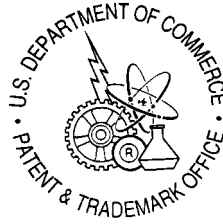


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CASE FILE CONTENT

Analysis Of Records to be Retained in
Electronic Patent and Trademark Case Files

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1 INTRODUCTION

The PTO is required by law to provide for the management of all records, including electronic records, from the time of receipt or creation until the end of the proscribed retention period, which can be for an extended length of time, including permanent. The case files of registered trademarks are retained by the PTO until two years after they expire or are canceled unless they are selected for permanent retention, then they are transferred to the National Archives and Records Administration (NARA) six years after they expire or are cancelled for permanent retention. The PTO has responsibility for the retention of issued patent case files for 40 years, after which they are transferred to NARA for permanent retention. Records in a patent or trademark case file can be subject to legal discovery or a Freedom of Information Act (FOIA) request at any time during their existence.

Under the current paper system, all documents received from the applicant as well as all records created by the PTO that materially relate to a patent or trademark application are preserved in the case file. It is understood that, in addition to the record copy retained in the case file, other documentary materials, such as notes or other reference materials, may be retained for an unspecified period time, by an examiner for instance, that are not part of the case file. All of these records may be subject to legal discovery or a FOIA request.

With the PTO's plans and programs to move to electronic filing, processing and management of patent and trademark applications, there is a need for defining what electronic records should be retained in patent and trademark electronic case files or file wrappers.

Section 2 of this report addresses the Purpose and Scope, Section 3 provides Legal Definitions and Requirements and Section 4 provides an Analysis of the records that are candidates for the case file and the legal areas that may generate a request. Section 5 suggests Guidelines that could be applied to most effectively determine which records should be committed to the case file and how to deal with documentary materials that are not committed.

2 PURPOSE AND SCOPE

The purpose of this report is define and analyze the legal requirements and issues relating to which records should be retained in a case file, as well as what to do with records that may be retained, yet are not committed to the case file. Suggestions are offered regarding how the disposition of case files and other documentary materials should be managed.

2.1 SCOPE

While the focus of this report is on electronic patent and trademark case files, the definitions, analysis and suggestions should equally apply to traditional paper record case files. In addition to reviewing legal definitions and requirements for managing records, the requirements and issues related to legal discovery and FOIA are also considered.

3 LEGAL DEFINITIONS AND REQUIREMENTS

First, it is important to establish what is considered to be a “record” within the laws and regulations of the Federal Government and to define what is generally deemed to be the “record copy”. In this overall context it is also relevant to understand how Federal regulations define and proscribe the handling of “working files” and “non-records.”

The following are definitions provided by statutes and regulations governing the definition of records for Federal agencies.

3.1 DEFINITIONS

3.1.1 Federal Records

Documentary materials is a collective term for records and non-record materials that refers to all media on which information is recorded, regardless of the nature of the medium or the method or circumstances of recording. (36 CFR §1220.14 General Definitions)

The point in time when documentary materials become a record is defined in 36 CFR §1222.34

Identifying Federal Records:

(b) Record status. Documentary materials are records when they meet both of the following conditions:

(1) They are made or received by an agency of the United States Government under Federal law or in connection with the transaction of agency business; and

(2) They are preserved or are appropriate for preservation as evidence of agency organization and activities or because of the value of the information they contain.

A Federal Record is defined in 44 USC §3301:

Records include all books, papers, maps, photographs, machine-readable materials, or other documentary materials, regardless of physical form or characteristics, *made or received* by an agency of the United States Government under Federal law or *in connection with the transaction of public business* and *preserved or appropriate for preservation by that agency* or its legitimate successor *as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the Government* or because of the informational value of the data in them. Library and museum material made or acquired and preserved solely for reference or exhibition purposes, *extra copies of documents preserved only for convenience of reference*, and stocks of publications and of processed documents *are not included*. (italicized emphasis added)

Working files are also documentary materials that can be deemed “appropriate for preservation” when their status meets the criteria set forth in 36 CFR §1222.34:

(c) Working files and similar materials. Working files, such as preliminary drafts and rough notes, and other similar materials shall be maintained for purposes of adequate and proper documentation if:

(1) They were circulated or made available to employees, other than the creator, for official purposes such as approval, comment, action recommendation, follow-up, or to communicate with agency staff about agency business; and

(2) They contain unique information, such as substantive annotations or comments included therein, that adds to a proper understanding of the agency’s formulation and execution of basic policies, decisions, actions or responsibilities.

3.1.2 Non-records

36 CFR §1222.34 defines the standards for agency recordkeeping requirements. It states the importance of properly distinguishing between records and non-record materials:

(a) *General*. To ensure that complete and accurate records are made and retained in the Federal Government, it is essential that agencies distinguish between records and nonrecord materials by the appropriate application of the definition of records (see 44 U.S.C. § 3301 and 36 CFR § 1229.14) to agency documentary materials. Applying the definition of records to most documentary materials created or received by agencies presents few problems when agencies have established and periodically updated recordkeeping requirements covering all media and all agency activities at all levels and locations.

Certain types of documents and materials are not considered to meet the definition of a record copy. As generally defined in 36 CFR §1222.34 (f):

Nonrecord materials are those Government-owned documentary materials that do not meet the conditions of record status (per 36 CFR §1222.34 (b)) or that are specifically excluded from status as records by statute (44 U.S.C. §3301) statutory definition of records (Section 3301 of reference (d)) or that have been excluded from coverage by the definition. Excluded materials are *extra copies of documents kept only for reference*, stocks of publications and processed documents, and library or museum materials intended solely for reference or exhibit. (italicized emphasis added)

From the perspective of 44 U.S.C. §3301 as detailed above, a record must meet the following tests:

- Made or received in connection with the transaction of public business, and
- Preserved or appropriate for preservation by that agency - - as *evidence* of the organization, functions, policies, decisions, procedures, operations or other activities, or because of the informational value of the date in them.

Otherwise it would be considered a non-record.

3.1.3 Record Copy

In the field of records management, the record that is stored and managed as evidence of activities or events of the PTO's patent and trademark programs is referred to as the "record copy." In selected regulations (e.g. 36 CFR §1234.22 (a)) there is also reference made to an equivalent term, the "official file copy." Essentially, 44 USC §3301 defines *record copy* by defining what is to be considered a *non-record*: "extra copies of documents preserved only for convenience of reference . . . are not included".

Also, working files are not considered a record copy unless they meet the criteria delineated in 36 CFR §1222.34 (c).

3.1.4 Electronic Record

An electronic record is defined within the context of a general record, but with the added characteristic of being a digital representation or in a form that only a computer can process.

As defined in 36 CFR §1234.2:

Electronic record means any information that is recorded in a form that only a computer can process and that satisfies the definition of Federal record in 44 USC § 3301.

36 CFR §1234.1 provides a definition regarding the scope of an electronic record:

This part establishes the basic requirements related to the creation, maintenance, use and disposition of electronic records. Electronic records include numeric, graphic, and text information, which may be recorded on any medium capable of being read by a computer and which satisfies the definition of a record. This includes, but is not limited to, magnetic media, such as tapes and disks; and optical disks. Unless otherwise noted, these requirements apply to all electronic records systems, whether on microcomputers, minicomputers, or main-frame computers, regardless of storage media, in network or stand-alone configurations. . . .

3.2 RECORDS MANAGEMENT REQUIREMENTS

The PTO is required by law to provide for the adequate management of all records, including electronic records. The law also requires that the integrity of all records be preserved over the full retention life, and that the confidentiality of the records be protected, as required.

The 1997 PTO Comprehensive Records Schedule states that: “records created and maintained in every office are critically important to document the evidence of the functions, policies, decisions, procedures and operations of the PTO. The disposition (retention, destruction, or permanent maintenance) of these materials is governed by 44 USC 33 and 36 CFR 12. In part, the law states, ‘ . . . records may not be removed from Federal custody or destroyed without regard to the provisions of the agency records schedule (SF 115) approved by the National Archives and Records Administration (NARA) or the General Records Schedule (GRS) issue by NARA’”.

36 CFR §1220.34 requires each Federal agency to institute adequate management controls of its records:

36 CFR § 1220.34. **Creation of records.** Adequate records management controls over the creation of Federal agency records shall be instituted to ensure that the agency functions are adequately and properly documented. . . .

4 ANALYSIS

This section analyzes the requirements regarding which records should be made part of the electronic patent or trademark case file. The areas addressed include legal requirements, legal discovery and disclosure under FOIA.

4.1 LEGAL REQUIREMENTS

Based on the definition of a Federal record in Section 3.1.1 above, all documentary materials that are received or created as part of the process of filing, examining, issuing, registering, abandoning and maintaining a patent or trademark application and, as such have a material bearing on the decision to allow or not allow a patent or to approve or reject a trademark, are required by law to be retained as a record copy and committed to the electronic case file if they:

- Were made or received in connection with the transaction of public business, and
- Are appropriate for preservation by that agency - - as *evidence* of the organization, functions, policies, decisions, procedures, operations or other activities, or because of the informational value of the data in them.

4.1.1 Records from Applicants

All incoming documents from applicants to the PTO, whether paper or electronic, that are materially related to patent or trademark filing, examination, issuance and maintenance processes are record copies because they are evidence of transacted public business by the PTO and also represent what an applicant would have considered to be their record copy at the time of submission to the PTO.

4.1.2 Records Created by the PTO

Documentary materials created by the PTO when finalized and communicated to an applicant and/or otherwise stored to a patent or trademark file wrapper because it is material to the filing, examination, issuance or maintenance of a patent or trademark application is a “legal record copy” because it is evidence of transacted public business.

4.1.3 Working Files Created by the PTO

In general, it can be assumed that working files which start out as a draft or rough as part of the examination process, for instance, will eventually be put in final form and committed to the electronic file wrapper as a record.

However, as part of an examination process, there may be “working files”, such as the drafts of Office Actions, correspondence or search requests, and notes that were intentionally kept for personal use or were, for whatever reason, not deleted from the location they are stored.

These drafts and rough notes could potentially be considered as records if they fit the criteria set forth in 36 CFR §1222.34, that they: “were circulated or made available to employees other than the creator for official purposes, and” . . . “contain unique information . . . that adds to understanding of . . . basic policies, decisions, actions or responsibilities” (underlined emphasis added). If these two criteria are applicable, then “working files” may be required to be retained, potentially for the same period of time as the patent or trademark electronic case file to which they relate, but, at a minimum, for a period proscribed for such types of records.

However, the criteria in 36 CFR §1222.34 also could result in the “working file” being a “non-record”, if the examiner did not circulate or make available the working files to other employees, but kept them solely as his/her own reference. As such they *would not* be considered a “record” under Federal regulations (36 CFR §1222.34 (f) states that materials such as “extra copies of documents kept only for reference” are considered non-records). As such, they would not be subject to specific retention requirements.

A major concern regarding retention of “working files” that are not part of the electronic file wrapper is that, while they are most likely not required to be disclosed under the FOIA, they may be discoverable in a legal proceeding.

4.2 LEGAL DISCOVERY

According to the Federal Rule of Civil Procedure, Rule 34, anything file or document that is represented in the form of a “data compilation” is also discoverable under a request for production of documents in a legal proceeding. Depending on how broadly the request for documents is worded, it very likely could encompass any and all documents related to a patent or trademark application, wherever they might reside, including on the desktop PC of an examiner.

If a patent application is pending, Federal Rule of Civil Procedure 26(c)(7) authorizes a protective order to limit the disclosure of trade secret information. However, this protective order will typically only relate to the documentary materials that are trade secret and may not cover other electronic materials that are being kept in the electronic file wrapper or in the examiner’s PC.

Another consideration is that working files or other documentary materials retained by an examiner, for instance, could be held to “represent the thought processes of the examiner” and, as such, are privileged, and need not be produced. The success of such a claim of privilege generally depends on the records involved and they material bearing they may have on the litigation.

4.3 DISCLOSURE UNDER FOIA

Requests under FOIA are generally deemed to relate only to documentary materials that are covered as “scheduled records” of the an agency.

As such, files that are retained for personal use or reference, such as working files for personal reference or use, and that were not circulated nor made available to other employees as noted in 36 CFR §1222.34, will most likely be considered an exception under FOIA requests.

Also, records that are considered trade secret or proprietary, such as pending patent information, are not required to be produced under the FOIA, so long as the condition of trade secret is explained in response to the request.

Of the nine exemptions cited in The Freedom of Information Act, 5 U.S.C. §552, the specific exceptions that may apply to patent and trademark files are:

(b) This section does not apply to matters that are—

...

(3) specifically exempted from disclosure by statute (other than section 552b of this title), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or (B) establishes particular criteria for withholding or refers to particular types of matter to be withheld;

(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;

(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;

...

Under exemptions (b)(3) and (b)(4) of the FOIA, pending patent records and abandoned patents not referenced by an issued patent would be considered exceptions by virtue of the confidentiality requirements under 35 U.S.C. §122. **Confidential status of applications**, and 37 CFR §1.14. **Patent application preserved in secrecy**, and by virtue of the fact that they contain trade secrets of the applicant.

5 SUGGESTED GUIDELINES

The following guidelines are offered as a means for meeting the legal requirements and as a means of alleviating the potential impact of potential legal discovery or FOIA requests:

1. All incoming documentary materials from applicants to the PTO, whether paper or electronic, that are materially related to patent or trademark filing, examination, issuance and maintenance processes should be committed to the case file as soon as they have been received from the applicant.
2. All documentary materials created by the PTO and communicated to the applicant (documents that are in final form) or that are created in final form as a result of any material communication with the applicant (such as telephone notes or e-mails), or other forms of communication, should be committed to the case file at the same time as they are communicated to the applicant or at the time they are finalized as a result of a communication with the applicant.
3. Working files that meet the criteria stated under 36 CFR §1222.34 as requiring preservation as records (whether notes, draft versions of office actions or correspondence, drafts of documentary materials resulting from a communication with the applicant or drafts or non-final versions of documents used to maintain the case file) should be committed to the case file.
4. Working files that *do not* qualify as requiring preservation as records under the criteria stated in 36 CFR §1222.34 (whether notes, draft versions of office actions or correspondence, drafts of documentary materials resulting from a communication with the applicant or drafts or non-final versions of documents used in maintaining the case file) may be committed to the case file at the discretion of the examiner or other PTO individual authorized to maintain the case file.

5. Working files that do not qualify as requiring preservation as records under the criteria stated in 36 CFR §1222.34 (whether notes, draft versions of office actions or correspondence, drafts of documentary materials resulting from a communication with the applicant or drafts or non-final versions of documents used to maintain the case file), and *are not* committed to the case file, should be destroyed no later than at the time of issuance of the related patent, the abandonment of the related patent application, or upon registration of a trademark or disallowance of a trademark application.
6. Also, as noted in the *Overall Plan for Managing Electronic Records* (Deliverable 98-03-5), it is also recommended that all metadata be encapsulated in the electronic case file for ease of retention management, vital records backup, migration and auditability. The metadata profiles recommended to be retained in the electronic case file are defined in the report entitled *Metadata Requirements for Long Term Access and Retention of Electronic Patent and Trademark Case Files*, Deliverable 98-03-10 dated February 26, 1999. They include: Case File profile, Case File Record profile, Use History profile, Copy profile, Reformat profile and Transfer profile.

Following these guidelines should assure that the contents of a patent or trademark case file would contain as records: a) all documentary materials that are required by regulations, and b) all records that are deemed by an examiner, and others authorized to maintain a case file, to be appropriate or important for preservation. Also, it would assure that all documentary materials not deemed appropriate for preservation as records would be destroyed and, therefore, not available for responding to legal discovery or FOIA requests.

Should an examiner, or other person authorized to maintain a case file, choose to preserve for personal reference, or continue to retain and reference working files that do not qualify as requiring preservation under the criteria stated in 36 CFR §1222.34 (whether notes, draft versions of office actions or correspondence, drafts of documentary materials resulting from a communication with the applicant or drafts or non-final versions of documents used to maintain

the case file), there is a risk that these records could be required to be produced as part of a legal discovery request.