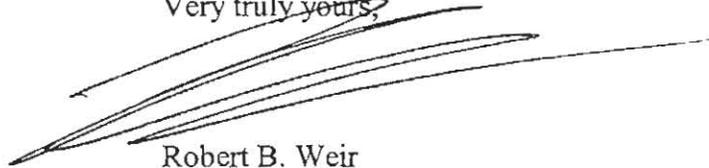
search systems. In recent years similar problems have plagued the development and deployment of new electronic systems i.e., the Madrid filing system, IFW and EFS, resulting in investigations, delays measured in years and cost overruns in the millions.

These official reports bear striking similarities to the comments received by the USPTO in response to its initial Notice of Request for Comments on Development of a Plan To Remove the Patent and Trademark Classified Paper Files From the Public Search Facilities published in the Federal Register August 27, 2001. The fifty comments received were overwhelming negative and reiterated many of the same concerns expressed by the GAO and OIG. The USPTO response to the comments was to dismiss the substantive comments and questions regarding the plan to eliminate the paper files as not germane to the issue. Given that the USPTO asked for comments on the development of a plan to remove the files rather than comments on whether the existent systems were adequate to proceed with the development of a such a plan, such contempt for the public input is not surprising. Nevertheless, it is curious that of the fifty Responses received to the notice, not one had a single comment or question that the USPTO considered "germane" to the issue.

Given the USPTO's mandate to disseminate information it would seem reasonable that the USPTO should strive to create and maintain the most accurate and complete record possible. Despite the expenditure of untold millions of dollars, many of the problems identified by NIPRA as well as in previous GAO, OIG and independent reports still remain and have not been addressed by the agency. Thus, it seems premature to eliminate the paper search file until such time as significant improvement in the electronic systems data integrity can be verified.

NIPRA recommends that the USPTO immediately commission an independent study of the automated search systems by an independent organization to ensure correction of the existing data and a review of guidelines to correct the data flow and ensure future data quality. This study should consist of a side-by-side comparison of the electronic and paper search systems until such time as the results of an exclusively electronic search are consistently the equivalent of a combined electronic and paper collection search. Pending the results of that study the agency must suspend all efforts to eliminate the paper trademark collections.

Very truly yours,

A handwritten signature in black ink, consisting of several overlapping, sweeping strokes that form the name Robert B. Weir.

Robert B. Weir
President