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TRADEMARK PUBLIC ADVISORY COMMITTEE MEETING

PUBLIC SESSION

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ANDERSON COURT REPORTING
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- 6 JACK BUIE
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1 P R O C E E D I N G S

2 (11:33 a.m.)

3 THE CHAIR: Let's go back and we're now
4 into public session. So I think this is probably
5 the time when I should formally welcome the new
6 members to our committee. So let me do that.
7 Secretary Gutierrez has pointed Jackie Leimer of
8 KRAFT and Lorelei Ritchie de Larena of Florida
9 State University School of Law to the TPAC
10 subcommittee. So we welcome both of you to the
11 committee and look forward to many years of
12 productive work from you. We will now hear from
13 Commissioner Beresford as to what is going on in
14 the Trademark Office, the fiscal year '06
15 performance results. Lynne?

16 MS. BERESFORD: Thank you very much,
17 Jeff. You have a copy of the performance results
18 in your handout. And I can sum them up by saying
19 wow. We met all of our - every one of our goals,
20 including our internal first action goal, quality
21 goal, which was - our external goal I think is 6.5
22 percent, but our internal goal was 4.5. And

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1 believe me, I did not think we were going to do
2 this well, but we did. All of the news is good
3 news here.

4 We've managed to lower first action
5 pendency. Our pendency goal for the year was 5.3
6 months to first action and we actually ended the
7 year at 4.8 months on the average to first office
8 action. And our goal is by the end of next year
9 to be to 3.7 months, working our way fairly
10 gradually down to the 3 month level, balancing a
11 production hiring and pendency, so that we make
12 kind of a soft landing on 3 months and then
13 maintain that level of work.

14 We ended the year, we had a hiring of 32
15 or 33 examining attorneys in September, and we
16 actually ended the year with 414 examining
17 attorneys on board. And you heard Karen say
18 earlier, we have plans to hire next year. We
19 really will hire for attritions and add 8
20 attorneys actually to the - to the additional - 8
21 additional attorneys, but we now think we pretty
22 much have the workforce we need to continue to

1 lower pendency and to maintain.

2 And again, we're balancing the workforce
3 with what we see as our increase in filings that
4 we expect, so that when we do get to the three
5 months, we'll have the right size workforce in
6 order to continue the - to continue to maintain a
7 three month, a three to four month pendency range.
8 Examiner production was amazing. As you can see
9 here, we exceeded all of our goals, almost all of
10 them by at least 10 percent. And we have - the
11 only probably bad news on this is that under
12 examiner FTE, you have average action points or
13 balanced disposals per examiner FTE. This is a
14 productivity measure. And you note that in 2005
15 we had 2,255 and in 2006, 2,144 action points
16 balance disposal per examiner FTE. So the number
17 has dropped slightly. That's a result of course
18 of hiring a lot of new examining attorneys who
19 have lower performance goals. But it didn't drop
20 as much as we predicted.

21 We're very happy with the corps.
22 They're really doing some good work and they're

1 doing a lot of good work. So, all of that is good
2 news. I don't have the final efficiency number
3 that comes out of the Office of Corporate
4 Planning. We, however, expect to have a drop in
5 that number again, meaning that the cost per
6 office disposal, that's a registration or
7 abandonment, that the cost per office disposal
8 will once more be slightly - will drop. It will
9 be slightly lower. We see this as a - over time,
10 a pretty good measure of how well we're measuring
11 our money and our resources. At the next meeting,
12 we'll have an analysis for you guys of the
13 efficiency measure looking at direct trademark
14 costs and how efficiently we've been there, plus
15 our overhead costs and whether our efficiency
16 measures are against all of our staffing
17 organizations, so whether we're spending more in
18 the OCIO per disposal, more in CFO per disposal,
19 et cetera. So, that's pretty much the news. I'm
20 not going to take up a whole half hour you all
21 will be happy to know. But if there are any
22 questions, I'd be happy to answer them.

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1 Yes?

2 MR. TRAMPOSCH: What do you attribute
3 all the good numbers and the good news to?

4 MR. ROSENBERG: Excellent planning and
5 management.

6 MS. BERESFORD: I will not say excellent
7 planning and management. I will attribute these
8 numbers to a really -- a wonderful year. I think
9 our quarterly awards system has contributed to the
10 amount of production we've done. I think our
11 quality system has contributed to quality partly
12 because I think we're -- as we move with this new
13 quality review standard, I think the standard is
14 becoming clearer to examiners. I think examiners
15 understand more what's expected of them. The
16 result is - and I always say this about the corps
17 - if you tell them exactly what you want, you're
18 going to get it for the most part because they
19 really want to do the right thing. So, I think
20 that has been a plus on the quality side. But
21 really it's been the corps. It's been our first
22 line managers. It's been everyone working

1 together.

2 THE CHAIR: What impact has the new
3 performance appraisal plan had?

4 MS. BERESFORD: Well, we are seeing, as
5 you can see, record amounts of production. We
6 are -- we don't know what our end of the year
7 awards will be but looking at awards throughout
8 the year, we've pretty much seen -- except for the
9 first quarter, we've pretty much seen the same
10 percentage of folks getting awards. We've seen a
11 slightly higher percentage of folks getting the
12 top award for production. So, I would say that
13 the new performance plan combined with the
14 quarterly awards system has increased production
15 and quality.

16 THE CHAIR: Any other questions or
17 comments? I don't know whether since we do have
18 some time before lunch maybe we can talk a little
19 bit about what's in the strategic plan. And I
20 guess there's a lot there about electronic file
21 wrapper. Do you want to talk a little bit about
22 what you hope to accomplish over the next year

1 with respect to the implementation of the
2 electronic file wrapper?

3 MS. BERESFORD: Well, we will -- in the
4 next year, we will be internally expanding our
5 FAST system. FAST is the docket, the electronic
6 docket system that examining attorneys use. And
7 it has proved to be a really good tool, both for
8 measuring production and improving quality. But,
9 even more amazing, one of the things I discovered
10 a couple of weeks ago, 10 years ago when we were
11 more paper based, we had something called the lost
12 case report. And we could always depend on having
13 several thousand cases on the lost case report.
14 These were cases that we just couldn't lay our
15 hands on.

16 I had that lost case -- Jeff is familiar
17 with that report. I had that lost case report run
18 a couple of weeks ago. We have -- at this time,
19 we had 255,600 some applications in process and
20 among those applications, we had 31 lost
21 applications. We attribute this tremendous drop
22 in lost files to the electronic systems and to

1 electronic processing that keeps track of where
2 things are and helps us to find those things. The
3 electronic docket for examining attorneys -- the
4 examining attorney sits down at his desktop, opens
5 the docket, sees what new cases are in the docket
6 and how long they've been there, what amended
7 cases are there, writes an office action, does a
8 search all at the desktop, sends the office
9 action, a copy goes to applicant, a copy goes into
10 TDR, the case status wise moves into an awaiting
11 response docket.

12 We want to move -- this has proved to be
13 a really positive development in terms of process
14 at the office. We want to move that process to
15 ITU so that our ITU paralegals will have the same
16 type of desktop and the same type of ability.
17 We'll have the ability to keep better track of
18 their work and do a better job of looking at their
19 quality and move it to post registration, an area
20 which would also benefit from such an electronic
21 docket system and to our petitions area.

22 So, our plans are to begin moving this

1 FAST concept into the other areas of the office.
2 So that's one of the things that we'll be doing,
3 and that will be continuous for the next couple of
4 years.

5 THE CHAIR: Do you know what the
6 pendency figures are for post registration?

7 MS. BERESFORD: I do not. I can try to
8 get them for you.

9 THE CHAIR: Okay.

10 MS. BERESFORD: I have a report in my
11 mail on my desk, but I'll look.

12 THE CHAIR: One of the things in the
13 strategic plan was proposal to move some of the
14 ITU work into paralegals.

15 MS. BERESFORD: Uh-huh.

16 THE CHAIR: Have you started that or is
17 this going to be a new initiative or?

18 MS. BERESFORD: Well, we piloted that
19 initiative last year. We did -- had -- and what
20 we did was we had four paralegals look at
21 statements of use. And they already do a minimum
22 requirements review for statement reviews. What

1 we asked them to do was to look at the SOUs, and
2 if there were procedural issues to deal with the
3 procedural issues; if they spotted a substantive
4 issue, to indicate that.

5 So essentially, we were setting them up
6 to do everything in statement of use examination,
7 including approving the file for registration if
8 there were no issues found, fixing procedural
9 issues if there were procedural issues, spotting
10 substantive issues if there were substantive
11 issues, and writing a letter stating whatever
12 needed to be stated for a particular file. We
13 took that letter or that action and this was all
14 done without actually doing anything. This was
15 done as a pilot. We took that letter or action
16 and reviewed it. The file then went on to the
17 examining attorney, who never knew what --
18 anything had been done.

19 In doing that, we assessed the quality
20 of the work that was being done by the ITU
21 paralegals. Were they spotting the issues, the
22 substantive issues and sending the correct files

1 onto the examining attorney? Were they handling
2 the procedural issues correctly? We are
3 continuing that pilot. The idea is that we will
4 continue the pilot until we're confident
5 everybody's training -- we're expanding it to more
6 people so that all the ITU paralegals will be
7 doing that. We are expanding that pilot and we
8 will continue it until a, we're either convinced
9 that everybody is at a training level and an
10 ability level that this will be successful. And
11 then it will no longer be a pilot; it will be
12 fully implemented. And ITU paralegals will in
13 fact be approving some applications for
14 registration based on their assessment of what's
15 in the statement of use; others they will be
16 sending to examine attorneys. Or plan B, if it's
17 not successful, we'll continue with our current
18 process. Based on the evaluation we have so far
19 from the work that's being done, we think this
20 will be a successful pilot. But we will -- we
21 aren't ready to say okay, let's go full bore ahead
22 yet.

1 THE CHAIR: Uh-huh.

2 MS. BERESFORD: We're still looking at
3 it. Questions?

4 THE CHAIR: I think there was another
5 thing in the strategic plan about looking at --

6 MS. COONEY-PORTER: Can I just ask one
7 question?

8 THE CHAIR: Oh, Kathleen. Sorry.

9 MS. COONEY-PORTER: So essentially, a
10 paralegal will be able to have the right to issue
11 a substantive refusal?

12 MS. BERESFORD: No.

13 MS. COONEY-PORTER: Okay.

14 MS. BERESFORD: No. That's the one
15 thing they're not going to do. They're -- and
16 that's the part of the training that we're very
17 concerned about that they -- the first four that
18 we trained, we told them be very conservative. If
19 you have any doubt at all about what's going on,
20 forward this file to the examiner, you know,
21 forward it to the examining attorney. You're here
22 to handle procedural issues and if there are no

1 procedural issues and you see nothing possibly
2 that's a substantive issue, then you should
3 approve it for registration. But all of the
4 substantive issues will continue to be handled by
5 examining attorneys.

6 THE CHAIR: I was going to ask a
7 question about the quality review office. Are you
8 proposing to change it so that they now look at --
9 was it final actions?

10 MS. BERESFORD: All final actions.

11 THE CHAIR: All final actions.

12 MS. BERESFORD: The quality review
13 office of course now does the quality reviews of
14 the final refusals that constitute our final
15 action quality number. We will continue to do
16 that because we're proposing the new measure where
17 we look at all final actions that come out of the
18 office. That would be the things sent to pub as
19 well as things that are finally refused.

20 THE CHAIR: Uh-huh.

21 MS. BERESFORD: We have to pilot that
22 measure for at least a year before we can put it

1 into -- in as an official measure. So we will be
2 piloting it this year and then at the end of the
3 year, we'll make a decision about whether it
4 should become our official measure or not. But
5 they will be doing that this year.

6 THE CHAIR: Okay. Anybody else have any
7 questions or comments for Lynne? Al?

8 MR. TRAMPOSCH: Are we discussing the
9 strategic plan now or will there be later
10 discussion?

11 THE CHAIR: Well, we have time so I
12 think we can.

13 MR. TRAMPOSCH: Before we move on from
14 Lynne, can I suggest perhaps that we as a
15 committee commend her and her staff and all the
16 trademark staff as a whole for their fabulous
17 performance this year.

18 THE CHAIR: I think that's appropriate.

19 MR. TRAMPOSCH: And the same or better
20 performance for next year.

21 MS. BERESFORD: Thank you.

22 THE CHAIR: I think we could also thank

1 Howard as the representative here of the -- well,
2 of the attorneys, so. Did you want to talk about
3 the strategic plan, anything in particular?

4 MR. TRAMPOSCH: Yes, Jeff. I'd just
5 like to come back what I mentioned -- well,
6 something that was already mentioned, the phrase
7 protect the USIP system that's used in this
8 strategic plan. And I listened carefully to the
9 director's explanation of that, and I'm just -- I
10 would just like from my own point of view to
11 suggest modifying the language because I think it
12 doesn't necessarily convey what the director
13 intended it to convey to all people, especially
14 abroad and especially in the context of
15 international negotiations.

16 My worry is that it looks as though the
17 U.S. is taking an official position in its
18 strategic plan, which is one of the most important
19 documents that it puts out of using all of its
20 efforts to maintain the U.S. system as it is. And
21 I don't think that that's the point at all. I'm
22 thinking in particular of international

1 harmonization discussions or any discussions about
2 improving intellectual property including
3 improving intellectual property within the U.S.
4 And I would also suggest that the best -- that
5 what the USPTO wants of course is to have the most
6 efficient and the most effective intellectual
7 property protection for all U.S. interests. And
8 part of that is effective and cost efficient
9 protection worldwide, which may include or
10 hopefully will include harmonization, which may
11 mean changing the U.S. system in some ways in
12 order to achieve worldwide harmonize system. And
13 I'm just afraid that this will send a message to
14 our negotiating partners abroad that the United
15 States is taking a strategic and policy position
16 against those kinds of changes. And I would
17 suggest modifying that language in some way to
18 actually convey what we're trying to say and not
19 get the wrong message across.

20 THE CHAIR: I think that's a good
21 suggestion. Okay. Anything -- Oh, I'm sorry.

22 MS. BERESFORD: Yes, Thank you. And

1 we'll convey that message. I think you're
2 absolutely right. Your message is the one that we
3 want to convey. The other just note on the
4 strategic plan is there are initiative papers for
5 every item in the strategic plan, and I've asked
6 OCP to get copies of those initiative papers,
7 which have things in them like costs for all of
8 you before you leave today. So I will go back to
9 them and make -- I thought they'd have them by
10 now, but I'll go back to them and ask them for
11 those initiative papers unless you're not
12 interested in looking at the initiative papers, in
13 which case -- I know you all have busy lives and
14 plenty to do. But if you'd like them, I'd be more
15 than happy to get them for you.

16 MS. COONEY-PORTER: Is this the staff
17 initiative?

18 MS. BERESFORD: No. This is the -- each
19 element in the strategic plan is supported by the
20 initiative paper that lays out what exactly, you
21 know, for instance, when we talk about the new
22 performance, the new final action performance

1 measure, there's an initiative that talks about
2 what that means and what it's going to cost. And
3 so, for each of our trademark initiatives, there's
4 an initiative paper. For each patent initiative,
5 there's an initiative paper, et cetera. So, the
6 question is if you're interested in those, I'll
7 make sure that everybody gets copies. Okay?

8 MR. ROSENBERG: Josh Rosenberg. One of
9 the areas that I was interested in last year and
10 it was an initiative last year and probably
11 continues is the process map.

12 MR. ROSENBERG: And I'm wondering how
13 that is going and also what improvements you've
14 seen because you've developed a process map.

15 MS. BERESFORD: Well, the process
16 mapping continues and it's part of what we're
17 going to do this coming -- in 2007. We have seen
18 some improvements as a result of the process map.
19 We've taken a little bit of pendency out of our
20 back-end pendency by -- because we've seen a week
21 of -- in the process, it's just not necessary
22 anymore, so we just moved it out.

1 We're looking also in the part of an
2 issue process that the whole Official Gazette,
3 publishing the paper, Official Gazette, process
4 which adds three and a half weeks to our back-end
5 pendency. We've already talked to the Government
6 printing office asking, you know, we send them a
7 complete file that they print the Gazette from, we
8 send them the electronic file. And asking them --
9 and then three and a half weeks later, they print
10 the Gazette. And we're in discussions with them.
11 Could they cut that time down a little bit, it
12 would be very helpful to us. But those are the
13 sort of things that the process map is exposing in
14 terms of time.

15 MR. ROSENBERG: Uh-huh.

16 MS. BERESFORD: We've also had a look at
17 our LIE and SLIE functions. And we've seen some
18 things and we're in discussions about those
19 functions. We've seen some things that we can
20 really improve in that area. The LIE PAP, for
21 example, has been the same for years and years and
22 yet their work has become less paper driven and

1 more and more electronic. So, we see that the
2 measures that they have and the kind of work that
3 they do has changed. That's been a thing that
4 we've seen in the process map. So we're in
5 discussions with those folks to talk about how we
6 can modernize and really reflect in their PAPs and
7 in their work what they're actually doing now.
8 So, it's ongoing. We have post registration I
9 think as our next area that's up to bat. We think
10 in a year or a year and a half we will have not
11 only completed it but seen some real improvements,
12 not the small improvements but some really, some
13 more major improvements in the process, which is,
14 you know, worth looking at.

15 THE CHAIR: Let's see. Jackie?

16 MS. LEIMER: Jackie Leimer. I just
17 wanted to make or build on a little bit of Al's
18 comment about the importance of IP phrasing in a
19 strategic goal towards international
20 harmonization. And from a user perspective, I
21 think some of the largest users in the -- of the
22 U.S. office are multinational companies who are in

1 the case of Kraft Foods, for example, a
2 combination of companies, many of them that are
3 operating and incorporated outside of the United
4 States who own their own IP. So, we would make
5 first files on patents for example in Europe. We
6 have home countries of trademarks in many places
7 in the world. So I think it is important that we
8 communicate the importance to the users of having
9 regular and steady efforts towards harmonization.

10 MS. BERESFORD: Thank you.

11 THE CHAIR: Kathleen?

12 MS. COONEY-PORTER: Thank you. Quick
13 question regarding the printed version of the
14 Official Gazette. Our last meeting indicated that
15 if there wasn't -- if there was a decreased demand
16 of the printed version, that the office would
17 think about cutting it. Is that -- have you seen
18 that decreased demand?

19 MS. BERESFORD: Well, first of all, it's
20 not the office's choice. It's the Government
21 printing office.

22 MS. COONEY-PORTER: Right.

1 MS. BERESFORD: We don't support the
2 Official Gazette. We don't give money for the
3 Official Gazette. The only thing we do for the
4 Official Gazette is send them the full electronic
5 file. I haven't talked to them. They were,
6 (comma)but I can ask. We can get back in touch
7 with them.

8 They had sent out a survey to their
9 users explaining that the cost of the Official
10 Gazette was going to go up by I think about 50
11 percent and asking the users if they would
12 continue to subscribe if that cost went up. So I
13 don't know what the results of their survey have
14 been thus far, but I can try to get that
15 information from them.

16 We have in addition put a search line on
17 our test system that allows you to put in the
18 official -- the date of a particular Official
19 Gazette and essentially create a small database in
20 the search system of all the marks that were
21 published for opposition in that Official Gazette
22 and then search that just as you would search in

1 the test system. So you can search by owner or
2 design code or word mark or you know, goods and
3 services, class, in an effort to make the
4 electronic Gazette more user friendly. One of the
5 things we're going to do in the next month or so
6 is go out with a request for information asking
7 our public what could we do, what other
8 functionality would you like to see in the online
9 Gazette that would make it more usable for you.

10 MS. COONEY-PORTER: Thank you.

11 MS. BERESFORD: And so that is -- I mean
12 you can take the PDF version of the Gazette and
13 download it into your tablet or your notebook and
14 sit on the train and look at it if you want to,
15 but we think that we want to make that online
16 Gazette a much more usable item. So we're going
17 to look for comments.

18 THE CHAIR: The first objective the
19 strategic plan talks about developing alternatives
20 for predicting workloads, processing, and managing
21 the workforce and so forth. What do you have in
22 mind as far as alternatives for predicting

1 workloads? Because we don't really obviously want
2 to go back to the situation several years ago
3 where we had to lay off a number of examiners.
4 So, what other tools are you developing or do you
5 plan to rely on so we don't run into that
6 situation in the future?

7 MS. BERESFORD: Well, the tools --
8 obviously, the tools we're using now, we have a
9 fairly sophisticated workload predicting
10 mechanism. We have a -- where we look at past
11 filings and try to figure out what's going to --
12 from using that data, what's going to come in in
13 the next year. We've asked our Office of
14 Corporate Planning to look at other models for
15 predicting workload. And we also have just hired
16 someone in our office who is a modeling expert and
17 we're going to ask him to look at possible ways of
18 better predicting our workload.

19 Let me remind you that the situation
20 that we had with the dot com boom and burst was
21 really an anomaly. We haven't had anything like
22 it before in the, you know, 100 years that we've

1 been keeping records. We just haven't had
2 anything like that. And I don't know that we're
3 going to find something that would predict such a
4 thing. But we are going to try to refine our
5 measures and come up with better ways of
6 predicting workload.

7 THE CHAIR: Anybody else have any
8 questions or comments?

9 (No response)

10 THE CHAIR: It's about noon, so I think
11 it's -- what we can do is adjourn now for lunch
12 and some of the items regarding our own internal
13 work and preparation of the annual report, for
14 example, we can discuss over lunch. And we'll
15 have lunch down in the PTO cafeteria.

16 (Whereupon, at 11:59 a.m., a
17 luncheon recess was taken.)

18 A F T E R N O O N S E S S I O N

19 (1:03 p.m.)

20 THE CHAIR: Let's go back on the record.
21 We're joined now by PTO Director and Under
22 Secretary John Dudas and Steve Pinkus, the Deputy

1 Director, who's also here as well. And John is
2 going to fill us in on whatever is on his mind.

3 MR. DUDAS: Sounds good. Yeah, if you
4 look in your book, it's blank. So, I'll speak off
5 the top of my head, but the problem is that could
6 easily go for more than 30 minutes. So I'll be as
7 quick as I can because what's most important is to
8 get your questions and thoughts and guidance quite
9 honestly. So, those are the most important
10 things. I think I just -- I don't want to rehash
11 everything you've heard. I would just say sitting
12 as the under secretary and director, what I look
13 at is the incredibly strong performance that
14 trademarks had. I look at the fact that where the
15 office is headed, there's very clear direction.
16 Lynne has done a fantastic job.

17 I think the managers in trademarks have
18 done a fantastic job. And quite honestly, the
19 trademark examiners have done an incredible job.
20 They had a new performance plan that quite frankly
21 asked for more. We weren't certain if it would be
22 successful or not. We know that trademark

1 examiners, examining attorneys are working very
2 hard, but they're getting incredible results. And
3 so, what we do is every month we have metrics that
4 we measure. Green means good. Yellow means close
5 to good but you're not there yet. And red, of
6 course, means not so good. By the way, this is
7 patents. They're all green now. But this was the
8 month before our final month. Not only are they
9 green, to get the green, you know, you just have
10 to make it roughly up to the bottom here, but
11 numbers show percent of target by last month --
12 and I'm sure you've heard this one -- 113 percent,
13 110 percent, 124 percent, 147 percent, 110
14 percent, 106 percent, our examining attorneys and
15 our patent examiners as well.

16 When we reach our goals here, we don't
17 do 100 percent or 95 percent, we do something like
18 103 percent. If you count in overtime and
19 everything else, it's goals of even higher. So
20 these are stretch goals that are I think it's 112
21 percent in trademarks when you look at all of the
22 incentive structures and everything else. They're

1 stretch goals and so I think Lynne and the entire
2 trademarks deserves a lot of credit. I do have
3 the opportunity to brag about trademarks.

4 Then when you look at the broader sort
5 of are they leaders, absolutely, they're leading
6 in teleworking. They're leading in new ways
7 throughout Government, new ways of doing things,
8 looking at new ways of doing work. Many of the
9 things that we look to even here at the U.S.
10 Patent and Trademark Office, patents is more open
11 to looking at how trademarks did it. They're
12 different, different models, but patents is more
13 open to looking at that. Trademarks helped us
14 reach our electronic filing goals in patents this
15 year. So what I think I see is a vibrant
16 organization that's achieving very high stretch
17 goals and on top of it, trademarks is on a path to
18 getting to the ideals. And you can help us figure
19 out what the ideals are. From what we understand,
20 people are very pleased with the idea of getting
21 to a 13 and 3 month pendency model.

22 We've talked about is there a six month

1 pendency model or some other pendency model that
2 we should be looking at. And so far, what people
3 have said is no, you're on the path for the ideal,
4 again, knowing what the costs are and what the
5 benefits are and the challenges the office faced.
6 So what -- the other area I would point out just
7 as by way of example, Lynne and a team of folks
8 including folks who are in this room right here
9 are going to get a Gold Award from the Department
10 of Commerce from the U.S. Government for their
11 work in the Trademark Law Treaty.

12 That was another example of the U.S.
13 leading, so this isn't an external environment,
14 but really I think leading, conceiving, and
15 following through on the Trademark Law Treaty, we
16 see a lot of those kinds of efforts certainly in
17 the anti-counterfeiting and anti-piracy as well,
18 although that's not a trademark issue, per se, but
19 a lot of leadership coming out of the trademark
20 office. So, I'm certainly open to criticism, I'm
21 just on a, you know, good one week high here
22 coming off our week here at the USPTO. So I won't

1 leave it with just compliments. Plus, I get to be
2 director now. When I deputy, as you recall, I
3 always had all the bad news, but that's why Steve
4 is here. Not so. Steve has actually been one of
5 the reasons we've been leading so much and have
6 such good news. So, I guess I leave it open to
7 questions, thoughts, criticisms, constructive or
8 otherwise, give Steve a chance to raise anything
9 that I might have missed, but again, getting your
10 thoughts and guidance is probably what's most
11 important.

12 MR. PINKUS: I don't have a whole lot to
13 add of course, John.

14 MR. DUDAS: Because I talk a lot.

15 MR. PINKUS: But this is -- first of
16 all, welcome to the new members. Welcome here.

17 MR. DUDAS: Oh, yeah.

18 MR. PINKUS: And thanks for agreeing to
19 serve on TPAC. Welcome back to the others and
20 congratulations on the new term as chairman to
21 Jeff. I think you've done a great job in leading
22 this board and -- or this committee. You know,

1 sometimes we view it as a board, you know, TPAC
2 and PPAC (phonetic) is somewhat board of directors
3 in our little corporate environment we like to
4 think of here at the PTO. But we -- we're very
5 excited about again the new membership and Jeff's
6 continued leadership and learning things from you
7 all that don't have to be necessarily -- you know,
8 I know you get a lot about budget and some of the
9 operational things, but I think this is an
10 opportunity in serving on this board to share your
11 ideas about how to best improve the trademark
12 system in the United States.

13 Many of you, if not all of you are
14 deeply involved in the area of trademark law and
15 how our office processes trademark applications
16 and appeals and whatnot. And you're sort of
17 really in the trenches and have good ideas about
18 what we're doing right, what we're doing wrong, or
19 just a new idea that could improve things. And I
20 think that's a, you know, great opportunity
21 through these meetings for you to come forward
22 with those ideas and help us improve the office.

1 Because you know, we sit around obviously, as you
2 know in your day jobs, you're consumed with
3 everything you have to do, and part of that charge
4 is to improve things, but you also have to keep
5 the trains running. And that consumes a
6 tremendous amount of time for all the management
7 and of course the examiners.

8 So we do look for you as -- at you as
9 sort of that advisory mechanism and sounding
10 board. And we're very receptive to whatever ideas
11 you come forth with and we're always striving to
12 improve our organizations here and improve our
13 performance. And also, you know, we can't always
14 change the law here. Sometimes, of course, that
15 requires legislative action. But it's -- you
16 know, John is charged as the under secretary with
17 making recommendations through the administration
18 and testifying on the Hill. And you know, we do
19 take a leadership role in policy making
20 domestically and of course, as John eluded to
21 internationally with the TLT. So, we appreciate
22 advise and guidance along those lines too.

1 If it's something that's gone awry and
2 needs a legislative fix or if there's a particular
3 issue with a individual country, we've got people
4 who focus on various regions and countries of the
5 world and are -- in fact, we have folks deployed,
6 IP attache's as we call them, deployed to various
7 countries. In fact, just last week -- was this
8 mentioned already today? It might have been.

9 MR. DUDAS: No.

10 MR. PINKUS: Just last week -- it's
11 taken a long time. We've had Mark Cohen may of
12 you know, he's been in China for two years now.
13 We have deployed a second person to China. There
14 will be a third person deployed to China based out
15 of Guang Jo. He's not there yet. But Dom Keating
16 from our office just last week went to India for
17 his deployment. We have deployed somebody to Sao
18 Paulo to handle Brazil and other issues in Latin
19 America, as well as Egypt for the Middle East and
20 Cairo and Bangkok.

21 MR. DUDAS: Thailand, yeah.

22 MR. PINKUS: Bangkok, Thailand. And --

1 MR. DUDAS: We thought that was a coup
2 to get someone there.

3 MR. PINKUS: That was good. That was
4 good. Took me a minute there. If you know
5 anybody who is in IP, preferably an IP lawyer that
6 speaks Russian or would like to be deployed to
7 Moscow, let us know because that position is open.
8 But they are a great resource. And not just those
9 countries. Obviously, we work a lot with the
10 embassies and U.S. personnel and foreign personnel
11 in other countries as well. So if there are
12 issues in particular regions, it's our job to help
13 the U.S. Government lead those -- address those
14 issues.

15 So, in sum, think big because we're
16 trying -- we are thinking big we believe. If
17 we're not thinking big enough, let us know. But
18 as we're looking at things internationally, very
19 big programs, global training academy. And again,
20 I think we're thinking very big here within the
21 office, so your helping that means a lot. Even
22 though we give you all the details, that those are

1 very important details, but we're looking to you
2 to help us think big. Thank you.

3 THE CHAIR: Questions for?

4 MR. ROSS: I've heard a lot of comments
5 and --

6 THE CHAIR: Could you put your
7 microphone on?

8 MR. ROSS: Sure. My name is Harold
9 Ross. I represent NTEU 243. I'm speaking for Ms.
10 West. She's not here at the present time.

11 THE CHAIR: Thanks.

12 MR. ROSS: I've heard a lot of comments
13 in reference to how well the attorneys are doing.
14 And I've noticed that they have several incentive
15 programs in place to help motivate them in order
16 to reach those pendency goals and all the goals
17 that they meet. But I see a lack as far as
18 administrative support is concerned. For the past
19 several years, administrative support has not had
20 an incentive program. They have very little
21 motivation as far as reaching goals. Although
22 they reach their goals and they help the attorneys

1 reach those goals, I think a little more attention
2 needs to be placed towards the administrative
3 staff, i.e. sometime of incentive program, i.e.,
4 PTO University, something to help them grow as
5 well as the attorneys are growing. I mean we're
6 focusing a lot on the attorneys, and I can
7 understand that because we're trying to get
8 applications out. But without the supportive
9 staff, these goals wouldn't be met. And I would
10 hope that this agency would hopefully look towards
11 that and try to reach or come up with something to
12 help motivate the supportive staff.

13 MR. DUDAS: Well, I appreciate the
14 comment and I thank you for it. And in fact, it's
15 something we're much more focused on. And
16 hopefully, when we have celebration here at the
17 year end, it's intended to be a celebration of
18 everyone. There is no question. The hiring that
19 we do, we can't do. And we know who is -- you
20 know, examiners are examining and examining
21 attorneys are examining, but there's a whole lot
22 that goes into behind that. We couldn't do it

1 without all the support for the hiring, everything
2 that gets done, you know our productivity,
3 efficiency, production, everything is based on
4 getting everything done well. And so some of the
5 things specifically you mentioned, there's no
6 question. PTO University or other training
7 programs along those lines are under review, and
8 there's no question. Before we had the full
9 budgeting, one of the first things that we looked
10 to for short term cuts is training, both for
11 examining attorneys and for employees throughout.
12 So, both of those are under review, both PTO
13 University and other programs. And I recall
14 recently -- I hope you're seeing a bit of a turn
15 or you're seeing more of these sort of positive
16 efforts. I know that along with NTEU 243, we were
17 very pleased with the teleworking program that we
18 had come out. And it really came about from 243
19 working with management and with employees to get
20 those kinds of things done.

21 So, I hope you see either we're turning
22 a corner or if you -- or that you see a lot of

1 focus on that because there really is at least
2 across -- I'd point over here. When we had our
3 executive committee meeting, we had some
4 discussions along these lines this week. So
5 hopefully you're seeing more of that. We do want
6 to have those kinds of incentive programs. I
7 think there's been a concerted effort to get that
8 done and some real successes this year. But I
9 think it's important to raise it. And that we
10 want to do -- I don't know if there are any other
11 programs you wanted to raise, but I think there
12 have been some real successes this year with 243.

13 MS. BERESFORD: Yes. And I -- and we've
14 been in contact with them, 243, earlier. We're
15 looking at and talking about an awards plan that's
16 a more comparable, that has more scale to it, that
17 gives better awards for work well done. We're
18 looking to a number of things in that area. And
19 we've been in informal discussions with 243 about
20 that, and we will continue that. It's something
21 we think is very important. We certainly
22 understand, I understand nothing gets done unless

1 you have the support staff behind you helping you
2 do it. And we think it's both training wise and
3 award wise we've been neglectful, and we want to
4 change that.

5 MR. DUDAS: Yeah.

6 THE CHAIR: Really quick?

7 MR. DUDAS: Oh, I'm sorry. Go ahead.

8 THE CHAIR: I was going to say that for
9 our new members, 243 is the union that represents
10 the administrative support staff. Joshua?

11 MR. ROSENBERG: Josh Rosenberg. Yeah,
12 to follow that question and comment up, I wonder
13 if you guys are doing what we call voice of the
14 workforce, surveys and things to understand
15 exactly how your workers feel about their jobs and
16 maybe identifying some things that are problems
17 before they become real problems.

18 MR. DUDAS: Thanks. And yes, we are.
19 We do surveys. I don't know if they're -- are
20 they annual, where we get sort of job satisfaction
21 and talking about what we've -- go ahead.

22 MS. COHN: Every couple of years,

1 there's surveys that are sent down that -- Debbie
2 Cohn, USPTO. Every few years there's a survey
3 that comes out from OPM. I think it's called the
4 Human Capital Survey. I'm not 100 percent sure of
5 the exact name. But we have been working with
6 those results to try and make some improvements.
7 One of the initiatives that came out of that
8 survey or the last one was the emphasis on
9 communication within the USPTO. So there are
10 some -- we do have these surveys going out. You
11 know, we have a huge workforce, so it's hard to
12 survey everybody.

13 But we have looked at results. We are
14 paying attention to them. And we've actually
15 formed the Human Capital Council, which is a
16 management committee that pays attention to all of
17 these issues.

18 THE CHAIR: Any other questions or
19 comments?

20 MS. DEUTSCH: I do. John, can you talk
21 about any updates on a WTO proceeding against
22 China. There have been rumors forever, but the

1 most recent rumors seem to be that there's
2 something more eminent, although it's being more
3 copyright driven than trademark driven. And I was
4 just wondering if you had anything you could
5 actually publicly share.

6 MR. DUDAS: I can publicly share that
7 it's currently under consideration, no question.
8 The U.S. Government has said we will do anything
9 that is appropriate in a WTO context. As you
10 know, the U.S. lead an effort along with
11 Switzerland and Japan in opening up the
12 transparency requests. And the U.S. has been
13 trying to figure out specifically whether or not
14 it makes sense to take a case. And quite
15 honestly, I think the U.S. Government is saying,
16 in all cases, if you do take a case, it's best --
17 better to get a nation to cooperate without taking
18 a case. I think that's much of -- and anytime a
19 case is taken or if a case isn't taken, there's
20 discussions, negotiations, how can we move people
21 along. And I think the question about where a
22 case would go specifically, I think those are sort

1 of legal judgements that have been underway. I
2 think there are some, probably from the copyright
3 industry, that would argue the violations in
4 copyright are clearer and more direct, et cetera.
5 Certainly, taking into account what the industry
6 says are the problems is a big issue. So, one of
7 the challenges I think for the trade
8 representative is industry has? You used to have
9 industry, you must take a case, must take a case,
10 must take a case. It's the only thing to do. And
11 when the administration began talking about that,
12 a good three quarters of the industry, my God,
13 don't take a case, don't take a case, don't take a
14 case. So it really is trying to get the right
15 information from the outside, evaluate the legal
16 arguments.

17 And I think there's no question the
18 United States has been serious about getting China
19 to take its obligations seriously, both legally
20 and from a negotiation standpoint. But really,
21 it's -- there's not much more to say, not that I
22 can't say more, but that it's under serious

1 consideration. But the United States is very
2 serious about making sure that China meets its
3 obligations. I will also say that Chinese
4 Government, by and large, has been more serious
5 about its obligations. It has been more
6 forthcoming about the problems that they have.
7 And they've been more creative in the solutions.
8 They've even come up with some solutions on their
9 own that we think are helping. It's an issue also
10 of timing, how quickly are they going to follow
11 up.

12 MS. DEUTSCH: And are you working
13 directly with copyright constituencies to kind of
14 coordinate? Because my practice definitely covers
15 both.

16 MR. DUDAS: Uh-huh.

17 MS. DEUTSCH: And it's interesting, the
18 rumors I hear on my trademark side and the rumors
19 I hear on my copyright side.

20 MR. DUDAS: Yeah.

21 MS. DEUTSCH: I'm just hoping one hand
22 is knowing what the other is doing.

1 MR. DUDAS: Yeah. The trade
2 representative definitely works with industry
3 directly. We work with industry directly as well.
4 We provide a very strong supportive role in
5 government. But it's my understanding that both
6 here and particularly at USTR that they're working
7 with industry throughout, so.

8 MR. PINKUS: I don't think it's any
9 secret that any case could be based on ineffective
10 enforcement of intellectual property rights. And
11 I'm not quite sure of a dynamic of -- or
12 distinctions being drawn between copyright and
13 trademark so to speak. I think John mentioned
14 that there seems to be some robust statistics that
15 have been kept yearly by certain copyright
16 industries. But I think that the main thrust of
17 the case would be certain inadequacies in the
18 Chinese law that allows for this lack of
19 enforcement. And that would apply on a criminal
20 level to either copyright violations or trademark
21 violations. And there was interestingly a comment
22 by -- I think it was by the Premier in China that

1 they were -- and we're sort of tracking this
2 down -- that they were going to look at lowering
3 the thresholds for criminal prosecutions again.
4 And you know, whether that's true or not, I mean
5 you can speculate whether that's a response to
6 public or press discussion of a potential WTO
7 case. But of course, that doesn't -- someone can
8 say something, you know, it doesn't mean they're
9 going to do it.

10 MR. DUDAS: If you don't mind, I just
11 want to follow up on Josh's question as well and
12 follow up on the comments you've made. The
13 surveys that we've seen so far have taught us a
14 couple things. One, examining attorneys and
15 examiners in patents, we get ranked very highly on
16 and we have very clear goals, et cetera. We get
17 ranked low sometimes on -- I don't know what you
18 call it -- it's a very hard job; the demands are
19 very big.

20 The, you know, there's no question that
21 in the job satisfaction area, do you have clear
22 goals usually set up. But what I like to say is

1 we've got the who, what, when, and where figured
2 out pretty well. Who, you, what, do the work,
3 when, now, you know, very easy type stuff. We can
4 tell people where, that's changing a little bit,
5 at home or here or other possibilities. Why, we
6 need to communicate better on why. And how, we
7 need to communicate better on. It's not much
8 different from a lot of businesses. I think we're
9 getting better at figuring exactly that out. And
10 certainly, there's, you know, times where we sit
11 on this and say gosh, this is such a great program
12 and why don't people understand it. Well, because
13 we haven't communicated it well enough. So,
14 that's one area particularly for those in the
15 bargaining unit and NTEU 243.

16 One of the things we've found out is
17 we're not -- we believe we can do a better job on
18 the who, what, when, and where's as well. In
19 other words, having clearer goals, clearer targets
20 to meet, as well as the how and why, but giving
21 those clearer goals helps us get the kind of
22 incentive programs. If they're measured better,

1 then we can get those kind of incentive programs
2 in place. And that's one of the things that
3 trademarks and patents, quite honestly, are urging
4 our other organizations to put in place. We're
5 measured very carefully in trademarks, very, very,
6 very carefully. We should have similar
7 measurements in place and then along with that,
8 the kind of incentive programs that help people
9 pick and choose what their workday looks like a
10 little bit more. So, I think we're on our way,
11 but we need to continue it.

12 MS. COONEY-PORTER: Hi, John. I had
13 lunch recently with one of our commercial
14 investigators and I have to say it was a little
15 depressing. It wasn't anything new but
16 essentially worse than what we expected. And one
17 of the countries was Brazil and I think you
18 mentioned you have someone there. Is there any --
19 this is a rumor that I heard from him. Is there
20 any talk on the Hill about potential tariffs to
21 some of these countries on the units that come in
22 customs or is that a rumor?

1 MR. PINKUS: For Brazil?

2 MR. DUDAS: Yeah.

3 MR. PINKUS: As far as new tariffs based
4 on intellectual property violations, I don't know
5 that there's -- I haven't heard a lot of talk
6 about that. There's the generalized system of
7 preferences. Is it GSP --

8 MR. DUDAS: Uh-huh.

9 MR. PINKUS: -- that we're analyzing vis
10 a vis Brazil. It's also a broader discussion. Of
11 course, intellectual property comes into play, but
12 GSP, for example, is supposed to be a lift up for
13 certain countries and you reach a threshold and
14 they're supposed to not be needed anymore so to
15 speak. So that's kind of like a broader policy
16 debate about that. But, intellectual property
17 does influence it. There's myriad problems in
18 Brazil, although there's some improvement there
19 too. But you know, sometimes the improvement is
20 when you go from 90 percent piracy to 87.5. But
21 it's still nonetheless an improvement in the
22 government in the lieu of administration. It's, I

1 think, fairly remarkable that there's been a
2 rather aggressive campaign to improve intellectual
3 property respect and rights. They're lead by
4 their attorney general, and so it's gotten sort of
5 a law -- precisely, it has a law enforcement
6 focus. And it's being carried out also in the
7 state level. A lot of states are putting together
8 their own IPR action plans.

9 MR. DUDAS: And there is talk on all
10 these whether or not Russia makes it into the WTO
11 partly because of intellectual property, GSP in
12 Brazil, whether or not there's a case taken
13 against China. Much -- and we play a role in
14 every one of those, although not the --
15 necessarily the -- a lot of those are beyond
16 intellectual property.

17 That's what people -- people love that
18 we're very clear about what we care about, but
19 they get frustrated because we don't care about
20 sugar at all. I mean sugar is important, just not
21 to us. So, but what we are spending a lot of time
22 on is trying to make certain that each of these

1 nations and the critical policy makers within
2 those nations understand why intellectual property
3 is important to their nation. Clearly, the reason
4 it brings them around is they think it's going to
5 be good for their nation, not just foreign
6 investment but actually in their own internal
7 investment as well.

8 And I think we're turning a corner or at
9 least making progress in a number of nations.
10 Brazil -- not -- definitely haven't turned the
11 corner yet, but it's interesting to have the
12 discussions in Brazil or with Brazilians where on
13 the one hand, we're fighting tooth and nail on
14 international treaties or development agenda. We
15 think development is critical but not at the
16 expense of intellectual property. And then
17 outside we have a discussion, hey, is there
18 anything you can do to help us beef up our office.
19 We need more help on examining everything else.
20 Absolutely. We'll help anybody and everybody to
21 increase their intellectual property protection
22 schemes and infrastructure. So, I think

1 anecdotally there's progress there, but the short
2 answer to your question is yeah, there's talk
3 about that.

4 MR. PINKUS: Well, then of course
5 there's Schumer Graham talking -- Senator Schumer
6 Graham talking about a tariff for Chinese goods.
7 Intellectual property again plays into that, but
8 it's also based on other issues of course, their
9 currency issue primarily there. You know, I think
10 generally speaking it is the administrations
11 position that new tariffs or trade restrictions
12 have historically not proved to be particularly
13 beneficial to the United States or others. You
14 know, they have a little bit of a different
15 dynamic on Capitol Hill. So, again, you know, see
16 what happens, and again, IP always sort of plays
17 into it. Sometimes it's a bigger issue depending
18 on the country.

19 THE CHAIR: Go ahead.

20 MS. LEIMER: Jackie Leimer. I'd be
21 interested in your comments on the office's
22 experience with Madrid filings. And a related

1 question is do you -- does your outreach that
2 you've been describing, especially in countries
3 like Brazil, does it include advocating Madrid
4 succession?

5 MR. DUDAS: I can answer the second part
6 much better than the first part. The first part
7 I'm going to have to defer. But my answer to the
8 first part if you didn't have a second part was
9 I'm much more involved in pressing other nations
10 to get more involved. And in a way, we press
11 other nations to get involved without making it
12 look like the United States is pressing for them
13 to get involved.

14 So, at first many of the people didn't
15 join Madrid because the U.S. hadn't joined Madrid.
16 And now that the U.S. has joined Madrid, well,
17 what's the reason? Many of the nations -- I just
18 spent some time in Geneva last week, and I had the
19 opportunity to talk to a number of heads of
20 offices of other nations. So the answer is yes,
21 we're pressing -- we're explaining why that's so
22 important to each of their nations. And there's

1 really not another side to that. There are some
2 issues that many of these nations -- I won't even
3 mention some of them because they have very good
4 strategies for why they will be able to adopt
5 Madrid but why they don't want anybody to know
6 they're going to try to adopt Madrid.

7 But we're -- we're looking at a number
8 of things, not the least of which is finding those
9 nations that will be leaders for other nations as
10 well. If we get nation A to join, is it likely
11 that B, C, D, E, and F will join as well? So
12 we're actively promoting that, including as part
13 of our strategic planning, looking at ways where
14 we would make it easier for people to work with
15 the United States, help them with the kinds of
16 internet and electronic filing and processing
17 tools that would help them open up the U.S. market
18 and we would open up their markets as well. But
19 Lynne can answer -- Lynne or her designee can
20 answer part one.

21 MS. BERESFORD: I'm not sure what you
22 mean by our experience with Madrid. People

1 continue to file through the U.S. office and
2 extend their rights. And we continue to have
3 applications filed into the U.S. Occasionally, we
4 have a bump where something doesn't go quite
5 right, but on the whole, the system is working
6 remarkably well.

7 And I -- it has pretty much evolved the
8 way we thought it would, the gradual increases in
9 filings and folks looking at Madrid as a -- one of
10 the many ways you can use to extend your rights.
11 So, I'm not sure if you have a specific question.
12 I can certainly give you filing numbers. I can
13 get that. But I think it's going okay.

14 MR. DUDAS: Well, I have all the filing
15 numbers on the top of my head.

16 MS. BERESFORD: Wow.

17 THE CHAIR: We'll actually talk about
18 Madrid a little bit later this afternoon. John,
19 do you want to address -- one of the issues that
20 raised in the strategic plan has to do with
21 identifying options for securing long term funding
22 stability. Have any discussions taken place

1 within the administration or with, you know, the
2 legislative branch on that question?

3 MR. DUDAS: Yeah. We are constantly
4 talking about that within the administration and
5 throughout. I think the short term answer, if you
6 will, and it's for many a long term answer is that
7 the administration for several years running has
8 fully funded the office. And there's a sense
9 among many that that's the way budgeting must
10 work, that that's the way it works for everyone,
11 that every year you get a budget and that that's
12 your budget for the year, and the next year you
13 don't know exactly what's going to happen.

14 We believe very strongly that for the
15 kind of operation we run and for the kind of
16 results we have as well, but primarily the
17 operation we run, that it would be great to have a
18 much more consistent and stable model. So we have
19 had underway for a long time the discussions about
20 independent government corporation or what do you
21 do to ensure that there's a -- some sort of
22 guarantee that the full funding comes to the

1 USPTO. And everyone -- you know, we know what has
2 happened in the last several years in that both
3 for the first time in I think 15 years the
4 President's budget has done so for the next
5 several years has given full funding. Congress
6 has followed that lead. There's this sunset issue
7 that comes up this year, although, it looks like
8 both houses of Congress feel comfortable
9 continuing along with a full funding basis on a
10 year to year basis. So, we're constantly engaged
11 in that discussion. We know what options are out
12 there, but it's really going to be a conversation
13 that requires a filing of a bill and a
14 Congressional strategy. So we're having the
15 conversations, but right now it doesn't seem to be
16 the lead issue on intellectual property on the
17 house or the senate but one that we're very
18 actively talking about. Thank you. That's all
19 right. At least it wasn't Oscar Mayer wiener.

20 THE CHAIR: Any other questions for John
21 or Steve? I know that their -- the time is
22 limited. Do you have to leave now?

1 MR. DUDAS: I have to go for a phone
2 call in about five minutes but if there's -- in
3 fact, I just missed my call. I was calling
4 Jackie. We had a 1:40 call. So no, we're --

5 THE CHAIR: Yeah. Go ahead, Van.

6 MR. LEICHLITER: Yeah. Van Leichliter.
7 I just have one question. I think private
8 industry really appreciates the efforts that the
9 USTR and your office is taking on the
10 counterfeiting front. I think -- could you kind
11 of just explain if you could the headway that
12 you're making in the anti-counterfeiting in China?
13 Just generally, what's the feel there? Do you
14 think things are really getting better? You're
15 actually being heard and they're actually taking
16 action to enforce their laws and change their laws
17 to improve the anti-counterfeiting environment
18 there in China.

19 MR. DUDAS: Yeah. I'll be really quick
20 and then actually Steve lead the latest delegation
21 to China. So he'll be able to give you the very
22 latest in what's going on there. I'll just give

1 you my sort of -- having gone their five or six
2 times in the last two and a half years, the
3 difference is that two years ago they weren't
4 acknowledging in China that there really was the
5 problem. We were talking about whether there was
6 a problem. That changed to yes, we recognize that
7 we have an issue and we want to change it. They
8 ended up in China having more patent applications
9 from China than from elsewhere in the world one
10 year. That's a turning point for them. And they
11 now have as a national innovation plan to become
12 the innovative nation by 2017.

13 So I would say within the last two years
14 we've actually turned from wondering whether or
15 not there's a problem from their perspective to
16 establishing that there is, and now, how do we
17 solve that, much more cooperation among law
18 enforcement, much more cooperation with customs.
19 Steve knows of some -- I'm sorry I don't mean
20 to -- but there's Operation Fastlink,
21 international cooperation with Chinese and U.S.
22 law enforcement. We've always taken these issues

1 all the way up to the Premier and the President as
2 well. We work closely with the Vice Premier, Wu
3 Yi, and we have a number of areas where we have --
4 the USPTO has a 64 point plan on how to resolve
5 these issues.

6 So we get down to the very specifics and
7 we keep track of each one of those that we're
8 trying to move and then we of course have at the
9 secretary level and the trade representative level
10 yearly meetings with the JCCT where specific goals
11 are followed up upon. All that good news, the
12 fact that they're coming up with new ideas, that
13 there's more cooperation, that there's a greater
14 spirit, and they very much -- PTO, we come in with
15 both hammers and carrots if you will. I mean we
16 have programs that we can work on. So we have an
17 excellent relationship. We think we've identified
18 the right people in China and other nations to
19 help promote intellectual property. I'd say the
20 biggest problem is the length of time that it
21 takes to get something done and it's very easy in
22 a large country like that that while you make

1 progress here at the national level, you lose
2 footing or you lose progress at the local level.
3 Those are issues -- internal Chinese issues, but
4 they -- it doesn't matter. We can't say that we
5 have terrible counterfeiting in one state but
6 these other three states are great. We need to
7 work on that.

8 And also, a country that's moving policy
9 so quickly, we might make progress on intellectual
10 property laws in one area, but then the antitrust
11 or standards laws may take us back in the other
12 direction. So that's a challenge. Keeping that
13 fully coordinated is a big challenge. As I
14 mentioned, that was -- Steve lead the latest
15 delegation where we have -- I think we made
16 certain process progress and also have hopes of
17 making some substantive progress. I'm sorry I'm
18 leaving, but you're actually in more capable hands
19 right here.

20 THE CHAIR: Thanks, John. Appreciate
21 it.

22 MR. PINKUS: I really don't have a whole

1 lot to add to that. John summarized it pretty
2 well in the sense that I think we, as the U.S.
3 Government, encouraged by the recognition problem,
4 the process progress that we've made. And but --
5 I don't -- if I'm sitting there as a U.S. business
6 man or business woman, do I feel a heck of a lot
7 better? You know, maybe not. You know, the fact
8 is though on the administrative side, their
9 offices are getting a little bit better. We're
10 providing as much training and technical advice as
11 possible, so that U.S. applicants, when they go
12 there, are treated by a world class office. I
13 think that they've got a long ways to go there
14 too. I mean in trademarks in particular, I'm not
15 sure they do a particularly vigorous and U.S.
16 style examination. But I think the leaders of
17 those offices want to improve. I think that's
18 important. I mean I think they really do and they
19 want to establish a good relationship with the PTO
20 on the administrative side and the policy side.
21 And they're trying to work policy issues through
22 their bureaucratic morass there, which is helpful.

1 But again, it's such a huge problem And the
2 Chinese are running campaigns. John mentioned it.
3 It's Operation Mountain Eagle and this crackdown
4 on counterfeits in markets and the such. And
5 that's good too. Because, again, mostly their
6 helping Chinese companies, which is fine, because
7 at least the recognize that IP is important and
8 must be protected. But they need, in our view, to
9 depart from the campaign mentality to consistent
10 effective enforcements. Their laws need to match
11 it. They need a better effective -- I mean, in
12 the United States, it's our civil system really
13 that provides the intellectual property protection
14 more than the criminal system and the deterrent is
15 met. They need a more effective civil system too
16 for people to be able to actually seek redress,
17 have discovery, all these sort of things that are
18 common here.

19 So we're pressing those at every
20 opportunity. The USPTO is part of the broader
21 U.S. Government team. It will be part of this new
22 dialogue that Secretary Paulson is establishing,

1 in which is great because it has to be continually
2 emphasized at the highest levels. As John said,
3 it was part of President Bush's agenda with
4 President Hu last year or earlier this year. I'm
5 thinking fiscal year. It was last fiscal year.
6 I'm sure the President talks like that. But, so
7 it's going to take continued sustained action and
8 you know, again, there's been progress on things
9 like software in the past year, which is
10 encouraging and if they were going to install, you
11 know, pre-install software on computers that are
12 being sold in China. And there have been
13 commitments on the government's side to use
14 legitimate software. And you know, those things
15 are positive. But if I'm in your shoes and your
16 client's shoes and you're sitting looking at --
17 and actually, it's a little frustrating. We do
18 have this case referral mechanism now in the
19 Department of Commerce. And when I was at the --
20 just to share some personal, real personal
21 experience, in sitting across the table and
22 raising some relatively high profile cases --

1 MS. DEUTSCH: MBA is one of them.

2 MR. PINKUS: MBA being one of them, also
3 some smaller businesses that have been, you know,
4 devastated. There's still the last of perception
5 or -- there's lack of a political will to address
6 it, lack of recognition that addressing some of
7 these cases would go a long way to establishing
8 political goodwill in the United States. And
9 people on Capitol Hill, Senator Voidovics is a
10 champion for a couple of these companies. And in
11 some cases, they've made critical errors in even
12 applying their own trademark law. And it's -- and
13 you know, it's tough to sit there and be
14 encouraged about the progress when they do that.

15 One last comment, on the flip side, I
16 was also thinking on the way back it's pretty
17 amazing what we ask for. I mean we're going into
18 China and you know, we're the United States and
19 we've been doing this IP stuff for a couple
20 hundred years and we are asking them to --

21 MS. DEUTSCH: They've been doing it for
22 25.

1 MR. PINKUS: Yeah. They've been doing
2 it for 25. And most of the people in the state
3 department and USTR that lead these discussions
4 are -- in John and others -- you know, are pretty
5 savvy and we're not going in there, you know,
6 threatening to drop a bomb on a counterfeiting
7 factory or something. You know, so it's very --
8 we have a pretty savvy diplomacy. But still,
9 we're asking a lot of them. And I thought to
10 myself when I was on Capitol Hill if I was sitting
11 there -- you know, I went to their state
12 legislative affairs office and some other places.
13 I went to the people's congress. And you know, if
14 another government was that assertive and that
15 persistent and demanding for these changes, I'd be
16 kind of turned off by it. You know, we're the
17 United States, we'll figure this out. I
18 appreciate it. I don't want to be rude. And so
19 at some levels, it's kind of amazing that they
20 have been as receptive in recent years, that we've
21 been able to wear them down to a certain point,
22 and they've not kind of just pushed us away. And

1 I think it's because there's been a fairly tactful
2 strategy at all levels. But we are asking -- and
3 we deserve -- you know, I think if they want to be
4 international players and they want to be a part
5 of the WTO, they do have to do these things. And
6 I think hopefully eventually they will. But
7 there's still a lot of work to be done.

8 THE CHAIR: Sure, go ahead.

9 MS. DEUTSCH: The MBA's experience in
10 working with the U.S. Government and the
11 intergovernmental initiative that resulted in the
12 case referral mechanism a couple years ago,
13 working with Mark Cohen in Beijing, first of all,
14 it's been wonderful from the perspective of the
15 U.S. Government. They couldn't be more helpful
16 and better and you know, they're fantastic. I
17 think the case referral form, our case referral
18 form is going on two years now and we're getting
19 close. And look, there's been response. It's not
20 necessarily the response we've wanted. I think I
21 agree that strategically the instinct of the
22 Chinese government has been to try to find holes

1 in our case rather than saying well, I can pick at
2 these little side issues where you're not 100
3 percent accurate or making 100 percent compelling
4 case, ignoring the fact that the fundamental
5 issues, which is there's recidivism, there's a
6 lack of deterrence, they're really not addressing
7 that. They're not particularly quick at giving
8 you direction on follow ups, so I've attended
9 meetings where I will say tell me what the MBA
10 needs to do next and they'll basically say well,
11 you should employ the mechanisms that Chinese law
12 offers for you to protect your IP, not the most
13 helpful. On the other hand, I will end with a
14 small success story. I think our experience with
15 customs has actually been much better. And I
16 think several things have happened over the years
17 with China customs. They have an English language
18 site now. They changed the regulations that
19 related to the necessity to post a bond that was
20 for the value of the entire detained shipment.
21 And we had a lot of trouble with particular
22 customs ports before that regulation went into

1 effect. And I think the greatest success story is
2 working with Lisa Rigoli (phonetic) at the
3 Department of Commerce to follow up on some of my
4 meetings and communications with the Chinese
5 government. Following the case referral form, one
6 of the things we had mentioned was we would be
7 interested in the opportunity to try and educate
8 China customs as to what is an MBA counterfeit,
9 how to enforce. And they took us up on that and
10 we took them up on that. And we had our training
11 materials translated into Chinese, and I sent them
12 over to the official with whom I had met last
13 year. And our Chinese counsel informs us that it
14 has now been distributed to Chinese customs
15 offices. And that's something that as a private
16 brand owner, I don't think we would have had
17 access to without the U.S. Government. So, I mean
18 I think it hasn't solved all the problems, but I
19 don't know that we would have expected it to. And
20 I think it's been great and I would encourage
21 other brands to take advantage of it.

22 MR. PINKUS: Well, I'm glad that you

1 have some positive feelings about the U.S.
2 Government's role. It may have been a bad time
3 for us to raise the MBA case, because when we were
4 there it was right after we had trounced them in
5 the world championships. Really, like the night
6 before it was like a 30 point win. So they might
7 have been a little biased against y'all. But in
8 customs it's good to hear. There's another new
9 customs initiative that we agreed to in August. I
10 don't know -- I really don't know the details of
11 it because the customs person was there. But
12 that, you know, that's an area where the PTO gets
13 involved in customs, in the sense that we help
14 facilitate training of customs officials. And
15 here in the U.S., we've tried to link better
16 together -- link together better with customs so
17 that there's less work the trademark registrants
18 have to do on both ends. I will say that we're
19 meeting here again in December with this. It's on
20 the umbrella of the Joint Committee on Commerce
21 and Trade, JCCT, which is co-chaired by Secretary
22 Gutierrez and Ambassador Schwab. And then there's

1 an IP sub -- we call it a working group, basically
2 a subcommittee. So the subcommittee met in August
3 and we're meeting again here at the PTO in
4 December of this year, which is positive. But it
5 is frustrating.

6 I don't mean to end on the negative
7 point, but you know, sitting there talking about
8 another particular case where you say to the
9 Chinese listen, we know what's happening here.
10 This was a U.S. company. They came in. They had
11 a partner that was helping them distribute. The
12 partner just stole their product, selling it under
13 the same name, same exact product. This company
14 had registered their trademark in China. And what
15 was the ruling that came out of their office?
16 Essentially, they gave the Chinese company, you
17 know, a trademark in a different class just
18 because the lied, you know, they lied on their
19 application or whatever. And then they say but
20 you know, we followed trademark rules here. But
21 no, it's the same product they're selling.
22 It's -- we all know what's going on. It's blatant

1 counterfeiting. Please, do something about it.
2 And we'll see. Maybe they will. Maybe they will
3 after our latest appeal. But, I do think that
4 some of the leaders there want to make a
5 difference and they're starting to have problems
6 of their own with trademark squatting for example.
7 So, they're more -- we're going to have some joint
8 trademark squatting programs going on this fall.
9 I'm sure the private sector is going to be greatly
10 involved with that. Our team is -- you'll
11 probably here about that later -- is involved with
12 setting this up. But, you know, they're coming to
13 the table because they see their own interests at
14 stake as well.

15 THE CHAIR: Right.

16 MR. PINKUS: They see some of their
17 products being copied. So, that's what it takes,
18 it helps us, okay.

19 THE CHAIR: Okay. Any other questions
20 or comments for Steve? Well, thank you, Steve.
21 You're welcome to stay if your schedule permits.

22 MR. PINKUS: Thank you.

1 THE CHAIR: Otherwise, we understand.
2 But I think we need to move on in our agenda.

3 MR. PINKUS: Okay.

4 THE CHAIR: We're now going to take up
5 some international issues. Amy I see is back. I
6 think this is more of a follow up to discussions
7 we had at our last meeting regarding what we can
8 do, we being the United States, to make the Madrid
9 protocol more friendly to U.S. trademark owners so
10 that more U.S. trademark owners would utilize it.
11 And maybe I'll turn it over to Al. Al, do you
12 want to just sort of summarize where we concluded
13 on -- when was it, in June?

14 MR. TRAMPOSCH: Yeah.

15 THE CHAIR: And anything else you may
16 want to add.

17 MR. TRAMPOSCH: My cohorts on the
18 international committee can help me out as well.
19 We had I think focused on the dependency issue,
20 the issue that related to the lists of goods and
21 services and how users of the Madrid protocol from
22 the United States are at a disadvantage because

1 the narrow list of goods and services as required
2 in the USPTO becomes internationalized in that the
3 Madrid registration is limited to the list of
4 goods and services that's in the home
5 registration. And we were wondering whether the
6 USPTO could bring that issue up in the discussions
7 at WIPO and I believe that there's a working group
8 that's going on right now looking at the safeguard
9 clause. And hopefully, at some point, that
10 committee can look at the dependency clause as
11 well.

12 MS. DEUTSCH: Just on the goods and
13 services description, I think our concern was that
14 by having the U.S. be the home registration and
15 being limited to what that was, you would actually
16 wind up not being able to avail yourself of
17 broader goods descriptions available in some of
18 the participating Madrid countries that you might
19 otherwise have available to you.

20 MR. TRAMPOSCH: Right.

21 THE CHAIR: And I know, Amy, that you
22 had said that there would be some opportunities

1 down the road to raise these issues I believe at
2 WIPO. And I don't know whether you've done any
3 work in the meantime on this, but if you have or
4 have anything to share regarding these issues, I'd
5 like to hear.

6 MS. COTTON: Thanks. Right after the
7 last TPAC in June, we went to Geneva. Sharon
8 Marsh and I went to Geneva for the ad hoc working
9 group. And we had a series of instructions of
10 things to raise and we never really were able to
11 get to them. We starting talking about the
12 safeguard clause and that's where we stayed. And
13 it looks like we're going to stay there for a
14 while. It became a lot more controversial than we
15 imagined. The safeguard clause is, as you know,
16 between the agreement and the protocol says in
17 those -- as to those applications between parties
18 that are both to the agreement and the protocol,
19 going into parties that are agreement protocol
20 countries, the agreement governs and not the
21 protocol.

22 So, and obviously, the Madrid protocol

1 was essentially formed to become the sole
2 instrument at some point for the Madrid system.
3 And the agreement was, you know, going to fall
4 away. So there's this review mechanism built into
5 the treaty that we will review the operation of
6 safeguard clause and you know, try to basically
7 determine if the -- if we can sort of repeal the
8 safeguard clause, repeal the operation of the
9 agreement so that the protocol governs most
10 applications. And over time, if you do get a
11 repeal of the safeguard clause, the more
12 applications that are governed strictly by the
13 protocol, the less necessary or relevant the
14 agreement becomes and then you eventually cut the
15 ties. And then all of the infrastructure that's
16 built up in WIPO and in various offices to deal
17 with agreement applications, that would fall away.
18 Now theoretically, there would be efficiencies,
19 gains, cost savings, that sort of things at WIPO.
20 So, from just an administration looking at the
21 system administratively, it would definitely
22 cause -- create a more simplistic system, easier

1 system for applicants going around the world, as
2 well as for offices that are members to both the
3 agreement and the protocol right now.

4 So, we did support getting rid of the
5 safeguard -- repealing the safeguard clause and
6 eventually getting rid of the agreement. But
7 since we -- it's easier for us to sit on our high
8 horse and say yeah, get rid of the agreement,
9 we're not implementing both. So, we sat back and
10 listened to the discussion. And the discussion
11 seemed to be most countries were very -- most
12 delegations were in favor of repealing the
13 safeguard clause as to things like cascade,
14 transformation, whatever, but when you got to the
15 issue of individual fees and when you got to
16 issues of time limits, that's where there was no
17 consensus within the working group to repeal the
18 safeguard clause.

19 What has happened is that the user
20 groups have mobilized and said well, if you -- if
21 you repeal the safeguard clause as to time limits,
22 as to user fees, then my application going into

1 the Swiss office will go from 73 francs to 700
2 francs, Swiss francs. And you know, I'm not
3 willing to pay that cost savings unless I get more
4 services. Well, you know, that's a very
5 reasonable approach. If you're not getting
6 services, why are you going to pay more? So, what
7 we found and I'm not sure why I should be
8 surprised by this but that countries are treating
9 application streams differently. Madrid
10 application streams are treated one way and
11 regular domestic files or Paris files are treated
12 a different way entirely. So, many countries are
13 doing as little as possible under the Madrid
14 system as they can for these applications. They
15 seem to be relying on the country of origin
16 examination, doing little or no examination on
17 their own. They're not issuing certificates of
18 registration. They're not putting them in the
19 database. None of the services are provided that
20 they would to the regular domestic applicants. So
21 it's easy for them to say well -- or easy for
22 their users to say these people aren't giving me

1 any services and they can't just go and turn
2 around and charge me 700 Swiss francs for an
3 application. So, what we're trying to do within
4 the working group is figure out what is it that --
5 what services have to be provided in order to
6 entice the user groups to agree to a repeal of the
7 safeguard clause.

8 So we're getting into all these
9 discussions now and the USPTO and U.S. delegation
10 is now definitely in the mix now because they're
11 talking about applying these rules, whatever rules
12 they decide, whatever compromise they decide would
13 apply to all Madrid members. And more
14 specifically, the proposal that's on the table
15 right now is one that would essentially call for a
16 fee reduction for Madrid applications based on the
17 level of examination or services that an office
18 provides. So for those offices that provide full
19 examination, the proposal at this point, and the
20 numbers are of course spongable (phonetic), it
21 would be 85 percent of the individual fee you
22 could charge. And if you did an examination of

1 relative grounds after opposition, then 70
2 percent. And 50 percent for examination of
3 absolute grounds. And then for those -- this
4 would apply, I believe to those who charge
5 individual fees now and that would be the United
6 States. Also, there's -- we haven't really
7 focused on the 18 months 12 months proposal, where
8 we would go with that.

9 The -- many countries, because they
10 don't send out any status reports or certificates
11 of registration, your application, as you know,
12 sits there for 12 months. And being at 12 months,
13 if you haven't heard anything, you're good. Well,
14 users don't like that. I think you'd probably
15 agree it's not such a great thing to not -- have
16 no idea what's going on and just assume at 12
17 months that everything is fine. So, when you're
18 talking about having in some countries the
19 protocol apply and 18 months would kick in instead
20 of 12 months, that means they have to wait 6
21 months longer with no idea what's going on with
22 their application. So, we haven't really focused

1 on that side yet. We're focused more on the fee
2 issues. When it came to that proposal from the
3 chair, and it was an informal proposal. It wasn't
4 anything that we're stuck with. And we said we --
5 we thought it was an interesting proposal. When
6 it comes to Madrid files, we treat them all the
7 same, the same as our domestic streams and our
8 Paris streams. So we're giving all -- a full
9 service examination. For everything we give to
10 Madrid files, we give to other files. And we find
11 the Madrid files actually take a lot more time and
12 effort and money spent to examine them. The first
13 action pub rate is much lower for Madrid files
14 than it is for all our other domestic and Paris
15 files. So, when you get into that, there's no --
16 we're not saving any money with Madrid like other
17 countries seem to be, so why on earth would we
18 want to accept -- take a fee reduction? I said
19 but, in the interest of, you know, being a team
20 player in this international community, that we
21 would think about it. And it could be that in the
22 interest of encouraging use of the system, that

1 it -- maybe it is in the interest of the system
2 that there is a fee reduction, but we would ask to
3 take it back to our user groups and our Congress
4 to discuss this. So, the chair wanted me to put
5 in sort of a little bit of a -- he didn't want me
6 to blow up his proposal entirely. So I gave him
7 that courtesy. But I think we'll -- that the
8 proposal is still going to be on the table; we're
9 just going to have to be creative and find another
10 way to approach it. And if that other way is 100
11 percent of the fees for full service, then we
12 might be okay with that. But at the -- that's
13 where we're sort of stuck in these working group
14 discussions. We haven't gone beyond that.

15 We have another Madrid working group
16 meeting next June, July time period where we'll
17 continue these discussions. And then we've
18 asked -- we've pushed for -- we sort of put a
19 marker on the table that we want to actually
20 extend the mandate of the working group and extend
21 it to discuss other issues related to the Madrid
22 system, including talking about a proposal from

1 Norway where they want to get rid of the
2 requirement of a basic application or
3 registration. I think we might have discussed
4 this last time. And so we want to explore that
5 further and see if it's a viable option for us.
6 So there was no other discussion beyond the
7 safeguard clause. We got into sort of a little
8 sticky situation with that one where we didn't
9 think we had a dog in the fight, ended up we were
10 front and center in the fight. And we did stress
11 very hard that we think that these application
12 streams should be treated the same across the
13 board. But in informal conversations with other
14 delegations, including Canada, who has yet to join
15 but is thinking about it, they have no incentive
16 to provide all those services to Madrid. If other
17 people aren't issuing certificates of
18 registration, then why should they? If other
19 people aren't putting, you know, the information
20 into their search database at the domestic level,
21 then why should they? So there's a real mentality
22 out there of, you know, that the Madrid system is

1 going to provide some shortcuts to these folks, to
2 these offices somehow. And I'm not sure that
3 that's a particularly healthy mentality. And
4 we'll see what we can do to approach it,
5 continuing to hammer on them saying why should
6 these streams be treated differently? But to that
7 end, though, we are going to have to look at the
8 synchronicity of TLT and Madrid. There are those
9 who argue that TLT and Madrid are not co-existent,
10 that they're -- whatever the requirements of
11 Madrid aren't consistent with TLT. So if you
12 treat those streams the same, you might be
13 inconsistent with one treaty or not. I don't
14 agree with that approach, but it's something that
15 we do need to look at if we're going to continue
16 arguing and getting other countries to come at
17 that. But I will say that we did have
18 conversation with other delegations about the
19 concerns of the U.S. holders. We had
20 conversations one on one with WIPO staff on the
21 issue of the dependency clause as to IDs. I will
22 tell you that other countries do not seem to be

1 concerned about this issue. They don't have this
2 problem. I did remind them that at some point
3 when their registers get big like ours, they're
4 going to have to have more narrow IDs, so this
5 will become their problem. But they're not there
6 yet, so they're not necessarily that concerned
7 about carrying our water for us. So we have some
8 work to do. When -- in conversations with the
9 international bureau, we asked if this was
10 something that could be accommodated under a
11 regulation change or something like that and the
12 answer at the staff level was we don't think so.
13 So, we're coming back at the issue. We're going
14 to start looking at it a little bit more
15 carefully. We're, you know, trying to figure out
16 is this something that if we're going to address
17 it, are we going to have to go to a diplomatic
18 conference and have yet another Madrid instrument
19 out there. Can we do it somehow where we don't
20 have to create another instrument? But we're
21 definitely open to ideas. But -- and certainly,
22 just because a staff member says that it's not

1 doable doesn't mean it's not doable. So we're
2 going to keep pushing on different levels and see
3 what shakes out as we do this. But we might need
4 to start thinking a little bit more creatively.
5 And I think we might need to look at the idea of
6 getting rid of the basic registration or
7 application because certainly that is something
8 that would get rid of that problem. And it would
9 provide a lot more flexibility. You know, there
10 are those who've said it would cause a lot more
11 problems. You know, then they have to go out and
12 kill all of those, you know, extensions of
13 protections out there. They can't just kill the
14 basic. So, there's something to look at there.
15 We need to weigh the pros and the cons and we will
16 be going out with, you know, soliciting ideas from
17 you all for different ways to come at the problem.
18 We don't just want to say oh, we need a diplomatic
19 conference; we need to get rid of the basic
20 registration and be done with it. You know, we're
21 hoping for some interim solutions. We haven't
22 found them yet. So, at this point, that's all I

1 have for you. We haven't made a whole lot of
2 progress but we'll come at it again at the next
3 working group. And in the interim, we are
4 preparing some papers to -- and start asking
5 around, asking interest groups, user groups what
6 they think and if there's any other way to
7 approach this.

8 THE CHAIR: Okay. Thank you. Anybody
9 else want to raise any questions about the
10 protocol or maybe TLT? No? Okay. When is the
11 next meeting on Madrid?

12 MS. COTTON: It hasn't been set yet.

13 THE CHAIR: It's not scheduled yet.

14 MS. COTTON: But these have always been
15 in the June or July time frame, so that's about
16 when it will happen.

17 THE CHAIR: Okay.

18 MS. COTTON: There is a standing
19 committee on trademarks meeting November 13
20 through the 17, and so I will be continuing to
21 talk about Madrid on the margins with folks. And
22 I guess I should also mention this. We are having

1 a meeting with officials from IP Australia and the
2 Canadian Intellectual Property Office. The
3 trademark officials from those folks. New Zealand
4 won't be there, but we had invited them as well,
5 to exchange information, strategic cooperation
6 kind of of information and to the extent that we
7 can move beyond just operational information and
8 move to issues like Madrid cooperation, advancing
9 a common position in a different forum. We're
10 going to try to do that with them. We have to see
11 their receptivity to that. But I think we could
12 get some really good information from Australia.
13 They're very interested in sharing their horror
14 stories with us on Madrid and to the extent that
15 that -- if we can find some common problems, it
16 certainly makes it easier to do coalition building
17 and then take that to the IP and put a little
18 pressure on them in that way.

19 THE CHAIR: Great. Van?

20 MR. LEICHLITER: Just a comment on that,
21 Amy. Yeah, I have talked with trademark community
22 in Canada as well as Australia and I think they

1 have very much the same issues that we do in the
2 United States, the central attack issues, the
3 dependency issue. Because I think that these
4 jurisdictions tend to be a bit more narrow than
5 these other jurisdictions. And as a result, I
6 think you'll find hopefully some common interests
7 there with the other offices. Is it fair to say
8 that we're some years away from resolving this
9 issue in Madrid in view of the fact that the
10 safeguard clause apparently is taking center
11 stage?

12 MS. COTTON: I'm sorry to say I think
13 you're right. I was optimistic, but we're only
14 able to get one working group meeting in next year
15 in June, not two. After that, we'll see if we can
16 accelerate it a bit, but at this point, we could
17 only get that one. And there's so much in trench.
18 I mean the French and the Swiss delegations were
19 very adamant on these two issues, and I'm not sure
20 how much movement they're going to be able to give
21 us. We're going to have to be creative. And
22 their user groups are very vocal. And you can see

1 why. Seventy-three francs to seven hundred francs
2 is a big deal. So, it doesn't -- it seems like
3 we're going to have to hash this out quite a bit
4 unless the chair, who is very effective, is able
5 to do some coalition building in the interim
6 between now and the next meeting and find more
7 creative ways. But with the United States saying
8 not sure that this is the right solution, that
9 kind of put a damper on his enthusiasm a bit.

10 THE CHAIR: Okay. Thanks again, Amy.
11 Let's move on and talk briefly about the TTAB and
12 their proposed rule package that's outstanding.
13 David, welcome.

14 MR. SAMS: Thank you, Jeff. Jeff asked
15 me to report on the progress of our rule making.
16 This will probably be less of a report and more of
17 a footnote. We are still reviewing the comments
18 that we received to the notice of proposed rule
19 making, and we are taking our time so that the
20 final notice will reflect as best we are able to
21 make it reflect all the comments that we received
22 to get the best possible set of rules. A couple

1 of points I will make briefly. We did -- three of
2 us from the TTAB along with the general counsel
3 met at the end of July with representatives from
4 the ABA IPL section, IPO, INTA, and AIPLA to
5 discuss the proposals that we've made. This was a
6 rather informal meeting. The organizations were
7 there to provide us with some sort of consensus
8 views they had on certain aspects of the rule
9 proposal. They stressed that they stood behind
10 the comments that they had formally made in their
11 submissions to us when we asked for comments on
12 the rules package. But they did talk to us in
13 certain areas of concern they had. And without
14 getting into the details, which I don't intend to
15 do here, they were generally in the areas of the
16 scope of mandatory initial disclosures, which
17 we've all talked about in this group, the
18 reduction of number of interrogatories, the
19 service of notice of board proceedings, the
20 protective order of proposal that we had as far as
21 imposing our protective order at the beginning,
22 the initial disclosure period, and expert

1 disclosures. They made some good comments. We
2 are obviously taking those into consideration
3 along with everything else that we've received.
4 And I guess the final comment that I would make is
5 that right now we are looking at a time frame of
6 approximately December of this year for the notice
7 of final rule making. That's not a hard and fast
8 statement but it's what we're aiming toward. And
9 that's my footnote.

10 THE CHAIR: Okay. Any questions or
11 comments for David, whether it's on the rule
12 package or anything else? One question I had for
13 you, David, with respect to the strategic plan, I
14 see that there's mention here about reducing the
15 overall pendency of opposition and cancellation
16 and it says implement case -- TTAB case resolution
17 and I think we've had some discussions in the past
18 about some initiatives at the board to try to
19 resolve cases much earlier in the process. Is
20 anything being done along those lines?

21 MR. SAMS: Yes. We're still working on
22 accelerated case resolution. We started

1 identifying -- a process for identifying those
2 cases which might be subject to an early
3 resolution. And in fact, we've had a couple of
4 cases that have been resolved by taking the
5 submissions which are in the nature of their
6 summary judgement submissions, treating them as
7 the final record in the case and rendering a
8 decision. And we've even had -- I believe two
9 have gone up to the federal circuit on appeal from
10 the final decision that was issued in that
11 shortened time frame and with no adverse comment
12 from the federal circuit about using that
13 procedure.

14 THE CHAIR: Uh-huh.

15 MR. SAMS: So that I take as a positive
16 result of at least the tentative initial efforts
17 we've made in this regard. But we're going to be
18 trying to find a way to identify more and more of
19 these cases that we might be able to advance
20 the -- not have to go through a whole trial that's
21 to say and that we could resolve by something in
22 the nature of these submissions and the nature of

1 summary judgement submissions. So, yes, we're
2 still working on that. It's a big part of our
3 effort to shorten the time it takes to decide the
4 cases before the board.

5 THE CHAIR: Okay. Anybody else?

6 (No response)

7 THE CHAIR: Thanks. Okay. The next
8 item on the agenda is lots of legal issues. Let's
9 see. Sharon, do you want to come to the table,
10 talk about exam guides, and I guess this proposal
11 on some changes in the rules on requests for
12 reconsideration?

13 MS. MARSH: Right. The first page of
14 your slides, though, I have a couple of general
15 issues. The first issue was the Lanham Act
16 re-codification or codification project that we
17 discussed at the last meeting. We wanted to give
18 you an update on the status of that. We had a
19 meeting a little over a month with the law
20 revision council. And we reported to them that as
21 you know the TPAC issued a resolution opposing
22 this plan to codify the Lanham Act. All of our

1 major user groups, INTA, AIPLA, IPO have voiced
2 strong opposition to this idea. And so we
3 reported all that to the law revision council and
4 basically told them that generally in the face of
5 unanimous user group opposition to a plan, the PTO
6 stops. We do not go forward with the plan. So,
7 they listened and the ball is back in their court.
8 My impression is that they have not abandoned the
9 idea. I don't know if Amy or anybody else has any
10 additional information. But I think they were
11 planning to continue to talk to user groups at the
12 very least. So that's where we are with that.
13 The second item up there is the TMEP. I just
14 wanted to let you know we're working on a TMEP
15 revision. This one we're calling TMEP light.
16 It's just to update the current TMEP with recent
17 case law and changes in our internal procedures.
18 Our commissioner is really frustrated that we've
19 taken as long as we have to get another edition
20 out. So we're going to fast track it and
21 hopefully it will be out around the first of the
22 year. After that, we want to undertake a major,

1 major TMEP revision to just look at the whole
2 document, see if it's user friendly, try to really
3 make some major changes so that it is a very
4 useful document for both the applicants and
5 examining attorneys.

6 MR. TRAMPOSCH: Can I just say one
7 thing?

8 THE CHAIR: Sure.

9 MS. MARSH: Sure.

10 MR. TRAMPOSCH: Just to give you a
11 little feedback, I find that the online version is
12 extremely useful, but maybe improving the search
13 tools would be good because the search results are
14 a little bit hard to browse through.

15 MS. MARSH: Yeah, I agree.

16 MR. TRAMPOSCH: But I find it very, very
17 useful.

18 MS. MARSH: Yeah. We're aware of that
19 problem. Thank you. Now, form paragraph, these
20 are the standardized language that examiners use
21 when they're drafting their office actions. We
22 have a revision coming out probably around the

1 first of December. It's a pretty large revision,
2 although it's largely driven by examining attorney
3 suggestions at this time. As you can imagine,
4 with almost 400 attorneys, everybody is an editor,
5 everybody has ideas on how to write persuasively,
6 and we listen. And so we're trying to implement a
7 number of these suggestions. And one item that's
8 not on the list I wanted to mention, the Nice
9 Agreement. The ninth edition of the Nice
10 Agreement takes effect on January 1, and so any
11 applications filed on or after January 1 will be
12 subject to the new classification standards. The
13 major change or the most noticeable change has to
14 do with class 14. Currently any goods made of
15 precious metals are classified in international
16 class 14. Under the new edition, that won't be
17 true anymore. Goods will be classified in
18 whatever their normal class is, even if they are
19 made of precious metals. So, for example, dog
20 collars made of 14 carat gold used to be
21 classified in IC 14. In January, they'll go where
22 the rest of the dog collars go in class 18, I

1 believe. So anyway, you'll see more information
2 about that on our website. The next slide covers
3 the exam guides that we have under development.
4 These are going to be issued to examiners
5 probably, we hope, within the next week or two.
6 And they'll have an effective date of early
7 December. In the interest of time, I'm not going
8 to discuss them in great detail. I run through
9 them just at a high level. The one -- the first
10 one on the list there, procedures for mark images
11 that contain black, white, or grey, this is an
12 issue that seemed to arise after we started
13 accepting color images of the mark.

14 It's two problems. One is where the
15 applicant has a black, white, and grey drawing and
16 the applicant is silent about whether they're
17 claiming color. You know, it results in ambiguity
18 and the examiner needs to ask some questions and
19 get some information into the record. It's an
20 issue that mostly arises with paper applications.
21 TEAS applications, the applicant has to indicate
22 if they're claiming color. And if they don't,

1 then we're assuming that they're not claiming
2 color. The other issue relates to when the image
3 is in color and the drawing also has some black,
4 white, or grey in it. People just seem to assume
5 that they don't need to talk about that. They
6 just have to indicate whether the blue and green
7 and red are claimed or not. So there are some
8 instructions in there about that.

9 The other change that you might be
10 interested in, effective later this calendar year,
11 probably December, any applicant that does not
12 claim color as a feature, a standardized statement
13 will appear on the registration certificate
14 stating that color is not claimed as a feature of
15 the mark, again just to clarify one way or the
16 other you're claiming color or you're not. The
17 second item up there the exam guide is on
18 amendments to color features of marks. Again,
19 there is more of a spotlight put on this issue
20 after we started accepting color images. The
21 question of if an applicant wants to add color or
22 substitute a color or delete color from the mark,

1 is it a material change. And so we have an exam
2 guide on that. We have taken a pretty liberal
3 approach. We had many, many, many discussions
4 over a period of many months and basically
5 determined that for word marks and design marks
6 that generally adding or deleting the color isn't
7 a material change. Now, that's a -- there are
8 many times when it could be if it changes the
9 meaning or significance of the mark, et cetera.
10 But generally, those kinds of changes if they
11 don't change the meaning of the mark or affect the
12 notice issue will be acceptable. Of course, color
13 marks, marks that consist only of color, there
14 it's a totally different situation and a change to
15 the color is usually material. The third one on
16 the list there -- oh, registerability (phonetic)
17 of marks used on creative works. This one started
18 after a fairly recent published case from the
19 board and it refers to draft dealing with whether
20 the pseudonym of an author was registerable
21 (phonetic) as a trademark or not. And it kind of
22 got expanded. And so this exam guide covers

1 issues related to what we called creative works,
2 author names and pseudonyms, performer names like
3 music group names, artist names, titles of single
4 works, just a whole gamut of those types of
5 issues. This covers the examination and law
6 related to the registrability of those kinds of
7 marks.

8 THE CHAIR: Ayala?

9 MS. DEUTSCH: Does this address
10 fictional brands? In other words, brands that
11 appear in fictional works?

12 MS. MARSH: I know what you're -- I mean
13 a book where it refers to a brand within the book?

14 MS. DEUTSCH: Like the fact that Birdie
15 Bots, which are the jelly beans for Harry Potter
16 are now on sale in toy stores all around the
17 world. And it's now a brand in commerce, although
18 originally it was a word made up by the author of
19 the Harry Potter books. I'm just wondering
20 whether you address fictional brands in creative
21 works?

22 MS. MARSH: I don't think -- well,

1 character names. The character name in a work is
2 covered. I don't think that situation is covered.
3 For us, usually the issue that we would have would
4 be whether or not there's a false association
5 under section 2a. And yeah, this probably does
6 not cover that, but we'll take a look at that too.
7 Yeah, that's a good point.

8 THE CHAIR: Are you going to permit the
9 registration of titles of single works?

10 MS. MARSH: No. No. But what we kind
11 of go through all the different fact situations
12 and sometimes when you're talking about these
13 things, the issues are kind of subtle and it's
14 easy to get confused about which issue you're
15 talking about. So the idea was if we put them all
16 in one package, that might be useful to everybody.
17 And the last one on the list there is representing
18 an applicant and registrant before the USPTO.
19 This one sort of came about as a result of Madrid.
20 Because ever since we joined Madrid, we've
21 received a number of responses to office actions
22 coming in from law firms in Germany, France, all

1 over the world. As you know, only lawyers
2 licensed to practice in the U.S. can represent an
3 applicant before the USPTO or the applicant can
4 also represent themselves. And so, this exam
5 guide lays out some procedures for examiners on
6 when they're reviewing a response to an office
7 action or an amendment to the application, they
8 need to look at who's filing this. And many times
9 if it's unclear that the person filing has the
10 proper authority to do that, the examiner is going
11 to question that authority and before they even
12 look at the amendment or response, send out a 30
13 day letter asking for clarification of the
14 situation.

15 MS. COONEY-PORTER: Sharon, does this
16 apply to U.S. firms? Like when we file an
17 application online, we don't necessarily appoint
18 the whole firm. We have like one or two attorneys
19 of record.

20 MS. MARSH: Yeah. In one of the
21 examples that we put in there, we say that if the
22 applicant has an attorney in a law firm and then

1 we get a response from a different attorney in the
2 same law firm, that we assume is okay. That won't
3 be questioned. But if we get a response from a
4 totally different law firm, different attorney,
5 then that would get questioned unless there's a
6 new power of attorney of record.

7 THE CHAIR: Talking about Madrid reminds
8 me. We had discussed at the last meeting I think
9 revising the office actions to make it clear when
10 the six month response period runs from. Have you
11 done that?

12 MS. MARSH: We have. Can you explain
13 the balance of -- a change was implemented.

14 THE CHAIR: Could you identify yourself
15 for the record?

16 MS. MARSH: This is Felicia Battle from
17 PT.

18 MS. BATTLE: Hi. My name is Felicia
19 Battle.

20 THE CHAIR: Hi, Felicia.

21 MS. BATTLE: I'm the manager at --

22 THE CHAIR: Press the button.

1 MS. BATTLE: I'm the supervisor of the
2 Madrid unit. We had made changes to the office
3 action. Right now, we send a cover sheet, a XML
4 document with the office action to the IB. And
5 the IB takes the date, the mail date off of that
6 style sheet and includes it in the office action
7 with their cover letter. So now, if you go
8 through TDR, you can also see the mail date on
9 that XML document as well.

10 THE CHAIR: And there was another issue
11 and I don't remember the specifics but it had to
12 do with assignments of Madrid registrations. Is
13 anything happening -- wasn't assignments being
14 handled by a different unit?

15 MS. BATTLE: Yeah. By the assignment
16 division. Trademarks is getting the assignments
17 from the IB as well as the assignment division.
18 The assignment division was having some problems
19 with receiving that data from the IB, but
20 trademarks was updating our database. So,
21 currently, I believe some assignments are being
22 updated and some are not. That's an internal

1 problem that we're working on right now.

2 THE CHAIR: Okay.

3 MS. BATTLE: Or the assignment division
4 is working on it.

5 THE CHAIR: Thank you, Felicia.

6 MS. BATTLE: Thank you.

7 THE CHAIR: Al, go ahead.

8 MR. TRAMPOSCH: Thanks. Sharon, just
9 another question with regard to the Madrid
10 protocol. Some of the feedback that I've gotten
11 from users outside of the U.S. that are requesting
12 extensions of protection. Sometimes they'll get a
13 very simple, very basic office action for instance
14 to say what country they're in, even though
15 they've already given their address but they
16 haven't separately indicated what country they're
17 in and they have to engage a U.S. attorney in
18 order to respond to that or to indicate the type
19 of company that they are. Is there any thought of
20 easing the requirement for those very simple
21 administrative type responses, of easing the
22 requirement of engaging a U.S. attorney?

1 MS. MARSH: Well, we've -- I don't know
2 about what country they're in but what our
3 examiners had a huge amount of frustration is that
4 as you know, if you're an applicant in the U.S.,
5 you have to tell us what your entity is and where
6 you're organized. You know, you're a corporation
7 of Delaware or whatever. And on the Madrid MM2
8 form, the international application form, that is
9 not a required field. There's a box for applicant
10 name, but the box that says what kind of entity
11 you are and where you're organized is optional.
12 And so we get an awful lot of those coming in
13 without that information and no, there's not a way
14 to change that without changing our rules. But I
15 don't think we want to do that.

16 MR. TRAMPOSCH: Perhaps there would be
17 another way and that would be to request WIPO to
18 put an asterisk on those that these are required
19 in the United States.

20 MS. MARSH: Yeah. No, I agree. I've
21 been thinking about that too. And also we could,
22 through the Madrid working group, if we get around

1 to ever amending the Madrid regulations, that
2 would be something to add to that. But yeah, we
3 should and will take whatever steps we can to
4 convince the IB to help us out, yeah.

5 THE CHAIR: Sharon, can we go back to
6 the codification effort, because I sort of sense
7 from what you've said today and what you've said
8 at other times that this is not dead, even though
9 all of the, you know, bar groups have opposed it?
10 And if you could share, what has been the response
11 of the office of the law revision council when you
12 tell them that nobody supports the proposal? And
13 has there been any discussion of any middle ground
14 to the extent there is any middle ground if they
15 want to make any changes to make them in such a
16 way that it would have minimal impact on the
17 statute?

18 MS. MARSH: Well, looking at our office
19 of legislation and internal affairs staff because
20 they work directly with the Hill staff, but we
21 have certainly suggested that if they're going to
22 proceed, that they should make minimal changes.

1 We talked about the idea of maybe trying to put it
2 in a different section of the Act but keeping the
3 numbering the same, you know.

4 THE CHAIR: Right.

5 MS. MARSH: Section 2d would still be
6 section 2d, et cetera.

7 THE CHAIR: Right, right.

8 MS. MARSH: And to -- I think at our
9 last meeting we said well, look if you're going to
10 go forward on this, you can't change anything in
11 the Act. I mean they went through and they wanted
12 to move the definitions was their first thing and
13 then they changed wording. Lots -- you know, to
14 them, that was just minor housekeeping, but to us,
15 it was, you know, significant. So they've --
16 yeah, they've heard those ideas that they should
17 if they're going to change anything at all make it
18 really minimal, leave the language alone, only
19 change the section of the U.S. Code where the
20 Lanham Act appears. I just don't know -- I'm not
21 sure how they felt about that, whether they were
22 persuaded or not. It sure seemed like they were

1 planning to continue forward with their efforts to
2 make this change.

3 THE CHAIR: Well, it wouldn't surprise
4 me that they would because I'm sure whenever they
5 codify a different title --

6 MS. MARSH: Yeah.

7 THE CHAIR: -- whatever the bar is,
8 they're not going to, you know, appreciate that
9 and yet, they do it.

10 MS. MARSH: Right.

11 THE CHAIR: So, you know I sort of sense
12 that, you know, the fact that the trademark
13 community is not supportive of this package, you
14 know, to that -- to some extent, they don't really
15 care because this opposition is to be expected.

16 MS. DEUTSCH: Yeah. That's why I was a
17 little surprised when you said they were going to
18 continue to talk to user groups, which almost
19 seems as if they just don't trust you to
20 accurately relay the position of the user groups
21 you've talked to. And to just point, if they're
22 ultimately in the business of codifying and

1 everybody is going to object to that, whatever the
2 industry or sector, I'm not sure what more there
3 is to be gained from them talking to the user
4 groups.

5 MS. MARSH: Yeah. Well, I think they
6 just want a chance to make their case. You know,
7 for example, I don't know if you noticed Professor
8 McCarthy put an editorial in the -- what was it,
9 the National Journal --

10 THE CHAIR: Yeah.

11 MS. MARSH: -- objecting to this and
12 they responded. You know, they submitted a
13 response explaining why they thought he was wrong.

14 THE CHAIR: He responded to their
15 response.

16 MS. MARSH: So, you know, this is their
17 job. You're right. They explained at our very
18 first meeting that they're accustomed to
19 resistance. So, I'm sure they have a whole set of
20 procedures that they go through to try to convince
21 the objectors that this is okay.

22 THE CHAIR: Okay. Do you want to now

1 talk about the proposed rule change?

2 MS. MARSH: Yeah. This next one we
3 issued -- this is just internal guidance for
4 examiners on standard character marks and Canadian
5 attorneys, nothing really new, just additional
6 guidance about those issues. The other issue is
7 this possible proposed rule change regarding our
8 request for reconsideration after final refusal.
9 I think Jeff sent you a draft earlier in the week.
10 If you go to the next slide, you'll see the basic
11 issue here is that, as you know, after final
12 refusal, applicants frequently file requests for
13 reconsideration. And the office receives a very
14 high volume of these kinds of requests. It's
15 pretty routine in most cases. And frequently
16 they're filed at or near the end of the six month
17 response period. And this causes some problems
18 for the office and some processing delays because
19 when the applicant files their request for recon
20 that late in the process, usually they're also
21 filing a notice of ex parte appeal. Because if
22 there's not much time left or no time left, then

1 if they get another rejection, then they have to
2 have filed their appeal or the application is
3 going to abandon. The problem for us is that then
4 all these requests for recon end up in the board's
5 lap because they've -- a notice of appeal has been
6 filed. The board has to institute an appeal and
7 remand the case back to the examiner to review the
8 request for reconsideration. So they have a lot
9 of remands. A lot of times the issues become
10 moot. I know David has the statistics on that.
11 You know, the refusal is withdrawn and so then the
12 board has gone through all this work for nothing.
13 So, our goal here -- also, another area of problem
14 is that, as you know, the board and the examining
15 operation have two different computer systems. So
16 there are some issues there about getting the
17 information to everybody who needs to know it.
18 So, our goal is to try to simplify this process,
19 streamline the process to make it more efficient
20 so that everybody gets their work processed more
21 quickly and efficiently.

22 And so the suggestion is on the next

1 slide that if we require applicants to file a
2 request for consideration within three months of
3 the final action mail date and file any requests
4 for recon through TEAS, file it electronically,
5 that that would pretty much take care of the
6 problem. Because then the examiner would have a
7 chance to review the request for recon and
8 withdraw the refusal or continue the refusal and
9 then, you know, many fewer appeals would be
10 instituted and everything would flow more
11 smoothly.

12 MS. MARSH: This would not affect the
13 six month response period in that the applicant
14 could still file an amendment to the application,
15 you know, amending the ID, inserting a disclaimer,
16 whatever right up through the full six months and
17 they also have the full six months to file a
18 notice of appeal or petition to the commissioner.
19 So, this is just a draft. We would like your
20 comments. If you haven't had time to digest it or
21 think about it yet, you can pass your comments on
22 to Jeff. David, do you need to add anything?

1 MR. SAMS: Sharon, the only thing I
2 would add is that you mentioned I had the numbers.
3 And the numbers are pretty interesting, I think.
4 Of the ex parte appeals that we disposed of during
5 the last fiscal year, approximately 83 percent
6 were disposed of before our final decision by a
7 panel of judges. So only about 17 percent are
8 actually -- get to the point where we decide them
9 and the rest is all sort of internal processing.
10 To the extent that a rule of this sort might sort
11 of cut that off by getting decisions on this
12 request for reconsideration earlier, we would
13 probably have less to process and things might
14 move a bit more smoothly. And that's one of
15 the -- for this proposal.

16 MS. MARSH: Yeah. Kathleen?

17 MS. COONEY-PORTER: I had two quick
18 questions. You said that it would require to file
19 through TEAS. I'm assuming by then they will have
20 the ability to actually load up all the documents.
21 Because normally when we file a request for
22 reconsideration, it's usually with a lot of

1 evidence. And that's one thing we find with TEAS
2 is we find response if it doesn't really meet the
3 practitioner's needs to attach everything. That
4 would be my one concern is that the office would
5 meet that demand from the outside bar. Also,
6 would -- when a final action is issued, would you
7 have in there like you do at priority action,
8 would you have information to make sure the
9 applicants know that they do have this requirement
10 to file? Would it be something on the office
11 action like you do the priority action?

12 MS. MARSH: Oh, yes. Yes. We could
13 certainly do that. On the large amounts of
14 evidence, I don't -- we've -- we're changing to
15 allow PDF attachments. I know that was supposed
16 to alleviate that problem.

17 MS. COHN: It would use the same format.
18 We would just modify that form.

19 (Off record comments)

20 MS. MARSH: Yes. Debbie Cohn from the
21 USPTO was just indicating that yes, you would be
22 able to use our form to make PDF attachments with

1 the requests for reconsideration.

2 THE CHAIR: Al?

3 MR. TRAMPOSCH: Thanks, Sharon. I
4 support this in principle. I think it would also
5 help our docketing procedures because the motion
6 for reconsideration is a soft deadline and we
7 really don't know what to do with it when we're
8 doing it with docketing. My question is why did
9 you settle on three months. Was there a
10 particular reason for that as opposed to say four
11 months?

12 MS. MARSH: No. It was just the idea
13 that, you know, the examiner has 21 days to
14 respond to amendments. It was -- yeah, it was
15 just the idea that probably about three months
16 would give us time to review the response, get the
17 information back to the applicant about whether it
18 was accepted, that refusal was withdrawn or not.
19 I take it the more time you would have, the more
20 you would like it?

21 MR. TRAMPOSCH: I'd like a little more,
22 yeah.

1 MS. MARSH: Yeah, okay.

2 THE CHAIR: Any other comments on the
3 proposal?

4 MR. LEICHLITER: Yeah. This question --

5 THE CHAIR: Van.

6 MR. LEICHLITER: -- maybe already had
7 been answered but if you don't hear back from your
8 request for reconsideration within a three month
9 period, then I guess you're still stuck in the
10 same circle that you were before?

11 THE CHAIR: Right.

12 MR. LEICHLITER: Yeah.

13 MS. MARSH: Yeah. Just as the situation
14 is now, when you draw your response, if you
15 haven't heard back from the examiner, it doesn't
16 change the time for filing the appeal or petition.

17 MR. LEICHLITER: So you have to wait and
18 file the appeal and then it might be remanded?

19 MS. MARSH: Yeah.

20 MR. LEICHLITER: Okay.

21 MS. MARSH: Yeah.

22 THE CHAIR: Howard?

1 MR. FREIDMAN: I would be curious to
2 know from the other TPAC members whether they
3 think this would cause them to file more or less
4 requests for reconsideration or it wouldn't impact
5 them at all, just the timing of it.

6 MS. DEUTSCH: I don't think it would
7 impact my decision on whether or not to file. I
8 think that would be more substantively driven.

9 MR. LEICHLITER: Uh-huh. I would agree
10 with Ayala, what she said, yeah.

11 MS. MARSH: Well, if you have any
12 additional comments, Jeff, should they contact you
13 or?

14 THE CHAIR: Yeah, right. We'll collect
15 them and forward them on to you to get.

16 MS. MARSH: Okay.

17 THE CHAIR: Howard?

18 MR. FREIDMAN: And then I'm just
19 wondering as a result of the very quick responses,
20 would there be a need at all to phase it in under
21 the assumption that perhaps more than would be
22 filed at the initial point in time?

1 MS. MARSH: I don't think we had
2 considered that, no. The most important thing
3 would be to give the public adequate notice of the
4 change, so that they would know the date at which
5 they had to start filing within three months. But
6 that certainly, Howard, is something we can
7 discuss, you know, the effect it would have on
8 work flow within the office if we decide to
9 proceed with this, sure.

10 MS. COONEY-PORTER: My only concern
11 about the timing is that when you're dealing with
12 foreign associates, obviously, the ideal is to
13 have them respond to your reporting letter right
14 away. And the reality of the world is it doesn't
15 happen until usually close to those deadlines.
16 If, for some reason, you can't make that three
17 month deadline, does that stay your bite of the
18 apple to file any further evidence? That would be
19 my only concern.

20 MS. MARSH: If you can't make the
21 deadline, does that?

22 MS. COONEY-PORTER: Do you no longer

1 have an option to file further evidence?

2 MS. MARSH: I think we would say --

3 MR. SAMS: That's at least the way it's
4 proposed now. There's a three month -- is the cut
5 off. You can't file a request for reconsideration
6 after that period.

7 MS. MARSH: Yeah. The only thing you
8 could file would be if you can amend the
9 application. You could still do that, but
10 additional evidence would not be accepted.

11 THE CHAIR: Yeah. Jackie?

12 MS. LEIMER: Jackie Leimer. I may sound
13 like a contrarian on this representing a user of
14 the office who has owned thousands of
15 registrations. I really would support a short
16 period with the final rule on further submissions,
17 because we are in constant need of getting
18 finality of our clearance work in our company and
19 we need to be able to advise our management on the
20 status of third party applications. And you know,
21 this -- I completely understand this and I support
22 what you're doing. I think it's an important

1 thing and I agree with it, but I also think that
2 we need to have a day when it ends, so that we can
3 have certainty or at least we have clarity about
4 the next procedural step.

5 MS. MARSH: Yeah. I see Commissioner
6 Beresford agreeing with you up there. We would
7 like this a lot.

8 MS. BERESFORD: Finality and clarity are
9 always good things.

10 MS. MARSH: Yeah. We've -- this goes
11 back a few years, but you know, we from time to
12 time have proposed having only a three month
13 response period and have always gotten a lot of
14 resistance from our users.

15 THE CHAIR: Right.

16 MS. COONEY-PORTER: I have to say that I
17 noticed that with the electronic filing, we're
18 receiving office actions within weeks. So I don't
19 think -- I'm not sure the PAC (phonetic) bar
20 wouldn't not be in favor of that. I'm not sure if
21 you want to put it off the table. I'm just
22 spreading it out because a lot of countries have

1 shorter deadlines than we do.

2 MS. DEUTSCH: I also think to Jackie's
3 point, trademark owners will often forget there
4 are two sides to this coin.

5 THE CHAIR: Right.

6 MS. DEUTSCH: And as much time as you
7 want to get your own stuff in order, the lingering
8 question mark is not a good thing from a clearance
9 standpoint. So, for, you know, another attorney
10 who represents its client on both sides of that, I
11 agree with Jackie as well.

12 MS. MARSH: Okay. We will consider
13 those comments. Thanks.

14 THE CHAIR: Sharon, what about that
15 proposal that we had been discussing regarding SOU
16 and amendments and extension requests?

17 MS. MARSH: Yeah.

18 THE CHAIR: Is there anything going on
19 with that?

20 MS. MARSH: We have not moved any
21 further with that, Jeff. I think our consensus at
22 the last meeting was that this was -- would be a

1 very costly change for the office for perhaps not
2 a great deal of benefit.

3 THE CHAIR: Uh-huh.

4 MS. MARSH: So, the idea is still
5 floating. Is the committee interested in us
6 pursuing that?

7 THE CHAIR: I haven't heard any grounds.

8 MS. MARSH: Okay.

9 THE CHAIR: It's sort of a loose end
10 that I wanted to tie up. So if you're going to
11 tell me that it's dead, that's fine, I think. On
12 the other hand, if you're telling me that you just
13 need more time to study it, then we can come back
14 next meeting and put it on the agenda.

15 MS. MARSH: Yeah. Lynne, what do you
16 think?

17 MS. BERESFORD: I think it's dead.

18 MS. MARSH: Yeah.

19 MS. BERESFORD: Lynne Beresford. I
20 think it's dead in the sense that we didn't hear a
21 real push for it in the committee. We looked at
22 the costs of doing it versus the benefit, and we

1 just didn't see that it was a great thing to do,
2 so we've sort of put it aside unless there's
3 someone that really feels strongly about it and
4 has some alternative ideas for doing it.

5 THE CHAIR: Okay.

6 MS. MARSH: That's it.

7 THE CHAIR: Let's see. What happened to
8 my agenda? I think that's probably -- isn't that
9 the last thing? All right. Closing remarks.
10 Let's -- CIO isn't on the agenda. He's not here
11 anyway. I think what we should do right now is
12 plan our meeting for February. We generally meet
13 -- for these new members -- we generally meet
14 obviously in October and in February and in June.
15 And I've heard that from a number of people that
16 they would like to set the date for the next
17 meeting. So, and trying to tie this into what we
18 heard from Karen earlier this morning regarding
19 what would be an optimum time to focus on new
20 strategic initiatives, I think probably meeting at
21 the end of February would be better than the
22 beginning of February. So, I'm looking at my

1 calendar, and a Thursday and a Friday would be
2 February 22 and 23. So, does any -- is there a
3 problem?

4 MS. DE LARENA: I have a conference in
5 California.

6 THE CHAIR: Are there any other
7 conflicts? What about the week before?

8 (Off record comments)

9 THE CHAIR: Oh, you don't have your
10 calendars? Yeah, I'll tell you what, I will send
11 an email out in the next day or so with some
12 dates. I will also in that email discuss some
13 follow up issues that we need to address,
14 including the GI legislative package. And Lynne,
15 when do you want to want to -- when is the
16 strategic plan going to be finalized?

17 MS. BERESFORD: WE have to send it on
18 to -- the final form to OMB I believe in February.

19 THE CHAIR: Uh-huh.

20 MS. BERESFORD: But we have a lot of
21 work to do on it. It would be very useful if one
22 of the things I have here that everybody can have

1 a copy of as you're leaving is these are the
2 documents, the initiatives that underlie the -- I
3 know you're all eager to read these. These are
4 the initiatives that underlie the strategic
5 planning process. And so, if you -- and they're
6 all of them I believe, trademarks, patents, and
7 OGC and others. So, we -- I commend these to your
8 reading. And so, a conference call on that when
9 the committee thinks that good, you know, in the
10 next couple of weeks would be really good.

11 THE CHAIR: Okay.

12 MS. BERESFORD: So we can make sure that
13 we have your input. The comment period closes
14 today, the public comment period. And of course
15 we'll have time where we're digesting the public
16 comments. I believe as of yesterday, we only had
17 nine public comments and I suspect we won't have
18 very many more, but it would be good to have the
19 input of this committee at least in the next month
20 while we're working on what will be the final
21 version of the strategic plan.

22 THE CHAIR: Right. And I guess we're

1 going to need a conference call on the 2008 budget
2 as well. And you're going to get us something
3 from the OCI --

4 MS. BERESFORD: OCP?

5 THE CHAIR: No. Well, the --

6 MS. BERESFORD: OCIO.

7 THE CHAIR: Yeah, OCIO. Right,
8 information systems.

9 MS. BERESFORD: Yes. We're going to
10 send you out something. I think probably next
11 Tuesday or Wednesday, we'll have something written
12 responding to the question about the decrease in
13 the OCIO budget and what it means.

14 THE CHAIR: Okay. And the last item is
15 my favorite agenda item. That is our annual
16 report, which is due November 30. I ask Karen?
17 She's not here right now, but she's going to be
18 getting us the information that we need in order
19 to draft a report within the next week I believe.
20 And what we normally do and what I would propose
21 that we do again have various members work on
22 various issues that are covered in the report.

1 And then I essentially take it and sort of make it
2 consistent and make it flow and then, you know,
3 distribute it for comment among all the members.
4 So, in the email that I send out, which is getting
5 to be a very long email, I will be discussing how
6 we should go about doing the annual report. But
7 we're going to have to spend sometime between now
8 and November 30 working on that. I think that's
9 all that I have. Does anybody else have any
10 items? Oh, okay. Go ahead.

11 MS. DE LARENA: I was just going to say
12 actually if you wanted to propose the date you had
13 mentioned, if the other committee members are okay
14 with it, it actually is okay with me because I can
15 actually come back. You said the end of the week
16 and my conference in California is on Tuesday.

17 THE CHAIR: I'm told that February 22 is
18 now Washington's birthday. Is that a holiday or
19 is that President's Day?

20 FEMALE SPEAKER: President's Day is
21 Mondays.

22 THE CHAIR: Yeah, right.

1 MS. COHN: It wouldn't be a holiday on a
2 Thursday.

3 THE CHAIR: That's right. So maybe the
4 22 and 23 would work.

5 MS. DE LARENA: But I did want to ask
6 also about -- I've been told that you often have
7 subcommittee meetings the day before.

8 THE CHAIR: Right.

9 MS. DE LARENA: Would we be assigned to
10 those subcommittees?

11 THE CHAIR: Right. Well, I'll ask what
12 subcommittees you want to work on once we've
13 decided which subcommittees we want to have.

14 MS. DE LARENA: Thank you.

15 THE CHAIR: Because I think we're going
16 to have to reformulate the subcommittees. I think
17 that's all that I have. And if nobody else has
18 anything else, we can stand adjourned. Thank you.

19 (Whereupon, at 2:49 p.m., the
20 meeting was adjourned.)

21

22

