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31 August 2010

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USPTO Strategic Plan Coordinator  
Mail Stop Comments – Patents  
P.O. Box 1450  
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Re: Comments On The Draft USPTO FY 2010-2015 Strategic Plan

Dear Ms. Goodman:

I am writing on behalf of the American Bar Association Section of Intellectual Property Law (the “Section”) to provide comments in response to the request that the United States Patent and Trademark Office (the “Office”) published in the Federal Register on 9 July 2010 (PTO-C-2010-0058). These comments have not been approved by the ABA House of Delegates or Board of Governors, and should not be considered to be views of the Association.

**Strategic Goal I: *Optimize Patent Quality and Timeliness***

As an introductory remark, the Section expresses its support for the efforts of the Office to identify goals to increase both quality and timeliness. We share the belief that improving both product quality and prosecution process quality is a necessity for keeping the United States economically competitive.

**Objective 1: *Re-Engineer Patent Process to Increase Efficiencies and Strengthen Effectiveness***

**A. *Improving the Count System***

Many members of the Section have expressed their support for the changes which were made to the Count System last fall. Although there are some signs that the changes may have helped with efficiencies, it is too early to fully understand the resulting benefits and/or costs associated with these changes. The Section encourages the Office to continue to monitor the impacts on productivity and quality and make public the results of its analyses.

Further, following Director Kappos' support for greater utilization of examiner interviews, there are encouraging signs that a good number of examiners have a more constructive attitude and are more willing to grant telephone interviews than in the recent past. Clearly there is much more work to be done, but there is evidence of an encouraging trend.

**B. *Prioritize Incoming Work***

The Section is presently in the process of evaluating the Office's proposals for a multi-track process. We anticipate that we will be able to send our comments on the multi-track process by mid-September.

The Section members have also expressed some concern regarding the specificity for the "green technology" acceleration program. There is concern that the qualifications for the "green technology" program are not clearly defined. This lack of definition means that the program may become subject to misuse. In other words, a non-green invention, which is nevertheless a major improvement and of benefit to society, may not be examined promptly to allow a less developed invention with potentially no commercial prospects to be examined first.

The Section further encourages the Office to explore ways that will permit applications that originate in the United States to obtain accelerated examination, without paying a large fee or having to comply with onerous requirements, so that U.S. applicants can take advantage of work-sharing opportunities (e.g., Patent Prosecution Highway) in other countries.

**C. *Improve the Patent Examination Process***

We support initiatives that reduce first Office action pendency and make the examination process more efficient while maintaining or improving the quality of the work product. The Office has long advocated the principles of compact prosecution (e.g., thorough search, treatment of all claims, suggestions of patentable subject matter early in the process, etc.); however, the Section urges the Office to maintain the focus on initiatives that enhance examination efficiency and quality, rather than the need to remove a case from a docket, without necessarily enhancing examination efficiency or quality.

We support initiatives that will reduce the amount of time it takes a patent to be granted from the time a Notice of Allowance is mailed. The Office should also consider the availability of an expedited process for printing, perhaps, for an appropriate fee, where time is very important to the prospective patent holder.

The Office has already indicated its intent to look at restriction practice, which is timely in light of the clear need for at least stronger management oversight to ensure more rational and consistent restriction practice. Our Section has already submitted comments on this matter.

The examination process is frequently frustrated by the lack of access to individuals who appear to operate in some staffing capacity, such as a Quality Assurance Specialist (QAS) and who appear to dictate or exercise a strong influence on the course of many examinations. The Office should permit access (e.g., during an interview) to those individuals who can influence or assist in the resolution of a particular issue.

**D. *Institutionalize Compact Prosecution***

The Section, in its comments that were filed with the Office regarding the Quality Process, commented on many of the proposed initiatives. Examiners should continue to be encouraged to use interviews to clarify and resolve issues during prosecution. While this practice is “off the record,” its benefits outweigh the costs, particularly, if examiners are instructed to summarize the interview in detail. Some of our members have expressed concern that the popular telework program adversely affects the availability and/or willingness of some examiners to conduct interviews. The Office should determine whether this concern is justified and, if so, should find ways to address it, perhaps by encouraging more telephonic interviews.

**E. *Re-Engineer the Classification System***

The Section recently submitted comments regarding the Office’s proposals related to restriction practice (which directly relates to the Classification System). The Section supports re-engineering of the classification system to the extent that the new system is compatible with the present PCT classification system used by most of the IP offices around the world. We encourage the Office to continue its efforts in this massive project in conjunction with its Trilateral and IP5 partners. Improving the search tools for examiners is an important ingredient in maintaining and improving the quality and reliability of the examination process.

**F. *Re-Engineer the MPEP***

The Office has long invited comments and suggestions about the form and content of the MPEP (e.g., see Forward of MPEP, 5<sup>th</sup> Ed. (August 1983)). We encourage the Office to continue to solicit suggestions for improving the guidance available to examiners and practitioners alike in the MPEP. The ambitious hiring program of the Office and the relative shortage of experienced examiners who can successfully fill a supervisory role makes the information available in the MPEP critically important to obtaining examination that conforms to Office policy and practice. While contributions from stakeholders should be solicited, the ultimate decision on the content of the MPEP should remain with the Office after appropriate internal policy and legal clearance.

**G. *Re-Engineer the Patent Examination Process***

The Section supports the Office’s efforts to improve IT facilities. We encourage the Office to bring specific changes in the process to the end-user community for full discussion before implementation. We caution that there must be a balance between benefits to the Office and the burdens it may place on the end-user community.

## **Objective 2: *Increase Patent Application Examination Capacity***

The Section supports the initiatives of the Office to address the growth of patent application pendency while improving patent quality. To insure examination quality and efficiency, the Section supports hiring and training well-qualified individuals as examiners, and selection of supervisory examiners who have strong knowledge, experience, and involvement in the examination process. The Office should carefully examine the workload of its first-level supervisors and its capacity to effectively add to the present examining staff.

### **A. *Increase Patent Examination Hiring***

The Section supports examiner hiring at the proposed level provided that: (1) Congress provides the funding necessary to obtain, train and retain additional examining staff at those levels; and (2) the Office determines that it can effectively integrate this significant increase in staff without adversely affecting the quality of examination.

### **B. *Develop and Implement a Hiring Model That Includes Experienced IP Professionals***

The Section supports the hiring of experienced staff that can make a positive contribution to the mission and goals of the Office. The concept or model of hiring experienced staff is not new, but we are concerned that it does not seem to have been implemented with any sustainable degree of success. In any event, if effective screening procedures are developed, the addition of experienced staff is likely to make a positive contribution to improving examination capacity.

### **C. *Target Overtime to High Backlog Areas***

The Section supports the Office's common sense approach to resource management. Overtime can be an effective tool that should be available only to those with a demonstrated ability to produce a quality work product in a reasonable period of time. Again, however, careful attention should be paid to the capacity of the supervisory staff to review the additional work being generated through overtime work so that the overall quality of the work product does not suffer.

### **D. *Develop and Implement a Nationwide Workforce***

As previously mentioned, the Section has some reservations about developing a nationwide workforce using telework until it can be demonstrated that the positive aspects outweigh any disadvantages that may arise. We are interested in any comparative studies of the quality and productivity of telework examiners as compared to examiners on campus similarly situated (e.g., grade, experience, technology, etc.).

Successful examiners are normally the product of excellent training and supervision. The significant growth in the examination staff has caused a growing need for new supervisors. Supervisory and management training should be enhanced

to meet this need and incentives such as compensation need to be adjusted to be more equitable vis-à-vis non-supervisory patent examiners.

**E. *Manage and Control Attrition by Developing Mentoring, Best Practices and Retention Strategies***

Managing and controlling attrition is certainly a worthwhile goal, but the plan does not include any concrete ideas that have been successful, except in relatively poor economic times. The Office must answer the questions: (1) what are the principal reasons for attrition; and (2) how is the Office planning to address them within its current statutory authority? A mentoring program should be implemented on a pilot basis to see if mentoring can help a new employee feel more connected to the larger organization and develop examining skills more quickly. A mentor could perhaps provide a sounding board and an additional source of feedback and guidance. While a mentoring program is yet one more initiative competing for scarce Office resources, consideration should be given to using as mentors former examiners who do not represent clients in the technical area assigned to the examiner.

**F. *Outsource Patent Cooperation Treaty Searching***

For a number of years, the Office has utilized outsourcing of the International Search of Patent Cooperation Treaty (PCT) applications. By using such outsourcing, the Office has been successful in improving the timeliness for producing International Search Reports. This has benefited applicants making use of the United States as the International Search Authority. However, during the same period, the quality of such outsourced searches has been questioned. The Office has recognized the need for improving such quality searching and has taken various initiatives to address such quality issues.

The Office has indicated its commitment to becoming a “World Class” PCT authority. In doing so, there must be a dedication to maintain the quality of the search and examination provided by the Office as a Search and Examination Authority. Such quality goals should be not only as good as a domestic search and examination, but because the results of such search and examination are used by other countries in their national phase, even greater stress and importance should be placed on the high quality needed for such international search and examination. Thus far, no metrics or statistics have been produced to indicate that the quality of such outsourced searches have improved even to the level of domestic searches done by U.S. examiners in-house.

Accordingly, while outsourcing of PCT International applications may be required as a temporary measure to maintain timeliness, it may be premature to institutionalize such PCT outsourcing. The allegation in the Strategic Plan that by providing such PCT outsourcing, it will allow examiners to examine approximately 17,000 other utility applications thereby reducing the backlog, is not believe to be well founded. Almost all of those international applications will either have been previously filed as a domestic U.S. priority application or will subsequently enter into the United States in the national phase. Thus, substantially all of those same

International applications that are outsourced will be examined again by U.S. examiners in corresponding domestic applications. As a result, there will be not be a savings, but on the contrary that same application will have been searched twice, one by the outsourced searcher and then again by the U.S. Searching Examiner. Furthermore, the applicants will have paid twice for searching the same invention. For reasons that include this consideration, the Section opposes outsourcing of the search function to the extent that it embodies an organizational separation of the search function from the examining functions, unless and until a pilot study is conducted that demonstrates that efficiency and quality will be improved by outsourcing. As noted in the draft Strategic Plan, such a pilot was mandated by Congress in connection with a previous USPTO Strategic Plan, but was never completed.

On the contrary, it is believed that the saving of work will only take place when that application is searched only once, namely by the same examiner who handles both the international and national phases. Using the same examiner to do the search will be a true savings as he or she will perform a quality search once on the same invention and be able to utilize the results both for the international and national phases. Additionally, to the extent that there are different examiners involved for searching the international phase and subsequently the national phase, inherently different examiners may take different approaches and may be somewhat reluctant to make adequate use of the work done by another examiner. This will increase duplication of work.

Rather than institutionalizing outsourcing as a strategic goal, it is believed that the Strategic Plan should rather use outsourcing only as a temporary measure until such time as the backlog can be adequately reduced leaving the possibility open to bring back International searching “in-house” so the same examiner can perform a single search per invention, make use of the same results and thereby provide the avoidance of duplicate work.

***Objective 3: Improve Patent Pendency and Quality by Increasing International Cooperation and Work Sharing***

The overall goal of improving patent pendency and quality is well supported by our Section. We also believe that work sharing is a useful goal, to the extent it can be shown that it does reduce duplication of work and maintain high quality standards. In that regard, it would be helpful to establish some metric to evidence the use of work sharing as a beneficial tool without reducing quality.

***A. Make More Effective Use of Patent Prosecution Highway (PPH) and Patent Cooperation Treaty (PCT)***

The Section believes that the Patent Prosecution Highway (PPH) has proven to be a very useful tool in expediting allowances. The program has shown the ability for examiners in one patent office to make use of the work from another patent office. However, metrics must be established to measure the effective use of this program as well as to assure that the quality of searching and examination is not diminished by relying on the work done by other patent offices.

Additionally, it is recognized that in the Office, the success demonstrated under the PPH Program essentially benefits foreign filers making use of the Office. While the Section appreciates that at least 50% of applications coming into the Office are foreign originated and accordingly we must provide benefits for such foreign filers, we believe that the Office should also address the ability of U.S. domestic filers to benefit from the PPH Program. Currently, the only opportunity U.S. filers have in making use of the PPH Program is by chance the U.S. examiner has completed the examination process before a foreign patent office has begun prosecution of the corresponding case. While foreign patent offices provide very easy mechanisms for accelerating examination in their countries so that their filers can have access to the PPH Program, the United States has a very difficult and complex procedure for obtaining accelerated examination which discourages U.S. applicants from requesting it.

We recognize that accelerated examination is being addressed by the Office through other proposals; however, the Section believes that the accelerated examination proposals should consider U.S. applicants' ability to request acceleration for the purpose of a PPH Program without complex searching requirements. This will permit the PPH Program to be used by U.S. applicants so that they too can benefit from this program in obtaining expedited allowance in foreign patent offices.

The Section also believes that more uniform procedures are required from the various patent offices making use of the PPH System in order to make it more user friendly and unified where common requirements are used by all patent offices.

The Section further applauds the Office and its Trilateral partners as well as other patent offices, which have extended the PPH for use with PCT results. It is believed that this PPH-PCT Program should be further enhanced and encouraged as part of the Strategic Plan.

The Section has long believed that the PCT is the major vehicle for achieving work sharing and avoiding duplication. The PPH, even if it be expanded over the next three years, will still only address a fraction of the cases already being addressed by the PCT. The Section therefore believes that the Office should use greater efforts to provide for work sharing of the PCT product, even independent of the PPH-PCT Route, as that would provide the greatest opportunity for reduction in patent pendency. However, in order to achieve that, it is necessary for the Office to improve and maintain the quality of the PCT work at the highest standards.

**B. *Strategic Handling of Applications for Rapid Examination (SHARE)***

While the Section strongly supports the concept of work sharing and the avoidance of duplication of work, we express some concerns with the SHARE Program until adequate experience and details relating to the program will be provided. As SHARE is included within the 3-Track Proposal of the Office, more detailed comments relating to this program will be submitted as part of our Section

addressing such 3-Track Proposal. However, some of the issues of concern relate to patent term adjustment, the effect on quality, the delays that foreign filers will have in obtaining their patents in the Office, and how SHARE relates to corresponding programs established by the JPO and the EPO along the same concept.

As the United States has initiated a Pilot SHARE Program with Korea, it is suggested that until such time as results of that Pilot Program can be analyzed, its quality measured, delays examined, and other aspects of this program be reviewed, no long term commitment to such program should be adopted.

**C. *Work with Patent Trilateral and IP5 to Determine and Implement Ways to Create Efficiencies and Reduce Rework and Improve Quality Across Offices***

Cooperation between patent offices is highly supported by our Section. It is recognized that the Trilateral has been in existence for over 25 years and has brought an opportunity for the three major patent offices to share experiences, improve global cooperation and address international issues. It is believed that the recent cooperation with the Industry Trilateral has brought even more successful projects.

With the beginning of the IP5, our Section appreciates that over 90% of the world's patent filings is now being addressed through this group of 5. The Ten Foundation Projects are truly far reaching and at the same time address basic issues that should be handled on a global scale. However, the Section already notes delays that have taken place in completion of these projects and even in estimates for future completion of these projects. The Section believes that greater efforts are needed on the part of all of the IP5 to dedicate themselves to these projects as they will truly have an opportunity to harmonize many areas and truly bring about closer ability to reduce backlogs and improve quality. The Section applauds the commitment of the Office to accelerate some of these projects and encourages the Office to use its best efforts to encourage its partners in the IP5 to dedicate themselves likewise to achieving the goals of the Ten Foundation Projects as quickly as possible.

**Objective 4. *Measure and Improve Patent Quality***

The Section agrees with the Office's statement in its discussion of Objective 4 that "[i]ssuance of high quality patents provides certainty in the market and allows businesses and innovators to make informed and timely decisions on product and service development." The Section thanks the Office for having as one of its strategic goals the goal of "reengineering its patent quality management program from top to bottom to focus on improving the process for obtaining the best prior art, as well as improving the quality of the initial application and the entire examination and prosecution process." The Section appreciates the Office's engagement of stakeholders in its reengineering process.

The Section agrees generally with the Office's goal to initiate analysis, measurement and tracking of quality. However, it should be recognized that patent quality is difficult to objectively measure due to the variability across technologies as well as from application to application. One suggestion to encourage more consistent,

high quality examination and to measure and track such quality is to provide examiners with a list of tasks to be performed during examination, e.g., provide a search, read entire specification, and search for written description support for claim terms. Such a list would be particularly helpful for new examiners to provide guidance in performing their duties, and would also be helpful for supervisors in supervising a large number of examiners. Such a list could also be helpful for applicants in that it would provide information regarding what the examiner had done. The task list could be customized in part for the different technology centers, e.g., search of sequences for biotech applications.

The Section also agrees with the need to provide more effective training. As new examiners are added, quality can only result if they are properly trained and supervised. One suggestion to achieve this goal is to provide additional training to SPEs and more experienced examiners in how to mentor and train more junior examiners. The ability to train more junior examiners becomes particularly challenging as more examiners chose the option of teleworking. While permitting teleworking may increase the hiring pool for examiners, it may also make it more difficult to effectively supervise and train them well and thus result in lower quality patents. This challenge may be increased due to more experienced examiners also teleworking and thus not being available to mentor and train. It is the Section's understanding that SPEs have multiple duties, only one of which is mentoring/training. A further suggestion is to have available specific SPEs or experienced examiners dedicated to mentoring and training junior examiners. Such dedicated experienced examiners would provide an important resource for all examiners, and would allocate more time to a function all recognize as critical to the Office's success.

The Report states that "speed cannot be prioritized at the expense of quality." A number of practitioners have commented that the Office is moving faster to dispose of cases, e.g., by allowing patents to issue; however, none have commented that quality has improved. In fact, in the reexamination setting, the Office appears to be reducing quality in order to act speedily. For example, the CRU examiners now appear to be just adopting what the requester has said without doing their own analysis or narrowing the issues. This is reflected in the very high reexamination order rate (greater than 90%) and in very short Office actions that just incorporate the requester's statements in its request. Most of the reexaminations are also in litigation and thus relate to important patents that should not be devalued or destroyed without very careful review by the Office. Thus, the Section recommends the Office carefully evaluate the impact speed is having, particularly on reexamination practice.

The Section believes that the Office should consider quality to be the priority, and accept that some minor concessions in speed may have to be made. For example, the Section notes that the cycle of a first Office action, followed by a response, followed by a final Office Action should be discouraged (i.e., Second Action Final). In many cases, this procedure does not improve quality of the examination or of the ultimate patent. While it may decrease pendency, using the Office's metrics, the true

result is to increase absolute pendency by encouraging RCEs to be filed. The RCE rates and ultimate pendency would likely be improved by allowing an additional cycle of an Office action and response prior to issuing a final rejection. It often takes at least one Office action for the examiner and applicant to understand each other's position and an additional cycle would provide an additional opportunity for the applicant to consider the examiner's position, schedule and interview the case, file additional prior art as the applicant's position is being developed, and amend the claims to obtain allowance. While allowing more interaction between the applicant and the examiner during initial examination may adversely affect some pendency based upon the Office's present metrics for measuring pendency, it is believed that this will ultimately decrease true pendency to allowance while also improving quality.

To improve quality, the Section further advocates that the examiners more readily take advantage of the interview process. Scheduling interviews prior to performing a search, for example, would make sure that the examiner understands what the invention is and what applicant is trying to claim. This could provide a more relevant and more focused search and improve the quality of the claims that ultimately issue.

It is noted that the current administration has proposed many excellent ideas for improving the Office. However, due to limited resources, the Office is encouraged to focus its efforts on problems that most strongly adversely affect patent quality as well as pendency. For example, the Office should focus on areas such as retaining examiners and others with both technical and Office knowledge for an extended period and training new examiners thoroughly. Keeping leaders in the Office has been a significant challenge. Understanding the reasons for this turnover should be a high priority as it greatly affects both quality and pendency.

The Office further states that implementing and monitoring revisions to the count system are part of the strategic plan. The Section agrees with this position. The recent changes to the count system were a step in the right direction. While it is too early to establish whether that change has had a positive impact. The Office should be given great credit for accomplishing the change. Many have been trying to change the count system for literally decades without success. However, additional changes are needed to further positively impact patent quality. Providing, for example, credit proportional to the time actually required for an individual application is necessary. A formula to provide credit based upon specification length, claims, prior art submitted, etc., should be considered. Clearly, the same "quality" examination cannot be given to an application with 100 pages and 100 claims by spending the same examination time spent on an application with 10 pages and 10 claims. It has long been known that people will do what they are incentivized to do. Examiners should be given appropriate credit and encouraged to spend proportional time on such different applications.

The Section further suggests that more emphasis be placed by the Office on the patent search. To issue a quality patent, a quality (thorough and relevant) search is

required. The need for such a search raises several sub-questions the Office must address: Who should conduct the search? How should it be conducted? How much examiner time should be allotted for the search? It seems that very little emphasis has been placed on searching in recent times, except to propose that outside searchers conduct the search rather than the examiner. The search results are relevant not only to the claims but also to the application as a whole. The prior art must be compared to the subject matter sought to be patented, not just the claims. Further, the claims must be interpreted in light of the specification. Thus, examiners must read the entire specification. In that way, examiners can further the case by identifying what the applicant invented in view of the prior art. While examiners are typically not lawyers, application of the law does not appear to be a serious problem. Rather, the biggest problem examiners presently have appears to be obtaining the best prior art and understanding what applicant invented so that the claims can be interpreted correctly and the art can be applied effectively.

The Section notes that additional detailed comments have been provided to the Office with respect to quality and examiner training. *See*, American Bar Association Section of Intellectual Property Law Comments dated June 15, 2010 on Enhancement in the Quality of Patents and on United States Patent and Trademark Office Patent Quality Metrics, 75 Federal Register 22120 (April 27, 2010). As stated in our earlier comments, “[t]he Section understands that ...the Office will now develop and refine specific metrics for the program. Our hope is that the Office will return to the user-community to fully vet the program and the metrics prior to any implementation. Further, we request the Office to consult the user-community about costs and other burdens of implementation.” The Section continues to support this effort.

**Objective 5. *Improve Appeal and Post-Grant Processes***

The Section supports the Office’s efforts to address the growing number of newly docketed appeals at the BPAI. The Section appreciates the Office’s efforts to engage the public in the improvement of the appeal process through the January Round Table discussions and formal presentation of the proposed BPAI modifications for public comment. The Section awaits notice of the new proposal for public comment; however, we provide the following comments in response to the stated BPAI strategies described in the proposed Strategic Plan.

A. The Section position favors, in principle, modifications of the Office’s Rules of Practice, to the extent that such modifications improve patent quality and reduce pendency within the BPAI without substantially increasing the time and effort required to practice under them. Thus, the Section supports modified briefing requirements that balance any added burden on the applicant with demonstrated increased efficiency. Further, the Section supports incentives to encourage attainment of quality and productivity goals consistent with the enforcement and interpretation of the statutes and rules. The Section favors a program that provides metrics information in an objective, transparent, reproducible and useful way to the public and offers the public a meaningful opportunity to comment on such information.

B/C. The Section supports simplification of the BPAI Rules to provide the BPAI with adequate information to decide ex parte appeals; however, such simplification must not unduly burden appellants or examiners. Any modifications that place a substantial, additional burden on appellants or examiners should provide demonstrable efficiency improvements to balance the additional burden.

The Section is very concerned about the growing backlog at the BPAI and recommends that the backlog be addressed prior to giving the BPAI additional responsibility, such as the handling of reexaminations. Again, the Section awaits the notice of the new proposed BPAI modifications and opportunity for public comment regarding the more specific BPAI proposal.

The Section's comments to Objective 5 are limited to improvements in the appeal process and actions before the BPAI. Although the Section has positions relating to post-grant processes, such as reexamination, those policies are not discussed in these comments, in order to maintain the focus of the proposed Strategic Plan.

## **STRATEGIC GOAL II: *Optimize Trademark Quality and Timeliness***

The Section acknowledges that the trademark examination quality rates "ranging above 95 percent accuracy in recent years," discussed by the Office in its draft report, are reflected and further discussed in, at a minimum, the Office's Performance and Accountability Report for Fiscal Year 2009. The Section asks for more information on the criteria for determining compliance with examination quality rates and goals, and who determined whether and how such criteria were met.

### **Objective 1: *Maintain Trademark First Action Pendency on Average between 2.5 – 3.5 Months with 13 Months Final Pendency***

The Section considers this pendency rate to first action an appropriate goal, but stresses that adherence to examination quality standards and goals not be sacrificed in attaining this goal.

### **Objective 2: *Continuously Monitor and Improve Trademark Quality***

#### **A. *Improve Examination Quality by Establishing a New Quality Measure***

The Office is to be commended for seeking to establish and implement a new quality standard of "excellence" for office actions. The current plan indicates that the Office has maintained a quality percentage of over 95% which has been determined through "initial review" and "external intellectual property groups." The Section is interested in learning how this review was conducted and which groups participated. Moreover, the Section has some concern about the 95% quality rating since many members of the association have experienced inconsistencies in office action practice involving for example: (1) the availability of examining attorneys; (2) the number of examining attorneys commenting on identification of goods during the lifetime of an

application; and (3) the high number of re-examinations of office actions once a trademark has seemingly been reviewed.

The new quality standard of “excellence” will “account for all aspects of the office action including the search, proper use of form language, clarity and accuracy of writing, and ease of understanding as well as proper handling of all procedural and substantive issues.” While this is a laudable goal, the Section respectfully requests further details on the methodology which will be used to achieve this goal. Moreover, the Section, recommends that transparent, objective, measureable standards be put in place and published.

In addition, the new measure of excellence “will be improved using both internal input and from stakeholder groups who receive the office actions.” Again, the Section questions which stakeholder groups will be involved, and how both the internal and external input will be measured. Hereto, the Section recommends that transparent, objective, measureable standards be put in place and published.

**Objective 3: *Ensure Accuracy of Claims of Goods and Services in Mark Registrations and Renewals***

The Section agrees with the Office that use-based claims of goods and services in mark registrations and renewals should be accurate. However, the Section is concerned that the Office may be over-estimating the impact of the Federal Circuit’s decision in *In re Bose Corporation*, 91 U.S.P.Q. 2d 1938 (Fed. Cir. 2009), which held that trademark registrations may not be cancelled on grounds of fraud absent clear and convincing evidence of subjective fraudulent intent.

We believe that more often the overclaiming of goods and services originates not from use-based filings, but rather in applications filed based upon International Treaties (e.g., Trademark Act Sections 44 (the Paris Convention) and 66(a) (the Madrid Protocol)). The Office should consider ways to address the seemingly abusive practice of over-claiming goods and services in foreign-based trademark filings.

**Objective 4: *Enhance Operations of the Trademark Trial and Appeal Board (TTAB)***

**A. *Maintain TTAB Workloads and Pendency Goals Within Acceptable Limits***

The Section supports the Board’s efforts to maintain workloads and pendency goals and understands that the recent and pending retirements of several ATJs have challenged these efforts. We believe that filling the position of Chief Administrative Judge may assist the Board in achieving these goals and would like to see the selection of a permanent chief judge in the upcoming months.

**B. *Develop Additional ACR and Other Streamlining Options for Inter Partes Cases***

The Section appreciates the Board’s efforts to use and promote ACR procedures. Currently, Section members are experimenting with these streamlining

measures and looking for opportunities to employ them. We hope to provide the Board with comments and constructive feedback at a later date.

**C. *Improve Board Involvement in Parties' Settlement Negotiations***

The Section supports and encourages the Board's availability for involvement in settlement negotiations. We respectfully assert that effective and productive participation requires Board personnel to have experience and an appropriate educational background in dispute settlement, or alternatively, to receive training in settlement negotiation. Accordingly, we recommend that these requirements be included as part of this strategic initiative.

**D. *Maintain Quality of Orders and Opinions***

The Section agrees with peer review on all levels and supports the Board's continued efforts to improve the level of quality and consistency of contested motions and substantive decisions.

**E. *Develop Law and Issuance of Precedential Decisions***

The Section applauds the Board's efforts to issue more precedential decisions in recent years. There has been a noticeable increase in the quantity and variety of citable case law and we would like to see this trend continue.

**Objective 5: *Modernize IT System by Developing and Implementing the Trademark Next Generation IT System***

When the Office modernizes its online information databases available to the public, the Section would like to see a single, robust informational access point that brings together what is now separately provided in the Office's TESS, TARR, TDR and assignment databases.

**Strategic Goal III: *Provide Domestic Global Leadership to Improve Intellectual Property Policy, Protection and Enforcement Worldwide***

The Section applauds the United States for taking the initiative in demonstrating the importance of patents as part of an overall economic policy. The evidence showing the significance of patents and the enhancing of innovation to maintain jobs and improve the economy has truly provided the ability of the Office to demonstrate its leadership in the world as promoting innovation and intellectual property rights.

The Section believes that the United States must continue its role of leadership in the IP world. There is a great burden on the Office to provide appropriate guidance by demonstrating its ability to achieve high patent quality and reduce pendency.

In connection with international leadership, however, the Section believes that the Strategic Plan is remiss in not addressing two areas of international importance.

a. Patent Law Treaty and Hague Design Treaty – Both of these treaties have been approved by the Senate, and are awaiting the enactment of implementing

legislation, drafts of which the Office is expected to submit to Congress. We strongly urge the Office to expedite such submissions and to make it an immediate part of its strategic goal to have these treaties in effect in the United States as quickly as possible.

b. Substantive Harmonization- While recognizing the political difficulties currently existing within WIPO, the Office should continue its efforts, not only within WIPO, but within the Group B+ countries, the Trilateral patent offices, and IP5, to achieve substantive harmonization efforts in the field of patents. Such substantive harmonization would improve efficiencies, decreased backlogs, improve work sharing and have a great impact on the economic significance of patents worldwide.

The Section recognizes the leadership role that the Office demonstrates throughout the world and encourages the Office to maintain such leadership capability. Recognizing that the Office has established an Office of the Chief Economist, our Section encourages the Office to continue to undertake studies to develop data and information showing the economic benefits of patents.

***Objective 1: Provide Domestic Leadership On IP Policy Issues And Strategic Development Of A National IP Policy***

***1: Provide Policy Formulation in all Fields of IP Protection and Enforcement***

The economic implications of all forms of intellectual property protection, not just patents, should be included as part of the noted study. It is imperative that the benefits of, for example, registering one's trademark are promoted, and that promotion efforts be supported with relevant data.

***2: Monitor and Provide Policy Guidance on Key IP Issues***

This goal, along with the Office's stated plan to engage other U.S. Government agencies to discuss pending legislation and other potential legislative proposals, is a welcomed development. Full engagement with the principals is encouraged. Inter-agency cooperation is critical to solving problems of infringement. Specifically, we note that, too often, the Office and the U.S. Customs and Border Protection division of the Department of Homeland Security act as though they were wholly unrelated entities. Efforts to integrate, where appropriate, the efforts of these agencies should prove fruitful and are therefore strongly recommended. In this regard, we urge the Office to actively participate in and support the efforts of the Intellectual Property Enforcement Coordinator in her role as the coordinator of U.S. intellectual property enforcement efforts.

We applaud the prospect of a monitoring/policy effort and recommend that the results of such efforts be maintained online in a consistently updated, searchable database.

**3: *Provide Domestic Education Outreach, Knowledge Enhancement and Capacity Building***

We encourage the Office to continue its ongoing IP education initiatives. The Intellectual Property Bar, particularly leaders and members of the Section, are willing and able to contribute their services to this endeavor.

**Objective 2: *Provide Leadership on International Policies for Improving the Protection and Enforcement of IP Rights***

**a: *Lead Efforts at WIPO and Other Intergovernmental/International Cooperation Fora to Improve International Intellectual Property Rights Systems***

We commend this plan, but question the failure to include the Madrid system as one falling within the purview of the Office's efforts in this regard. The Section recommends revisiting this Objective to include consideration of the Madrid Protocol.

In the field of patents, the Section recognizes the challenges within WIPO presented by circumstances in developing countries and the difficulties that have been encountered in efforts to achieve success in the fields of patent harmonization and more recently the Patent Cooperation Treaty. In that regard, the Section would recommend that the Office involve itself more deeply in trying to address the needs of developing countries as a means of encouraging their cooperation on various patent matters. We believe that more efforts are necessary to understand the needs of the developing countries and be better able to address those needs if we are to achieve success in other areas.

With that in mind, continued efforts must be made in connection with both the Patent Law Harmonization and the PCT. In both areas, we believe that the Office, together with its counterparts in other developed nations, may have fallen behind in such efforts. Despite the difficulties, ongoing work must be maintained to achieve substantive harmonization, whether it is within WIPO or independent of WIPO through other initiatives, including the B+ countries, the Trilateral, the IP5 or any other appropriate forum.

The Office should continue to provide leadership to demonstrate its own commitment to the PCT. Greater efforts should be undertaken to make use of its own search and examination product from the international phase into the national phase and to provide a demonstration of support for the use of PCT. Improvement in the quality and reuse capability of its own work, and greater use of the work product from other searching authorities, will further demonstrate adequate support and leadership for the PCT. These areas must be addressed and should be included as part of the Strategic Plan.

**b: *Prioritize Countries Of Interest For Purposes Of Capacity Building, Legislative Reform, And Technical Assistance, Develop Integrated Work Plans For Each Country/Region, And Provide Technical Assistance In Key Countries/Regions***

***Including Coordination Of Global Intellectual Property Academy And IP Attaché Programs***

We commend the Office for endeavoring to provide substantive assistance to developing countries as they establish and improve their IP systems. The Section believes this plan as written is lacking, however, in that efforts to engage the countries of priority do not reflect any intent to provide them with data on the link between economic prosperity and the systematic protection and enforcement of intellectual property rights (see Strategic Goal III, Objective I, Part 1). Such data should be collected, analyzed, and then utilized in the effort to encourage prioritized countries to expand their IPR systems.

***c: Engage with International IP Offices on Bilateral and Plurilateral Policy Activities (Trilateral (TM and Patent), IP5, PPH Plurilateral, etc.)***

Our Section encourages the Office to participate in all such international, bilateral and plurilateral policy activities. The Section is encouraged by the more recent increase in the Trilateral activities bringing successful projects to light. It is believed that the involvement of the Industry Trilateral into the Trilateral Patent Office meetings has aided in such recent success. The Section is encouraged by such projects as the Common Application Format and the Common Citation Document, which are currently being discussed at the Trilateral. It is believed that such international cooperative successes have been achievable through integration with industry representative.

The foundation projects of the IP5 are laudable goals. However, the continued delays in achieving these goals indicate a lack of commitment on the part of the countries and it is believed that the Office has an obligation to take a proactive leadership role in the IP5 to insure that the foundation projects are back on schedule for their successful achievement.

It should also be encouraged to have Industry representative groups cooperating with the IP5.

***d. Provide International Policy Advice and Expertise to other USG Agencies***

This objective and strategy are welcomed, as are attempts thus far to better integrate the efforts of the Office and USTR. We strongly encourage a more detailed and clear-cut plan for Office-USTR cooperation. There should be included concrete procedures for including Office input in the negotiation of international agreements that affect intellectual property rights.

***e. Provide Technical Expertise in the Negotiation and Implementation of Bilateral and Multilateral Agreements that Improve IP Rights Protection and Enforcement***

The Section supports such initiatives. The Section would be happy to work with the Office in achieving these goals. However, it is believed that further definition is required as to objectives to be achieved and details of the programs.

***f. Increase Effectiveness of IP Attachés by Creating Office HQ and IP Attaché Integrated Action Plans that Focus on Country Specific Needs and Interagency Cooperation***

We believe that the objectives of these Attaché programs continue to provide the opportunity for integration of intellectual property with economic success. The Section supports such focus on intellectual property as a potential for economic leadership and economic success and we will be happy to cooperate in achieving such goal.

***g. Improve Efficiency and Cooperation in Global Intellectual Property System***

The Section supports goals to improve efficiency and cooperation in Global Intellectual Property Systems; however, it is believed that most of these objectives have already been addressed in other areas. We request further details regarding any specific goals under this objective that are not already addressed in other areas of the Strategic Plan.

In closing, the Section appreciates the Office asking for input on how to have more timely and effective prosecution of patent applications and issuance of quality patents and more optimization of trademark quality and timeliness.

If you have any questions on our comments or would wish for us to further explain any of our comments, please feel free to contact me. Either I or another member of the leadership of the Section will respond to any inquiry.

Very truly yours,



Marylee Jenkins  
Chair  
ABA Section of Intellectual Property Law