



National Association of Patent Practitioners

3801 Lake Boone Trail, Suite 190 • Raleigh, NC 27607

Phone: 919-230-9635 • Email: representative@napp.org

Website: <https://www.napp.org/>

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Sarah Harris

General Counsel

sarah.harris@uspto.gov

Will Covey

Deputy General Counsel

will.covey@uspto.gov

Office of the General Counsel

United States Patent and Trademark Office (USPTO)

Dana Robert Colarulli

Director of the Office of Governmental Affairs

dana.colarulli@uspto.gov

United States Patent and Trademark Office (USPTO)

U.S. Department of Commerce

Dear Ms. Harris, Mr. Covey, and Mr. Colarulli:

The National Association of Patent Practitioners (NAPP) would like to thank you personally, and the USPTO generally, for taking the time to meet with us on Thursday, February 14, 2019. NAPP understands how busy you are and appreciates that you were generous with your time, and open to discuss items in the USPTO's proposal in more detail.

Now that NAPP has had the opportunity to discuss various USPTO proposals with you to gain an understanding of the rationale(s) behind these proposals, we would like to provide the USPTO with our official position on the following USPTO's proposals:

- 1) Adding a patent practitioner fee;
- 2) Removing a practitioner after 5 years of inactivity; and
- 3) Adding Continuing Legal Education (CLE) requirements.

Adding a patent practitioner fee

The USPTO has proposed adding a patent practitioner fee in the form of annual USPTO bar dues. As we understand it, the reasoning for this proposed fee is to fund works that

directly benefit patent practitioners through fees collected directly from patent practitioners, and not from the patent applicant fees.

NAPP does not support this proposed fee because we believe the justification is inadequate.

Specifically, NAPP does not support the justification for charging bar dues in this manner. However, NAPP would likely support such fees for an appropriate justification—e.g., if the USPTO was experiencing financial hardship. Here, the USPTO is not requesting funding because of financial hardship, but rather adjusting fee allocations because they allege practitioners more directly benefit from OED services than do the USPTO's primary customer base (patent applicants and owners).

NAPP has to balance the needs of our members when considering the USPTO's proposal. NAPP has many members with small businesses/practices, where such fees can be relatively burdensome. As such, this is a cost that will likely get passed on to our clients in the form of increased service fees, and the result may decrease business while increasing the cost to do business.

While NAPP might be willing to support an annual fee, but we believe that the proposed fee of \$340 is excessively expensive for our members, particularly considering that the USPTO is not short on money but simply has issues with fee allocation. Being more explicit with fees that directly benefit patent practitioners is not enough of a justification for this fee because, generally, when patent practitioners benefit, the patent applicant benefits, and thus there is justification to use patent applicant fees to help benefit practitioners.

Removal of a practitioner after 5 years of inactivity

The failure of some practitioners to update appropriate contact information has burdened the USPTO in maintaining its database of patent practitioners and informing the public of appropriate practitioners. The USPTO would like to remove these practitioners for achieving an up-to-date database. Also, the USPTO would like to remove the requirement for retaking the patent bar for members who are inactive but actively maintain their contact information. To effectuate this process, the USPTO has proposed an annual inactive fee for members who do not actively practice before the USPTO. A newly created "emeritus status" would be available to practitioners who keep their address active and have 10 years of experience but choose to be inactive. Practitioners

under this “emeritus status” would pay no fee and would be offered opportunities to accept pro bono cases (with no obligation).

NAPP supports the USPTO’s position of not requiring inactive members in good standing to retake the USPTO exam.

NAPP does not support the USPTO’s position of charging an inactive fee for members who are not actively practicing.

NAPP supports the USPTO’s position that practitioners are considered active if they maintain their contact information and do not have a history of misconduct. NAPP members are generally active, and NAPP understands the issues with maintaining a database with inactive members.

NAPP understands that the USPTO wants to use an inactive fee to fund its practitioner database maintenance. However, NAPP cannot support a \$70/year inactive fee at this time because we believe that there are other methods of conducting maintenance, such as email verification for members. NAPP’s position on the emeritus status is essentially moot because NAPP does not support the USPTO’s proposed inactive fee that would effectuate the emeritus status proposal.

Even under the revised plan outlined orally in the call, it appears that there would remain some situations where a practitioner who did not update his or her information (or failed to pay a small fee) would be required to retake the bar exam. In effect, requiring a retaking of the bar exam is equivalent to the penalty of disbarment (although not permanent disbarment). NAPP opposes this penalty, because it is grossly disproportionate to the offense and (admittedly) draconian. Even practitioners who have committed serious ethics offenses harming clients sometimes get warnings or suspensions but are not disbarred or required to retake the bar, and such offenses are far worse than failing to update address information with the USPTO. It is NAPP’s position that the penalty for failing to update contact information should be some kind of extra charge to reinstate, based on the back fees missed and extra administration costs incurred, and nothing more.

Adding CLE requirements

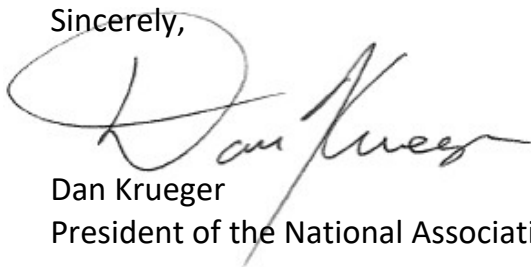
The USPTO has proposed adding six (6) hours of voluntary continuing legal education (CLE) for patent practitioners.

NAPP supports the USPTO's position to add voluntary CLE.

NAPP supports the USPTO's position to add voluntary CLE. NAPP sees this as an opportunity for intellectual property (IP) organizations to help the USPTO maintain a professional standard among all members of the patent bar.

We thank you again for the opportunity to comment. NAPP hopes that this feedback is helpful to the USPTO making its decision. NAPP looks forward to future discussions with the USPTO.

Sincerely,



Dan Krueger

President of the National Association of Patent Practitioners