

UNITED STATES DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

PUBLIC HEARING ON THE
PROPOSED PLAN FOR AN ELECTRONIC
PUBLIC SEARCH FACILITY

Thursday, May 16, 2002

9:30 a.m.

Crystal Park 2, Patent Theater
2121 Crystal Drive
Arlington, Virginia 22202

C O N T E N T S

AGENDA ITEM	PAGE
Opening Remarks	
Jon Dudas, Deputy Under Secretary of Commerce and Deputy Director of the U.S. Patent and Trademark Office	4
Remarks	
Douglas J. Bourgeois, Chief Information Officer, U.S. Patent and Trademark Office	9
Public Comments	
Daphne Hammond, Trademark Office Public User Society	12
James P. Chandler, National Intellectual Property Law Institute	16
Rupert Brady, on behalf of Joseph E. Clawson, Jr.	21
Calvin Van Sant, Van Sant Patent Services	31
Robert B. Weir, National Intellectual Property Researchers Association	39
Randy Rabin, Patent Arts, LLC	47
Harold L. Novick, Nath and Associates, PLLC	56
Glenn E. Wise, Registered Patent Agent	64
R. Lee Grantham, Nixon and Vanderhye, P.C.	72
John Jennison, Jennison and Schultz, P.C.	81

CONTENTS (Continued)

AGENDA ITEM	PAGE
Closing Remarks	
Douglas J. Bourgeois	95
Adjournment	95

- - -

P R O C E E D I N G S

OPENING REMARKS

MR. DUDAS: Good morning, everybody. I am Jon Dudas, the Deputy Under Secretary of Commerce for Intellectual Property and Deputy Director of the United States Patent and Trademark Office. For those of you who are not certain, that is the longest title in government.

I would like to welcome everyone to this public hearing on the U.S. PTO proposed plan for an electronic public search facility, published in the Federal Register on April 2, 2002. As you know, that notice set today, May 16, as the date for those who wish to comment on the comments of the notice. We have posted all of the written comments that we have received prior to the hearing on our website at www.uspto.gov. The transcript of this hearing will be posted there, as well.

The Federal Register notice announced the agency's intention to move toward greater reliance on well established electronic resources by removing classified paper patents and trademark

registrations from the Patent and Trademark Office public search facilities. These paper collections consist of copies of U.S. patents and registered trademarks arranged in their respective classified schemes.

Electronic search systems for both patents and trademarks have been in place since the 1980s for use by U.S. PTO examiners and the public. These systems have evolved over the years into highly reliable and complete systems that offer the user a variety of from simple to complex search strategy approaches. The electronic search systems of today duplicate the ability to search U.S. patents and trademarks by their respective classified schemes so that there is no longer a need to support a redundant collection of paper.

The classified copies of paper patents and paper trademark registrations in the public search facilities have no inherent historical value.

Copies of any of these documents can be printed from electronic systems at the touch of a key, and, in fact, that is exactly what does happen whenever

a copy from the paper files has been reported missing.

I would also like to clarify any confusion regarding the paper copies in the public search facilities and the contents of the file histories. A paper copy of every patent or registered trademark is placed in the respective file wrapper that contains the file history of each application that matures to a patent grant or trademark registration. Patent and trademark file histories are now and will continue to be retained either by the United States Patent and Trademark Office or the National Archives and Records Administration.

System security is something that we take very seriously at the Patent and Trademark Office. Federal agencies have all been asked to task with increased security requirements on a variety of fronts since September 11, including and especially the security of data. The Patent and Trademark Office has already undertaken steps to further secure its data.

The U.S. PTO follows the regulations and

requirements of Federal agency records management and provides for effective controls over the maintenance of records in all media, paper, and electronic format in accordance with 44 United States Code Section 3102. Controls are in place throughout the life cycle of any information system that contain and provide access to computerized Federal records and non-record information. The U.S. PTO is committed to ensuring the integrity of data when changes in the media and format occur.

U.S. PTO electronic search systems are also well supported in the event of an unscheduled down time. There are established mechanisms in place to track, monitor, and fix problems quickly, and because the search systems offered to the public in the search facilities are the same systems used by the U.S. PTO examiners, we have a strong business interest in maintaining operations at all times.

U.S. PTO electronic search systems have more complete records and electronic searches surpass paper searches in the ability to tailor a

search using a variety of strategies. Access to these electronic systems in the public search facilities is free. Training the public how to use each of the major databases of the electronic search system is offered formally on a monthly basis. The schedule is available in the public search facilities and posted on the U.S. PTO website.

In addition, one-on-one training in the public search facility is provided on request during open hours. New users are routinely provided reference assistance and guidance in the use of these systems.

Collections of patents and trademarks in numeric sequence in a variety of formats, such as microfilm and optical disk, will continue to be maintained in the public search facilities. Stand-alone search tools may be used to retrieve source documents from these alternate collections. Also, design patents and plant patents will be retained in paper until such time as sufficient electronic equivalents are available.

We understand that the way commerce is conducted in today's workplace in government, business, and the service industry is vastly different from 30 years ago, when electronic resources and capabilities were not readily available. Studies completed by our customers are important to our efforts to improve data and system quality and we welcome your suggestions in our transition from paper search systems to electronic search systems and we plan to incorporate that information to make the improvements that will ensure that we have the best possible electronic search systems available to our customers.

I will now turn the proceedings over to Doug Bourgeois, U.S. PTO's Chief Information Officer, who will serve today as moderator. Thank you all for taking the time to attend, participate, and provide your comments in today's hearing.

REMARKS

MR. BOURGEOIS: Thank you, Jon. I would like to also welcome all of you to today's public hearing, and allow me briefly to introduce the

other U.S. PTO officials here on the panel.

To my immediate left is Kay Melvin, the Executive for Information Dissemination Services within my office, the Chief Information Officer.

To my right is Anne Chasser, the Commissioner for Trademarks, and to her right is Nicholas Godici, Commissioner for Patents.

Twelve speakers have requested the opportunity to present comments today, and if there is anyone here today who has not submitted comments for the public record and would like to, we will accept those comments through Thursday, May 23. That is one week from today.

I will start by briefly reviewing the ground rules for today's hearing, in case some of you were not able to pick up your copy on your way in. Those of you who requested to speak will be called to the podium when it is your turn to comment. The order of speakers is presented on the agenda that was provided at the entryway into the room and I will call the speakers in that order.

Speakers will be asked to limit their

comments to ten minutes. A timekeeper will provide a reminder when you are nearing the end of your time, and if you go past ten minutes, you may be asked to leave the podium.

Obviously, there is a podium right here in front with a microphone that you will use to make your comments. No laptop computer or projection equipment or any other equipment, save the podium and the microphone, will be used in making your comments.

We will not be taking questions during the hearing. This is your opportunity to be heard. However, we may seek clarification on a point if it is not understood and we will extend your time accordingly.

The proceedings are recorded and the transcript will be posted on our website. Please identify yourselves and the association or organization that you represent prior to beginning your statement.

I will now open the floor to our first speaker. The first speaker is Daphne Hammond.

PUBLIC COMMENTS

MS. HAMMOND: Good morning. My name is Daphne Hammond. I am with Daphne Hammond Associates. I am here representing the Trademark Office Public User Society, a group of trademark searchers. I have been a trademark searcher since 1975.

The United States Patent and Trademark Office is proposing a plan to convert its search library to an all electronic facility. Although comments and questions were solicited in a Federal Register notice published on August 27, it is disconcerting that we have received no response to any of the questions or issues we raised at that time.

There is no doubt that an excellent automated search system should exist and could replace the paper search system, despite a concern that the browse factor, a unique and irreplaceable element of the search system, would be lost in an electronic environment. Searching is frequently a subjective endeavor where, in the process of

conducting a search, a stray reference will alert the searcher to a new and previously unconsidered strategy.

That being said, years of neglect and insufficient quality control have taken a toll on the paper records. The automated search system has been a welcome adjunct to fill in the gaps and errors that have crept into the paper. The automated search system, however, has its own series of problems which are different from the problems in the paper.

First, there appears to be a significant lack of quality control during the input period, resulting in uncounted errors in bibliographic data, improper or missing design codes, illegible or missing images, images associated with the wrong mark, and other significant missing data elements. Keeping in mind that this is the same system utilized by the examiners, the economic and business ramifications to the agency's internal and external customers are significant.

The Patent Office is mandated to maintain

a searchable record of trademarks. It would be intellectual dishonest to interpret that mandate to refer to registrations only, since previously filed applications can be just as significant to an examiner and certainly devastating to an applicant. It would seem to be in the United States' best interest for the Patent Office to create and maintain the most accurate and complete record possible.

Despite significant expenditure of funds, many of the problems identified by previous General Accounting Office reports still remain and have not been addressed by the agency. It seems premature, therefore, to eliminate the paper search file until such time as significant improvement in the electronic system's data integrity can be verified.

By way of example, the U.S. PTO proposes elimination of the following specific items currently existing in the paper files: Color marks, Paris Convention marks, government agency logos, Defense Department weapons names and sensory marks. The U.S. PTO never created an adequate

coding system to make sensory or color marks searchable in the initial design of the electronic search system.

During subsequent redesigns and upgrades, some new codes were created to accommodate those marks, but thousands of existing registrations and applications were not retrofitted with these codes. Similarly, there has been no cohesive effort to ensure the complete capture of Paris Convention, government agency, or weapons marks in their entirety. It makes little sense, therefore, to eliminate one system in favor of another if such significant discrepancies in this data have not been identified and corrected.

The automated system as it stands now is not a reliable substitute for the paper, just as the Internet system search system offered by the Patent Office is a poor substitute for X-Search and TRAM.

While we applaud the significant efforts the U.S. PTO has made to move into the electronic age, much has to be done to ensure a smooth

transition with reliable data for accurate information dissemination. We continue to offer our assistance in any manner that might aid the agency in this endeavor. Thank you.

MR. BOURGEOIS: Thank you for your comments.

The next speaker is John Jennison.

[No response.]

MR. BOURGEOIS: We will go to the next speaker, then, James Chandler.

MR. CHANDLER: Good morning. Thanks for the privilege of addressing this group this morning. My name is James Chandler. I am President of the National Intellectual Property Law Institute. Our website is nipli.org and we welcome anyone to visit our site.

I have been a professor of patent law for probably--and trademark law for probably 40 years or something approaching that, even though I don't show my age. I want to point that out. And I have been a user of the facilities of the Patent Office and the Trademark Office on hundreds, probably

thousands of occasions, and since the electronic system has been up, it has been a tremendous value to us in our research, to the research community around the country and around the world, I might add. I think it is one of the greatest developments in Patent Office services to the public, many of whom call our offices believe that since they couldn't get through to the Patent Office, they can get through to our office and get questions answered on a variety of topics.

We have the benefit now of being able to refer them to the PTO website, where they're able to locate most of what they consider to be potentially competing marks, potentially competing inventions, a service which heretofore has not been available to the general public, and I'm referring now to the lay public.

I've also discovered--so we have the research community, we have the lay public as principal beneficiaries. It also serves the interests of the bar. Many lawyers are able to go online and discuss existing patents which they

would have to wait many days to receive hard copies. That is a great advantage to the practicing bar.

I also chair or am President of the Chandler Law Firm, Chartered, and we file and have pending numerous marks before the Trademark office and before the Patent Office and it's no longer necessary for us to have a dialogue with the examiners about the status and pendency of our marks. We're able to check several times a day online.

We have a staff person who does nothing but use the online service. I mean, her job all day is to keep everyone in the research community, of the institute, in the practicing community of the law firm apprised of the current status on their mark so that we're able to know immediately when the time starts to run, before we receive the paper record from the Patent Office or from the PT Office on an examiner's rejection or proposed amendment, and we're able by telephone to then call the office and have the matter disposed of before

we ever receive the paper copy.

What an indispensable service that is. How much efficiency does that add to our offices where it's in minutes? It saves the clients money.

It saves us time and resources. So it definitely serves the best interests of the practicing bar.

For independent inventors, before, they'd almost have to get a lawyer to do the search and the lawyer would actually hire someone else to do the search. So they had layers of costs associated with determining what the competing marks are or inventions are. Now, they're able to go online, study it, and when they come to talk to the lawyer, they have an educated opinion on where they might stand and they can speak specifically about inventions that have already been granted, on which the patents have already been granted, and I think that serves these independent inventors very well, many, many of whom rely upon our office for the free counsel and advice that we're able to provide as both lawyers and scholars in the field.

I think it also relieves the pressure on

the Patent Office. We used to call many, many times a day seeking information and advice. We don't have to make those calls anymore. So just the relief from my office alone has to provide them at least two or three days of free time.

I believe that the movement to online service is inevitable and absolutely necessary. Ending the paper files, I think it's a good idea to maintain them in the Smithsonian because they have research value. We hope that we'll be able in the institute to provide resources for hard copy research files, as well. But for the time being, it's time for the Patent Office to move on, become a part of the 21st century and get ready for the 22nd century. As technology improves and grows, it'll be imperative that the Patent Office stay abreast of that technology and continue to improve and upgrade its systems, so we take our hats off to you for the work you've already done. Thank you very much.

MR. BOURGEOIS: Thank you, Mr. Chandler.

The next speaker is Christopher Kondracki.

Mr. Kondracki?

[No response.]

MR. BOURGEOIS: Joseph Clawson, Jr. Mr. Clawson could not be here.

MR. BRADY: My name is Rupert Brady. I'm the one that Joe asked to read his letter.

My name is Joseph Clawson and I live in McLean, Virginia. I do not claim to represent anyone other than myself in this testimony.

Next month will mark 30 years of my life devoted to the intellectual property aspects of the patentability of patent claims, patentability determination, and the searching of the prior art. In that time, I have accessed perhaps ten to 12 million documents relating to patentability of claimed subject matter.

I was a patent examiner in the semiconductor and computer static memory technologies from June 1972 until December of 1997.

In February 1983, I was personally asked by then-Assistant Commissioner Frank Burnett to aid the General Counsel's Office of the Copyright Office in

formulating a position on integrated circuit mask design. I was co-developer of the semiconductor Class 257 structure classification beginning in about 1990. I reclassified the nonvolatile floating gate static memory Subclass 185 into 33 new subclasses in 1995.

Since then, I have acted as a searcher in numerous litigation cases, both here in the U.S. and overseas. The estimated total of litigation I was involved in was over \$100 million in the last three years alone.

Thus, I can speak with some authority as an expert as to the relative merits of the various manners in which the prior art can be best and most completely recovered and the judiciousness of the proposed elimination of the paper search files at the U.S. PTO as stated in the April 9 Federal Register notice.

It is repeatedly stated in the Federal Register that the paper patent and trademark registration collections are no longer needed for public reference because of the availability of

mature and reliable electronic systems in the public search facilities. There is no evidence for such an assertion or conclusion.

Further, these mature and reliable electronic search systems are never identified. They certainly cannot be the current error-prone, unreliable, and inherently logically defective systems which use the present BRS search engine. This is the system that's lost the patents of most of October and November in early December 2000 and is the search engine which never could even adequately do its original designed purpose of looking up authors in a library catalog.

It is unclear if these missing months of October and November 2000, or other months, have ever been fully returned. It is known that the text files of over 100,000 patents from 1971 to the present are also lost. Such assertions in the Register thus appear to fly in the face of the daily experience of myself and others who use, or more properly put, attempt to use, the electronic search systems of the U.S. PTO and who routinely

find such electronic search systems clearly inferior to the existing classified paper patent library in most applications.

Further, the important existing classified foreign patent documents and technical literature paper collections are also not available to the public with these mature and reliable electronic search systems in the public search facilities now and there have been no proposals to provide such in the future. Only the current classified paper files provide this essential search resource. Thus, the prima facie case in the Register notice has not been made.

Amazingly, using the paper classified search files at the U.S. PTO in a foreign suit, I was able to find better Japanese prior art than the Japanese patent examiner in litigation involving a Japanese patent, or kokoku. This shows the enormous power and strength of the U.S. classified paper system, something which cannot be duplicated by using the commercially available electronic data or abstracts which accompany these foreign

references. It is not clear exactly how applications are presently searched in Japan, but whatever particular system they use, the U.S. classified paper file system is clearly superior.

As an examiner, when classifying foreign patents, we would routinely ignore the abstract, which was almost always written by someone with little knowledge of either English or the technology involved, and instead rely upon the drawings and brief translation of sections of the text for classification purposes. Clearly, no one uses the so-called international patent classification system, neither Europe nor Japan. It is largely useless for searching.

From my professional experience, only the robust U.S.--I'm sorry, classified U.S. search system provides an adequate basis for determining the differences between the prior art and the claims at issue, and only the paper files can do this in a timely, effective manner. Thus, we need to preserve and expand not only the U.S. paper files library but also the U.S. classification

system, as well.

In the early 1980s, many patent examiners had an opportunity to start using electronic database searching, using key word search strategies. Their initial enthusiasm was often soon blunted as they found that they could not locate electronically the references that they personally knew were there from their manual searching. Others who were expert in the various technologies also came to much the same conclusion.

This finding was further buttressed by scientific evaluations, such as the March 1985 paper by David Blair in the Communications of the ACM, "An Evaluation of Retrieval Effectiveness for a Full Text Document Retrieval System." This result was repeatedly verified in later studies by others.

While this published paper reports the results done using a generalized database of only 350,000 pages, when applied to a patent database, another unique problem arises. In many, if not most cases, the invention is never fully described

in words. The patent law requires that only the specification, including the drawings, together be understandable in enabling as to one of ordinary skill in the art to make and use the invention.

The words in many, if not most, cases merely flesh out what is shown in the drawings and do not replicate in words what is in the drawings, but are ancillary thereto. Thus, in a patent database electronic search, one is often presented with the additional problem of searching for words which were never there to begin with.

Thus, automated electronic searching or electronic search systems, while at times useful in a limited manner, cannot fully replace an actual properly classified manual paper search file in many searchers' opinion. You cannot, quite literally, find the references searching electronically. Only a properly classified paper file can do this.

A more correct way to view the searching of an electronic database using word search is to consider that all the information is lost until you

can discover some manner, usually a random process, of getting a portion of it back.

In the beginning of the Gulf War, the first night of the attack on Baghdad saw CNN broadcasting a sky filled with anti-aircraft shelling, all missing their target. They were shooting randomly, blindly into the air, hoping, praying to hit something, but they hit nothing. This is the exact same blind nature of key word searching.

As Mr. Randy Rabin pointed out in IP Today--that's an article that just came out and not available electronically--in such key word searches, the searcher is his or her own lexicographer and search success depends on whether the searcher's verbal imagination is a match for that of the writer of the patent.

MR. BOURGEOIS: Mr. Brady, you have two more minutes.

MR. BRADY: Thank you. As noted above, in the Blair paper, there was a staggering electronic loss of about 80 percent in this small database of

350,000 pages. As the database gets larger, the retrieval rate goes down even further and the error rate goes up. Given the size of the present U.S. PTO database, in the terabytes, it is not seen possible how one can extract the proper information using electronic word searches.

Many from their own experience have shown that only an unacceptably small percentage of relevant prior art could be routinely retrieved electronically, and what was recovered was most often not the best and not the most pertinent prior art. If one considers a closed stack paper search where nothing leaves, then one has absolute file integrity, and if properly classified, it then becomes easy for any person who can readily read English to find all the pertinent prior art in a particular subject area. A complete search and consideration of all the relevant documents absolutely necessary to be in compliance with Graham v. John Deere then becomes available and doable and is available to the ordinary person without any special training.

It has been said that the paper files are not necessary because it, all data information, is on the Internet. This is simply not true. While some data is available on the Internet or other electronic databases, much, if not most of it, is certainly not. Many journals have only recently kept their data electronically. The journal--

MR. BOURGEOIS: Mr. Brady, your time has expired. Please complete your point.

MR. BRADY: I'm sorry?

MR. BOURGEOIS: Complete your point briefly and then--

MR. BRADY: Well, I think the point is that this is not the proper time to trash the paper files because there's no electronic substitute for them yet.

MR. BOURGEOIS: Thank you for your comments.

The moderator would like the record to reflect that no data are lost, that the data are backed up in multiple formats, including data files, data tapes, and microfiche formats.

The next speaker is Calvin Van Sant.

MR. VAN SANT: Good morning. My name is Calvin Van Sant. I represent Van Sant Patent Services, a sole proprietor search service who provides searching services to individuals, corporations, law firms, principally in the mechanical arts. So all of my work is image based, so key word searching is only marginally helpful for what I do.

I have been using the public search facilities of the U.S. PTO for ten years and over those ten years--I went back and counted--I've spent about 3,900 hours using the various systems that the U.S. PTO has implemented and I can to some degree sympathize with what the Patent Office is doing in that my office is located near Lancaster City, Pennsylvania, and I am only down here a few days a week.

One of the principal areas that I search is Class 439, so I have recreated the U.S. Patent Class 439 in my office, at least the last 30 years' worth. That takes up the majority square foot of

my office. In the last two years, I've tried just to replace that paper collection electronically, storing all the images and working with data vendors and software engineers to be able to search by subclass on a computer. I'm still maintaining the paper collection because after two years, my system doesn't quite work yet.

But as far as this morning's comments, it seems inevitable that the electronic searching tools will supplant the paper files. I accept that and my comments relate to making the electronic tools as robust and usable as possible before removing them from public use, before removing the paper from public use.

I have just three brief points I want to make related to the electronic information that is available, the first one being database availability. Outside of a fire or similar catastrophic event, the paper collection is always available. The same cannot be said of the databases access from the EAST and WEST systems. Every effort should be made to make sure that

system availability to the examiners during core working hours and to the public searchers while the public search room is open. System upgrades and maintenance should be conducted in a manner to minimize or eliminate disruptions to the examiners and to the public.

System up time is a commonly tracked statistic in most corporate information technology departments, and I tried to get that information from a few vendors and from the Patent Office and I didn't have quite enough time to track down the specifics, but I would encourage the PTO to benchmark database providers, such as Derment, MicroPatent, Delphion, and others with the goal of exceeding their system availability percentage.

I know the PTO is going through the application process, I believe, for the Baldrige Award, so I think that type of statistic and tracking is probably available and would benefit that application.

To help keep the PTO accountable, I would suggest displaying prominently in the public search

room a graph showing the up time of the system over time so you can see if the PTO is getting better or worse at providing those systems for the public.

My second point, briefly, is database accuracy. The best way to win over the advocates of keeping the paper is to make the electronic system better, better in this case meaning more accurate. The proposed plan for an electronic public search facility addressed this point, but to me was a bit confusing. The Federal Register announcement states, and I quote, "Like paper files, errors can occur in electronic search systems. However, mechanisms are in place for tracking, reporting, and fixing errors that are made as a result of internal processes."

However, a recent discussion on the list server of the Patent Information Users Group will tend to contradict that previous statement. Stu Kabeck, who is known to many in the online search world as an advocate for database integrity and many other issues related to patents, he is a searcher for Exxon Mobil and he notified the PTO,

the EPO, and other places of erroneous data in patent databases, and on January 9 of this year, he pointed out one of those errors on U.S. Patent and Larry Larson of the PTO offered his expertise in response to Mr. Kabeck's observation.

Here, I quote Mr. Larson. "The simple fact is that the bibliographic data in the full text database can't be fixed because it is correct in that it agrees with the issued patent as printed. Under present PTO processes and systems, it will stay that way forever. PTO electronic data is not intended to be a collection of absolutely correct information. Rather, it is intended to be an accurate rendering of the PTO's legal publications. PTO full text can never actually be corrected. This obviously complicates the automation of patent searches and makes problematic full reliance on electronic rather than paper patent collections."

I know there are complications to correcting data with corrections, reissues, et cetera, but Stu Kabeck's response to Mr. Larson, I

couldn't say it better, so I will just quote from Mr. Kabeck's response. "I think it is sad that the most important patent office in the world doesn't seem to comprehend how seriously wrong it is for it to disseminate faulty information without providing a method to correct errors. Everyone makes errors. Every system makes errors. Other documentation systems that I deal with have appropriate systems which permit them, when such errors are pointed out, to correct them. They take seriously a responsibility to provide correct information to their users.

"Sadly, the U.S. PTO seems to consider itself just an organization for issuing patents. Any documentation that results apparently isn't worth worrying too much about. I said sadly, but sad is far too mild a term. I challenge the U.S. PTO to take seriously the responsibility of producing an archive of information that is as accurate as possible and that can be corrected when inevitable errors creep in."

I think that says enough as far as if you

can't find what you're looking for because of an error, the data is useless.

My last note relates to me as an ancillary issue, but still pertinent to the electronic replacement of the paper, and that's reclassification. One of the principal services that I provide to corporations who support the PTO through their maintenance fees, application fees, et cetera, I support these companies and law firms with infringement searches. Before a manufacturer produces and sells a product, they need reasonable assurance that they will not be infringing upon other companies' or individuals' patent rights.

The ability to review pertinent patents in an efficient manner is vital to my clients. The U.S. PTO's decision to reduce resources in the area of reclassification has caused an inordinate increase in the time it takes to complete a clearance search. Key word searching, especially in the mechanical arts, cannot replace a classification search. The information reported by human beings placing a patent in an appropriate

subclass provides tremendous return on investment to the many users who need a reasonable search set to prevent infringement of another person's patent rights.

By way of example, when I conduct an infringement search for a client, I visit an examiner, I show them the product or drawings of the product, and I ask them, where should I search? And every subclass they list, I go and review. And right now, sometimes those sets are 1,500 to 2,000 documents. That is unreasonable to conduct--to be an accurate search where you can review that many claims.

And using, again, my business as an example, over the last three years, from 1998 through 2001, the length of time it takes me to conduct a search, I think increased by 32 percent. So there's just too many documents.

With the addition of pre-grant publications and the increased number of patents issued, the problem of subclasses with too many patents is accelerating. I would ask that you

please direct the appropriate resources to the reclassification projects in any areas, especially in emerging technology, that has caused outdated classification areas to explode in size.

MR. BOURGEOIS: Mr. Van Sant, you have two more minutes.

MR. VAN SANT: I have one statement and then I'm done. In summary, making electronic systems dependable, to make them accurate, it needs human intelligence applied by way of reclassification to make the systems more efficient. Thank you.

MR. BOURGEOIS: Thank you.

The next speaker is Robert Weir.

MR. WEIR: Good morning. My name is Bob Weir. I'm Vice President of NIPRA. That's the National Intellectual Property Researchers Association, and I would like to thank the Office for the opportunity to present the comments of the Executive Committee with regard to the U.S. PTO plan to eliminate the paper patent and trademark collections.

NIPRA is a not-for-profit organization comprised of intellectual property professionals that support the intellectual property community.

Upon review of the current state of the U.S. PTO electronic systems, NIPRA is convinced that the U.S. PTO is not yet ready to transition to an exclusively electronic search environment. Although the automated search systems are a valuable tool and NIPRA supports the development of a superior automated search system that might ultimately replace the paper collections, at present, such a system does not exist.

U.S. PTO and recent independent studies have confirmed that the U.S. PTO electronic search systems are not mature and reliable, and although they may provide an equivalent functionality to the paper collections, they do not provide the more important criteria of equivalent results.

NIPRA recently completed the first of a series of U.S. PTO database reviews. The survey demonstrated a 52 percent error rate in the X-Search and TESS design code fields for one week of

trademark filings in November of 2001. The survey was published in the March 3 issue of the Bureau of National Affairs Patent, Trademark, and Copyright Journal. A random statistical sampling of the entire calendar year was then conducted to validate those results and demonstrated an error rate in excess of 39 percent.

Further, we have obtained the results of a similar internal assessment conducted by PricewaterhouseCoopers, the U.S. PTO's consultant, in August of 2001. That assessment indicated a 46 percent error rate in the initial data entered by U.S. PTO contractors and a 36 percent error rate in the data uploaded to the electronic search system subsequent to the quality review by U.S. PTO employees. The situation is equally grim in the Patent Search Library.

For example, the text fields in excess of 100,000 patents and defensive publications issued since 1971, patents and publications that the PTO asserts are text searchable, notwithstanding the CIO's comment that they're backed up in some

location, are not in the EAST system, making searches for the affected technologies difficult for even the most seasoned and tenacious of professional researchers.

Further, as those text fields include inventor and assignee information, their omission makes it impossible to conduct the due diligence required prior to mortgage agreements, mergers, acquisitions, and valuation of an entity's intellectual properties.

Other electronic deficiencies on the patent side are numerous reclassifications that have not been entered into the database and a large number of illegible or missing images. These issues are compounded by problems that are a result of reliance on the BRS search engine that is, quite simply, not suited to the task.

The primary users of the U.S. PTO search libraries and information dissemination products have known about these high error rates and software inadequacies since the inception of the systems and have consistently provided U.S. PTO

management with documentation to exemplify them. To date, the agency has done little or nothing to address many of those concerns.

It's worth noting that the public has not been alone in its criticism of the systems, as even a cursory review of nearly two decades' worth of GAO and Inspector General reports will indicate. Rather than address the issues presented, the agency has consistently dismissed public and official concerns and engaged in a ritual of denial, misinformation, and scapegoating.

In response to the BNA article in particular, Deputy Commissioner for Trademark Operations Robert Anderson disputed the NIPRA results and commented, and I quote, "If the error rate were actually that high, we would have heard about it." Similarly, in a Washington Post interview, PTO spokesperson Brigid Quinn associated that the NIPRA figures were way off and that an internal survey indicated a ten percent error rate.

This is a typical example of the agency policy of denial and is particularly onerous given

that the office has not reviewed the NIPRA survey and is in possession of the Pricewaterhouse assessment. That the Pricewaterhouse assessment of the electronic data was never released to the public serves as further proof that the agency has made a conscious decision not to inform the public about the limitations in their information dissemination products.

We could waste time arguing whether the actual error rate is ten percent, 36 percent, 39, 52, but the debate is irrelevant as even the lowest admitted error rate is unacceptably high and five times the two percent error rate the agency holds as acceptable.

At this critical point, as the agency bulldozes its way toward a full automated environment, its customers, attorneys, researchers, corporations, individuals, and vendors, they demand that the agency respond to their concerns and reveal the depth of their knowledge of the database problems as well as their plans to correct the systems.

To date, the potential damage that could result from absolute reliance on the U.S. PTO electronic search systems have been mitigated by the existence of the paper collections. They serve as a validation for the results generated by the electronic search systems. Should the PTO be allowed to proceed with the elimination of those records, this vital capacity will also be eliminated, jeopardizing the validity of all research conducted at the PTO.

Additionally, mandating that potential patent and trademark applicants rely on those systems will force them to engage in a game of economic Russian roulette in which the impact of some crucial prior filings will not be felt until they deliver a fatal or crippling blow, resulting in serious damage to the intellectual property system and economic harm for those who rely on the faulty U.S. PTO electronic products.

Perhaps the PTO should consider the lessons of the recent dot-com bust and temper its zeal for a fully automated environment until it is

sure that its business plan and system are both viable and that its customers will accept them. Given the U.S. PTO's mandate to disseminate information, it would seem reasonable that the U.S. PTO should strive to create and maintain the most accurate and complete record possible and it seems premature to eliminate the paper search files until such time as the electronic system's data integrity can be verified.

NIPRA recommends that the U.S. PTO immediately commission an independent study of the automated search systems by an independent organization to ensure correction of the existing data and creation of guidelines to correct the data flow and ensure future data quality. The study should consist of a side-by-side comparison of the electronic and paper search systems until such a time as the results of an exclusively electronic search are consistently the equivalent of a combined electronic and paper collection search. Pending the results of that study, the agency must suspend all efforts to eliminate the paper patent

and trademark collections, and the Office is also urged to advise users of the automated search systems of their deficiencies in accordance with OMB Circular A-130.

If anyone desires copies of some of our documentation, please see me before leaving the hearing. That concludes my prepared remarks. Thank you.

MR. BOURGEOIS: Thank you, Mr. Weir.

Our next speaker is Mr. Randy Rabin.

MR. RABIN: Good morning. My name is Randy Rabin. I am President of Patent Arts, LLC, and have conducted patent searches for companies and law firms for over 20 years. I am speaking today on my own behalf.

During this time, I have performed several thousand patent searches in nearly every technology, with an emphasis on computer hardware and software, electronics, and communications. From 1995 through 1997, I served on PTO public advisory committees regarding computer implementation, and most recently, at PTO's

request, have participated in sessions to explore how to improve patent search quality.

In this short paper, I want to express as strongly as I can the necessity to retain the paper-based collection of patents until the computer system, which we referred to as EAST, has proven itself as a dependable tool for access critical patent information. For simplicity, I will restrict my comments to the patent side, but most of my remarks are appropriate, as well, for trademarks.

One might assume that those of us who support preservation of the paper collection are perhaps not ready to move into the future. Quite the opposite is true. Most of us who are most vocal on the issue also happen to be among the most computer knowledgeable, not only in the use of computers, but much of our work involves conducting searches for inventions based on computer technology.

Many of us have been accessing online databases since even before the first PC appeared.

Part of my own history goes back to 1981, when after four years of searching patents strictly in paper form, I proposed to then-Commissioner Mossinghoff that we have terminals in the public search room that would enable us to access the databases of Dialog and other services.

The power of the computer for quickly accessing data was obvious to anyone who sometimes spent many hours searching for a single detail in an invention. But there was an expression in the early 1980s. A computer search is a good aid, but not a replacement for, a paper search. I had hoped that by now, 20 years later, a computer search would be good enough to replace paper.

As all of us appreciate, there is a very simple basis for the patent system. To determine if your new paper clip or microprocessor is indeed novel and deserving of a patent, it is compared with all similar patents for paper clips or microprocessors. This act of comparing can happen many times in the life of a patent. The inventor may use a collection of patents as a unique

knowledge source in developing his invention. The patent attorney will use related patents to focus the claims of a patent application. And the examiner will conduct his own search and comparison in acting on an application. Later, the patent may be the subject of an infringement search with even deeper comparisons.

Every aspect of a patent, from prosecution through litigation, is based on these comparisons with the written record. Obviously, whether the record exists in paper or electronic form, the written record must be accurate, complete, and usable.

In the Federal Register notice announcing this hearing, the electronic database was described many times as mature and reliable. Those descriptors may apply to the classified paper patent collection, but hardly to the electronic version.

Every day, every one of us who uses the electronic system is faced with its flaws in the form of missing or corrupt data. On some levels,

the flaws can be compensated for. But faulty search results are sometimes leading to the issuance of faulty patents, at great cost to the parties involved.

The electronic patent database occurs in two forms, a text file and an image file, and significant flaws occur in both files. In conducting a search using the computer system, the number of patents that can be searched using text input, whether it be a technical term, an inventor's name, or company's name, is limited to those patents having a text file.

Of the 6.8 million issued patents, only 3.1 million, less than half, fall into that text searchable group, which spans the period 1971 to date. Of that group, however, more than 103,000 are missing text files and are, therefore, not retrievable using any terms other than patent number or classification. Therefore, an examiner or searcher looking for patents using any words, for example, light amplification or halogenated biphenols, would be limited to those patents issued

in the 31-year period of 1971 to date, even though many patents for those technologies exist prior to 1971.

During that period 1971 to date, there is a three percent chance that the patent you need is missing a text file and, therefore, will not be found. In addition, if you tried to find all the patents assigned to Merck Pharmaceuticals or Dow Chemical, there is a significantly higher chance the patents will be missing due to the inclusion of chemical symbols in the text. PTO has been aware of this problem of missing data at least since 1992, but either through neglect or choice has not posted a warning notice to users, nor have the missing files been replaced in all that time.

Another problem is the complete inability to text search prior to 1971. Even small private companies have managed to OCR older patents back to at least the early 1900s. EAST still does not provide that ability.

Since the appearance of an article in the New York Times, I have received a number of calls

from across the country from people looking for patents to Thomas Edison, Nikola Tesla, Philo Farnsworth, and Chester Carlson. One sought wartime patents to his father. One sought patents to an uncle's company that operated during the 1950s. Not one of these could be found on the computer system due to its date range limitation.

Flaws in the image file. A large number of patents have flaws within the image file, which, of course, contains text as well as drawings. I have several exhibits here which I can present later. In the exhibits, you will find drawings and texts that are little more than black blobs.

In the paper file, this, of course, does not occur, but sometimes a patent is missing. Since almost all patents are cross-referenced, the same patent can be located in another subclass. In the computer database, however, a patent is recorded only once, without a clean copy to fall back on.

Though a heroic effort is being made by one examiner on his own time to locate and replace

defective design patent scans, too many exist in the utility patent database to correct in the near future. Despite the fact that examiners and searchers routinely encounter these flaws in the course of regular work, there is no reporting system in place to allow us to assist in the correction process.

A very significant problem in the study of patents, especially when many hundreds must be reviewed, is the very poor image quality of text and drawings displayed on a monitor. In the PTO, 21-inch color CRTs are used to present black and white information. In another exhibit, I have photographs which were taken of a screen display of a patent. Right next to that screen display, I put a paper image of the same column.

MR. BOURGEOIS: Mr. Rabin, you have two more minutes.

MR. RABIN: All right. Reading a patent for content and meaning on a computer monitor is a significant problem. Many searches are aborted early due to visual fatigue. The patents are

printed out in large number for later review.

The classified patent collection has been demonized as wasteful of space, money, and resources. We have already witnessed the merging of the two separate collections that nearly cuts the space requirement in half. The cost of maintaining one complete classified library has been conservatively estimated at between \$5 and \$7 million per year, including space and utilities, copies, and staff.

The space requirements to house U.S. and foreign patents plus literature has been estimated at 74,000 square feet. To visualize this space, I located a department store in my hometown of Falls Church. Their floor space is almost exactly the same. They sell housewares in a space that costs \$1.9 million per year. The entire patent collection, including foreign and literature, could be housed on a single floor of such a building, but, of course, preferably on multiple floors in a building of comparable size. I think the patent collection is more important than what we have

considered it to be.

Considering the PTO has spent well over \$1 billion so far on the computer system, with annual expenditures exceeding \$100 million, \$239 million in the year 2001 alone, the classified paper is the very cheapest, most dependable, user friendly, hacker-proof, already existing backup system that could be devised or procured for use by examiners and the public alike and it is already in service.

MR. BOURGEOIS: Mr. Rabin, your time has expired.

MR. RABIN: Okay.

MR. BOURGEOIS: Thank you.

MR. RABIN: I have more to say, but I will turn that in.

MR. BOURGEOIS: Thank you.

There were a couple of speakers who were not present when their name was called. If any of them have made it, we will get to you when we get to the end of the order.

The next speaker is Harold Novick.

MR. NOVICK: Honorable Deputy Under

Secretary of Commerce and Deputy Director for U.S. PTO, officer and employees of the U.S. PTO, ladies and gentlemen, good morning. My name is Harold Novick. I want to first thank you for giving me the opportunity to present my views. I only represent myself and my firm in what I say here today.

I wish to add our vote to those who favor the retention for the present time of a paper patent collection. However, I also want to join Professor Chandler in commending the U.S. PTO for its efforts and achievements in computerizing its records and activities. But for the present time, it is critical that the paper patent collection be retained and maintained.

My firm, Nath and Associates, is a boutique law firm that specializes in intellectual property. About 90 percent or more of our work is in the fields of patents and trademarks. We hold ourselves out to be specialists in procurement and licensing of patents and trademarks and the giving of patentability and registrability and

infringement opinions. Our technical bases have included almost all the arts.

Our members have traveled all over the world to meet with our clients and prospective clients and to give seminars in a wide range of circumstances. In addition to the U.S., we prosecute patents in over 70 countries. Thus, we have a familiarity with the patent systems, the patent offices, and the patent professionals throughout the world.

Personally, I have been an IP professional for 32 years and a registered patent agent and then patent attorney for more than 31 years. At my firm, I'm the partner in charge of the mechanical and electrical division and also the trademark division. I began my career in the IP field on June 10, 1970, and my first job was to go to the patent search room and conduct a patent search, and then to the trademark search room and conduct a trademark search. Since that time, I have been very fortunate to use the facilities and the fruits of the public search rooms.

In this presentation today, I would like to make three points regarding the retention of a paper patent library. First, the PTO has a legal requirement and responsibility to retain a paper patent library. Second, good management practices mandate that a patent system be operated in parallel with a fully developed and operating computerized system. Thirdly, the PTO can best serve its customers and the public wishing to use its facilities by retaining a fully classified paper patent system.

Point one, under the law establishing the Patent and Trademark Office, 35 U.S.C. in Section 7, the Director is mandated to maintain, quote, "a library of scientific and other works and periodicals." The Director is also instructed to, quote, "revise and maintain the classification by subject matter of the United States letters of patents for the purpose of determining with readiness and accuracy the novelty of inventions for which applications for patent are filed," 35 U.S.C. Section 8.

A library is defined as a place in which literary and artistic materials, such as books, periodicals, and so forth are kept for reading, reference, and lending. Thus, the Director is required to keep a library of patents and a classification system for use by the PTO and the public. Paper patents must be a part of that collection because a library is defined as a collection of books and records.

Point two, good management practices mandate that when one system is to replace another, that the two systems be run in parallel for a period of time until it can be reasonably determined that the new system has integrity, reliability, completeness, and performs the same functions as the old system.

Others have given testimony that there are problems of integrity and completeness in the electronic database. There are. Others have given testimony that a computerized word search is not always the best mechanism for finding the most relevant references. It is not. Others have said

that the general public cannot be easily served at the present state of training and knowledge to use a computerized system. They cannot.

Others have said that it is virtually impossible to compare two different references side by side using only a computerized version. It is. Others have testified that the computer database of patents has flawed records. It does.

Some of our clients only want a patent to be granted, irrespective of the validity. A flawed patent system would certainly help in that goal, but this should not be the goal of a PTO that has as good a reputation as the United States Patent and Trademark Office.

There is no present requirement that a patent seeker do an independent patentability search. The only requirement is to tell what that particular patent seeker knows about. Thus, with the abolishment of the examiner's paper patent search facilities, the only search that is being done by the examiner is being done in a computerized database. With no paper backup

collection, the quality of that search must be limited.

This limitation helps those clients who only want a patent, but it is not the job of the U.S. PTO to just grant patents. That would be a simple registration system, such as that that is used in some countries, such as France. The U.S. PTO should strive to be more, should strive to be a quality organization, which in my opinion, it is.

However, there are also a lot of our clients who require a strong patent, a valid patent, a patent that can withstand the scrutiny of litigation. Others of our clients require that a patent being asserted against them be thoroughly researched to determine the accuracy of that assertion and the validity of the asserted patent. For these clients, a strong search database is needed.

Until the computerized database can be proven and guaranteed, a secondary database of paper references is mandatory and should be required.

Point three, in my opinion, the PTO can best carry out its role and functions by retaining a paper patent system. From my personal experience, the U.S. PTO has a wonderful worldwide reputation for its thoroughness, completeness, and accurate examination of prior art. This reputation was achieved by using a skillfully classified and accurately and carefully maintained paper patent system.

As pointed out by others, a computerized patent database, even if perfect in its integrity and completeness, still is flawed because it cannot be searched using words in emerging technologies given the vast freedom of expression and the definitions used in our society. If a patent applicant can be his or her own lexicographer, then the meaning of words results in a search which just uses words that is incomplete, at best.

Also, many users are handicapped and cannot use a computer screen or do not have the ability within the time available to learn a computerized system. For them, the only resource

is a paper patent system.

It is earnestly hoped that the PTO will retain its paper patent collection for at least a number of years so that all can best be served. I

thank you very much for permitting me to speak and to give my views.

MR. BOURGEOIS: Thank you, Mr. Novick.

Our next speaker is Glenn Wise.

MR. WISE: Good morning, ladies and

gentlemen, public and PTO. My name is Glenn Wise.

I am a registered patent agent. The following comments are submitted pursuant to the notice of April the 9th and are my personal views based on over 45 years of experience in the intellectual

property arena, first as a patent examiner, including a stint as a classifier, and subsequently as a patent agent, but primarily as sole practitioner in a search practice. I have also been granted as solo inventor over a dozen U.S.

patents, so I have a bit of background in the patent business.

When I finished preparing my remarks

yesterday, I ended up with some 63 pages of comments and exhibits and I figured that it's probably not possible to deliver that within ten minutes, so what I decided to do was to pick three or four of the most urgent, as far as I'm concerned, and concentrate on them, and I'll be doing that extemporaneously with some input concerning other items that don't relate exactly to today's hearing, but other people have mentioned some of them and I want to add my voice to that.

I think we're here today to decide whether it's time to euthanize the 212-year-old paper files or, in the corollary, whether the electronic systems are not yet, to quote from Saturday Night Live, "ready for prime time."

Four of the concerns that are made here in my mind at the moment relate to the differences that we still find between the paper files and the electronic EAST-WEST search system as far as the public is concerned. I bring first to your attention, and I exhibited that within my submission, which I'll be giving to you later, two

subclasses.

In Class 340, electrical communications, there is a Subclass 572.5, which has to do with a certain kind of anti-shoplifting apparatus. The difference between the loading in the EAST-WEST system and that paper subclass is over three percent in favor of the paper. In other words, there is that much more paper than there is on EAST-WEST.

The second one I would mention is Class 701, a fairly recently classified class dealing with navigation. Subclass 213, which has to do with global positioning systems, over one percent of the--there's more than one percent more paper than there is EAST-WEST loading.

Now, this may be all due to documentation service problems wherein class projects, reclass projects were not properly handled by the people who have to shuffle the paper after the job is done, but with such differences, I think it's worth the Patent Office's time to see what's going on here, and I have given subclass lists with showings

of front page patents that exist in the paper but do not exist on EAST-WEST.

The second category I would like to discuss is reliability of the EAST-WEST system.

Last year in the fall, I received the results of a Freedom of Information request concerning the second quarter of 2001 with a little overlap into March 2001 and July 2001. During that period, which admittedly is now about ten months ago, the down time in the public search room was somewhere between 1.3 and two percent, depending on how you deciphered the handwritten logs at the control desks of the CSIR area and the public search room area.

I have submitted the actual log sheets here so you can see what I am talking about, where it is difficult to decipher. I am recommending that the Patent Office be a little more stringent in its logging, at least on the public side.

I mentioned that that information is about ten months old, but within the last two months, I've had a situation in Crystal Park 5 where, for

whatever reason, where the electronic system was down over four hours and the examiners are actually seen searching paper, which has not been too frequent for those of us who use the examiner search rooms considerably.

The third category I'd like to discuss a little is the inadequacies of certain parts of the EAST-WEST system insofar as loading is concerned. One of the main ones that I know of and nobody else here has yet mentioned is the fact that the claims in some 4,500-plus pre-exam certificates are not searchable key word wise. The pre-exams are in the tail-end images on the system, but they are not key word searchable and they are among the highest or the most prosecuted items in the U.S. patent inventory.

People already mentioned the lack of thousands of patents from the 1971 to 1975 era as far as key word searching, and, of course, anything prior to 1971 isn't available to the public yet, although 1971 back to 1920 was supposed to be in the research room last July and hasn't arrived yet,

although the examiners have had it for a few months now. One of the reasons for that is something to do with architecture, but that to the layman doesn't--I don't understand what all that means.

My fourth concern relates to untrained visitors coming into the search room. Your Federal Register notice suggests there are about 300 a month that come in to use the search room for the first time. To my knowledge, there has been no attempt to formalize a procedure for meeting and greeting these people. It's on an ad hoc basis now and there has been no attempt to get feedback as far as customer surveys, exit polls, so to speak, of how the neophyte or the first-time user feels about his experience or her experience.

As you might agree with me, when I look in the mirror in the morning, I know I am somewhere in the autumn of my career. I am not as young as Mr. Chandler--I wish I were--so I have less of an axe to grind than many who are going to be here for several years.

But I would like, having been an activist

for a lot of years, to make sure that my comments are considered, and I think they will be, although for a while I was in doubt about the ones that I submitted last August because, somehow, the Patent Office never got them to the people in charge and I had to hand-deliver a set and I am putting another duplicate copy in this submission today. I finally got mine over to them on April the 5th, I believe it was, 4th or 5th, so it didn't get into the transcript in the search room and didn't get up online until much later than the earlier 49 that came in. Apparently, I was number 50.

I would like to touch on classification a little bit, even though this isn't part of this hearing this morning.

MR. BOURGEOIS: Mr. Wise, you have two minutes to touch on classification.

MR. WISE: And several other things. I notice on page 134 of the annual report just out, and for those that don't have it, it's in the museum downstairs on your way out if you want to look at it, three classification projects for

original patents are down to one-third of what they were just four years ago. A mere 39,000-plus patents were reclassified last year as originals, way, way down from years ago.

This is the result of a decision back in around 1995, at the same time that the decision was made to stop filing foreign patents. Both of those decisions, I believe, were wrong or at least premature because we don't have the backup to rectify the problems that exist because of them.

I mentioned foreign patents just briefly there. We rely heavily still on the foreign patents, even though there's a gap from 1995 on in the paper. I search them every week and often find things that aren't in the U.S. because some patents from some countries around the world aren't on the database yet, South Africa, for example, who has quite a few, Poland, you name it. Just the major countries are mainly there insofar as easy retrieval and text searchability. The Patent Office says they have multi-millions on there, but most of them are on image only and not really

searchable, or not most of them, many of them, a high percentage.

In closing, I would say you folks have come a long way with your database searching, but insofar as I'm concerned, you still have a considerably ways to go. Fortunately, they've got a cushion now for your major move to your new facility, which still gives you time to iron out some of the things that have been discussed here this morning, and hopefully you'll take it fairly seriously.

MR. BOURGEOIS: Mr. Wise, your time has expired. Thank you.

MR. WISE: I will be submitting these.

Thank you for your time.

MR. BOURGEOIS: Thank you.

The next speaker is Terrence Brown.

Terrence Brown?

[No response.]

MR. BOURGEOIS: Okay. R. Lee Grantham?

MR. GRANTHAM: Good morning. I'm Lee Grantham. I work for a local 35-attorney firm. I

manage the firm's search department and I've been searching for 13 years.

We've been asked to comment today on a plan to create an electronic search facility, which means the elimination of the PTO paper files. PTO argues that functional equivalency has been reached regarding electronic patent storage and retrieval. I have to agree. The new search tools are congruent with the necessary methods of the information age. The paper-based search system has been made better. I expect additional features to be added regularly, thereby further enhancing our work effort.

The question at this point today regards expectations that the work product derived from using electronic techniques in comparison to the paper files will produce comparable results. With electronic capability, we expect efficiency, we expect thoroughness, and especially we expect to identify germane prior art. We expect the new methods and techniques to enable the user to produce a work product of equal quality to that

provided by the system now being replaced.

The new search tool is powerful. The precision of key word searching directs the user to relevant prior art. One can check cited references with the snap of a finger. You can even insert a search term in a particular document after you've identified the document as potential pertinent.

So the introduction of electronic techniques must result in an improved system to find prior art, right? I don't think so. The key word here is "must." The expectations are not guaranteed.

The fruits of technological progress do not result without a vision and a reasonable understanding of current systemic trends or systemic dynamics. The decision makers must understand that the cross-impact effects of various players, even though simply engaging in their daily task, can have totally unanticipated effects.

Current trends must be identified and carried to their local conclusion so the decision maker can better evaluate the steps necessary to reach the

expected outcomes.

The assumption, it seems, is that we have a fine search system that works, so contributing more capacity or more searching power or more efficiency will result in an improved outcome. It's as if PTO feels there is a black box where you put in something good, let it mix around a little, and out pops progress, new and improved. That is not how success works. The goal must be defined and attentive steps taken to reach that goal.

The technology analyst long ago recognized that every time a new technology is introduced into a social system, there are unintended consequences. That's what I'm going to address today, unintended consequences.

There are two different types of searchers. There is the public sector searcher and the private sector searcher. Even though each accesses the same source material, each has different objectives and each faces different constraints.

The public sector searcher is considered

an expert due to the narrow focus. They are expected to learn the art within their areas. They are expected to search quickly, and over time, as they learn the art, to search even quicker.

Historically, this has been a fact. It has worked. Presumably, the public sector searcher is expected to be thorough, despite the fact they work under strict time constraints that preclude extensive searching. Searching is only one responsibility of this group, that this group has. They, the public searchers, are the examiners.

The private sector searcher is a generalist. We work in all the art units. We always have more time to search. We regularly spend eight to 12 hours doing patentability studies. We sometimes rely on primary examiners to provide a search field, thereby saving us signa-generalist time.

The reality of the matter is that the examining corps heavily influences the overall makeup of the search system. This is true, even though the examiners' search results are the

product of minimal search time. As the sheer number of patents has exploded, searching has become more entailed.

In order to achieve a proficient system, it is imperative to evaluate current systemic trends that impede attainment of the goal. The goal in this case is a well organized, accessible patent searching facility. Because the examining corps has great influence on the system, it is necessary to look at the trends emanating from that group.

I want to be clear that what I'm stating here are the observations of a private sector searcher, but I believe that they are representative of intrinsic trends that do not bode well for a proficient search system. My point is not to attack, but only to illuminate.

The following encounters have happened to me in the past year. These experiences are replicated fairly often by other private searchers.

For instance, showing a disclosure to an examiner and being told, "I'm not sure where to

look, but I will key word it."

Two, asking an examiner where the paper files are for their class and are told, "I don't know. We don't search paper anymore." When you mention that you're looking for the foreign shoes, their response, "The foreign patents are on the database." We know that the foreign patents and the paper shoes are not replicated thoroughly in the EAST system.

Three, take a disclosure that acknowledges the use of known old technology, although the application of that technology was in a new environment, see two examiners, get two different search fields, and get the same puzzlement and surprise from each, along with the same comment that the old technology was different, only to find out later that the technology is not obscure and that there were about two dozen examples patented between 1900 and 1920. In this case, the art was not in any of the subclasses that the examiners provided. The correct subclass was eventually identified using electronic search techniques, but

remember, I have ample time to spend looking for them.

Four, we are starting to see simple patents issuing that have pertinent issued prior art not identified by the examiner. The private sector searchers are finding invalidating prior art that predates 1971 or uses different lexicography.

Five, I am subject to comments from attorneys that office actions are being issued that cite patents that have little to do with the invention but do contain appropriate key words.

The five examples show a number of things. I believe that, importantly, they show a disconnect regarding the existence of old prior art. Old art is ferried into subclasses. More to the point, there is a disconnect regarding prior art that is not key word searchable. The general trend, therefore, indicates a reluctance to manually search class subclasses even though this is doable electronically. The result is diminished reliance on the classification system.

The elimination of the paper files removes

the need to physically put yourself in the art. The organization in which the paper system was founded is now rendered out of hand, out of sight, and out of mind. This development is understandable, and in some cases it was even predictable. Subclasses in many mechanical fields are simply growing too large, which, incidentally, is another trend.

MR. BOURGEOIS: Mr. Grantham, you have two more minutes.

MR. GRANTHAM: The problem is acute in the mechanical arts because the mechanical arts do not lend themselves to key word searching and one must manually search those areas.

In conclusion, Brigid Quinn recently commented that paper had no intrinsic value. On this matter, she was wrong. The value of the paper files resides in the fact that they provide a well-organized method of finding prior art. The foundation of the paper system must be continued. If the classification system is allowed to atrophy, the goal of an improved search capability will be

missed and might not even be up to the demands of the information age. A system dependent on text searching will not be efficient and will not be comprehensive.

Technology historians recognized long ago that with the introduction of new technology, something old is always lost. In this case, it appears that we are losing a classification system. The private sector requires a system that works, especially in view of the burgeoning prior art. Thank you.

MR. BOURGEOIS: Thank you.

Is John Jennison present?

MR. JENNISON: Sorry I'm late. Last night, my two daughters got sick. My wife took the first one, I took the second one. The second one had SOL testing today and I needed to make sure she was ready to go this morning. That was a responsibility I had.

I was still on track to get here on time and then I hit Route 50 coming in that was backed up from Fairfax City to Falls Church. I guess the

VDOT decided to fix the lights there and it was adverse consequences for me. But I had made a responsibility to my daughter and knew there was flexibility in speaking today, so I met that responsibility. I guess sometimes the government fixes things that aren't broken.

My name is John Jennison. I'm with the law firm of Jennison and Schultz. Normally at public hearings, the speaker gives thanks for the opportunity to speak. I'm not here to thank the bureaucrats who, by caveat, have erroneously determined that the paper search records of the Patent and Trademark Office Crystal City Patent Search Room and Trademark Search Library are no longer needed for public reference. I fear that the decision has already been made. I think that would be disrespectful to the purposes of holding public hearings, such as this one.

We are members of a law firm that specializes in trademark law. Members of our firm have been using the Trademark Search Library of the United States Patent and Trademark Office since

1939. In addition, members of our family have been associated with the U.S. PTO and its predecessor agencies since 1909. Therefore, we have had a close relationship with the workings of the trademark search facilities for close to a century.

Based on our knowledge and experience, we are very aware of the value of the data contained in the public search records. We are familiar with the many reasons that the public needs and uses the information contained in the records through our continuous relationships with and representations of individuals as well as the many small and large companies and corporations. In addition, we are and have been the Washington associates for many U.S. and international law firms.

We understand the need for maintaining the integrity of the valuable resources located at the public records of the U.S. PTO. As a result of our constant daily workings with the records, both automated and paper, maintained by the agency, we have been able to study the benefits and the problems that appear in each of these formats.

We do not object to the development of a plan to remove the trademark classified paper files from the public search facilities, provided that prior to the plan's implementation and removal of any paper files, the U.S. PTO must completely demonstrate to the satisfaction of the user public and the Congress that the automated records that replace the paper files are complete, up to date, and reliable with respect to all the data currently maintained in the non-automated records. To date, the U.S. PTO has been unwilling and unable to publicly make that demonstration.

There are discrepancies in search results. A simple comparison of two exact mark searches illustrates the lack of reliance and the accuracy of the X-Search system and the lack of Federal trademark notice of complete reliance on the automated records. Attachment A shows Registration No. 1,377,536 for the service mark of the letters "RF" with a design of a shield, house, and stars. The registration is searchable and locatable under the letters and, for example, the house buildings

and scenery design in the paper search room records.

By contrast, a review of the automated record displays the service mark as consisting of only the letters "RF." No design elements are searchable. Therefore, in the automated records, the design has no trademark notice to potential users of confusingly similar marks.

Attachment B displays Registration No. 1,585,102 for the letter "O" with geometric horizontal lines, shadows, and a leaf design. The trademark is searchable and locatable in the paper records as the letter "O" and the design element, bars, and the vegetation element.

The automated records, by comparison, identifies a pseudo mark as "O", does not identify the actual mark as "O". Further, only the leaf design element is entered into the design field of the mark. In other words, an electronic search record of the Ohio State University "O" with lines registration is incomplete.

Of course, many more examples can be

given, but I am not up here to belabor the point that when something is not right, it is wrong. The examples simply illustrate the electronic system is not complete, not accurate, and not reliable enough at this time to justify the elimination of paper search records.

This is a lesson previously taught but not learned by the PTO. Attachment C is a copy of the General Accounting report dated 1990 that identifies the historical data quality problems at page five under the heading, "Database Inaccuracies May Compromise Quality of Registration Process." The GAO report brought to mind Assistant Commissioner of Trademarks Margaret Laurence's quote that, "We," trademarks, "wanted to automate in the worst way, and we did."

The equivalence and completeness of systems. Another point of controversy over the plan to eliminate the Trademark Search Library records is that it fails to meet any obvious test of comprehensibility or coherence. It is a facade of rationality. The Federal notice glosses over

the pending application of abandoned application searchable records. By citing Title 35 of the U.S. Code, the PTO states it is only responsible for maintaining trademark registrations arranged to permit search for and retrieval of information. That responsibility is not met with only the automated records.

Historical completeness. There is no equivalence of the completeness of the automated records versus the paper records. The automated records only carry the registration and application records from 1983 to date, and many of these records are missing and incomplete. We have also discovered and reported to the PTO that the information has been inexplicably purged from the automated search system.

It is the paper collection records with its microfilm of canceled and expired trademarks that are arranged to permit search for and retrieval of information on all trademarks from the first registrations to those issued two days ago. The automated records hold 19 years of trademark

registrations. The paper search record system holds over 100 years of search and retrieval on all trademark registrations and applications.

The classified paper records maintain registration certificates, application drawings, and registration and application status data that are not available in the automated system. They also maintain amendment, assignment, consent, correction, and status information that the office has failed to capture and maintain in the automated search and status system. Attachment D is an example of an amendment to a design trademark entered in the paper record search records but missing from the automated system.

Statutory notices. The Federal notice misleadingly states that the database also includes the marks protected under Article 6ter of the Paris Convention. Attachment E displays the Convention mark by the WIPO for European Atomic Energy Community as missing from the automated records, but with a full copy of notice and image from the paper records.

The PTO acknowledges this shortcoming in the TMEP Section 205, "Copies are filed in the paper records of the Trademark Search Library and pertinent information is entered in the automated search records. However, since many of the images associated with these entries are not currently available by computer, they must be found in the Search Library."

Further statutory notices, including United States Government agency notices under Executive Order 11628 have been filed and maintained throughout the paper records. Attachment F shows a typical government agency notice for the Federal Bureau of Investigation. No such notice exists in the automated records, and if the paper records are eliminated, none will exist as statutorily required. The missing electronic notices bring into question the agency's commitment to providing the government-mandated information to the public.

From the trademark examining attorney's perspective, the only relevant trademark

information is the live trademark registrations and applications. But from the public's need for research, the entire collection is needed and only the paper records at this time permit the search and retrieval of all trademark information.

In order to provide our clients with the most comprehensive and accurate information from the public records, we conduct searches of the paper and automated records currently maintained in the library. Yes, we continue to find discrepancies in both. We have documented and reported thousands of references missing from the automated records or that are incorrect in the paper records. The problem is caused by several factors, including input errors, data maintenance, and the limited capability to retrieve the information from the automated search system. Neither system is equivalent to the other.

MR. BOURGEOIS: Mr. Jennison, you have two more minutes.

MR. JENNISON: I've got two pages here. Negative impact to the public. In our opinion,

officials looking into the subject issue do not fully understand how the Trademark Search Library is used. The office is only concerned with 2(d) citations. They do not have any use for information related to abandoned applications and canceled or expired registrations. Therefore, they do not maintain this information indefinitely in the automated records. It is maintained, however, in the paper records and the microfilm records in the Search Library. These records provide valuable information in the areas of possible common law use, marks that have run into problems in the past, and ownership questions.

The public needs a comprehensive search system that provides completeness. This electronic system does not provide the completeness at this time. Only a search system incorporated from components of the electronic, paper, and microfilm records provides the most complete records and meets the needs of the public. At the present time, however, our clients will be damaged by the elimination of the classified paper drawings and

registrations because the automated records alone fail to give notice of trademark rights.

As experts in the field of trademarks, we certify that the implementation of the plan to eliminate the paper search records will negatively impact the public.

Good faith issue. We are deeply disappointed and concerned by the attitude recently shown by the agency. For centuries, the intent of a trademark from common law to statutory protection is to give notice of claimed rights. For over 100 years, the agency has maintained the paper records with full support for ensuring the best public trademark notice possible.

Any decision to eliminate the classified paper search records is premature, at best. Anyone with firsthand knowledge of how poorly the automated search systems have been developed and implemented is horrified that the best possible backup system will be eliminated. A hasty decision to eliminate the paper records will make waste.

This administration departs from the best

information available regardless of the medium.

This administration now wants all things electronic and proposes to shirk its agency responsibility of maintaining public notice to obtain the electronic environment. Those of us who use its records in the Trademark Search Library know that great harm will be done throughout the trademark world by the approach being considered. It is our opinion that anyone who conducts a search without using both the paper and electronic records may be negligent.

Further, while the Trademark Office is not accountable for missing citations during examination, such omissions cost the public dearly in opposition and infringement costs.

MR. BOURGEOIS: Mr. Jennison, your time has expired.

MR. JENNISON: One paragraph.

MR. BOURGEOIS: Thank you very much for your comments.

MR. JENNISON: It's a thanks.

[Laughter.]

MR. BOURGEOIS: In that case, you may

proceed.

[Laughter.]

MR. JENNISON: Thanks. There's a PTO story that Thomas Jefferson started the shoe paper filing system for patents that was integrated into the trademark side, as well. I do not think the lore is true. I suspect that some worthy public servant started the practice, but that credit was given to Jefferson.

So I want now to thank the generations of public servants who have strived for and sweated over the establishment and maintenance of the paper records for the Patent and Trademark Office. It is their efforts that the present administration should consider and compare themselves to for justification.

MR. BOURGEOIS: Thank you.

Is Christopher Kondracki present?

[No response.]

MR. BOURGEOIS: Is Terrence Brown present?

[No response.]

CLOSING REMARKS

MR. BOURGEOIS: That concludes our public hearing. I would like to thank everyone for attending today.

One final reminder. We will accept your comments through May 23, one week from today, and they will be posted on our website. Thank you very much.

[Whereupon, at 11:09 a.m., the hearing was adjourned.]