

Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office
United States Patent and Trademark Office
Washington, D.C. 20231

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DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

Comment on Development of a Plan To Remove the Patent and Trademark Classified Paper
Files From the Public Search Facilities

Notices *66 FR 50619* and *66 FR 45012*

I am a law student at Seattle University. This comment reflects only my personal views on the
matter of D. Paper Disposition.

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The United States Patent and Trademark Office (USPTO) is established as an office in the Department of Commerce, where records, books, drawings, specifications, and other papers

and things pertaining to trademark registrations shall be kept and preserved, except as otherwise provided by law. 35 U.S.C.S § 1 (LEXIS 2001). Prior to passage of the American Inventor's Protection Act (AIPA) in 1999, title 35 of the United States Code simply provided that the USPTO should maintain paper or microform collections of patents and trademark registrations for public use. Section 4804(d)(2) of the AIPA now provides a procedure by which the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office may cease to maintain paper or microform collections. Once the public has had an opportunity to comment the Under Secretary and Director shall submit a report to the Committees on the Judiciary of the Senate and the House of Representatives detailing his/her plan to cease maintaining paper or microform collections, including a description of the mechanisms in place to ensure the integrity of such collections and the data contained therein, as well as to ensure prompt public access to the most current available information, and certifying that the implementation of such plan will not negatively impact the public. AIPA § 4804 (d) (2) (1999). Furthermore, the transfer of the paper collections will likely require approval from the National Archives and Record Administration (NARA). 44 U.S.C.S. § 2107 (1), § 3103 (LEXIS 2001).

Non-concerns:

(a) The transfer of ownership: The copies of any records, books, papers, or drawings related to marks, and copies of registrations, maintained by the USPTO belong to the USPTO. 15 U.S.C.A § 1057 (f) (West 2001). The paper collections are copies of originals. Only these copies are owned by the USPTO, and only the future of these copies is the subject here. Copies of these

copies are already being sold on a daily basis. Once the USPTO is authorized by Congress to cease maintenance of the paper collections, it may transfer ownership in the paper collections.

(b) Prompt public access: Electronic access to the electronic collections, whether via the Patent and Trademark Public Search Facilities or the World Wide Web, is likely to ensure prompt public access to the most current information. Moreover, the microform collections will be maintained.

CONCERNS:

(a) THE INTEGRITY OF THE PAPER COLLECTIONS: The plan for paper disposition must include a mechanism to ensure the integrity of the paper collections and the data contained therein. AIPA § 4804 (d) (2) (1999). Unfortunately, it is impossible to avoid the reality that any physical transfer is likely to jeopardize integrity of the paper collections. Under the assumption that the collections will be physically moved, the focus must be on ensuring their integrity once the move is complete. The transfer to an entity similar to the USPTO, such as another government entity entrusted with the maintenance of large amounts of paper, will most likely ensure integrity. The transfer of segments of the collections to different entities is by definition a failure to ensure the integrity of the paper collections. So, unless integrity of segments of the collections is sufficient by law, the paper collections must be transferred as a whole to one entity with facilities on par with the USPTO.

(b) THE POTENTIAL NEGATIVE IMPACT ON THE PUBLIC: There are two possible readings of the last sentence of section 4804 (d) (2) of the AIPA – “that the implementation of such plan will not negatively impact the public.” A narrow reading would limit the impact on the public to the impact on the public’s access to information maintained by

the USPTO. However, such a limit is likely already contained in the preceding language – “to ensure prompt public access to the most current available information.” The drafters of the Act were more likely referring to the general public, and a transfer of the paper collections may negatively impact the general public. By its own admission, unlike most Federal government agencies, the USPTO is able to fully fund its operations. Most Federal agencies are funded by the Federal government, which is, in turn, funded by the public – the taxpayers. Therefore, while the transfer of the paper collections from the USPTO to any other government agency is likely to reduce the expenses of the USPTO, and perhaps to a limited extent of those sections of the public interested in utilizing its services, overall it will likely increase the funding required from the government, indirectly burdening the taxpayer.

The Department of Commerce 2002 Budget allocates a \$100 million increase in funding to the USPTO. Aside from being an apparent contradiction to the agency’s statement that it is fully self-funded, arguably this amount could be reduced if the cost of maintaining the paper collections is transferred. However, the increased funding appears earmarked for further development of “electronic” access systems, and is therefore not likely to be reduced by a transfer of the paper collections.

(c) THE POTENTIAL FOR INCREASED COSTS TO ACCESS COLLECTIONS:

Under section 41 (i) (1) of title 35 of the United States Code the Director may not impose fees directly for the use of any of the collections, or for the use of the public patent or trademark search rooms or libraries. However, under section 41 (i) (3) the Director is authorized to charge for access by the public to the automated search systems of the Patent and Trademark Office. These automated search systems include electronic bulletin boards and remote access by users. 35 U.S.C.S. § 41 (i) (2) (LEXIS 2001). Presumably this includes access via the World Wide

Web. Once the paper collections are transferred most use is likely to be via automated search systems. Therefore, despite the hardship exception, the overall cost to interested users may increase should the Director elect to charge for the use of any automated search systems.

SPECIFIC COMMENTS ON THE FOUR OPTIONS FOR PAPER DISPOSITION:

D. 1 Offer the collections to the NARA or some other government agency (Federal or state): The NARA is authorized to accept records from a Federal agency either for historical preservation or when the head of the agency determines it is in the agency's financial interest. 44 U.S.C.S. § 2107 (1) and § 3103 (LEXIS 2001). The NARA is certainly likely to be in a position to ensure the integrity of the paper collections. After all, it is the protector of the original constitution and the bill of rights. However, a transfer of the paper collections to NARA is likely to require an increase in funding, which may negatively impact the public in the form of higher Federal taxes. Unlike most Federal government agencies, including the NARA, the USPTO is able to fully fund its operations. Most Federal agencies are funded by the Federal government, which is, in turn, funded by the public – the taxpayers. Therefore, the transfer of the paper collections will likely increase the overall funding required from the government, indirectly burdening the taxpayer.

D.2 Transfer ownership of the collections to an educational or not-for-profit entity that agrees to keep them current and to make them available to the public (no exchange of money). The transfer of ownership to an educational or not-for-profit entity as stated raises the issue of integrity of the paper collections. This issue will depend on the nature of the entity. For example, many universities maintain significant paper collections, and would likely be quite capable of ensuring the integrity of the USPTO paper collections. The transfer to a statewide

university system, such as the University of California, would offer extensive facilities and a search system available to the public. Any transfer of ownership to a public or educational entity will likely also require the approval of the NARA, and also the approval of Congress. 44 U.S.C.S. § 2107 (3) (LEXIS 2001). A physical transfer without a transfer of ownership may be as attractive to an educational entity, would likely be less controversial, and would likely save time.

D.3 Offer the collections for sale. The transfer of ownership by sale is likely the most attractive option for the USPTO, as the collections would be another source of funds, with which to further enhance the automated search systems, which in turn carry the potential of producing income to the agency. Again, the main issue is the integrity of the collections may be jeopardized. Presumably the sale would transfer the collections to a private entity. The continued existence of a private entity is likely less certain than that of a government agency or even a university. The terms of the sale would have to provide for the integrity of the collections in the event the entity ceases to exist and in the event it transfers ownership of the collections. As with option D. 2 the terms of sale would also have to provide for public access at a level similar to that provided presently by the USPTO.

D.4 If necessary for disposition, divide the collections and permit the transfer/sale of different segments to different organizations/businesses. Any division of the collections will threaten the integrity of the collections, and decrease accessibility. Moreover, such a disposition will likely require the continued involvement of USPTO staff to ensure, to the extent possible, the integrity of the various segments, that they are current, and that any further transfers of ownership are recorded.

Conclusion:

The ideal disposition, as far as the USPTO is concerned, would likely involve the transfer of ownership of the entire paper collections by sale to one privately funded entity with collection facilities similar to those of the USPTO, and capable of offering convenient public access comparable to that presently offered by the USPTO. With the appropriate contingencies in place, this option would likely neither negatively impact the integrity of the collections, nor negatively impact the general public. However, the more realistic disposition option, and that preferred by this writer, is the physical transfer to a university with the Federal government retaining ownership. A transfer to the NARA would possibly negatively impact the general public. However, if such a transfer is possible without such impact, the collections would remain with the Federal government, and access to them would likely not change significantly. Finally, the fourth option would appear to be contrary to the statute, and should probably not be considered.